IMMOFINANZ
GROUP

Annual Report 2014/15

Content

Key Figures

Earnings Data

	30 April 2015	Change in %	30 April 2014
Rental income in EUR mill.	426.3	-10.9%	478.5
Results of operations in EUR mill.	316.5	17.0%	270.5
EBIT in EUR mill.	216.0	-54.0%	469.7
EBT in EUR mill.	-349.2	n.a.	221.1
Net profit for the period in EUR mill.	-361.4	n.a.	176.9
Earnings per share in EUR	-0.35	n.a.	0.17
Sustainable cash flow per share in EUR	0.12	-41.8%	0.20
Interest coverage ratio in %	157.9%	13.1%	139.6%
Gross cash flow in EUR mill.	234.5	-29.1%	330.7
Cash flow from operating activities in EUR mill.	153.7	-45.0%	279.4

EPRA Data

	30 April 2015	Change in %	30 April 2014
Net asset value per share in EUR	4.19	-8.2%	4.56
Triple net asset value per share in EUR	3.94	-8.3%	4.30
Earnings per share in EUR	-0.29	>100%	-0.05
Company-specific adjusted earnings per share in EUR	-0.05	n.a.	0.06
Net initial yield in %	5.5%	-6.0%	5.9%
"Topped-up" net initial yield in %	5.5%	-6.7%	5.9%

Property Data

	30 April 2015	Change in %	30 April 2014
Total number of properties	478	-0.6%	481
Lettable space in sqm	3,278,567	-9.7%	3,630,418
Occupancy rate	84.2%	-0.7%	84.8%
Carrying amount of investment properties in EUR mill.	5,831.0	-9.1%	6,411.6
Carrying amount of properties under construction in EUR mill.	469.1	>100.0%	222.2
Carrying amount of inventories in EUR mill.	148.0	-5.0%	155.8

Asset Data

	30 April 2015	Change in %	30 April 2014
Balance sheet total in EUR mill.	8,847.7	-5.8%	9,388.0
Equity as a % of the balance sheet total	41.8%	-6.9%	44.9%
Net loan to value ratio in %	50.3%	-5.5%	53.2%
Gearing in %	89.7%	3.3%	86.8%

Stock Exchange Data

	30 April 2015	Change in %	30 April 2014
Book value per share in EUR	3.73	-10.0%	4.14
Share price at end of period in EUR	2.68	0.2%	2.67
Discount of share price to diluted NAV per share in %	36.1%	-12.9%	41.4%
Number of shares	1,073,193,688	-4.9%	1,128,952,687
Number of treasury shares	80,561,942	-28.6%	112,895,268
Market capitalisation at end of period in EUR mill.	2,874.0	-4.7%	3,016.6

Highlights of the 2014/15 Financial Year

October 2014

Successful continuation of portfolio optimisation

Exit from two non-core countries: profitable sale of three logistics properties in Switzerland and three residential projects in the USA.

October 2014

First VIVO! shopping center in Piła

Completion of the first shopping center in IMMOFINANZ's new VIVO! brand in the Polish city of Piła: the 24,000 sqm of selling space are rented to well-known tenants like Carrefour, H&M, Deichmann, Media Expert, Reserved, LPP and many others.

November 2014

Start of work on the *Cluster Produktionstechnik* project in Aachen

RWTH Aachen University is becoming one of the world's most important knowledge and research centers. IMMOFINANZ is currently realising the largest cluster building for production technology.

December 2014

New office project in Bucharest

Metroffice also marks the start of the long-term transformation and expansion of the existing *Iride Business Park* into the modern *Iride City* urban quarter.

March 2015

Opening of *Tarasy Zamkowe* in Lublin

Showpiece shopping center with a green roof in the heart of Lublin and a unique view of the castle: shopping, entertainment, recreation and leisure activities on 38,000 sqm of rentable space.

LOG IQ
smarter logistics properties

April 2015

LOG.IQ as new umbrella brand for logistics activities

This new brand includes the locations of Deutsche Lagerhaus, a wholly owned subsidiary of IMMOFINANZ Group, and the activities in Eastern Europe which previously operated under the LOG Center name. LOG.IQ stands for customer-oriented logistics properties with IQ between the North Sea and the Black Sea. After the end of the reporting year, IMMOFINANZ approved plans for the sale of the logistics portfolio with approx. 1 million sqm of rentable space. The sale process has already started.

IMMOFINANZ Group: long-standing experience and prime commercial properties

IMMOFINANZ Group is a commercial property company with a focus on Europe. We have been active in the real estate business for roughly 25 years and generate sustainable income for our investors with the management and development of properties.

Our Company

Dear Shareholders,

After the successful spin-off of BUWOG, IMMOFINANZ further sharpened its profile as a commercial real estate group with a focus on Europe during the 2014/15 financial year. The adjustment of the portfolio continued with selected property sales, which finalised the exit from several markets that are not part of our core region. Profitable sales concluded our activities in Switzerland and the USA and, after the end of the reporting year, also in the Netherlands.

We also completed and opened a number of development projects during the past year. Examples from the retail segment include the *Tarasy Zamkowe* shopping center in Lublin and the first shopping center in our new VIVO! brand. In total, we created roughly 142,000 sqm of office and retail space to strengthen our standing investment portfolio. We also continued our work on new projects during 2014/15, including modern office buildings in Düsseldorf and Bucharest as well as further retail locations for our VIVO! and STOP.SHOP. brands.

The success of our daily business activities is reflected in results of operations, which rose by 17% year-on-year – and that despite temporary rental reductions in our Moscow shopping centers which are intended to reduce the short-term pressure on our retail partners and hold occupancy at the highest possible level.

The higher earnings from property development and property sales more than offset the expected decline in results of asset management, which was caused by the temporary decrease in rental income on the Moscow market and the sale of properties during the year. We also made further progress in reducing overhead costs.

However, the economic situation in Russia, which we are handling well in our day-to-day business, had a negative effect on valuation results and led to write-downs of nearly EUR 200 million to our properties in that country. These revaluations reflect the high degree of uncertainty that is characteristic of economic phases like the current one in Russia.

We would like you, our shareholders, to understand that this particular environment was the reason for our decision not to recommend a dividend for the 2014/15 financial year. IMMOFINANZ did, however, repurchase shares for approx. EUR 102.0 million as part of the 2014/15 and 2015 share buyback programmes, which represents roughly ten Euro cents per share.

In this context, our goal is to restore the structural capability to pay dividends as quickly as possible and thereby safeguard a sustainable dividend policy.

Our operating focal points for the 2015/16 financial year lie in the further simplification and optimisation of the portfolio structure and value-creating growth through acquisitions and development projects in order to strengthen the investment portfolio and sustainable cash flow. In the management of our standing investments, we want to further improve our operating performance, increase occupancy rates and optimise the offering for our customers.

We have prepared an ambitious agenda – and invite you to accompany us on this course.

Oliver Schumy
CEO

Birgit Noggler
CFO

Dietmar Reindl
COO

Birgit Noggler, Oliver Schumy, Dietmar Reindl

Business Park Vienna | Office | Vienna | AT | 168,500 sqm

IMMOFINANZ Group –

A commercial real estate group with a focus on Europe

Who we are

IMMOFINANZ Group is a real estate corporation that is listed on the Vienna and Warsaw Stock Exchanges. Since our founding in 1990, we have compiled a high-quality property portfolio that now includes more than 470 properties with a combined carrying amount of roughly EUR 6.7 billion. Our standing investment portfolio covers 330 properties with a carrying amount of approx. EUR 5.6 billion. We currently manage nearly 3.3 million sqm of rentable space and generate a return of 7.2% based on a current occupancy rate of 84.2%.

Where we operate

Our goal is to generate sustainable income for our investors with prime commercial properties. We concentrate our activities on three asset classes – retail, office and logistics[1]. Eight core countries form our geographic focus: Austria, Germany, Poland, Czech Republic, Slovakia, Romania, Hungary and Russia.

What we work on every day

In our day-to-day business operations, we concentrate on the professional management of our properties and the continuous optimisation of the offering for our customers. In-house project development and acquisitions in our core markets strengthen the portfolio and sustainable cash flow. Property sales are used to adjust and further simplify the portfolio structure.

The IMMOFINANZ share

€ 4.19 – **NAV** (diluted) per share, as of 30 April 2015

1.07 bill. – **NUMBER OF SHARES** as of 30 April 2015

€ 2.87 bill. – **MARKET CAPITALISATION** based on the share price of EUR 2.68 as of 30 April 2015

€ 3.73 – **BOOK VALUE** per share, as of 30 April 2015

[1] After the end of the reporting year, IMMOFINANZ approved plans for the sale of the logistics portfolio.

CARRYING AMOUNTS, OCCUPANCY RATES AND RENTABLE SPACE IN THE STANDING INVESTMENTS AS OF 30 APRIL 2015

Share of the standing investment portfolio

GERMANY

Carrying amount in MEUR	426.3
Occupancy rate	89.6%
Rentable space in sqm	804,776

7.6%

POLAND

Carrying amount in MEUR	361.7
Occupancy rate	73.8%
Rentable space in sqm	196,313

6.4%

RUSSIA

Carrying amount in MEUR	1,566.5
Occupancy rate	85.2%
Rentable space in sqm	318,916

27.9%

CZECH REPUBLIC

Carrying amount in MEUR	402.9
Occupancy rate	83.3%
Rentable space in sqm	253,160

7.2%

SLOVAKIA

Carrying amount in MEUR	199.2
Occupancy rate	90.7%
Rentable space in sqm	115,870

3.5%

AUSTRIA

Carrying amount in MEUR	1,308.0
Occupancy rate	83.8%
Rentable space in sqm	660,051

23.3%

HUNGARY

Carrying amount in MEUR	482.5
Occupancy rate	81.8%
Rentable space in sqm	390,126

8.6%

ROMANIA

Carrying amount in MEUR	665.8
Occupancy rate	87.0%
Rentable space in sqm	387,512

11.8%

NON-CORE COUNTRIES

3.7%

Carrying amount in MEUR	206.2
Occupancy rate	64.0%
Rentable space in sqm	151,845

IMMOFINANZ GROUP

100%

Carrying amount in MEUR	5,619.0
Occupancy rate	84.2%
Rentable space in sqm	3,278,567

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

Asset Class Retail

Retail – close to the customer as a key success factor

IMMOFINANZ Group can look back on 25 years of involvement in the retail property sector. Experience and well-developed networks with international retail chains and partners are two of our key strengths in the successful management of shopping centers. With a balanced tenant mix and the inclusion of leisure and entertainment alternatives, we create an environment that helps our tenants to maximise their revenues. We also use this potential for the development of our own projects.

At the end of April 2015 our retail portfolio covered 160 standing investments. These properties have a combined carrying amount of EUR 2.6 billion, which represents roughly 46% of the standing investment portfolio.

Our retail products include large high-quality shopping centers like the *Polus Center Cluj* in Romania, the *Golden Babylon Rostokino* and GOODZONE in Moscow and the *Tarasy Zamkowe* which opened during the 2014/15 financial year in the Polish city of Lublin. With our VIVO! and STOP.SHOP. brands, our objectives are high standardisation and rapid expansion in secondary and tertiary cities.

The STOP.SHOP. retail park chain has grown to 53 locations in seven countries. These retail parks are situated in cities with a catchment area of 30,000 to 150,000 residents. The rentable space ranges from 2,500 sqm to 15,000 sqm and offers visitors high functionality through an attractive mix of international and national tenants, optimal accessibility and generous parking.

With VIVO! we have created a new brand for the retail sector. These shopping centers are designed for cities with a catchment area of at least 200,000 persons. The characteristic features of the VIVO! concept are single-storey construction and a focus on fashion and entertainment with strong anchor tenants. Planning for the VIVO! centers is based on easy shopping, but combined with the amenities of a larger shopping center.

Detailed information on the retail portfolio can be found on pages 64-65.

Key Figures

160
STANDING INVESTMENTS
number of properties
as of 30 April 2015

2,593.0 bill.
STANDING INVESTMENTS
carrying amount
as of 30 April 2015

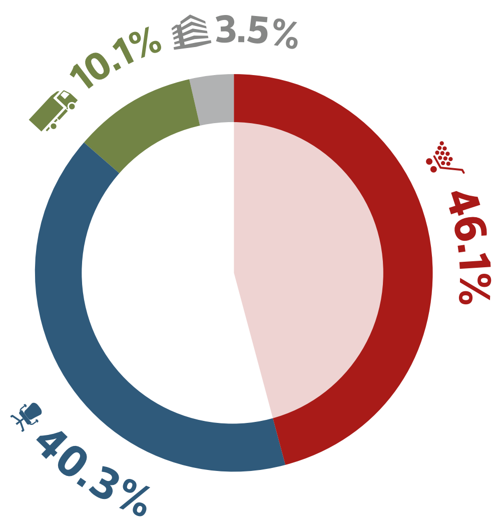
1.0 mill. sqm
RENTABLE SPACE
in the standing investments
in sqm as of 30 April 2015

92.0%
OCCUPANCY
as of 30 April 2015

218.7 mill.
RENTAL INCOME[1]
in FY 2014/15

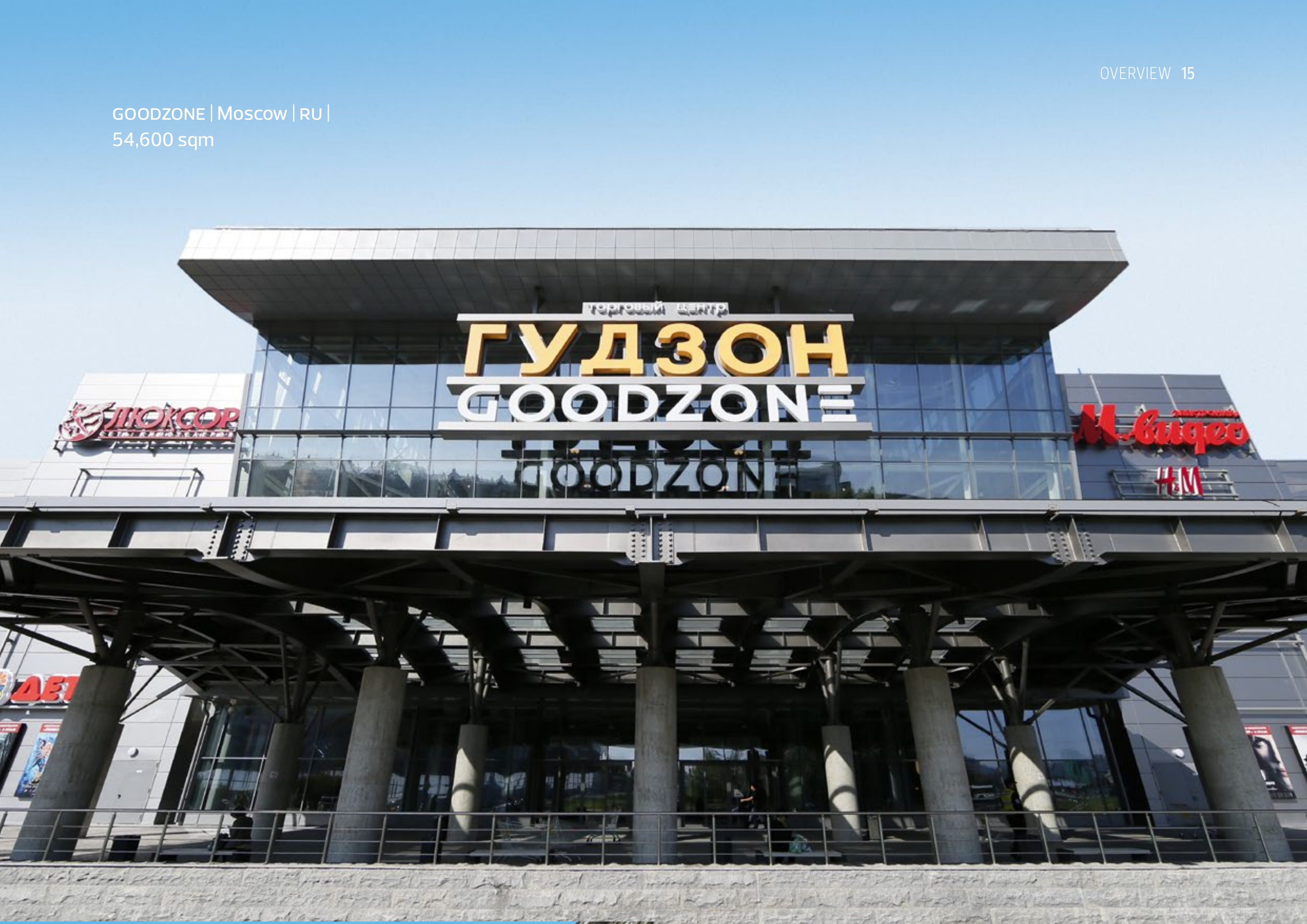
8.4%
GROSS RETURN
based on rental income
in FY 2014/15

Asset Classes[2]



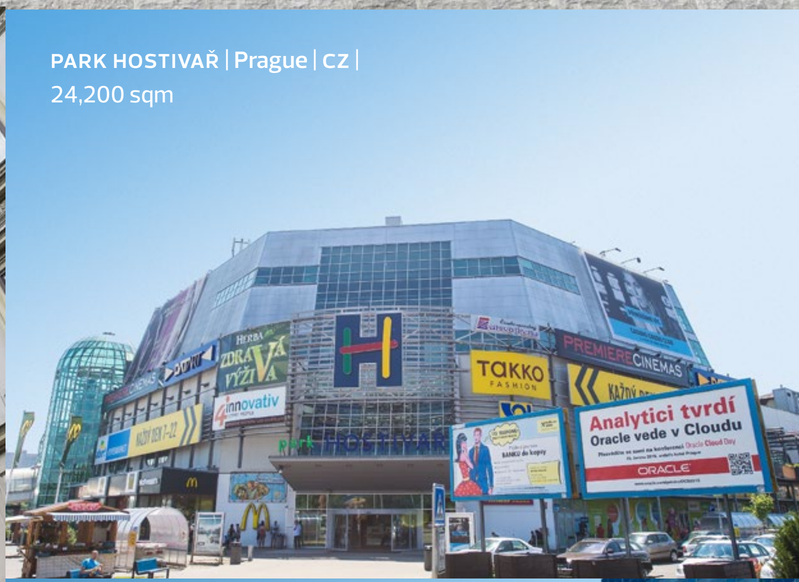
RETAIL | OFFICE | LOGISTICS | OTHER

[1] Rental income in FY 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)
[2] Share of the standing investment portfolio



GOODZONE | Moscow | RU |
54,600 sqm

Na Příkopě | Prague | CZ |
16,600 sqm



PARK HOSTIVAŘ | Prague | CZ |
24,200 sqm

Polus City Center | Bratislava | SK |
25,100 sqm

Asset Class Office

More than Office

In the office segment, IMMOFINANZ Group concentrates on the capital cities in its core markets of Austria, Poland, Czech Republic, Romania, Hungary and Slovakia and on economically strong regions in Germany. Our office portfolio covered 80 standing investments at the end of April 2015. The carrying amount totalled EUR 2.3 billion, which represents 40% of the standing investment portfolio.

The successful management and development of office properties is based on our many years of experience in the individual markets – where we have been active for roughly 25 years. Service orientation and customer satisfaction are the focal points for our teams in the core countries. In the international real estate business, this creates a decisive advantage. Our "local to local" approach not only allows us to benefit from the integration of our asset managers in the individual communities, but also from faster decision paths.

The realisation of individual customer wishes also plays a central role – and is closely related to our high flexibility and the continuous optimisation of our portfolio standards (among others, through the development of our own projects and property investments). Our strong service orientation, which is reflected in our motto "More than Office", as well as the high flexibility and synergies resulting from our size create the basis for sustainable income.

Our "More than Office" concept places our tenants and their employees at the heart of our efforts. For example, we assist tenants in planning their space and allocation needs and also offer additional support such as parcel or concierge services at numerous locations.

Detailed information on the office portfolio can be found on pages 62-63.

Key Figures

80
STANDING INVESTMENTS
number of properties
as of 30 April 2015

2,264.0 bill.
STANDING INVESTMENTS
carrying amount
as of 30 April 2015

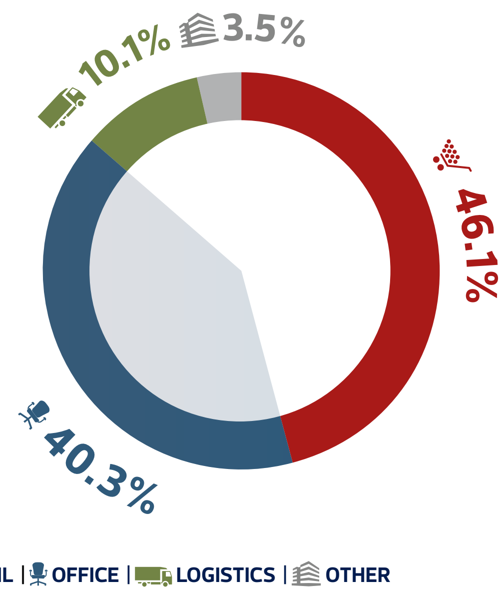
1.1 mill. sqm
RENTABLE SPACE
in the standing investments
in sqm as of 30 April 2015

75.0%
OCCUPANCY
as of 30 April 2015

128.9 mill.
RENTAL INCOME[1]
in FY 2014/15

5.7%
GROSS RETURN
based on rental income
in FY 2014/15

Asset Classes[2]



[1] Rental income in FY 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)
[2] Share of the standing investment portfolio

Pantha Rhei | Düsseldorf | DE |
9,600 sqm

Taifun | Warsaw | PL |
7,100 sqm

Greenpoint 7 | Budapest | HU |
15,400 sqm

Jindřišská 16 | Prague | CZ |
6,600 sqm

Asset Class Logistics

Logistics – Expertise in Eastern and Western Europe

IMMOFINANZ Group has steadily expanded its logistics segment in recent years and bundled these properties under the LOG.IQ brand in 2014/15. LOG.IQ stands for "logistics properties with IQ", which are flexible and can be adapted to meet the needs of the market and customers. All customer-relevant issues are covered – the core expertise ranges from asset management, project development and property management to accounting for the individual facilities. The success factors include a unique combination of excellent branch networks and market presence as well as local know-how and a solid capital base.

The logistics asset class has been a focal point of IMMOFINANZ Group's business activities since 1991. Following the sale of the Dutch self-storage subsidiary City Box[1], the standing investment portfolio contains 36 properties with a combined carrying amount of EUR 448 million.

The most important logistics market is Germany with over 68.7% of the rentable space, followed by Hungary and Romania. After the end of the reporting year, IMMOFINANZ approved plans for the sale of the logistics portfolio. The sale process has already started.

Detailed information on the logistics portfolio can be found on pages 66-67.

Key Figures

59
STANDING INVESTMENTS
number of properties
as of 30 April 2015

568.0 bill.
STANDING INVESTMENTS
carrying amount
as of 30 April 2015

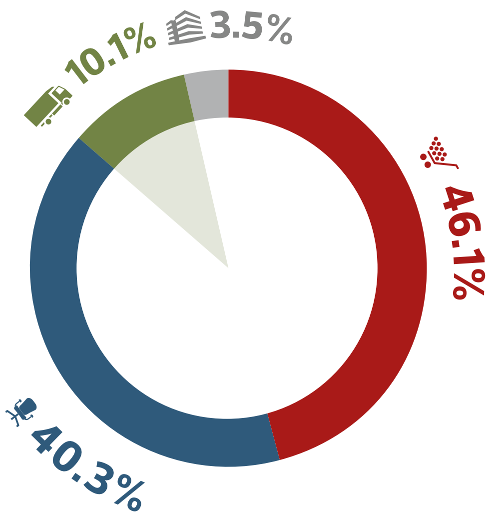
1.1 mill. sqm
RENTABLE SPACE
in the standing investments
in sqm as of 30 April 2015

86.1%
OCCUPANCY
as of 30 April 2015

51.7 mill.
RENTAL INCOME[2]
in FY 2014/15

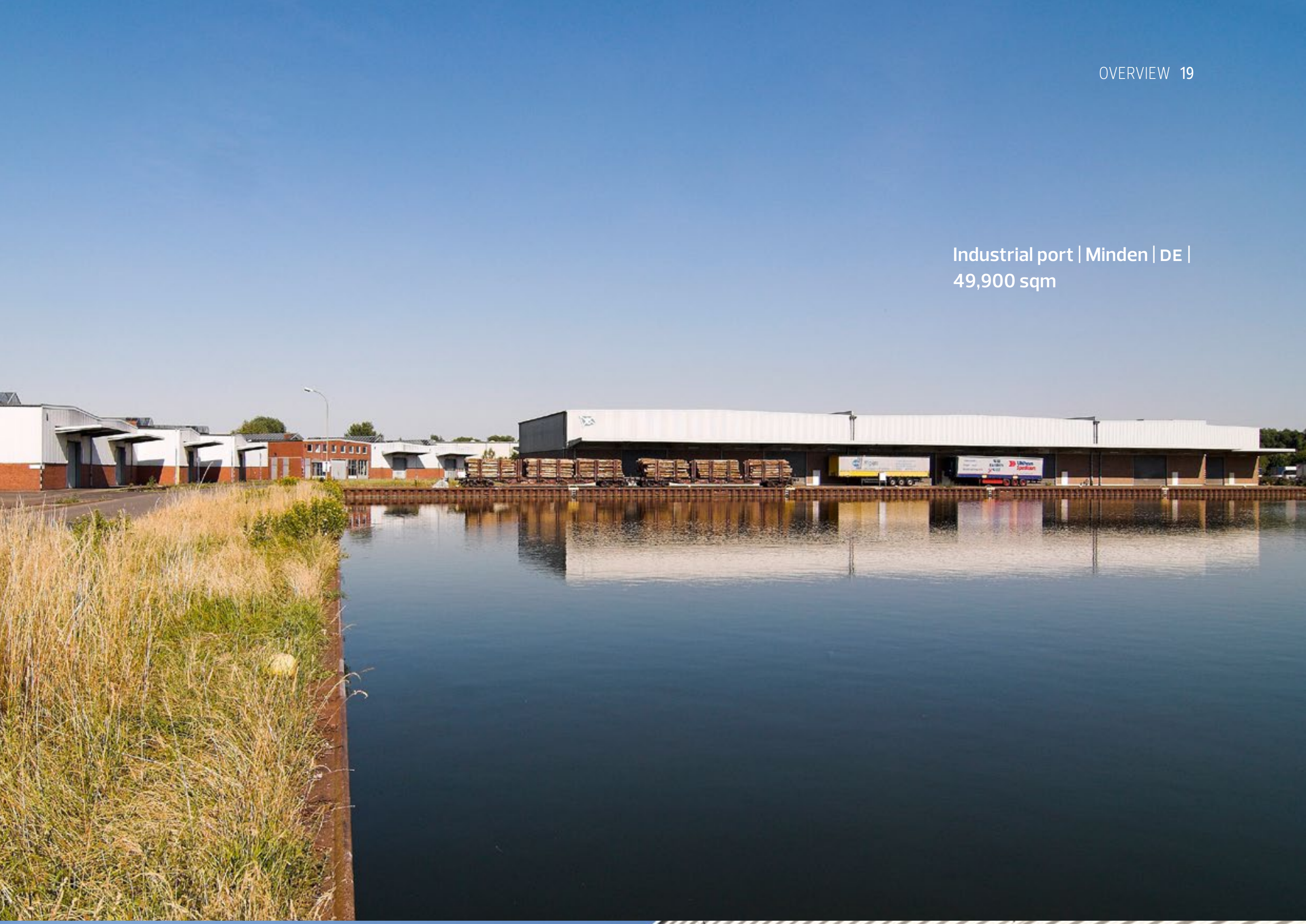
9.1%
GROSS RETURN
based on rental income
in FY 2014/15

Asset Classes[3]



RETAIL | OFFICE | LOGISTICS | OTHER

[1] In accordance with IMMOFINANZ strategy, City Box was sold after the end of the reporting period in June 2015.
[2] Rental income in FY 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)
[3] Share of the standing investment portfolio



Industrial port | Minden | DE | 49,900 sqm

Łopuszańska Distribution Park | Warsaw | PL | 14,000 sqm

VIVO! Piła | Retail | Piła | PL | 24,000 sqm

Segment Project Development

Internal development projects strengthen the portfolio

IMMOFINANZ Group strengthens its standing investment portfolio by developing office, retail and logistics properties in its core markets. This allows us to profit from growth along the entire value chain in the real estate sector. Project development know-how is also very important for creating value in the management of standing investments – for example, through the refurbishment and revitalisation of office buildings or the expansion of shopping centers and retail parks.

Properties with an expected completion value of approx. EUR 1.2 billion are currently under construction and are accompanied by decentralised development teams. The major projects in Germany include the *Gerling Quartier* in Cologne and the *FLOAT* office building in Düsseldorf. In Poland, IMMOFINANZ is constructing the second location in its new VIVO! shopping center brand. The *Metroffice* office complex in Bucharest marks the start of the long-term transformation and expansion of the existing *Iride Business Park* into a modern city quarter that will be called *Iride City*.

Our project development activities place high priority on the creation of brands and portfolios based on high property standardisation. Examples are our STOP.SHOP. retail park chain and the new VIVO! shopping center brand. In 2014/15 we completed three STOP.SHOP. locations and one expansion, and the first VIVO! shopping center opened in the Polish city of Piła.

In total, we completed approx. 142,000 sqm of rentable space for the retail and office standing investment portfolios in 2014/15.

STOP.SHOP. Gödöllő, Expansion | Retail | Gödöllő | HU | 9,800 sqm

STOP.SHOP. Čačak | Retail | Čačak | RS | 6,300 sqm

Nimbus | Office | Warsaw | PL | 19,000 sqm

Selected project completions in 2014/15

STOP.SHOP. Kętrzyn
Retail – Kętrzyn, Poland – 5,300 sqm

The catchment area of the STOP.SHOP. in Kętrzyn, a Polish county seat roughly 200 km north of the capital city Warsaw, has more than 32,500 residents within 30 minutes driving time. The tenants in this STOP.SHOP., which opened during August, include international and national retailers like Media Expert, Jysk, CCC, Martes Sport, KiK and Ray.

STOP.SHOP. Gödöllő, expansion
Retail – Gödöllő, Hungary – 9,800 sqm
(including an expansion of 1,500 sqm)

This newly expanded retail park, originally opened in 2007, was the first STOP.SHOP. development project for IMMOFINANZ in Hungary. It is situated in the western section of Gödöllő, 30 km northeast of Budapest. The catchment area covers roughly 60,000 residents. Its close proximity to the Hungaroring motorsport raceway also makes Gödöllő an attractive shopping location. The new space in this retail park is fully rented to KiK, dm and Fressnapf.

VIVO! Piła
Retail – Piła, Poland – 24,000 sqm

IMMOFINANZ Group opened its first VIVO! shopping center in October 2014. VIVO! Piła is located close to the city center and has excellent connections to the public transport system as well as nearly 700 parking spaces. Tenants include Carrefour, H&M, Reserved, Media Expert, Deichmann and CCC. The investment volume totalled approx. EUR 32 million.

STOP.SHOP. Żary
Retail – Żary, Poland – 3,500 sqm

This STOP.SHOP. opened in November and has a catchment area of more than 103,000 residents. On roughly 3,500 sqm of rentable space, visitors can find an attractive mix of international and national brands that include Natura, KiK, CCC, Deichmann, Pepco, Martes Sport and EMPiK.

Nimbus
Office – Warsaw, Poland – 19,000 sqm

Nimbus, a prime property at a premium location, offers flexible office design, green terraces and a high service orientation. Located in the Jerozolimskie office corridor with direct access to the central business district, *Nimbus* has good connections to public transportation. The highlights include balconies and terraces that give ten-

Jungmannova 15 | Office | Prague | CZ | 7,200 sqm

ants inviting green areas for informal discussions and regeneration. The investment in this project totalled approx. EUR 45 million. The *Nimbus* tenants include, among others, Marsh & McLennan Companies, Euler Hermes, Intelligent Technologies SA (ITSA) and Nexity.

Jungmannova 15
Office – Prague, Czech Republic – 7,200 sqm
(plus 580 sqm of retail space)

Jungmannova 15 is located in the heart of the Prague inner city near Wenceslas Square and, consequently, has very good connections to the public transportation network. Green areas, terraces on the upper floors and small outdoor gardens on the ground floor create a unique combination of working environment and nature. This building, which was constructed between 1907 and 1910, was acquired by IMMOFINANZ in 2007 – with plans for extensive refurbishment. *Jungmannova 15* is the first building in the Czech Republic to receive LEED Platinum certification and is also the first IMMOFINANZ property with this sustainability award. The investment costs amounted to approx. EUR 26 million.

STOP.SHOP. Čačak
Retail – Čačak, Serbia – 6,300 sqm

This STOP.SHOP. is located in a residential quarter in the south-western section of Čačak and is the first location for this retail park chain in Serbia. The catchment area includes roughly 230,000 residents. The tenants include DIS, C&A, Takko, Deichmann, Đak and Lilly. Čačak opened in April 2014 and represents the 53rd STOP.SHOP. in the seventh country. It also marks the start for further expansion in Serbia.

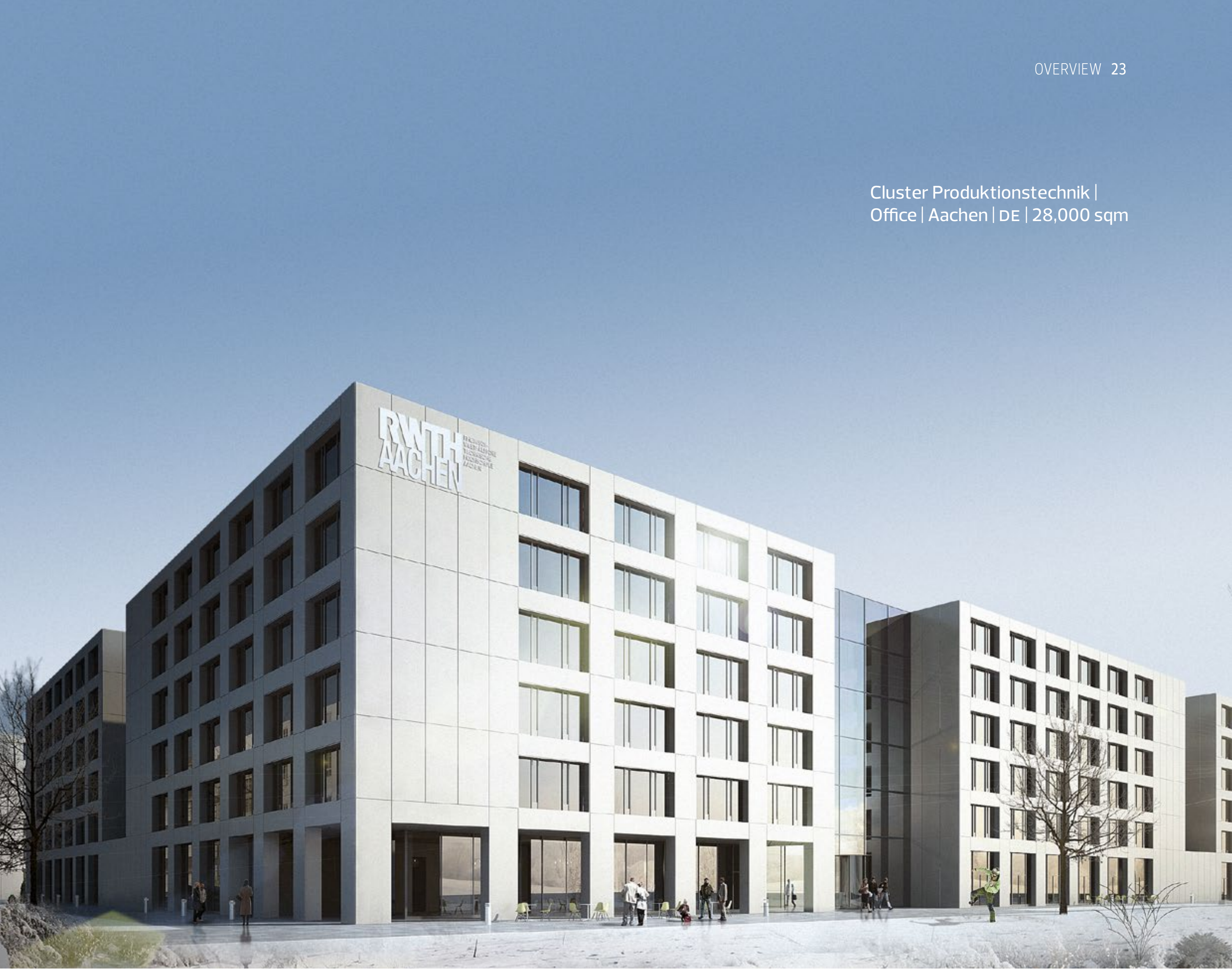
Selected new development projects

FLOAT
Office – Düsseldorf, Germany – 30,000 sqm

The prime *FLOAT* office project in the Düsseldorf Medienhafen is an ensemble of six building sections which is unique, above all, because of its architecture – the well-known Pritzker Prize winner Renzo Piano was responsible for the design. In addition to offices on the upper floors, the ground floor contains rentable areas for showrooms, retail shops and gastronomy facilities. The space is characterised by maximum flexibility: the six sections can be divided into individual buildings, building groups or separate floors, and can also be leased as an entire unit. The planned investment totals approx. EUR 155 million.

CARLSQUARTIER
Office – Düsseldorf, Germany – 4,500 sqm

CARLSQUARTIER, a premium office and commercial building, is under construction in the central business district of Düsseldorf.



Cluster Produktionstechnik | Office | Aachen | DE | 28,000 sqm

Based on the current plans, the project will include approx. 4,500 sqm of above-ground gross floor space for offices, retail and gastronomy facilities as well as a two-storey underground garage with parking space for 64 cars. The investment in the *CARLSQUARTIER* is estimated at approx. EUR 24 million, and completion is scheduled for the end of 2016.

Cluster Produktionstechnik
Office – Aachen, Germany – 28,000 sqm

On the grounds of RWTH Aachen University (Rheinisch-Westfälische Technische Hochschule) – one of the world's most important knowledge and research centers – up to 19 research clusters are under construction on 800,000 sqm. IMMOFINANZ is the investor and developer for the *Cluster Produktionstechnik*, the largest cluster on the campus to date with 28,000 sqm of rentable space and an investment volume of approx. EUR 60 million. This building complex has both office and hall areas.

VIVO! Stalowa Wola
Retail – Stalowa Wola, Poland – 32,000 sqm

In Stalowa Wola, IMMOFINANZ has started construction on a further shopping center in its VIVO! brand. The cornerstone ceremony for this EUR 50 million project was held in November 2014, and the topping-out ceremony followed in June 2015. The opening is scheduled to take place during the last quarter of 2015. This new shopping center – which will be the second in the VIVO! brand – will have approx. 32,000 sqm of rentable space for more than 80 stores. Among others, the tenants will include Intermarché, H&M, Martes Sport, Media Expert and numerous brands from the LPP Group.

Metroffice
Office – Bucharest, Romania – 40,000 sqm
(20,000 sqm in the first section)

The *Metroffice* complex consists of three buildings with 40,000 sqm, whereby 20,000 sqm in the first section will be completed by the beginning of 2016. The investment for this first building totals approx. EUR 34 million. One very special feature of the property is its location: the subway is located nearby – which is a particular advantage in Bucharest. LEED certification is also targeted. The *Metroffice* represents the first part of a long-term master plan which is intended to convert the entire area within IMMOFINANZ's existing *Iride Business Park* into the so-called *Iride City*. Plans call for the transformation of the area into an innovative quarter with offices, retail shops, leisure facilities and residential space.

Property Portrait

Opening of the *Tarasy Zamkowe*

Tarasy Zamkowe is a shopping and entertainment center that was designed especially for Lublin. IMMOFINANZ started construction at the end of 2012, and the shopping center opened roughly two and a half years later during March 2015. Local residents were also involved in choosing a name for the project: a survey was organised with several alternatives available for selection and *Tarasy Zamkowe* was the winner. Lublin residents connect this name with a modern, trendy, green and inspiring place.

And these expectations were also met: the green areas on the building's roof create a special architectonic highlight. Grassy spaces, lots of plants, footpaths and lookout points not only offer an impressive view of the city center and the historical castle, but have also become a popular event location.

Tarasy Zamkowe meets high ecological standards and, in autumn 2014, became the first shopping center in Poland to receive the "BREEAM Excellent certificate for the design stage".

The shopping center has space for 150 retail companies, restaurants, numerous cafés and snack bars as well as parking for 1,400 cars on three levels. It can be easily reached with public transportation or bicycle and also on foot. The catchment area covers the 350,000 residents of Lublin plus roughly one million other potential visitors.

In addition to an ideal inner city location and its green roof, *Tarasy Zamkowe* also stands out with a balanced tenant and branch mix. Numerous well-known international and local retailers have decided in favour of this IMMOFINANZ shopping center, including the Inditex Group with its complete brand portfolio (Zara, Pull&Bear, Massimo Dutti, Bershka, Stradivarius, Oysho, Zara Home), the LPP Group (Reserved, Cropp, House, Sinsay, Mohito, Home&You, á Tab), H&M, Media Expert, Delikatesy Alma, Super-Pharm, Rossmann Premium, !con Fitness (managed by Holmes Place), CARRY and Swarovski.

Tarasy Zamkowe | Retail | Lublin | PL | 38,000 sqm

Bokserska Distribution Park | Logistics | Prague | CZ | 17,500 sqm

EMPARK Mokotów Business Park | Office | Warsaw | PL | 117,000 sqm

Segment Trade

Portfolio adjustment continues

IMMOFINANZ continued its property sales during the 2014/15 financial year to further sharpen its profile as a commercial real estate specialist for three asset classes – retail, office and logistics – on its eight core markets in Central and Eastern Europe. This adjustment was reflected, for example, in the complete exit from Switzerland and the USA. Other transactions involved the sale of residential properties in Austria, which were part of a financing structure that expired in May 2015, and the last hotel in the portfolio (based on the primary use) – we reported on their successful conclusion shortly after the end of the reporting period.

As a result of this portfolio optimisation, the share of non-core countries in the IMMOFINANZ portfolio declined significantly from 6.6% in the previous year to 4.1%. The "Other" segment equalled 7.8% (compared with 9.1% as of 30 April 2014).

Selected sales

Exit from the US market

Three residential projects in Houston, USA, with nearly 1,000 apartments were sold to the local developer Sueba. The US business has shown positive development in recent years and, therefore, it was the right time to sell and profitably withdraw from this secondary market.

Logistics deals in Switzerland

Two Credit Suisse real estate funds acquired the last three IMMOFINANZ logistics properties in Switzerland – to be precise in Bülach and Derendingen. At approx. CHF 115 million (approx. EUR 95 million at the time of the announcement), the sale price for the package exceeded the carrying amount of the properties, which have almost 140,000 sqm of rentable space in total. We also benefited from the high CHF exchange rate on these transactions.

Portfolio optimisation in Retail Austria

We profitably sold seven retail properties in Austria during the course of the year. They generally represent smaller buildings that are located, for example, in Klagenfurt, Knittelfeld, Neusiedl and Lienz, and do not fit with our long-term target portfolio because of their size or location. The buyers are primarily owner-occupiers, but also include institutional investors.

Buyers for logistics parks in Warsaw and Prague

Poland and the Czech Republic are not included in our core markets for the logistics segment, and we therefore decided to

City Box | Logistics | Amsterdam | NL | 6,900 sqm

sell the *Bokserska Distribution Park* in Warsaw and the *Westpoint Distribution Park* in Prague. Both transactions closed over the carrying amount, with the proceeds totalling approx. EUR 33.2 million. The *Westpoint Distribution Park* was sold to the Czech Central Group and the *Bokserska Distribution Park* to UK & European Investments, a well-known family office from Great Britain. Our business activities in the Czech Republic are now concentrated in the retail and office asset classes. In Poland we still have two properties in our logistics portfolio, which are also designated for sale.

Sale of residential properties and hotel

A number of residential properties in Austria remained in the IMMOFINANZ portfolio after the spin-off of BUWOG at the end of April 2014 because they were part of a financing structure. This financing expired in May 2015, and a package of eight residential properties in Vienna was subsequently sold to Wiener Städtische and Sparkassen Versicherung after the end of the 2014/15 financial year. We also announced the sale of the *Leonardo Hotel Vienna* – the last hotel in the IMMOFINANZ portfolio based on the primary use.

Self-storage business sold

After the end of the 2014/15 financial year, we took a further step to optimise our portfolio and concentrate on our core markets in Central and Eastern Europe by selling our Dutch self-storage company City Box to Shurgard.

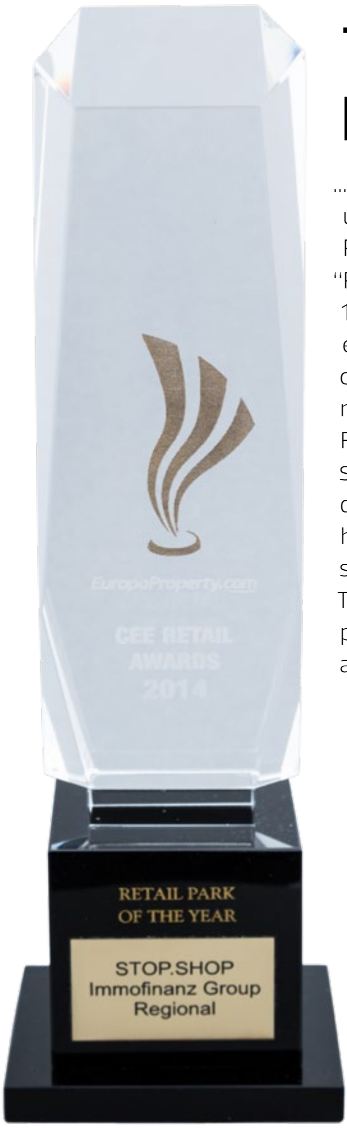
Expansion of the position in Warsaw

We announced the full takeover of the *EMPARK Mokotów Business Park* in Warsaw shortly after the end of the reporting period. IMMOFINANZ previously held a 50% investment in *EMPARK*, and the seller is the previous joint venture partner, a subsidiary of Heitman LCC. After the closing of this transaction (which is expected in August), IMMOFINANZ will have expanded its position as the market leader in Warsaw to a total of 19 office standing investments.

Awards

Two sustainability certifications ...

... for our development projects in two asset classes and two countries: *Tarasy Zamkowe* in Lublin was the first shopping center in Poland to receive certification in the category "BREEAM Excellent for the design stage". And in the Czech Republic, we received the LEED Gold end certificate for our *Jindřišská 16* office revitalisation project.



The CEE Retail Award ...

... was presented to our STOP.SHOP. umbrella brand at this year's CEE Retail Award Gala – in the category "Retail Project of the Year medium: 15,000 sqm to 35,000 sqm". The event was held at the Hotel Intercontinental in Warsaw and attracted nearly 300 Polish branch experts. Following the opening of our two STOP.SHOP.s in Żary and Kętrzyn during the 2014 calendar year, we have further expansion plans for this successful retail park chain in Poland. Three new locations are currently in preparation: Świnoujście, Szczytno and Gdynia.

The Best of Realty Award ...

... in the category "renovated office buildings" was presented to *Na Příkopě 14*, our mixed-use property in the Czech Republic, at the beginning of November. This competition is one of the most prestigious in this segment – a total of 42 projects were submitted in six categories and an expert jury was responsible for selecting the winners.

Vienna Stock Exchange Prize 2015

We received two awards from the Vienna Stock Exchange during the 2014/15 financial year: the Journalist Prize and the Corporate Bond Prize. The jury for the first award was formed by a group of selected financial journalists. According to the Vienna Stock Exchange and APA-Finance (which chaired the jury), the main criteria covered, among others, transparent and honest corporate communications, the preparation of press documents, the design of the company's web presence and annual report and, last but not least, personal interaction with journalists. The winner of the Corporate Bond Prize was chosen by a broad-based specialist jury of the Austrian Association for Financial Analysis and Asset Management (ÖVFA). The decisive criteria here included, among others, the annual report as well as information and communications policies toward analysts.

IMMOFINANZ is the strongest real estate brand in Austria

We place a strong focus on brand creation in our property portfolio. In the Real Estate Brand Value Study, the largest empirical brand value survey in the real estate sector, IMMOFINANZ was named the strongest real estate brand in Austria in two categories: "Asset Manager" and "Funds/Investors".

In the retail segment, we have established two successful brands with our STOP.SHOP. retail park chain and our new VIVO! shopping centers. LOG.IQ bundles our group-wide logistics business and covers the locations managed by Deutsche Lagerhaus and the activities in Eastern Europe that previously operated under LOG Center. And our "More than Office" brand highlights our service expertise in the office segment.

Report of the Supervisory Board

The Supervisory Board of IMMOFINANZ AG can look back on a productive year in 2014/15. In eight meetings, discussions covered the economic environment and the strategy of IMMOFINANZ as well as the latest market conditions and developments. Further decisions were taken by circular resolution.

In accordance with the articles of association, the Supervisory Board held an organisational session immediately after the 21st annual general meeting of shareholders in September 2014. This meeting confirmed the existing structures for the presidium and committees.

Succession plan for CEO

A succession plan for the transfer of responsibilities from CEO Eduard Zehetner was defined at the meeting in June 2014 and the handover to Oliver Schumy took place at the beginning of May 2015. Eduard Zehetner's term of office on the Executive Board was extended from the scheduled expiration date on 30 November 2014 to 30 April 2015. Oliver Schumy was appointed to the Executive Board of IMMOFINANZ AG for a five year period starting on 1 March 2015, i.e. up to 29 February 2020.

Issue of an exchangeable bond

The issue of a EUR 375.0 million exchangeable bond for shares of BUWOG AG was approved in September and then successfully placed on the market.

Share buyback programme 2014/15

Following the withdrawal of treasury shares, the Supervisory Board approved a share buyback up to a maximum price of EUR 3.00 per share and a volume of up to 10,167,053 million shares at the December 2014 meeting.

Acquisition of *EMPARK Business Park*

At the December 2014 meeting, the Supervisory Board also approved an increase in the investment in the *EMPARK Business Park* in Warsaw, Poland. IMMOFINANZ Group previously held a 50% stake in this office complex. The purchase contract was signed after the end of the reporting year, and the closing is expected to take place in August 2015.

Special report on Russia

The Executive Board presented a special report on the current situation in Russia to the Supervisory Board at its December 2014 meeting and reported on various measures related to the development of the IMMOFINANZ shopping centers in Moscow.

Share buyback programme 2015

Following the withdrawal of treasury shares, the Supervisory Board approved a share buyback up to a maximum price of EUR 3.20 per share and a volume of up to 30 million shares at the March 2015 meeting.

Sale of City Box

The sale of the Dutch self-storage provider City Box was also approved at the March 2015 meeting. This transaction represents a further strategic step to optimise the portfolio. The sale was announced and concluded after the end of the reporting year.

Development report

At the Supervisory Board meeting in March 2015, the Executive Board presented a report on the current status of development projects in the IMMOFINANZ core countries and discussed the opportunities, risks and potential of various development projects in detail with the Supervisory Board.

Partial public takeover offer for CA Immo

A voluntary partial public offer for up to 29% of the outstanding share capital of CA Immobilien Anlage AG (CA Immo) was also approved in March 2015. IMMOFINANZ AG retracted this offer in April 2015 because the ordinary general meeting of CA Immo on 28 April 2015 was asked to approve an amendment to the articles of association at the recommendation of O1 Group Limited, the major shareholder, which would have made it impossible for IMMOFINANZ AG to exercise adequate influence on the supervisory board of CA Immo. This proposed amendment to the articles of association was subsequently approved by the CA Immo general meeting.

Budget for the 2015/16 financial year

The budget for the 2015/16 financial year was presented by the Executive Board and approved by the Supervisory Board during the April 2015 meeting. A revised medium-term forecast for 2016/17–2019/20 was also presented to and accepted by the Supervisory Board.

The Supervisory Board held an organisational session immediately after the extraordinary general meeting of shareholders in April 2015, which also included the newly elected Supervisory Board members. The structures for the presidium and committees were enlarged to include these new members.

Audit Committee

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

At the meetings in August 2014 and March 2015, the Audit Committee received interim reports on the results of internal audits in the Group as well as schedules for the implementation of the resulting recommendations and future internal audits.

The Audit Committee meeting in August 2015 covered the following topics: preparations for a recommendation on the selection of an auditor; a review of the annual financial statements and management report of IMMOFINANZ AG; a review of the consolidated financial statements and group management report; and the corporate governance report, each for the 2014/15 financial year. The results of this review were presented to the full Supervisory Board.

Strategy Committee

The Strategy Committee is responsible for defining the company's strategic orientation and approving investments and divestments. The duties of the Strategy Committee were filled by the full Supervisory Board in 2014/15.

Personnel and Nominating Committee

The duties of the Supervisory Board's Personnel and Nominating Committee cover the appointment and remuneration of the Executive Board members as well as their employment contracts. This committee met once during the reporting year.

Extensive information from the Executive Board

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

Approval of the 2014/15 annual financial statements

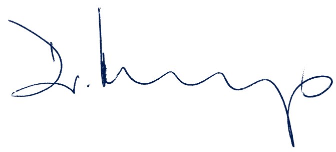
The Executive Board presented the Supervisory Board with the following documents: the annual financial statements for 2014/15, which were prepared in accordance with the Austrian Commercial Code, and the management report; the consolidated financial statements, which were prepared in accordance with International Financial Reporting Standards (IFRS), and the group management report; and the corporate governance report, each for the 2014/15 financial year. The annual financial statements for 2014/15 and the management report as well as the consolidated financial statements for 2014/15 and the group management report were audited by Deloitte Audit Wirtschaftsprüfungs GmbH and each awarded an unqualified opinion.

The annual financial statements and consolidated financial statements as well as the related auditor's reports were discussed by the Audit Committee in detail in the presence of the auditor and the Executive Board and reviewed in accordance with § 96 of the Austrian Stock Corporation Act. Following this examination and discussion, the members of the Audit Committee unanimously agreed to recommend the unqualified acceptance of these documents to the Supervisory Board. The Supervisory Board accepted the annual financial statements as of 30 April 2015, which are considered approved in accordance with § 96 (4) of the Austrian Stock Corporation Act.

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

Vienna, 6 August 2015

For the Supervisory Board



Michael Knap
Chairman

Corporate Governance Report of IMMOFINANZ AG for 2014/15

Commitment to compliance with the Austrian Corporate Governance Code

The Executive Board and Supervisory Board of IMMOFINANZ AG confirm their intent to comply with the rules of the Austrian Corporate Governance Code and underscore their commitment to transparency and good corporate management. The Austrian Corporate Governance Code, which was developed by the Austrian Working Group for Corporate Governance in 2002, represents a vital component of the Austrian capital market system as well as an essential tool for strengthening investors' confidence in the management and monitoring of companies. It is a voluntary self-imposed obligation for listed companies, which exceeds legal requirements and is reviewed and adapted each year to reflect national and international developments. The code (in the version dated July 2012) is published on the IMMOFINANZ AG website and on the website of the Austrian Working Group for Corporate Governance under: **www.corporate-governance.at**

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

IMMOFINANZ AG complied with the Austrian Corporate Governance Code during the 2014/15 financial year. However, there was a deviation from the following "Comply or Explain" rule:

Rule 83: A separate review of the effectiveness of risk management by the auditor was not carried out in 2014/15; this audit is scheduled for 2015/16.

Shareholders and annual general meeting

The share capital of IMMOFINANZ AG was divided into 1,073,193,688 shares as of 30 April 2015.

Most of the IMMOFINANZ AG shares are held in free float. The company was notified that the Fries Group (FRIES Familien-Privatstiftung, Dr. Rudolf FRIES Familien-Privatstiftung and members of the Fries family) held 6.5% of the shares directly and indirectly as of 30 April 2015.

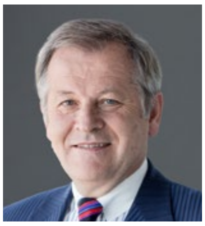
In accordance with a notification on 28 April 2015, O1 Group Limited and PHI Finanzbeteiligungs und Investment GmbH, an indirect wholly owned subsidiary of CA Immobilien Anlagen Aktiengesellschaft, held a total of 61,133,364 IMMOFINANZ shares directly or based on reciprocal allocation as defined in § 92 no. 7 of the Austrian Stock Exchange Act. These shares represent approx. 5.7% of the share capital of IMMOFINANZ AG.

All Supervisory Board members (shareholder representatives) were elected by the annual general meeting. IMMOFINANZ AG endeavours to provide its shareholders with the best possible support for attending the annual general meeting and exercising their rights. In accordance with the Austrian Stock Corporation Act and the Austrian Corporate Governance Code, annual general meetings are announced at least four weeks (28 days) in advance and extraordinary general meetings at least three weeks (21 days) in advance. Documents are also published on the company's website three weeks (21 days) before an annual general meeting wherever possible, and remain on the website or one month after the meeting. The results of voting and any amendments to the articles of association are published immediately on the website.

Executive Board

The composition of the Executive Board of IMMOFINANZ AG changed during the 2014/15 financial year. The Executive Board comprised three members up to 28 February 2015 and four members as of 1 March 2015. Oliver Schumy was appointed to the Executive Board as of 1 March 2015 for a period of five years. Eduard Zehetner left the Executive Board at the end of his term of office on 30 April 2015, and the Executive Board has had three members since that date. Oliver Schumy became Chief Executive Officer on 1 May 2015.

The following table shows the responsibilities of the Executive Board members as defined in the rules of procedure.



Personal data	Eduard Zehetner, born on 9 August 1951
Term of office	Appointed from 21 November 2008 to 30 April 2015
Responsibilities	Chief executive officer, development of commercial office and retail properties, corporate finance, legal, investor and public relations, commercial and strategic investments and funds, portfolio strategy and management, commercial property transactions, human resources
Supervisory Board positions[1]	> A.M.I Agency for Medical Innovation GmbH – Member of the Supervisory Board > BUWOG AG[2] – Vice-Chairman of the Supervisory Board up to 30 April 2015 > „HSF" Vermögensverwaltung GmbH – Managing Director > Privatstiftung Sparkasse Niederösterreich – Member of the Supervisory Board > Sparkasse Niederösterreich Mitte West Aktiengesellschaft – Member of the Supervisory Board

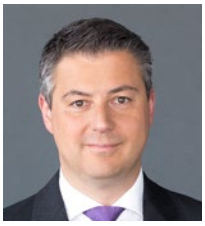
[1] Or comparable functions in other domestic or foreign companies not included in the consolidated financial statements
[2] Included in the consolidated financial statements at equity

Personal data	Birgit Noggler, born on 10 September 1974
Term of office	Appointed from 1 October 2011 to 30 September 2017
Responsibilities	Accounting and reporting, controlling, taxes, general procurement, property financing, treasury, internal audit, internal control system and risk management (whereby the full Executive Board carries the overall responsibility for these areas), process development, information technology
Supervisory Board positions[1]	> Immigon portfolioabbau ag (formerly Österreichische Volksbanken-AG) – Member of the Supervisory Board since 25 September 2014

[1] Or comparable functions in other domestic or foreign companies not included in the consolidated financial statements

Personal data	Dietmar Reindl, born on 3 August 1969
Term of office	Appointed from 1 May 2014 to 30 April 2017
Responsibilities	Management of commercial office, logistics (including operating investments) and retail properties, marketing
Supervisory Board positions[1]	> None

[1] Or comparable functions in other domestic or foreign companies not included in the consolidated financial statements



Personal data	Oliver Schumy, born on 4 April 1971
Term of office	Appointed from 1 March 2015 to 29 February 2020
Responsibilities	Chief Executive Officer since 1 May 2015 Assumed the responsibilities of Eduard Zehetner
Supervisory Board positions[1]	> BUWOG AG[2] – Vice-Chairman of the Supervisory Board since 1 May 2015

[1] Or comparable functions in other domestic or foreign companies not included in the consolidated financial statements
[2] Included in the consolidated financial statements at equity

Cooperation between the Executive Board and Supervisory Board

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

Remuneration of the Executive Board and Supervisory Board

The remuneration of the Executive Board members includes a fixed component as well a performance-based, or variable, component that currently equals up to 100% of fixed remuneration. The performance-based payment is tied to the fulfilment of qualitative and quantitative targets, which are based on relative (budget) and absolute earnings goals.

The contract with Eduard Zehetner defined the variable component of his remuneration as 0.5% of the dividend before the deduction of withholding tax. As an alternative, the Supervisory Board decided to award Mr. Zehetner a bonus of EUR 1.2 million for the successful spin-off of BUWOG in the 2013/14 financial year and a bonus of EUR 1 million for the 2014/15 financial year.

All Executive Board contracts include change of control clauses which define the entitlements in the event of premature termination. The members of the Executive Board are covered by a pension fund scheme for which the company makes annual contributions.

The company has no obligations above and beyond this commitment. The contributions to pension funds on behalf of the Executive Board members (defined contribution commitments) totalled EUR 137,600.00 in 2014/15 (2013/14: EUR 149,149.00).

The payments made on behalf of the individual Executive Board members are as follows: for Eduard Zehetner EUR 47,600.00, for Oliver Schumy EUR 10,000.00, for Dietmar Reindl EUR 30,000.00 and for Birgit Noggler EUR 50,000.00.

A directors' and officers' insurance policy (D&O insurance) with coverage of EUR 40.0 million was concluded for the corporate bodies of IMMOFINANZ AG. This policy does not include any deductible for the insured persons.

IMMOFINANZ AG Executive Board remuneration for 2014/15 in TEUR	Fixed	Variable	Total
Eduard Zehetner	1,475.3	2,200.0[1]	3,675.3
Birgit Noggler	508.6	157.1	665.7
Dietmar Reindl	294.1	147.6	441.7
Oliver Schumy (as of 1 March 2015)	86.4	85.7	172.1
	2,364.4	**2,590.4**	**4,954.8**

[1] For the 2013/14 and 2014/15 financial years

The variable remuneration reported for Mr. Zehetner in 2014/15 represents the payment of variable remuneration for both financial years.

The 21st annual general meeting on 30 September 2014 approved remuneration of EUR 289,575.00 for the members of the Supervisory Board for the 2013/14 financial year. This remuneration is voted on each year by the annual general meeting. Therefore, remuneration for the 2014/15 financial year will be the subject of voting by the 22nd annual general meeting in December 2015. The remuneration for the Supervisory Board of IMMOFINANZ AG in 2013/14 was based on a fixed payment of EUR 25,125.25 plus EUR 5,000.00 for services performed on a committee. The remuneration for the chairman and vice-chairman of the Supervisory Board equals twice and one and a half times this amount, respectively.

IMMOFINANZ AG Supervisory Board remuneration in 2013/14	Fixed payment in EUR	Committee in EUR[1]	Number of committees	Chairman/ vice-chairman[2]	Total in EUR (paid in 2014/15)
Michael Knap[3]	25,125.25	5,000.00	3	1.50 resp. 2.00	71,891.08
Rudolf Fries[4]	25,125.25	5,000.00	2	1.00 resp. 1.50	45,370.12
Christian Böhm	25,125.25	5,000.00	1	1.00	30,125.25
Vitus Eckert	25,125.25	5,000.00	2	1.00	35,125.25
Klaus Hübner	25,125.25	5,000.00	1	1.00	30,125.25
Herbert Kofler[5]	18,843.93	5,000.00	3	2.00 resp. 1.00	46,812.79
Nick J. M. van Ommen	25,125.25	5,000.00	1	1.00	30,125.25
					289,575.00

1 Member of a committee in 2013/14
2 Chairman/Vice-Chairman in 2013/14
3 Up to 2 October 2013 Vice-Chairman, then Chairman of the Supervisory Board
4 Up to 2 October 2013 Member of the Supervisory Board, then Vice-Chairman
5 Up to 2 October 2013 Chairman of the Supervisory Board, then member up to 30 January 2014

Supervisory Board and Committees

The Supervisory Board monitors the Executive Board and provides support for the management of the company, particularly on decisions of fundamental importance. In addition to its primary function as a monitoring and support body, the Supervisory Board constantly strives to further increase the efficiency of its work through self-evaluation. The Supervisory Board currently has six members who were elected by the annual general meeting and three members delegated by the Works Council. Two organisational sessions, five regular meetings and one extraordinary meeting were held during the 2014/15 financial year.

The composition of the IMMOFINANZ AG Supervisory Board changed during the reporting year. Horst Populorum and Wolfgang Schischek were elected to the Supervisory Board by the extraordinary general meeting on 17 April 2015, and Carmen Balazs was appointed as an additional delegate by the Works Council.

The Supervisory Board has established three committees

Audit Committee

Michael Knap, Chairman
Rudolf Fries, Vice-Chairman
Christian Böhm, Member and financial expert
Philipp Obermair, Member since 21 November 2014
Mark Anthony Held, Member since 2 October 2013
Nikolaus Obermair, Member up to 17 November 2014

The Audit Committee deals with accounting issues as well as the audit of the financial statements of the company and the Group. It is responsible for examining and preparing the approval of the annual financial statements and management report and for examining the consolidated financial statements and group management report, the recommendation for the distribution of profit and the corporate governance report. Other duties include the monitoring of accounting, the effectiveness of the internal control system and the audit of the annual and consolidated financial statements as well as the verification and control of the auditor's independence. The Audit Committee held two meetings during the 2014/15 financial year. In accordance with legal requirements and the provisions of the code, the Audit Committee includes at least one financial expert.

Strategy Committee

Michael Knap, Chairman
Nick J. M. van Ommen, Vice-Chairman
Christian Böhm, Member
Mark Anthony Held, Member since 2 October 2013
Nikolaus Obermair, Member up to 17 November 2014
Philipp Obermair, Member since 21 November 2014

The Strategy Committee is responsible for the regular evaluation of the Group's strategy and consultations with the Executive Board on the definition of this strategy. It evaluates strategic opportunities for development, with the aim of improving the Group's competitive position and increasing the sustainable creation of value for shareholders. The responsibilities of the Strategy Committee were fulfilled by the full Supervisory Board during the reporting year.

Personnel Committee

Michael Knap, Chairman

Rudolf Fries, Vice-Chairman

The Personnel and Nominating Committee handles issues related to the remuneration of the Executive Board members and the content of their employment contracts. It also prepares recommendations for the Supervisory Board on appointments to fill vacant positions on the Executive and Supervisory Boards. The Personnel and Nominating Committee held one meeting during the 2014/15 financial year.

Independence and avoidance of conflicts of interest

The members of the Executive Board are required to take their decisions independent of any personal interests and the interests of controlling shareholders. Moreover, these decisions must be based on well-founded knowledge and comply with all relevant legal regulations. Persons serving on the Executive Board must disclose any personal interests in the company's transactions or other conflicts of interest to the Supervisory Board without delay and also inform their board colleagues. The Executive Board members and key employees of the company may only accept appointments to the supervisory board or other corporate bodies of non-Group companies with the consent of the Supervisory Board. The legal prohibition on competition was not revoked.

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

As part of the remuneration for the members of the Executive Board, IMMOFINANZ AG makes payments to APK Pensionskasse AG. These payments are related to company pensions for the Executive Board members and reflect standard market conditions. Christian Böhm, a member of the Supervisory Board, is a member of the management board of this company. The contributions made in 2014/15 are reported in the notes.

Apart from the above business relationships, there are no contracts in the sense of Rule L-48 between the members of the Supervisory Board or companies in which a member of the Supervisory Board holds a significant financial interest and IMMOFINANZ AG or one of its subsidiaries.

The members of the IMMOFINANZ AG Supervisory Board have defined rule C-53 and the guidelines presented in Appendix 1 of the Austrian Corporate Governance Code as the criteria for their independence. All members have declared their independence in accordance with these criteria. Investment companies attributable to Supervisory Board member Rudolf Fries held approx. 6.5% of the voting rights in IMMOFINANZ AG as of 30 April 2015. No Supervisory Board member represents a shareholder with a stake of more than 10% or his/her interests. The Supervisory Board does not include any former members of the Executive Board or key employees of the company.

Criteria for the independence of the Supervisory Boards

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

Compliance

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

Directors' Dealings

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

Executive Board as of 30 April 2015

Name	IMMOFINANZ shares
Eduard Zehetner	1,826,788
Birgit Noggler	360,000
Dietmar Reindl	0
Oliver Schumy[1]	362,000

1 Purchased prior to the Executive Board appointment

Supervisory Board as of 30 April 2015

Name	IMMOFINANZ shares
Michael Knap	1,250
Rudolf Fries (incl. investment companies under the scope of influence and members of the Fries family)	69,781,813
Christian Böhm	0
Nick J. M. van Ommen	60,000
Horst Populorum (and related parties)[1]	52,480
Wolfgang Schischek	0
Mark Anthony Held	0
Philipp Obermair	0
Carmen Balazs	0

1 Purchased prior to appointment

Internal audit and risk management

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

External evaluation

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

Women in IMMOFINANZ AG

IMMOFINANZ AG offers equal compensation, equal opportunities for promotion and equal working conditions to male and female employees. Women filled 34.9% of the management positions and represented approx. 60% of the total workforce during the reporting year. IMMOFINANZ Group has implemented coaching measures that focus on specialised professional training and personal development to further increase the share of women in management positions.

From left: (seated) Horst Populorum, Nick J. M. van Ommen; (standing) Philipp Obermair, Mark Anthony Held

The following members of the Supervisory Board were elected by the annual general meeting

Michael Knap
born on 18 May 1944
Chairman of the Supervisory Board since 2 October 2013
First appointed in: 2008
Term of office ends in: 2016
- Vice-president of IVA Interessenverband für Anleger, Vienna

Rudolf Fries
born on 9 May 1958
Vice-Chairman of the Supervisory Board since 2 October 2013
First appointed in: 2008
Term of office ends in: 2016
- Chairman of the Supervisory Board of EAG-Beteiligungs Aktiengesellschaft, Baden bei Wien
- Attorney, partner of Eckert Fries Prokopp Rechtsanwälte GmbH, Baden near Vienna

Christian Böhm
born on 20 September 1958
Member
First appointed in: 2010
Term of office ends in: 2016
Chairman of the management board of:
- APK Pensionskasse AG, Vienna
- APK Versicherung AG, Vienna
- APK Vorsorgekasse AG, Vienna

Nick J. M. van Ommen
born on 17 August 1946
Member
First appointed in: 2008
Term of office ends in: 2016
Member of the Supervisory Board of:
- BABIS VOVOS INTERNATIONAL CONSTRUCTION S.A., Greece
- VASTNED Retail GVV, Belgium
- Intervest Offices GVV, Belgium
- W.P. Carey Inc., USA
- Allianz Nederland Asset Management B.V., Netherlands
- Former Chairman of the Executive Board of the European Public Real Estate Association (EPRA)

From left: (seated) Michael Knap, Rudolf Fries; (standing) Carmen Balazs, Christian Böhm, Wolfgang Schischek

Horst Populorum
born on 8 June 1973
Member
First appointed in: 2015
Term of office ends in: 2019

Wolfgang Schischek
born on 30 March 1944
Member
First appointed in: 2015
Term of office ends in: 2019
Member of the Supervisory Board of:
- Vice-Chairman of the Supervisory Board of KBA-MÖDLING GmbH, Mödling
- Kostwein Holding GmbH, Klagenfurt

Works Council delegates to the Supervisory Board
The following members of the Supervisory Board were delegated by the Works Council:

Nikolaus Obermair
born on 24 January 1985
Member up to 17 November 2014

Philipp Obermair
born on 10 March 1979
Member since 21 November 2014

Mark Anthony Held
born on 8 May 1979
Member since 2 October 2013

Carmen Balazs
born on 17 January 1983
Member since 17 April 2015

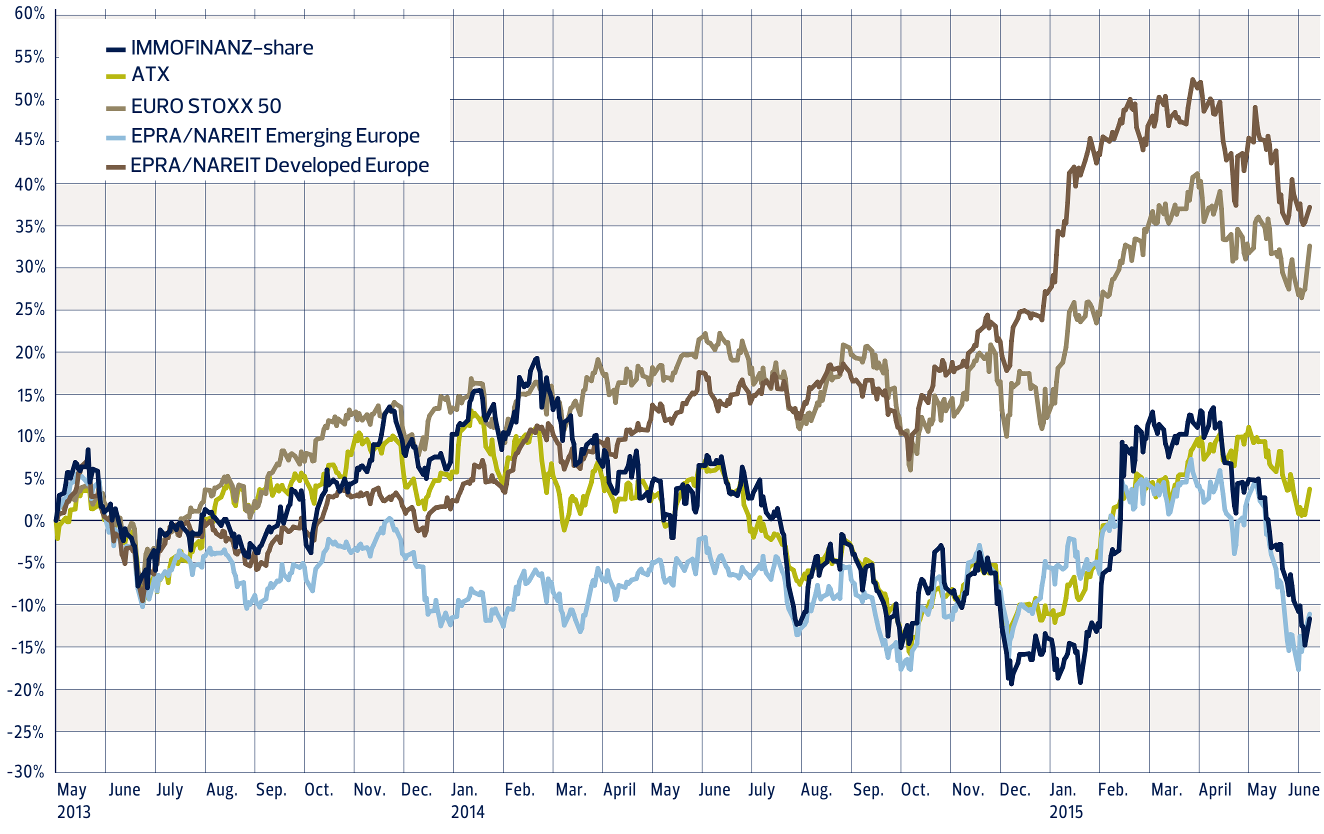
Investor Relations

The capital markets and share development

The international financial markets remained highly volatile throughout the 2014/15 financial year. Share prices were negatively affected not only by the geopolitical tensions in Ukraine and Syria, but also by discussions over the possible exit of Greece from the Euro zone ("Grexit"). In contrast, positive impulses were provided by improving economic indicators, the sharp drop in the oil price beginning in mid-2014 and the historic interest rate cut by the European Central Bank (ECB) in September as well as the ECB's extensive government bond purchases. The German DAX rose to over 11,000 points in February for the first time in its 27-year history, and the Dow Jones Index reached a new high of 18,289 points at the beginning of March.

The ATX started the reporting year at 2,525 points and closed on 30 April 2015 at 2,586 points. The IATX rose from 200 to 233 points and the EURO STOXX 50 from 3,198 to 3,616 points. The EPRA/NAREIT Emerging Europe Index increased from 975 to 1,051 points and the EPRA/NAREIT Developed Europe from 1,719 to 2,237 points.

Development of international stock market indexes



The IMMOFINANZ share

IMMOFINANZ AG trades in the leading index of the Vienna Stock Exchange with approx. 1.07 billion zero par value, voting shares (bearer shares). A total of 1.129 billion shares were in circulation at the beginning of the 2014/15 financial year; IMMOFINANZ withdrew 11.2 million shares before the start of the 2014/15 share buyback programme and a further 44.5 million shares in 2015. After the repayment of bank financing based on treasury shares, 101.6 million shares were transferred back to IMMOFINANZ AG. The price of the IMMOFINANZ share generally paralleled the market in 2014/15: it started at EUR 2.67 and closed the first quarter at EUR 2.37; the share ended the second quarter at EUR 2.41 and the third quarter at EUR 2.02. The closing price on 30 April 2015 equalled EUR 2.68. The reporting year low of EUR 2.02 was reached on 18 December 2014 and the high of EUR 2.84 on 23 April 2015.

In comparison with the end of the 2013/14 financial year, the share price remained nearly unchanged (30 April 2014: EUR 2.67).

The market capitalisation of IMMOFINANZ AG totalled EUR 2.9 billion as of 30 April 2015 (30 April 2014: EUR 3.0 billion). The average daily traded volume equalled EUR 6.2 million.

Partial public offer

O1 Group Limited, Zypern ("O1") and PHI Finanzbeteiligungs und Investment GmbH, Vienna ("PHI", an indirect, wholly owned subsidiary of CA Immo), announced a partial public offer for shares of IMMOFINANZ AG on 25 March 2015. The offer covered the purchase of up to 150,893,280 bearer shares of IMMOFINANZ. In the legally required statements, the Executive Board, Supervisory Board and Works Council of IMMOFINANZ AG recommended the rejection of this offer because it did not appropriately reflect the interests of all IMMOFINANZ shareholders. The offer price of EUR 2.80 per IMMOFINANZ share was roughly 36.4% below the EPRA NAV per IMMOFINANZ share (EUR 4.40 as of 31 January 2015). Approx. 1.47% of the shares were tendered to the bidders by IMMOFINANZ shareholders.

The documents covering the takeover offer by O1/PHI and the related statements by the IMMOFINANZ Executive Board and Supervisory Board are available here: **www.immofinanz.com/en/investor-relations/takeover-offer/**

Extraordinary general meeting

At the extraordinary general meeting of IMMOFINANZ AG on 17 April 2015, the shareholders approved a reduction in the control threshold (as defined in § 22 (2) of the Austrian Takeover Act) to 15%. This is designed to provide better protection for shareholders because, in the future, investors will be required to make a mandatory takeover offer to all shareholders when their holding reaches 15%. This level represents a controlling investment because of IMMOFINANZ's high free float. In addition, Horst Populorum and Wolfgang Schischek were elected to the Supervisory Board. Their terms of office extend to the end of the annual general meeting that will vote on the release from liability for the 2018/19 financial year. The Supervisory Board now has six shareholder representatives (Michael Knap, Chairman, Rudolf Fries, Vice-Chairman, Christian Böhm, Horst Populorum, Wolfgang Schischek and Nick J. M. van Ommen) and three members delegated by the Works Council (Carmen Balazs, Mark Anthony Held and Philipp Obermair). The maximum number of Supervisory Board members to be elected by the annual general meeting was reduced to six. The proposals for two further changes to the articles of association – an increase in the voting majority required to dismiss members of the Supervisory Board and a change in the term of office for substitute elections of Supervisory Board members – did not receive the necessary majority.

Information on the annual general meeting can be found on the IMMOFINANZ website under: **www.immofinanz.com/en/investor-relations/general-meeting**. The most important statements, questions and answers can be read in the company blog: **http://blog.immofinanz.com/en/2015/04/17/immofinanz-live-blog-from-the-extraordinary-shareholders-meeting-2015/**

Change on the Executive Board – new CEO

As announced in summer 2014, Oliver Schumy joined the IMMOFINANZ Executive Board on 1 March 2015. He succeeded Eduard Zehetner as CEO and speaker of the Executive Board on 1 May 2015. The Supervisory Board appointed Mr. Schumy to the Executive Board of IMMOFINANZ AG for a period of five years.

Share buyback programme and dividend policy

IMMOFINANZ followed the withdrawal of 11,224,687 treasury shares with the start of a buyback programme with a volume of up to 10,167,053 shares in December 2014. Purchases under this programme were made over the stock exchange by IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG. The 2014/15 share buyback programme ended on 6 March 2015, whereby a total of 10,167,053 shares were purchased for a weighted average price of EUR 2.26 per share.

On 13 March 2015, IMMOFINANZ AG approved a further share buyback programme with a volume of 30 million shares. After the withdrawal of 44,534,312 treasury shares, 30 million shares were repurchased for a weighted average price of EUR 2.63 per share from 1 April to 17 June 2015.

These two buyback programmes resulted in the purchase of 40,167,053 shares for a total of approx. EUR 101.8 million, which represents a shareholder return of approx. EUR ct 10 per share. Details on the share buyback programmes can be found on the IMMOFINANZ website under: **www.immofinanz.com/en/investor-relations/our-share/share-buyback-programme/**

As communicated several times during the 2014/15 financial year, the Russian economy has been significantly weakened by the strong devaluation of the Russian Ruble and the decline in the oil price. Temporary rental price reductions for the retailers in IMMOFINANZ Group's five Moscow shopping centers and a notable decline in rental income were the result. A further outcome was the decline of EUR 197.0 million in valuation results for the Russian properties. In view of this situation, it will not be possible to distribute a cash dividend for the 2014/15 financial year because IMMOFINANZ AG does not have sufficient distributable profit or unappropriated capital reserves.

Bonds & convertible bonds

One certificate of the 2018 convertible bond (nominal value: EUR 4.12) currently entitles the bondholder to conversion into 1.1573 IMMOFINANZ shares (unchanged versus 30 April 2014) and 0.0606 BUWOG shares (30 April 2014: 0.0579). One certificate of the 2017 convertible bond (nominal value: EUR 100,000.0) currently entitles the bondholder to conversion into 12,547.05 IMMOFINANZ shares (unchanged) and 660.95 BUWOG shares (30 April 2014: 627.35). The terms for the conversion rights and conversion prices for the convertible bonds due in 2017 and 2018 were amended with the spin-off of BUWOG AG from IMMOFINANZ AG on 26 April 2014.

If dividends are paid by IMMOFINANZ or BUWOG in the future, the conversion rights to shares in IMMOFINANZ and BUWOG will be adjusted in accordance with the respective bond terms (also see page 76 under "Financing" and page 94 under "Information on Equity").

On 11 September 2014, IMMOFINANZ AG issued an exchangeable bond for shares in BUWOG AG. The exchangeable bond has a volume of EUR 375 million, a coupon of 1.5% per year and an initial exchange price of EUR 17.03. The dividend of EUR 0.69 per share paid by BUWOG AG led to the adjustment of the exchange price to EUR 16.26 as of 15 October 2014. The exchangeable bond was "in the money" as of 30 April 2015. The BUWOG share closed at EUR 18.09 on the Vienna Stock Exchange on 30 April 2015; on 14 August the share price equalled EUR 19.10, which is 17.5% over the exchange price.

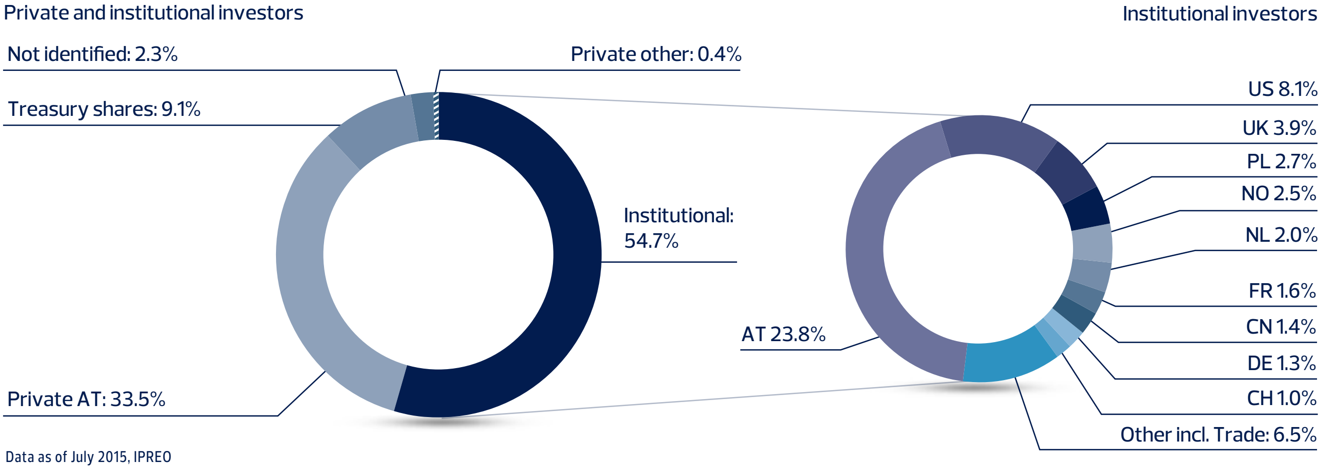
The following securities issued by IMMOFINANZ AG were traded on public exchanges as of 30 April 2015:

Description	ISIN	Type of security
IMMOFINANZ share	AT0000809058	Share
Convertible bond 2007–2017	XS0332046043	Convertible bond
Convertible bond 2011–2018	XS0592528870	Convertible bond
Corporate bond 2012–2017	AT0000A0VDP8	Corporate bond
Exchangeable bond 2014–2019	XS1108672988	Exchangeable bond for shares of BUWOG AG

Analysis of shareholder structure

IMMOFINANZ AG is the largest listed property company in Austria. It serves as the parent company for IMMOFINANZ Group and is a public company whose shares are held in free float. The share capital of IMMOFINANZ AG totalled EUR 1,114,171,813.16 as of 30 April 2015; it is divided into 1,073,193,688 zero par value shares with voting rights (ISIN AT0000809058), each of which represents a proportional share of EUR 1.04 (rounded) in share capital. The free float, i.e. excluding treasury shares, represents approx. 80% and is distributed, for the most part, among Austrian private investors and national and international institutional investors.

Private and institutional investors by country



Data as of July 2015, IPREO

With the assistance of our shareholders, we regularly carry out surveys to determine the composition and origin of our shareholder base. Our latest survey shows a slight increase in the per cent held by Austrian private investors based on the total number of shares[1]. This group now holds 33.5% of IMMOFINANZ shares (compared with 32.8% in the last survey). Institutional investors hold approx. 54.7% (versus 50.3% in February 2015). Most of the institutional investors come from Austria (23.8%), followed by North America (8.1%), Great Britain (3.9%), Poland (2.7%) and Norway (2.5%). In comparison with the last analysis, the share of institutional investors from Austria has increased, while North America, Great Britain and Norway have declined. Poland has remained relatively stable.

The group of value-oriented investors held the largest investments among the identified institutional investors and recorded the largest purchases in the period since the last survey. An analysis based solely on the institutional investors shows an increase from over 42% in February to over 46%. This latter group of shareholders generally has a longer investment horizon and looks for undervalued shares – for IMMOFINANZ, this undervaluation is expressed in the high discount to the net asset value (NAV). In contrast, the share of index-oriented investors – who model their portfolios according to certain indexes – has declined to approx. 27%.

The shareholder analysis also shows that the investors who currently hold the highest investments in West European property shares are also well represented in the IMMOFINANZ shareholder structure.

The company was informed that FRIES Familien-Privatstiftung, Dr. Rudolf FRIES Familien-Privatstiftung, Mr. and Mrs. Rudolf Fries and persons closely related to the above (together the "Fries Group") have directly and indirectly held over 5% of the shares since 15 April 2011. As of 30 April 2015, the Fries Group held approx. 6.5% of the voting rights in IMMOFINANZ AG.

On 11 January 2013 the US bank JPMorgan Chase & Co. announced that, together with the holdings of companies under its control, it held a relevant stake in IMMOFINANZ, which represented approx. 6.1% of the total voting shares. This 6.1% stake represents the shares transferred by IMMOFINANZ AG as collateral for financing provided by JPMorgan Chase & Co. The shares were transferred back to IMMOFINANZ AG in March 2015 after the end of the financing.

O1 Group Limited and PHI Finanzbeteiligungs- und Investment GmbH, an indirect subsidiary of CA Immobilien Anlagen AG, have held a total of 61,133,364 shares in IMMOFINANZ AG, directly or based on reciprocal allocation, since 24 April 2015. This holding represents approx. 5.7% of share capital. On 4 August O1 and PHI reported an investment of 6.7%, respectively 73.6 million IMMOFINANZ shares.

There are no further reports of holding over 4%, respectively 5%.

[1] Share capital declined by approx. 4.9% since the last analysis.

Indexes

As of 30 April 2015 the IMMOFINANZ share was included, among others, in the following indexes:

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

Raiffeisen Centrobank AG, as the best bidding trading participant, took over the specialist function for IMMOFINANZ shares in the Prime Market segment starting on 1 April 2015. Wood & Company Financial Services, a.s. has been a further market maker for IMMOFINANZ shares since 1 July 2015.

External analyses

Corporate analyses by well-known institutions are an important decision tool for investors. Accordingly, the provision of information for well-substantiated corporate analyses represents a focal point of activities for the IMMOFINANZ investor relations team. The following companies publish regular analyses on IMMOFINANZ and its share.

Institution	Date	Recommendation	Target price in EUR
Kepler Cheuvreux	11 August 2015	Hold	2.60
Deutsche Bank	7 August 2015	Buy	3.50
Baader Bank	7 August 2015	Sell	2.40
Alpha Value	7 August 2015	Buy	2.76
Wood & Company	3 August 2015	Hold	2.76
Erste Group	29 July 2015	Buy	2.70
Morgan Stanley	12 June 2015	Equal-weight	2.90
Barclays	9 April 2015	Equal-weight	2.39
Société Generale	9 April 2015	Hold	2.90
Raiffeisen Centrobank	23 March 2015	Hold	2.75
HSBC	19 February 2015	Underweight	2.30

IMMOFINANZ was covered by 11 analysts as of April 2015. Barclays was added to this list as of 27 January with an equal-weight recommendation and a target price of EUR 2.39. In contrast, Kempen terminated its coverage due to internal restructuring. The average target price in the analysts' reports is EUR 2.72, which is 13.8% higher than the share price on 14 August 2015 (EUR 2.39).

Communications with various target groups

Maintaining a continuous dialogue with financial analysts, institutional and private investors is a central focal point of IMMOFINANZ Group's investor relations activities. The CEO, CFO and Head of Investor Relations took part in numerous road shows and conferences during and after the 2014/15 financial year, among others in Amsterdam, Berlin, Boston, Copenhagen, Graz, London, Munich, New York, Paris, Prague, Singapore, Stegersbach, Stockholm, Tokyo, Toronto, Vienna and Warsaw. In addition, numerous investors and analysts took advantage of the opportunity to obtain detailed information on IMMOFINANZ Group in personal meetings at the corporate headquarters and to learn about the IMMOFINANZ portfolio through property tours at various locations.

The Executive Board presents the latest business indicators to analysts and institutional investors on the publication date in a moderated conference call. In-depth discussions on results and events are also available, among others, at breakfast meetings with investors.

Another IMMOFINANZ private investor road show was held in November 2014. Nearly 400 visitors took the opportunity to meet with the Executive Board on two evenings.

Our media platform (**presentations.immofinanz.com**) includes video clips of our press conferences and investor events.

The IMMOFINANZ blog (**blog.immofinanz.com**) provides a wide range of articles under "stories from the company", including project milestones (cornerstone ceremonies, topping-out events), press conferences and marketing activities. Our live blog during the extraordinary general meeting was particularly popular.

The IMMOFINANZ newsletter (in German and English), which provides up-to-date information through press releases, blog post and events, now has more than 1,000 subscribers.

The core business: property management and development

IMMOFINANZ Group concentrates its activities on the retail, office and logistics assets classes in eight core markets. Our experience allows us to realistically evaluate new developments and efficiently utilise opportunities. With our professional approach, we are working on a risk-optimised and sustainable standing investment portfolio.

Group Management Report

Economic Developments in the Core Countries of IMMOFINANZ Group

Overview of the IMMOFINANZ core markets

The countries in Central and Eastern Europe, for example Romania, are gradually confirming their growth potential and benefiting from exports to Germany and other West European countries. A summary of the most important indicators – including GDP growth, inflation, sovereign debt and the unemployment rate – is presented in the following section.

Oxford Economics (OE) is projecting an average GDP increase of 1.6% for the Euro zone in 2015 (2014: plus 0.9%). However, growth should be substantially stronger in the CEE countries: forecasts point to an increase of 3.7% in Poland and 3.1% in Romania. GDP growth in Hungary, the Czech Republic and Slovakia is expected to range from 2.6% to 2.9%. In contrast, the Russian economy will follow a very different course due to the negative effects of the Ruble devaluation and the currently low crude oil price.

Inflation in the European Union remains clearly below 1%. The inflation rate in Russia was significantly higher at 15.8% in May 2015, according to OE, and represents a gradual offset to the effects of the Ruble devaluation on purchasing power.

The average unemployment rate in the EU has improved slightly in recent months according to EuroStat and equalled 9.6% in May 2015. Unemployment is lower in the core countries of IMMOFINANZ Group, with the exception of Slovakia. Sovereign debt in the CEE region is also well below the EU average: according to OE, the gross national debt in relation to GDP averaged 91.9% for the Euro member states at the end of 2014 – which represents another increase in year-on-year comparison. This debt ratio is also substantially lower in the IMMOFINANZ core countries, e.g. Romania (39.8%) and Czech Republic (42.6%).

	Unemployment rate in May 2015 in %	Annual inflation rate in May 2015 in %[1]	Gross national debt/ part. estimate for 2014 in % of GDP	Deficit/surplus/ part. estimate for 2014 in % of GDP	GDP growth rate for 2014 in %[2]	Forecasted GDP growth rate for 2015 in %[2]	Forecasted GDP growth rate for 2016 in %[2]
Germany	4.7%	0.7%	74.7%	0.7%	1.6%	2.0%	2.2%
Austria	6.0%	1.0%p	84.5%	-2.4%	0.4%	0.7%	1.7%
Poland	7.8%	-0.6%	48.7%	-3.2%	3.4%	3.7%	3.9%
Romania	7.1%	1.3%	39.8%	-1.5%	2.8%	3.1%	3.2%
Russia	5.9%	15.8%	11.3%	-0.7%	0.6%	-3.5%	0.8%
Slovakia	11.8%	-0.1%	53.6%	-2.9%	2.4%	2.9%	3.1%
Czech Republic	5.9%	0.7%	42.6%	-2.0%	2.0%	2.6%	2.9%
Hungary	7.1%a	0.6%	72.5%	-2.6%	3.6%	2.8%	2.5%
EU-28	9.6%	0.3%p	88.6%.	-2.9%	1.4%	1.8%	2.1%
Euro zone (19 countries)	11.1%	0.3%p	91.9%	-2.4%	0.9%p	1.6%	1.9%

[1] Change in the annual average of the harmonised index of consumer prices (HICP)
[2] Growth in GDP volume – per cent change in relation to the prior year
EU = EuroStat; Oxford Economics (OE), IMF ; EK spring forecast
RU = OE
p = preliminary
a = April 2015

Germany

Germany again served as a key economic driver for Western Europe in 2014. GDP growth amounted to 1.6%, according to OE, and outpaced the Euro zone average of 0.9%. Analysts are projecting an increase to 2% in 2015, which will be supported by the low oil price, the devaluation of the Euro in relation to the US Dollar and exports. Developments on the labour market remain positive with an unemployment rate of 4.7%, which is low in EU-wide comparison.

Austria

As reported by OE, GDP growth in Austria failed to reach the EU average (0.9%) with an increase of only 0.4% in 2014. An increase of 0.7% is forecasted for 2015 and 1.7% for 2016. The unemployment rate equalled 6% in May 2015. This represents an increase of more than one percentage point over May 2014, but is still noticeably below the Euro zone average of 11.1%.

Poland

Poland, one of the largest countries in the European Union based on population, generated solid growth of 3.4% in 2014 (2013: 1.6%). With this development, the country again outperformed most of the other economies in Eastern and Western Europe. OE is forecasting an increase to 3.7% in 2015 and a possible 3.9% in 2016. This trend will be supported, above all, by rising private and public sector investments, continued strong consumer spending and an improvement in the labour market. The unemployment rate has declined in recent quarters and equalled 7.8% in May 2015.

Romania

Romania substantially exceeded the EU average of 1.4% with a GDP increase of 2.8% in 2014. OE forecasts indicate a further improvement to 3.1% in 2015. This growth will be driven, in particular, by stronger consumption, an increase in real wages and a well-planned tax policy. The latest unemployment rate equalled 7.1%, which is comparatively low in relation to the EU average.

Russia

The Russian economy grew by only 0.6% in 2014, and is expected to contract by 3.5% in 2015. This negative trend is a result of the Ruble devaluation, lower revenues from oil exports and the resulting decline in consumer purchasing power. The Russian economy still has substantial inherent potential, but will only return to growth when general economic conditions improve. The unemployment rate equalled 5.9% in May 2014, which is substantially lower than many EU countries.

Slovakia

GDP growth in Slovakia outpaced the EU average with 2.4% in 2014, and analysts are expecting an export-driven increase of 2.9% in 2015. The unemployment rate has been on a decline since the beginning of 2014 but, at the current level of 11.8%, is still higher than the EU average of 9.6%.

Czech Republic

The Czech Republic generated growth of 2% in 2014. GDP forecast for 2015 points to an increase of 2.6%, which will be supported by higher public sector investments and the low oil price. Consumption will be strengthened by low inflation and rising real wages. The unemployment rate was relatively low in European comparison at 5.9% in May 2015.

Hungary

Hungary's GDP rose by 3.6% in 2015 and is forecasted to increase by 2.8% in 2015. The growth in 2014 was supported primarily by temporary factors that included the increased use of European Union subsidies and particularly good annual output in the agricultural sector. Development in 2015 will be based, above all, on a steady increase in consumption. The unemployment rate improved slightly over the previous year and equalled 7.1% in April 2015.

The Property Markets in the Core Regions of IMMOFINANZ Group

Developments. Results. Outlook.

Developments on the European real estate markets were generally positive in 2014. CBRE placed the total transaction volume at approx. EUR 223 billion, which represents an increase of roughly one-third over the previous year.

The transaction volume in Europe increased significantly over the previous quarters during the last quarter of 2014. According to CBRE, properties with a combined value of approx. EUR 78 billion were traded during this period. The demand for properties in stable and safe markets, e.g. Germany, is still high, but investors' interest in the CEE region has also increased. In comparison with 2013, Romania recorded growth of over 200% in 2014 and the increase in Hungary amounted to nearly 70% during the same period – even though the volumes in both countries remained at a low level. Poland and Czech Republic, the largest transaction markets in the CEE region, were stable, but the Russian market was negatively affected by the uncertainty over general economic developments.

The market indicators in the asset classes and core countries of IMMOFINANZ Group, with the exception of Russia, remained stable during the 2014/15 financial year. However, the Russian economy was significantly weakened by the devaluation of the Ruble and the decline in the oil price.

Office properties

Core market/city	Vacancy rate of office properties[1]		Prime rents of office properties[2]		Prime yields of office properties[3]	
	Q1 2015 in %	Q1 2014 in %	Q1 2015 in EUR	Q1 2014 in EUR	Q1 2015 in %	Q1 2014 in %
Germany/Düsseldorf	10.3%	11.5%	26.0	27.5	4.4%	4.7%
Germany/Cologne	6.3%	7.0%	22.0	22.0	4.5%	4.7%
Austria/Vienna	6.0%	6.8%	26.0	26.0	4.7%	4.7%
Poland/Warsaw	13.0%	12.1%	24.0	24.0	6.0%–6.3%	6.0%–6.3%
Romania/Bucharest	13.4%	14.7%	18.5	18.5	7.8%	8.3%
Czech Republic/Prague	17.1%	13.7%	19.5	20.0	6.0%–6.3%	6.0%–6.3%
Slovakia/Bratislava	12.6%	14.5%	15.0	15.0	7.0%–7.3%	7.0%–7.3%
Hungary/Budapest	15.7%	18.5%	20.0	20.0	7.3%–7.5%	7.5%–7.8%

Source: JLL, EHL (Vienna data)
1 Vacancies as a per cent of the total space
2 The nominal rent generally realisable for prime space in the best submarket
3 Net initial yield for a property with long-term contracts (current prime rents and good covenant tenants)

The European office markets are generally stable. Rents in Europe continued to decline slightly during the reporting year, in part due to the high volume of new construction.

The key data for the core office markets of IMMOFINANZ Group show good performance in year-on-year comparison (first quarter 2015 versus first quarter 2014) as well as generally constant prime rents. Investors continued to focus on Germany and Austria during 2014 and at the beginning of 2015, but the slowly hardening yields in Budapest and Bucharest point to the increasing attractiveness of these markets. Developments in Prague and Warsaw were different, where the high volume of recently completed space led to an increase in vacancies. In contrast, vacancy rates were lower in Vienna, Düsseldorf, Bratislava, Budapest and Bucharest.

Retail properties

Core market/city	Vacancy rate of shopping centers[1]		Prime rents of shopping centers[2]		Prime yields of shopping centers[3]	
	Q1 2015 in %	Q1 2014 in %	Q1 2015 in EUR	Q1 2014 in EUR	Q1 2015 in %	Q1 2014 in %
Austria/Vienna	n.a.	n.a.	n.a.	n.a.	5.0%	5.8%
Poland/Warsaw	1.4%	1.5%	110.0	100.0	5.5%	5.8%
Romania/Bucharest	9.0%–9.5%	9.0%–9.5%	70.0	70.0	7.8%	8.3%
Russia/Moscow	6.5%	2.5%	USD 316.7	USD 341.7	10.8%	9.3%–9.5%
Czech Republic/Prague	3.5%	3.5%	100.0	95.0	5.3%	6.3%
Slovakia/Bratislava	8.0%–10.0%	8.0%	70.0	70.0	6.8%–7.0%	6.8%–7.0%
Hungary/Budapest	10.0%	10.0%	65.0	65.0	7.0%–7.3%	7.3%–7.5%

Source: JLL, EHL (Vienna data)
1 Vacancies as a per cent of the total space
2 The nominal rent generally realisable for prime space in the best submarket
3 Net initial yield for a property with long-term contracts (current prime rents and good covenant tenants)

The transaction market for retail properties closed 2014 in Europe with another record year. CBRE estimates the volume at EUR 52 billion, for a year-on-year increase of roughly 25% (2013 volume: EUR 42 billion). Transaction volumes were particularly strong in the Nordic countries and the CEE region. The good first quarter of 2015, with an increase of 43% over the first quarter of 2014, leads to expectations of a continuation in this trend.

The key data for the core retail markets of IMMOFINANZ Group show a stable trend compared with the previous quarters. There was only a marginal increase in vacancy rates, but different trends in prime rents.

The Russian economy has been influenced by the Ruble devaluation and resulting inflation. Landlords have reacted to this situation with temporary reductions in the primarily US Dollar- or Euro-based rents.

Logistics properties

Core market/city	Vacancy rate of logistics properties[1]		Prime rents of logistics properties[2]		Prime yields of logistics properties[3]	
	Q1 2015 in %	Q1 2014 in %	Q1 2015 in EUR	Q1 2014 in EUR	Q1 2015 in %	Q1 2014 in %
Germany/ Top 7 markets[4]	n.a.	n.a.	n.a.	n.a.	6.1%	6.6%
Poland/Warsaw	11.5%	14.5%	3.6	3.6	7.0%–7.3%	7.3%–7.5%
Romania/Bucharest	7.0%	13.5%–14%	4.0	4.0	9.3%	10.0%–10.5%
Russia/Moscow	10.4%	2.5%	USD 9.6	USD 11.7	12.0%	11.0%
Slovakia/Bratislava	5.9%	6.3%	4.2	3.9	8.3%–8.5%	8.5%–8.8%
Hungary/Budapest	14.5%	21.7%	3.8	3.8	9.0%–9.3%	9.3%–9.5%

Source: JLL
1 Vacancies as a per cent of the total space
2 The nominal rent generally realisable for prime space in the best submarket
3 Net initial yield for a property with long-term contracts (current prime rents and good covenant tenants)
4 Top 7 real estate markets in Germany: Berlin, Düsseldorf, Frankfurt am Main, Hamburg, Cologne, Munich region and Stuttgart

The market for logistics properties in Europe is characterised, above all, by the rising demand for space by online retailers. According to CBRE, new rentals rose by 50% and approx. EUR 23 billion of logistics properties were sold during 2014. That represents roughly 10% of the total commercial investment volume in Europe and a year-on-year increase of 45%. Of special note was the strong interest in logistics properties in Germany.

The key data for the core logistics markets of IMMOFINANZ Group in the first quarter 2015 show stable development in comparison with previous quarters. Prime rents were generally unchanged. The vacancy rate declined in all cities, except Prague and Moscow. Prime yields hardened substantially in all markets, with the exception of Moscow.

The development of the markets in the respective asset classes of IMMOFINANZ Group's core markets is described in the following section:[1]

Germany/Düsseldorf and Cologne

The **office market** in Düsseldorf saw stable development during the reporting year. The vacancy rate fell by 0.6 percentage points to 10.3% in the first quarter of 2015, and prime rents remained unchanged at EUR 26.0 per sqm and month. New completions rose substantially from 55,000 sqm in 2013 to approx. 142,000 sqm in 2014. According to CBRE, the take-up volume fell by 19% year-on-year to approx. 315,000 sqm in 2014 due to a decline in the number of large lease-transactions. The office market in Cologne has a low vacancy rate of 6.3%, and prime rents remained constant in comparison with the previous year at EUR 22.0 per sqm and month. Nearly 95,000 sqm of office space are currently under construction, whereby approx. 45,000 sqm were placed on the market during the first quarter of 2015. Take-up is forecasted to total approx. 260,000 sqm in 2015.

The **logistics segment** in Germany followed sound rental activity in 2012 and a slight decline in 2013 with a 12% increase in the take-up to nearly 5.2 million sqm in 2014. That represents the second highest level ever recorded and is 25% higher than the 10-year average. Approx. 2.3 million sqm, or 43.6% of the take-up, are attributable to the top seven logistic markets namely Berlin, Düsseldorf, Frankfurt am Main, Hamburg, Cologne, Leipzig and Munich. Logistic investments rose by approx. 54% to a record high of EUR 4.23 billion (88% over the 10-year average). (All data: BNP)

Austria/Vienna

The Vienna **office market** presents a healthy picture. The vacancy rate equalled 6% in the first quarter of 2015, according to EHL, which represents an improvement over the first quarter of 2014 and a low level in international comparison. The 10.8 million sqm of total space increased by only 114,000 sqm (incl. refurbishments) in 2014 according to CBRE and new production is expected to reach 200,000 sqm in 2015. EHL reports that prime rents have been unchanged at EUR 26.0 per sqm and month for several quarters.

The indicators for Austria's **retail parks** and **shopping centers** again showed sound development during the reporting year. Tenant demand was strong with numerous retailers looking for premium space to expand their operations, above all at top locations in this country. Average rents in Austria's retail parks were stable at EUR 10.0 to 12.0 per sqm and month according to EHL.The retail transaction market also gained momentum in 2014: approx. 40% of the EUR 2.8 billion transaction volume, i.e. the largest component, was attributable to the retail asset class according to CBRE.

Poland/Warsaw

The take-up on the Warsaw **office market** was relatively steady in year-on-year comparison at approx. 612,000 sqm in 2014. Approx. 681,000 sqm are currently under construction. The vacancy rate rose to 13% (first quarter of 2014: 12.1%), and a further increase can be expected in the coming quarters. Prime rents remained stable compared with the previous year, but the extensive offering has led to pressure on effective rents. Prime yields remain low at 6.0 to 6.3%. Warsaw is still considered one of the most stable investment markets in CEE.

The economic recovery and rising per capita income continue to support the **retail market** in Poland. However, an analysis of the property markets shows very different developments at the regional level. The markets in a number of regions are saturated, above all with respect to larger shopping centers. Retail parks and smaller regional shopping centers, especially in secondary cities and population centers, are becoming more popular and are seen by consumers, developers and tenants as an alternative to conventional shopping centers. Poland currently has approx. 12.4 million sqm of modern retail space: approx. 332,000 sqm were added in 2014; approx. 707,000 sqm are presently under construction and should, for the most part, be completed in 2015.

Poland's steady economic growth and strategic geographical location have had a favourable influence on the local **logistics market**. The country has roughly 9 million sqm of logistics space, primarily in and around Warsaw and in the central and Silesian regions. In addition, roughly 600,000 sqm of new space are currently under construction. Take-up was again positive in 2014 at approx. 1.4 million sqm, and the vacancy rate fell noticeably to 11.5%.

Romania/Bucharest

The **office market** in Bucharest has approx. 2.2 million sqm of modern space and is characterised by stable development. The addition of approx. 116,000 sqm of new space in 2013 was followed by a further 121,000 sqm in 2014. A slight year-on-year increase in take-up to approx. 295,000 sqm led to a decline in the vacancy rate to 13.4% at the end of the first quarter of 2015.

Only approx. 70,000 sqm of new space were completed on the **shopping center market** in 2014, which represents the smallest increase since 2006. Prime rents were constant at EUR 70.0 per sqm and month. Construction in the retail segment is recovering slowly at a reasonable level. In 2015, approx. 167,000 sqm of new space in three large shopping centers are scheduled for completion.

[1] The country/city data refer to the first quarter of 2015; source: JLL (unless specifically indicated otherwise in the text).

Developments on the **logistics market** in Romania are still subdued. The total space is estimated at approx. 1.9 million sqm, with approx. 1 million sqm located in and around Bucharest. After a very weak year in 2013, nearly 100,000 sqm of new space (incl. expansions) were completed in 2014. Take-up amounted to roughly 313,000 sqm. However, the economic recovery and resulting increase in production should lead to an increase in the demand for logistics and industrial space over the coming quarters.

Russia/Moscow

The completion of slightly more than 600,000 sqm in 2014 raised the total space in Moscow's shopping centers to approx. 4.2 million sqm. In addition, approx. 500,000 sqm are scheduled for completion in 2015. This rapid pace of new construction is contrasted by weaker demand on the **retail market**. The substantial devaluation of the Russian Ruble versus the Euro and US Dollar and the decline in economic growth have had a negative influence on the mood of international retailers and investors. The vacancy rate (6.5%) rose substantially over the previous year, while prime yields have also increased and now equal 10.8%.

Approx. 1,552,000 sqm of **logistics** space were completed in Moscow during 2014 – which is double the 2013 level and a seven-year record high. The logistics space in Moscow and the surrounding region now totals approx. 11.2 million sqm, and the vacancy rate has risen to 10.4%. A further 0.9 million sqm are expected to be added in 2015, but most of this space is "build-to-suit", i.e. specially designed for a particular tenant. Prime rents have declined slightly to a current level of USD 9.6 per sqm and month.

Slovakia/Bratislava

The **office market** in Bratislava is characterised by weak new demand. New completions amounted to only approx. 30,000 sqm, and the vacancy rate fell to 12.6%. Prime rents were constant at EUR 15.0 per sqm and month at the end of the first quarter of 2015.

New construction on the **retail market** in Slovakia is still limited; three shopping centers in secondary cities are currently under construction. Prime rents have held steady at EUR 70.0 per sqm and month for several quarters.

The **logistics market** in Slovakia had approx. 1.3 million sqm of space at the end of 2014, with less than 10,000 sqm attributable to completed projects. Developers are concentrating, above all, on "build-to-suit" projects.

Czech Republic/Prague

The **office market** in Prague has approx. 3 million sqm and a vacancy rate that has recently risen to 17.1%. Net absorption equalled 60,000 sqm in 2014, while new production amounted to 149,000 sqm. A further 213,000 sqm are currently under construction, with completions expected to reach approx. 180,000 sqm in 2015.

Newly completed space on the Czech **retail market** amounted to approx. 99,000 sqm in 2014, for a decline of roughly 50% compared with the previous year. Approx. 70,000 sqm are currently under construction, and the increase in space is therefore expected to remain low.

Hungary/Budapest

The Budapest **office market** recovered during 2014. Net take-up totalled approx. 250,000 sqm (+18% versus 2013), and the rental activity, including extensions, amounted to roughly 470,000 sqm. The vacancy rate improved to 15.7%. The continued low level of new construction and an increase in the demand for space should create an optimistic market climate.

The **retail market** in Hungary covered approx. 2 million sqm in 2014, whereby no new major space was added in Budapest. Average rents in the retail parks ranged from EUR 6.0 to 8.0 per sqm and month according to JLL. Consumer spending has also risen for the first time in years – which represents a positive sign, even in these times of new retail restrictions by the Hungarian government.

The demand for space on the Hungarian **logistics market** improved after several weak years and equalled roughly 386,000 sqm in 2014. As in the previous quarters, the volume of new completions was limited (18,600 sqm). The vacancy rate in the Hungarian capital declined substantially year-on-year to 14.5% in 2014.

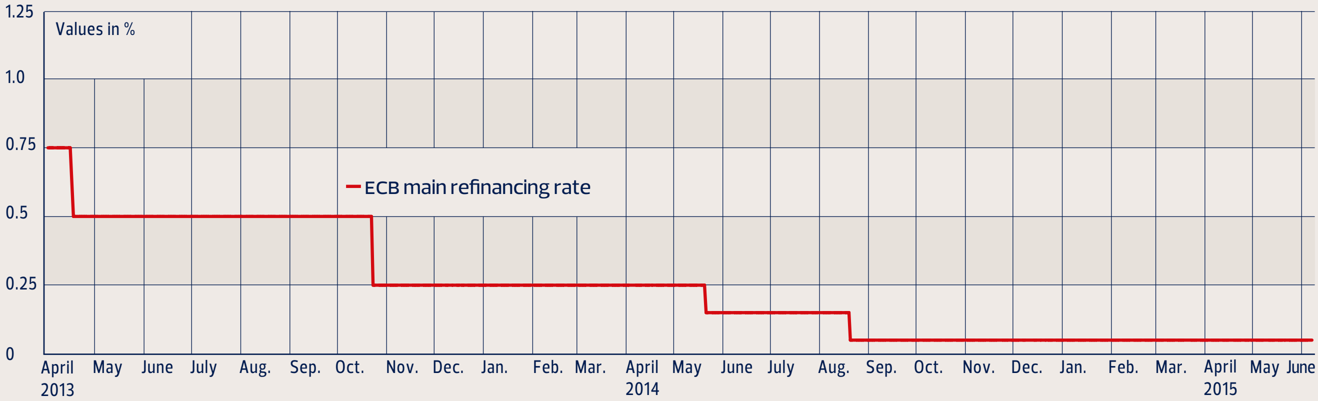
Developments on the Financial Markets

Interest rates & refinancing in the core markets

The 2014/15 financial year was characterised by a continuation of the low interest rate climate. In line with the objective to stimulate the demand for loans, the so-called TLTRO programme (Targeted Longer Term Refinancing Operations) was launched in September 2014 to supply Euro zone banks with funds for four years at an interest rate of 0.15%. A further supportive measure was the extensive bond purchase programme started by the European Central Bank (ECB): since March 2015 the ECB has purchased EUR 60.0 billion of bonds each month. This programme is scheduled to last at least until September 2016 and reach a total volume of EUR 1.1 trillion.

ECB main refinancing rate April 2013 to June 2015

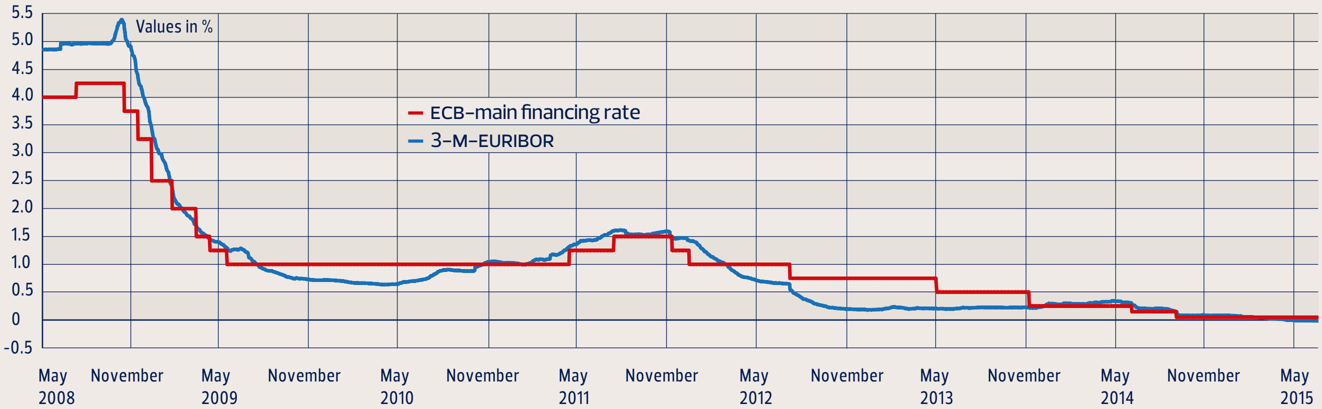
Source: Bloomberg



The development of the three-month EURIBOR (3-M-EURIBOR), the reference rate for most floating rate financing, was similar to the main refinancing rate. It fell sharply from a high of 5.39% in October 2008 to 0.63% at the end of March 2010. A subsequent increase to a temporary high in 2011 was followed by a continuation of the steady decline and a longer sideward movement. The three-month EURIBOR equalled 0.25% at the beginning of the 2014/15 financial year, was negative at -0.001% for the first time in April 2015 and held constant at -0.14% after the end of the reporting year in mid-June 2015. The negative EURIBOR has created new challenges for borrowers as well as lenders, since most loan agreements do not include any arrangements for this scenario.

Development of ECB main financing rate and 3-M-EURIBOR 2008-2015

Source: Bloomberg

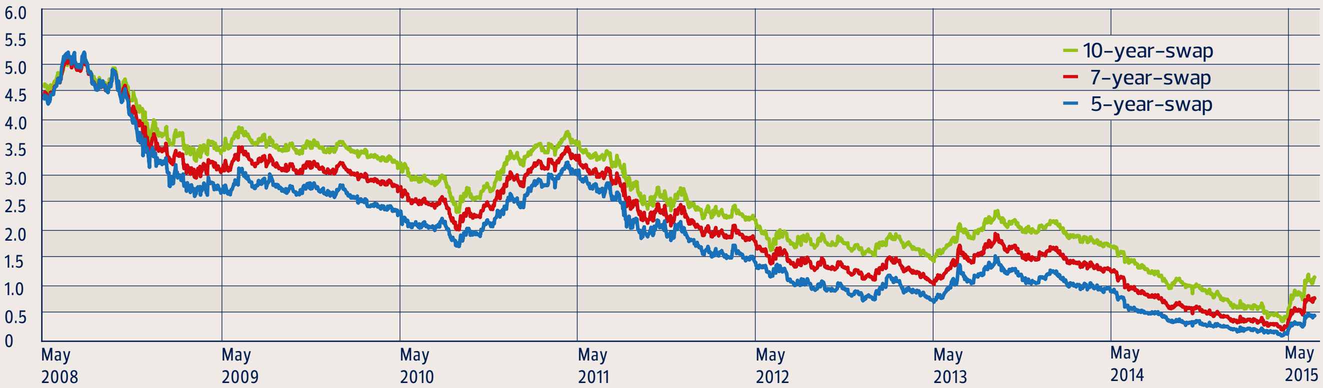


Medium- and long-term interest rates followed a clear-cut trend in 2014/15, namely the continuation of the significant downward movement that began in early 2014. This led to a decline in 10-year swap rates to less than 0.4% at the end of the reporting year. The previously stable interest rate spread narrowed accordingly, with the gap between five- and ten-year swap rates shrinking to 0.25%. IMMOFINANZ used this lowermost interest rate window in 2014/15 to conclude numerous long-term interest rate hedges and thereby further reduce average financing costs.

However, a countermovement took hold at the end of April 2015, which raised the five-year swap rate to over 0.50% and the ten-year swap rate to over 1.0%. This correction continued after the reporting year and was reflected in high volatility with jumps of up to 15 basis points within a single day.

Development of EUR-swap rates 2008–2015

Source: Bloomberg



In connection with financing arrangements for standing investments, there is a continued focus on the eligibility of loans to serve as coverage for mortgage bonds. This leads to more favourable refinancing costs on the covered portion, but also to lower loan-to-value ratios. The premiums for the non-covered loan segments, i.e. the margins on the loan tranches that exceed the senior tranche, have recently declined in numerous core markets and also make slightly higher loan-to-value ratios attractive.

The availability and terms of financing are still heavily dependent on the asset class and market. Very attractive terms are available for high-quality properties in established markets like Austria and Germany, while the lower country ratings for Hungary and Romania have limited the availability of financing and led to comparatively higher margins. Russia remains a special case: financing terms are still significantly higher than in the other IMMOFINANZ core markets.

Sufficient financing, but with certain requirements, is available for development projects. Margins during the construction phase are higher than the comparable mark-ups for standing investment financing. However, the combination of development financing with previously arranged follow-up financing creates a potential for optimisation. The decisive factors here are cost security and pre-letting.

Exchange rate risk is minimised by holding financing and revenues in the same currency. Most of IMMOFINANZ Group's financing is denominated in the Euro because the rental agreements generally call for payment in this currency. Russia is also a special case in this respect, since most of the financing and rental contracts were concluded in US Dollars.

IMMOFINANZ Group has both fixed and floating rate Euro financing. The interest rate is based primarily on the general interest rate level in the Euro zone and the term of the respective financing. The interest rate risk can be hedged with interest rate derivatives (see page 78 in the section "Financing" for details on the interest rate hedges used by IMMOFINANZ Group). The value of these derivatives is determined primarily on the basis of EUR-swap rates that reflect the expected development of the applicable EURIBOR rate.

Portfolio Report

The core activities of IMMOFINANZ Group include the management and development of properties in Central and Eastern Europe. The goal is to create a diversified, risk-optimised and sustainable portfolio of standing investments.

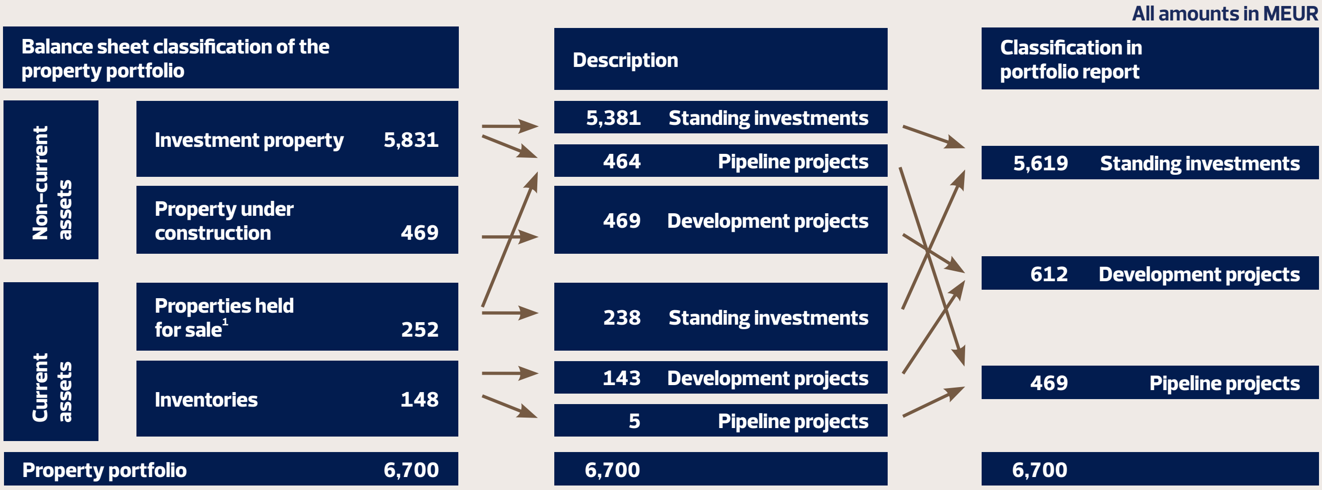
The spin-off of BUWOG in 2013/14 was followed by the positioning of IMMOFINANZ Group as a commercial real estate company operating in the office, retail and logistics asset classes of eight core markets: Austria, Germany, Czech Republic, Poland, Hungary, Romania, Slovakia and Russia. In order to allow for more efficient and targeted actions in these different markets, IMMOFINANZ Group's activities are further divided into ten strategic business segments based on homogeneous product groups.

Property portfolio

The property portfolio of IMMOFINANZ Group is reported on the balance sheet under the following positions: investment property, property under construction, properties held for sale and real estate inventories. "Investment property" consists of standing investments as well as temporarily suspended development projects and undeveloped land. "Property under construction" consists of development projects currently in progress (including properties undergoing major modernisation), which will be reclassified by IMMOFINANZ Group as standing investment properties after completion. "Inventories" comprise properties that are developed for sale after completion, e.g. condominium apartments. "Properties held for sale" represent standing assets for which the Group had concrete sale plans as of 30 April 2015 that are expected to be realised soon after the balance sheet date. In the portfolio report, these properties are included under standing investments at a total of EUR 238.4 million and under pipeline projects at EUR 13.4 million.

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

The following charts reconcile the property assets of IMMOFINANZ Group as reported on the balance sheet as of 30 April 2015 with the presentation in this portfolio report:



[1] Properties of EUR 251.8 million held for sale are included on the balance sheet under current assets held for sale.
Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The following table shows the carrying amount of IMMOFINANZ Group's property portfolio as of 30 April 2015:

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
Austria	182	1,308.0	2.1	36.4	1,346.5	20.1%
Germany	38	426.3	238.6	14.8	679.7	10.1%
Czech Republic	28	402.9	42.4	36.5	481.7	7.2%
Hungary	38	482.5	1.9	36.7	521.1	7.8%
Poland	28	361.7	268.3	7.5	637.5	9.5%
Romania	87	665.8	18.3	265.1	949.2	14.2%
Russia	6	1,566.5	0.0	0.0	1,566.5	23.4%
Slovakia	19	199.2	26.9	17.0	243.1	3.6%
Non-core countries	52	206.2	13.4	54.9	274.4	4.1%
IMMOFINANZ Group	**478**	**5,619.0**	**612.0**	**468.9**	**6,699.9**	**100.0%**
		83.9%	**9.1%**	**7.0%**	**100.0%**	

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

The IMMOFINANZ Group property portfolio had a carrying amount of EUR 6,699.9 million as of 30 April 2015. Of this total, standing investments represent the largest component at EUR 5,619.0 million or 83.9%. Active development projects comprise EUR 612.0 million or 9.1% of the carrying amount of the property portfolio. A carrying amount of EUR 468.9 million or 7.0% is attributable to the project pipeline, which comprises temporarily suspended development projects, future planned development projects and undeveloped land.

An analysis shows the main focus of IMMOFINANZ Group's portfolio in Russia with 23.4%, followed by Austria with 20.1% and Romania with 14.2%. Germany ranks fourth with 10.1% of the total portfolio.

The following sections provide a description of IMMOFINANZ Group's property portfolio:

Office

The business segment **International High-Class Office** consists solely of prime office properties in the most attractive markets. Outstanding quality and a top location are the basic requirements for this business segment. The properties are selected, above all, with a view to meeting international standards. With 18.6% of the total portfolio, the International High-Class Office portfolio represents an important source of revenues.This group of properties includes, among others, the *City Tower Vienna* (Vienna, Austria) and the *BB Centrum Gamma* (Prague, Czech Republic), both of which are fully rented, as well as the *IO-1* and *Park Postepu* (Warsaw, Poland).

The **Secondary Office AT/DE** portfolio comprises good quality, functional office properties. The target group consists primarily of cost-conscious tenants. With 8.8% of the total portfolio, the focal points of this business segment are the stable markets in Austria and Germany.

The properties in the **Secondary Office CEE** portfolio are located in the capital cities of Central and Eastern Europe. With 9.4% of the total portfolio, this business segment also concentrates primarily on cost-conscious tenants and is intended to strengthen the market position in Eastern Europe.

A focus on high-quality properties at good locations also requires the sale of assets that have a sizeable potential for repositioning, but do not match the target portfolio of IMMOFINANZ Group with respect to size, location, quality or other features. These properties are designated for sale over the short- to medium-term and are combined under the business segment **Opportunistic Office**. This category represents 2.7% of the total portfolio.

Retail

Retail activities are concentrated in the **Quality Shopping Center** segment. With a 32.1% share of the total portfolio, these prime shopping facilities with international tenants are found exclusively in large, strong locations. The demands on size, quality, location and tenant mix are very high in this segment. Substantial retail expertise and an extensive international network make it possible for IMMOFINANZ Group to generate sustainable competitive advantages in this area. The properties in this segment include, among others, the *Polus Center Cluj* (Cluj-Napoca, Romania) and the *Golden Babylon Rostokino* (Moscow, Russia), with approx. 168,000 sqm of rentable retail space the largest property in IMMOFINANZ Group's retail portfolio. Also included here are the *GOODZONE* shopping center in Moscow and the *Tarasy Zamkowe* in Lublin, Poland, which opened in March 2015.

With VIVO!, IMMOFINANZ Group has developed a new shopping center brand. VIVO! shopping centers will generally have at least 15,000 sqm of rentable space, primarily on a single level, with locations in cities that have a catchment area of at least 200,000 residents. The first VIVO! shopping center opened in October 2014 in the Polish city of Piła and will be followed by a second center in Stalowa Wola, which is currently under construction in the south-eastern region of Poland and should open during the fourth quarter of 2015. Construction on the third VIVO! project, which is located in southern Polish city of Krosno, started in January 2015 and is scheduled for completion in the first quarter of 2017. The VIVO! concept – similar to the STOP.SHOP.s (see below) – is based on high standardisation and is also well suited for a systematised rollout. Therefore, plans are currently in progress for the development of further VIVO! locations.

The business segment **STOP.SHOP./Retail Park**, with a 7.4% share of the total portfolio, comprises retail parks in Austria and Eastern Europe that are characterised by a standardised format and an attractive tenant mix. These properties are situated mainly at locations in catchment areas with 30,000 to 150,000 residents and generally have at least 3,000 sqm of rentable space on a single level. IMMOFINANZ Group introduced the STOP.SHOP. brand in 2002 and has successfully established it in CEE and Austria since that time. These retail parks offer convincing benefits, above all, with uniform quality standards, planning with a focus on easy shopping and high recognition. Plans call for the further expansion of this brand over the coming years with a focus on the Polish market. Market entry in Serbia and Romania is also planned: the first STOP.SHOP. in Serbia opened in Čačak during April.

A concentration on high-quality properties at good locations also requires the sale of assets that have a sizeable potential for repositioning, but do not match the target portfolio of IMMOFINANZ Group with respect to size, location, quality or other features. These retail properties are designated for sale over the short- to medium-term and are combined under the business segment **Opportunistic Retail**. They comprise 3.7% of the total portfolio.

Logistics

Logistics activities in Western Europe are combined in the **Logistics West** business segment. In 2014/15 this segment included the Deutsche Lagerhaus, a subsidiary of IMMOFINANZ Group, and represented 6.5% of the total portfolio.

The **Logistics East** portfolio, with a share of 2.9%, is concentrated mainly in the promising Central and East European region and covers logistics activities in Romania, Hungary, Russia, Poland and Slovakia. Close cooperation with the Logistics West portfolio allows IMMOFINANZ Group to offer logistics space from a single hand to tenants in large parts of Europe.

IMMOFINANZ Group has bundled its logistics activities under the LOG.IQ brand at the end of April 2015. This brand covers the wholly owned subsidiary Deutsche Lagerhaus (DLG) as well as the former LOG Center businesses in Eastern Europe. As of 30 April 2015, roughly 70% of the LOG.IQ logistics properties were located in Germany and approx. 30% in CEE.

Other

The **Other** segment, with a 7.8% share of the total portfolio, comprises all other business activities of IMMOFINANZ Group that cannot be allocated to one of the three defined asset classes (office, retail, logistics). This segment includes, above all, the residential properties that remained with IMMOFINANZ Group after the BUWOG spin-off, e.g. residential properties for rental in Austria. It also includes apartments in the *Gerling Quartier* in Germany, which are designated for sale, and the condominium apartments developed by IMMOFINANZ in Romania (Adama) and Poland. Also assigned to this category is the *Hotel Leonardo* in Vienna and a number of the residential properties in Vienna, which were sold after the end of the reporting year.

The standing investments in this segment are designated for sale over the short- to medium-term because they do not fit with the strategic focus of IMMOFINANZ Group.

The following table shows the carrying amount of IMMOFINANZ Group's property portfolio as of 30 April 2015:

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
Intern. High-Class Office	24	996.3	219.6	28.8	1,244.7	18.6%
Secondary Office AT/DE	26	551.4	7.5	33.8	592.8	8.8%
Secondary Office CEE	31	537.2	30.0	64.3	631.4	9.4%
Opportunistic Office	22	179.2	0.0	0.0	179.2	2.7%
Office	**103**	**2,264.0**	**257.1**	**126.9**	**2,648.0**	**39.5%**
Quality Shopping Center	17	1,964.6	183.8	0.4	2,148.8	32.1%
STOP.SHOP./Retail Park	65	463.3	26.7	8.9	498.9	7.4%
Opportunistic Retail	113	165.1	0.0	83.7	248.8	3.7%
Retail	**195**	**2,593.0**	**210.5**	**92.9**	**2,896.4**	**43.2%**
Logistics West	51	422.7	3.0	12.3	438.1	6.5%
Logistics East	28	145.3	0.0	47.3	192.6	2.9%
Logistics	**79**	**568.0**	**3.0**	**59.6**	**630.6**	**9.4%**
Other	101	193.9	141.3	189.5	524.8	7.8%
IMMOFINANZ Group	**478**	**5,619.0**	**612.0**	**468.9**	**6,699.9**	**100.0%**

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

The IMMOFINANZ Group portfolio had a carrying amount of EUR 6,699.9 million as of 30 April 2015. An analysis ranks the Quality Shopping Center segment first with 32.1%, followed by International High-Class Office with 18.6% and Secondary Office CEE with 9.4%.

Standing investments

Standing investments are properties held by IMMOFINANZ Group as of 30 April 2015 for the purpose of generating rental income. The standing investment portfolio represents a carrying amount of EUR 5,619.0 million, or 83.9% of the total property portfolio.

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Austria	165	1,308.0	23.3%	660,051	552,971	83.8%
Germany	28	426.3	7.6%	804,776	721,423	89.6%
Czech Republic	22	402.9	7.2%	253,160	210,916	83.3%
Hungary	30	482.5	8.6%	390,126	319,300	81.8%
Poland	14	361.7	6.4%	196,313	144,845	73.8%
Romania	20	665.8	11.8%	387,512	337,245	87.0%
Russia	6	1,566.5	27.9%	318,916	271,797	85.2%
Slovakia	13	199.2	3.5%	115,870	105,087	90.7%
Non-core countries	32	206.2	3.7%	151,845	97,178	64.0%
IMMOFINANZ Group	**330**	**5,619.0**	**100.0%**	**3,278,567**	**2,760,761**	**84.2%**

	Rental income FY 2014/15 in MEUR[1]	Gross return in %	Carrying amount financing in MEUR	Financing costs in %	Financing costs incl. derivatives in %	LTV in %
Austria	75.1	5.7%	546.6	2.5%	3.2%	41.8%
Germany	31.7	7.4%	248.1	1.9%	3.3%	58.2%
Czech Republic	27.9	6.9%	151.8	2.5%	2.9%	37.7%
Hungary	28.9	6.0%	181.2	2.2%	2.5%	37.6%
Poland	22.6	6.2%	218.6	2.2%	3.4%	60.4%
Romania	45.8	6.9%	226.3	3.6%	4.5%	34.0%
Russia	140.2	9.0%	737.4	7.2%	7.2%	47.1%
Slovakia	14.7	7.4%	89.9	3.4%	3.7%	45.1%
Non-core countries	18.5	9.0%	93.6	2.8%	3.4%	45.4%
IMMOFINANZ Group	**405.3**	**7.2%**	**2,493.6**	**3.9%**	**4.5%**	**44.4%**
Development and pipeline projects	14.5		377.7	2.2%	2.4%	
Properties sold in FY 2014/15	6.5		0.0	0.0%	0.0%	
Investment financing	0.0		254.7	1.1%	2.0%	
Group financing	0.0		1,058.0	3.1%	3.6%	
IMMOFINANZ Group	**426.3**		**4,184.0**	**3.4%**	**3.9%**	
Cash and cash equivalents and BUWOG exchangeable bond 2014–2019 (in the money)			-815.7			
IMMOFINANZ Group			**3,368.3**			**50.3%**

[1] Rental income in FY 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)
Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

IMMOFINANZ Group held 330 standing investments with 3,278,567 sqm of rentable space, which generated a return of 7.2% as of 30 April 2015.

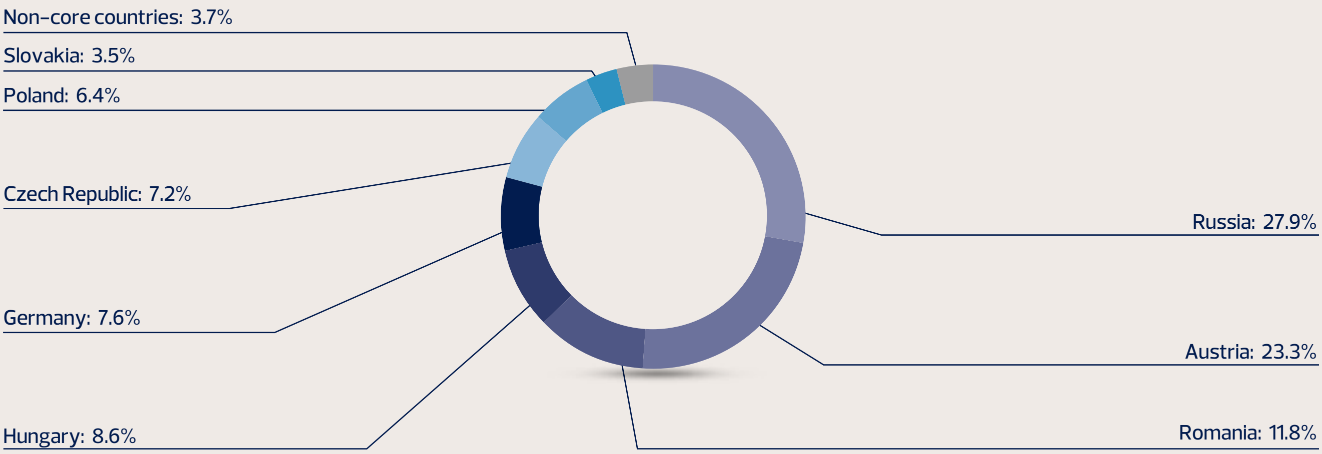
The occupancy rate in the IMMOFINANZ Group's standing investments equalled 84.2% as of 30 April 2015. Based on the carrying amount, the main focus of the standing investments is in Russia (EUR 1,566.5 million), Austria (EUR 1,308.0 million) and Romania (EUR 665.8 million).

The standing investments in the non-core countries amount to EUR 206.2 million.

The following graph shows the distribution of IMMOFINANZ Group's standing investment portfolio as of 30 April 2015, based on the carrying amount:

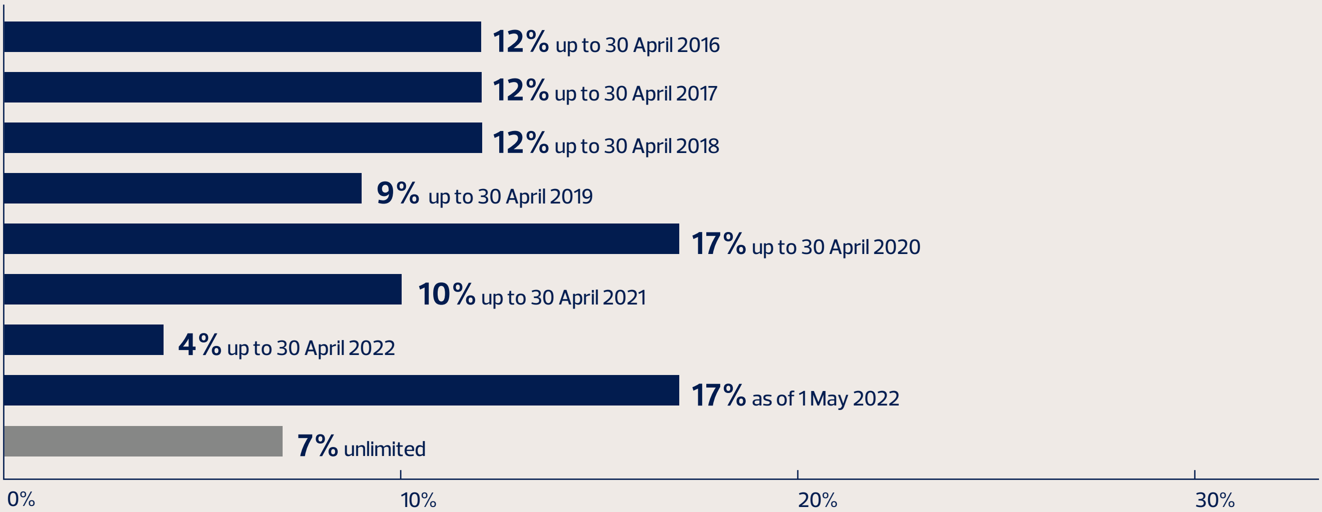
Standing investments by country – as of 30 April 2015

Carrying amount in %



The contract expiration profile of the standing investments as of 30 April 2015 is shown below:

Contract expiration IMMOFINANZ

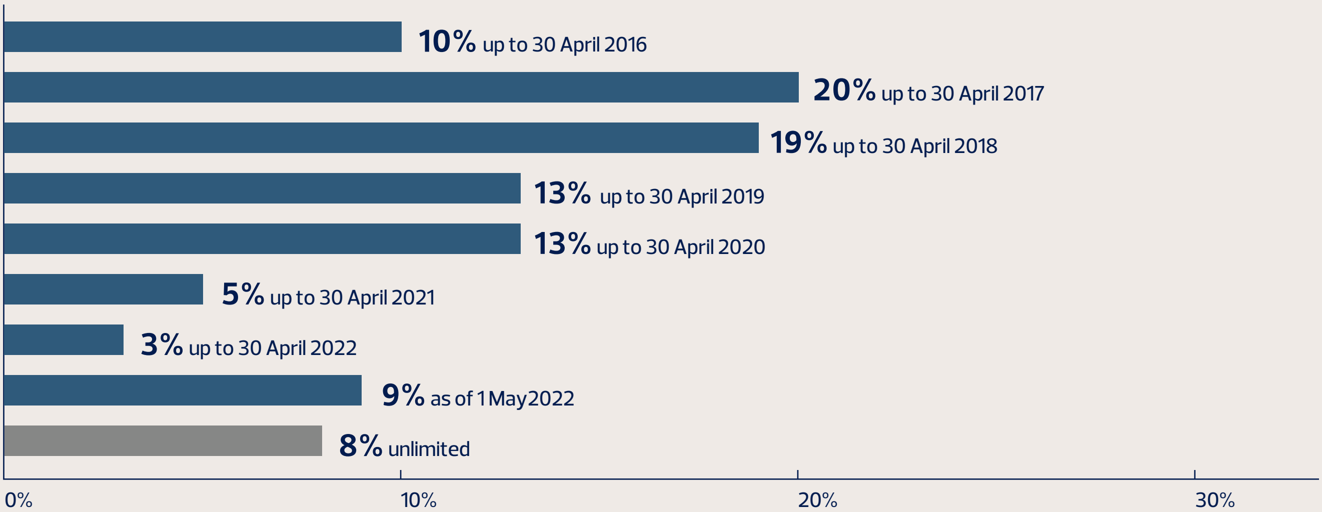


Office

The 80 office standing investments had a combined carrying amount of EUR 2,264.0 million as of 30 April 2015, which represents 40.3% of the standing investment portfolio of IMMOFINANZ Group. This portfolio has 1,101,379 sqm of rentable space and an occupancy rate of 75.0%. Rental income amounted to EUR 128.9 million in 2014/15, which reflects a return of 5.7%.

The regional focus of IMMOFINANZ Group's office standing investment portfolio is formed by the core markets of Austria (EUR 912.8 million), Romania (EUR 334.1 million) and the Czech Republic (EUR 271.2 million). The most important properties in this portfolio include the *City Tower Vienna* in Vienna, Austria, the *IO-1* in Warsaw, Poland, and the *BB Centrum Gamma* in Prague, Czech Republic.

Contract expiration office sector



Key data on the individual business segments as of 30 April 2015 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Intern. High-Class Office	16	996.3	44.0%	408,043	314,365	77.0%
Secondary Office AT/DE	19	551.4	24.4%	234,828	176,847	75.3%
Secondary Office CEE	23	537.2	23.7%	328,890	248,227	75.5%
Opportunistic Office	22	179.2	7.9%	129,618	86,912	67.1%
IMMOFINANZ Group	**80**	**2,264.0**	**100.0%**	**1,101,379**	**826,351**	**75.0%**

	Rental income FY 2014/15 in MEUR[1]	Gross return in %	Carrying amount financing in MEUR	Financing costs in %	Financing costs incl. derivatives in %	LTV in %
Intern. High-Class Office	54.1	5.4%	492.5	2.2%	3.4%	49.4%
Secondary Office AT/DE	29.4	5.3%	301.2	2.4%	3.1%	54.6%
Secondary Office CEE	34.3	6.4%	181.1	2.7%	3.3%	33.7%
Opportunistic Office	11.1	6.2%	62.1	2.9%	3.2%	34.6%
IMMOFINANZ Group	**128.9**	**5.7%**	**1,036.8**	**2.4%**	**3.3%**	**45.8%**

[1] Rental income in FY 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)
Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The office sector in the IMMOFINANZ core markets

Share of the standing investment portfolio

POLAND

14.1%

Properties	9
Carrying amount in MEUR	319.0
Rentable space in sqm	140,654
Occupancy rate	75.9%
Rent. income FY 2014/15 in MEUR[1]	19.2
Return	6.0%

GERMANY

5.5%

Properties	4
Carrying amount in MEUR	123.6
Rentable space in sqm	52,488
Occupancy rate	58.0%
Rent. income FY 2014/15 in MEUR[1]	5.6
Return	4.5%

CZECH REPUBLIC

12.0%

Properties	10
Carrying amount in MEUR	271.2
Rentable space in sqm	147,628
Occupancy rate	74.2%
Rent. income FY 2014/15 in MEUR[1]	17.3
Return	6.4%

ROMANIA

14.8%

Properties	8
Carrying amount in MEUR	334.1
Rentable space in sqm	187,397
Occupancy rate	79.1%
Rent. income FY 2014/15 in MEUR[1]	23.2
Return	7.0%

AUSTRIA

40.3%

Properties	34
Carrying amount in MEUR	912.8
Rentable space in sqm	378,388
Occupancy rate	78.5%
Rent. income FY 2014/15 in MEUR[1]	48.1
Return	5.3%

HUNGARY

11.6%

Properties	12
Carrying amount in MEUR	262.2
Rentable space in sqm	165,712
Occupancy rate	72.3%
Rent. income FY 2014/15 in MEUR[1]	13.5
Return	5.1%

1.8%

NON-CORE COUNTRIES

Properties	3
Carrying amount in MEUR	41.1
Rentable space in sqm	29,112
Occupancy rate	50.7%
Rent. income FY 2014/15 in MEUR[1]	1.9
Return	4.7%

100%

IMMOFINANZ GROUP

Properties	80
Carrying amount in MEUR	2,264.0
Rentable space in sqm	1,101,379
Occupancy rate	75.0%
Rent. income FY 2014/15 in MEUR[1]	128.9
Return	5.7%

1 Rental income in FY 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

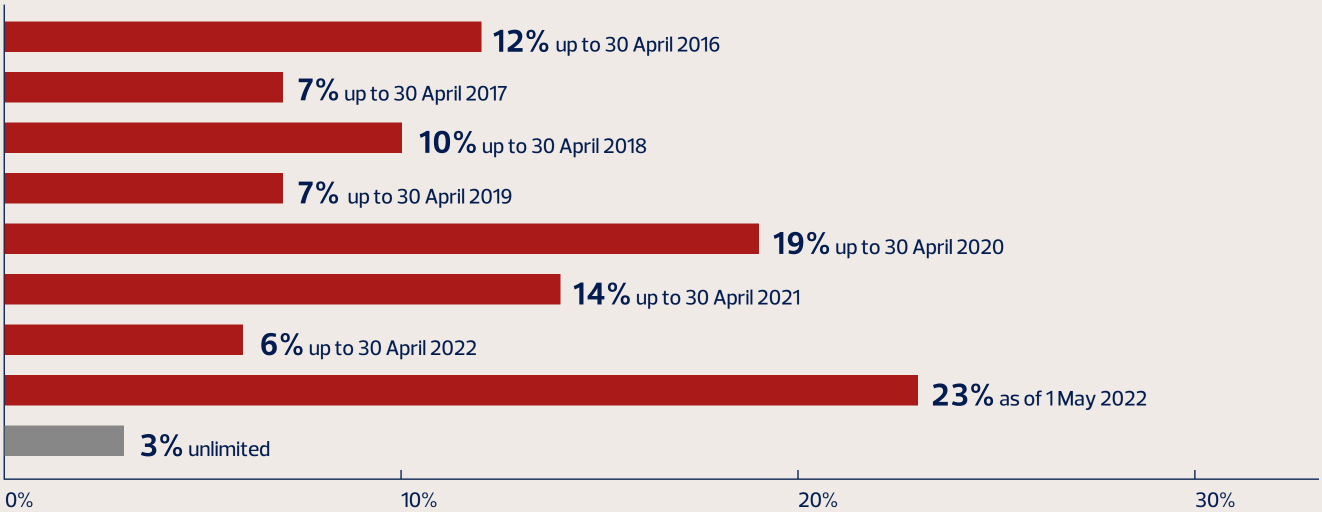
Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Retail

The 160 retail standing investments have a combined carrying amount of EUR 2,593.0 million, which represents 46.1% of the standing investment portfolio. The occupancy rate equalled 92.0% as of 30 April 2015. Rental income amounted to EUR 218.7 million in 2014/15, for a return of 8.4%.

Based on the carrying amount as of 30 April 2015, the most important markets in the retail asset class are the core markets of Russia with EUR 1,536.5 million, Romania with EUR 292.6 million and Austria with EUR 216.1 million. The most important retail properties in this portfolio are the *Golden Babylon Rostokino*, *GOODZONE* and *Golden Babylon I* shopping centers in Moscow, Russia, as well as the *Polus Center Cluj* in Romania. The *Tarasy Zamkowe* shopping center in Poland opened during March 2015; this high-quality shopping center with approx. 38,000 sqm of rentable space is located in the city center of Lublin.

Contract expiration retail sector



Key data on the individual business segments as of 30 April 2015 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Quality Shopping Center	12	1,964.6	75.8%	479,110	429,814	89.7%
STOP.SHOP./Retail Park	51	463.3	17.9%	338,891	324,203	95.7%
Opportunistic Retail	97	165.1	6.4%	203,502	185,928	91.4%
IMMOFINANZ Group	**160**	**2,593.0**	**100.0%**	**1,021,503**	**939,945**	**92.0%**

	Rental income FY 2014/15 in MEUR[1]	Gross return in %	Carrying amount financing in MEUR	Financing costs in %	Financing costs incl. derivatives in %	LTV in %
Quality Shopping Center	166.3	8.5%	858.2	6.6%	6.6%	43.7%
STOP.SHOP./Retail Park	35.8	7.7%	208.9	2.7%	2.9%	45.1%
Opportunistic Retail	16.6	10.0%	23.9	2.4%	2.5%	14.5%
IMMOFINANZ Group	**218.7**	**8.4%**	**1,091.0**	**5.8%**	**5.8%**	**42.1%**

[1] Rental income in FY 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

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

The retail sector in the IMMOFINANZ core markets

Share of the standing investment portfolio

RUSSIA

59.3%

Properties	5
Carrying amount in MEUR	1,536.5
Rentable space in sqm	277,611
Occupancy rate	86.2%
Rent. income FY 2014/15 in MEUR[1]	136.2
Return	8.9%

POLAND

1.0%

Properties	3
Carrying amount in MEUR	24.8
Rentable space in sqm	25,085
Occupancy rate	92.8%
Rent. income FY 2014/15 in MEUR[1]	2.1
Return	8.3%

CZECH REPUBLIC

5.1%

Properties	12
Carrying amount in MEUR	131.6
Rentable space in sqm	105,532
Occupancy rate	96.1%
Rent. income FY 2014/15 in MEUR[1]	10.5
Return	8.0%

SLOVAKIA

7.2%

Properties	12
Carrying amount in MEUR	186.8
Rentable space in sqm	90,781
Occupancy rate	97.2%
Rent. income FY 2014/15 in MEUR[1]	14.0
Return	7.5%

ROMANIA

11.3%

Properties	4
Carrying amount in MEUR	292.6
Rentable space in sqm	147,774
Occupancy rate	94.2%
Rent. income FY 2014/15 in MEUR[1]	20.3
Return	6.9%

AUSTRIA

8.3%

Properties	105
Carrying amount in MEUR	216.1
Rentable space in sqm	221,710
Occupancy rate	92.7%
Rent. income FY 2014/15 in MEUR[1]	20.9
Return	9.7%

HUNGARY

6.2%

Properties	13
Carrying amount in MEUR	159.5
Rentable space in sqm	122,648
Occupancy rate	92.8%
Rent. income FY 2014/15 in MEUR[1]	11.2
Return	7.0%

1.7%

NON-CORE COUNTRIES

Properties	6
Carrying amount in MEUR	45.1
Rentable space in sqm	30,363
Occupancy rate	96.2%
Rent. income FY 2014/15 in MEUR[1]	3.5
Return	7.7%

100%

IMMOFINANZ GROUP

Properties	160
Carrying amount in MEUR	2,593.0
Rentable space in sqm	1,021,503
Occupancy rate	92.0%
Rent. income FY 2014/15 in MEUR[1]	218.7
Return	8.4%

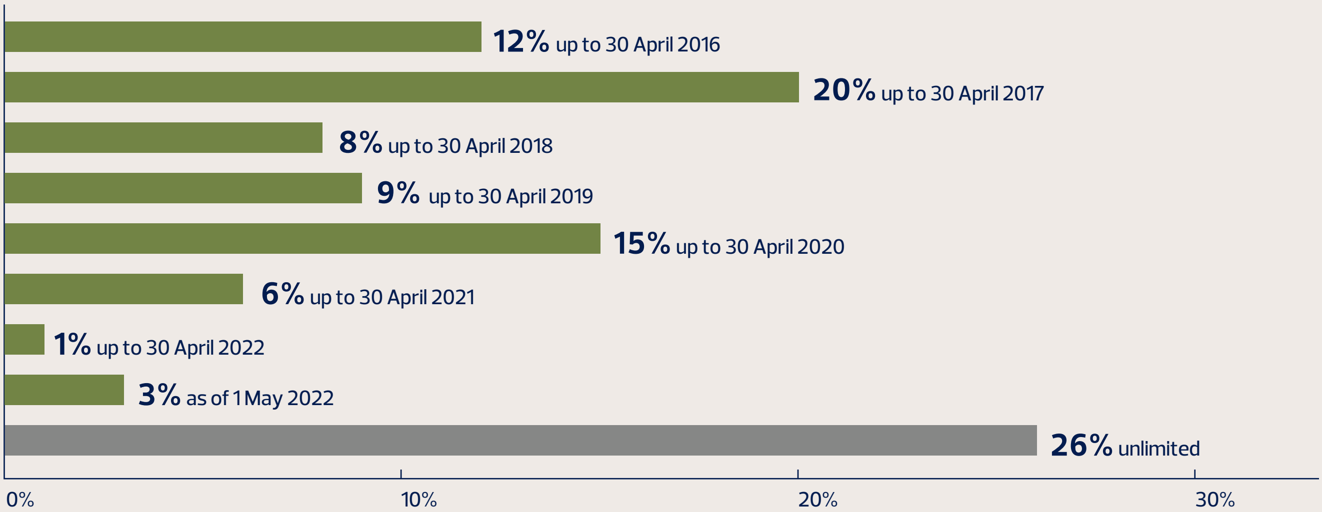
[1] Rental income in FY 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)
Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Logistics

The 59 logistics standing investments have a total carrying amount of EUR 568.0 million and comprise 10.1% of the standing investment portfolio. The highest return among the core markets is recorded in Russia at 13.4%. The occupancy rate in the logistics portfolio was 86.1% as of 30 April 2015. IMMOFINANZ Group bundled its logistics propertied under the LOG.IQ brand at the end of April 2015 and the rebranding of the properties will take place over the coming months.

Germany represents the focal point of the logistics portfolio where, based on the carrying amount, 53.3% of the logistics standing properties are located.

Contract expiration logistics sector



Key data on the individual business segments as of 30 April 2015 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Logistics West	47	422.7	74.4%	844,658	744,187	88.1%
Logistics East	12	145.3	25.6%	251,074	199,762	79.6%
IMMOFINANZ Group	**59**	**568.0**	**100.0%**	**1,095,732**	**943,950**	**86.1%**

	Rental income FY 2014/15 in MEUR[1]	Gross return in %	Carrying amount financing in MEUR	Financing costs in %	Financing costs incl. derivatives in %	LTV in %
Logistics West	39.2	9.3%	212.9	2.0%	3.7%	50.4%
Logistics East	12.5	8.6%	71.6	3.3%	3.8%	49.3%
IMMOFINANZ Group	**51.7**	**9.1%**	**284.4**	**2.3%**	**3.7%**	**50.1%**

[1] Rental income in FY 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)
Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The logistics sector in the IMMOFINANZ core markets

Share of the standing investment portfolio

5.3%

RUSSIA

Properties	1
Carrying amount in MEUR	30.0
Rentable space in sqm	41,305
Occupancy rate	79.0%
Rent. income FY 2014/15 in MEUR[1]	4.0
Return	13.4%

POLAND

Properties	2
Carrying amount in MEUR	17.9
Rentable space in sqm	30,574
Occupancy rate	48.4%
Rent. income FY 2014/15 in MEUR[1]	1.3
Return	7.2%

3.2%

GERMANY

Properties	24
Carrying amount in MEUR	302.7
Rentable space in sqm	752,288
Occupancy rate	91.8%
Rent. income FY 2014/15 in MEUR[1]	26.1
Return	8.6%

53.3%

SLOVAKIA

Properties	1
Carrying amount in MEUR	12.4
Rentable space in sqm	25,088
Occupancy rate	67.2%
Rent. income FY 2014/15 in MEUR[1]	0.8
Return	6.1%

2.2%

ROMANIA

Properties	3
Carrying amount in MEUR	24.2
Rentable space in sqm	52,341
Occupancy rate	95.3%
Rent. income FY 2014/15 in MEUR[1]	2.2
Return	9.0%

4.3%

10.7%

HUNGARY

Properties	5
Carrying amount in MEUR	60.8
Rentable space in sqm	101,766
Occupancy rate	84.1%
Rent. income FY 2014/15 in MEUR[1]	4.2
Return	7.0%

21.1%

NON-CORE COUNTRIES

Properties	23
Carrying amount in MEUR	120.0
Rentable space in sqm	92,370
Occupancy rate	57.6%
Rent. income FY 2014/15 in MEUR[1]	13.1
Return	10.9%

100%

IMMOFINANZ GROUP

Properties	59
Carrying amount in MEUR	568.0
Rentable space in sqm	1,095,732
Occupancy rate	86.1%
Rent. income FY 2014/15 in MEUR[1]	51.7
Return	9.1%

[1] Rental income in FY 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)
Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Other

The carrying amount of the standing investments in the Other segment totals EUR 193.9 million, or 3.5% of the standing investment portfolio. Rental income amounted to EUR 6.2 million in 2014/15, for a return of 3.2%.

This segment includes, above all, the residential properties in Austria which were held as part of the CMBS financing structure that expired in May 2015. Eight of these residential properties were sold to an Austrian insurance group in June 2015. The remaining properties in this segment are also designated for sale because they are not part of IMMOFINANZ Group's strategic core business.

Key data on the individual business segments as of 30 April 2015 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Other	31	193.9	100.0%	59,954	50,515	84.3%
IMMOFINANZ Group	**31**	**193.9**	**100.0%**	**59,954**	**50,515**	**84.3%**

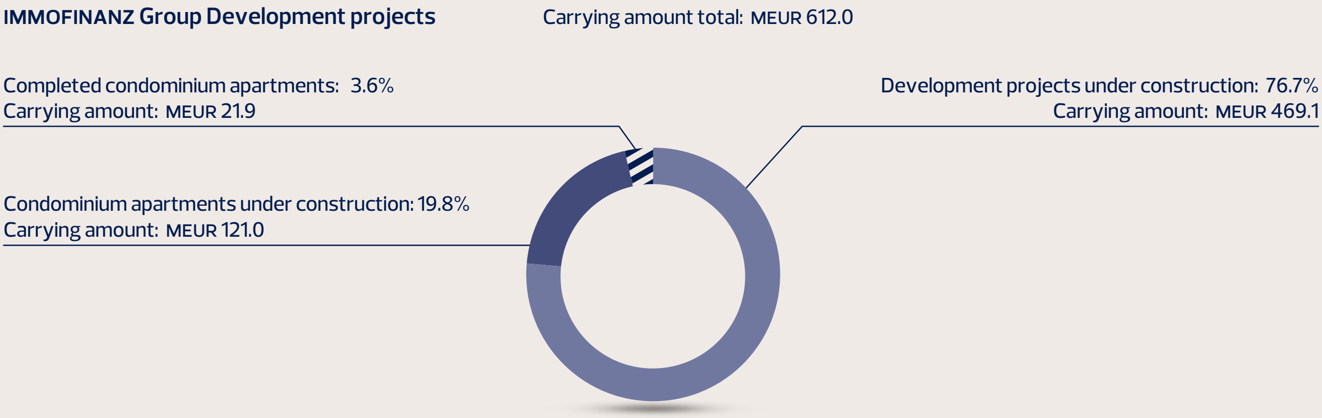
	Rental income FY 2014/15 in MEUR[1]	Gross return in %	Carrying amount financing in MEUR	Financing costs in %	Financing costs incl. derivatives in %	LTV in %
Other	6.2	3.2%	81.3	3.6%	3.8%	41.9%
IMMOFINANZ Group	**6.2**	**3.2%**	**81.3**	**3.6%**	**3.8%**	**41.9%**

[1] Rental income in FY 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)
Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Development projects

This segment includes real estate development projects by IMMOFINANZ Group which are currently under construction as well as major refurbishments and completed condominium apartments that have not yet been sold. These properties are reported on the balance sheet under property under construction and real estate inventories.

IMMOFINANZ Group Development projects



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

The development projects currently under construction have a carrying amount of EUR 469.1 million, which represents 76.7% of all development projects. These properties are designated for rental after completion and will be held as standing investments. A share of 19.8% is attributable to condominium apartments under construction and the remaining 3.6% represent completed condominium apartments that remained in IMMOFINANZ Group after the BUWOG spin-off.

Development projects	Number of properties	Thereof properties for sale	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable/ sellable space in sqm	Expected fair value upon completion in MEUR
Austria	1	1	2.1	0.3%	1.8	1,919	4.3
Germany	6	1	238.6	39.0%	288.4	130,895	608.6
Czech Republic	2	0	42.4	6.9%	9.1	29,756	61.8
Hungary[1]	0	0	1.9	0.3%	1.9	2,080	4.1
Poland	12	4	268.3	43.8%	50.4	165,910	341.9
Romania	7	6	18.3	3.0%	67.0	69,316	97.7
Slovakia[2]	2	0	26.9	4.4%	0.0	39,243	26.9
Non-core countries	5	2	13.4	2.2%	0.5	9,578	14.0
IMMOFINANZ Group	**35**	**14**	**612.0**	**100.0%**	**419.1**	**448,697**	**1,159.3**

1 Expansion of an existing STOP. SHOP.
2 Refurbishment of 2 existing office properties
Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The core markets of Poland und Germany represent the current focus of development activity, based on the carrying amount.

The development projects include 14 completed projects designated for sale, which have a carrying amount of EUR 142.9 million. Of these, six projects represent completed, but not yet fully sold residential developments in Romania with a carrying amount of EUR 11.0 million. The development projects in non-core countries are also completed condominium apartments.

Based on the expected fair value after completion, the most important development projects are located in Germany (EUR 608.6 million), Poland (EUR 341.9 million) and Romania (EUR 97.7 million).

Development projects	Number of properties	Thereof properties for sale	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable/ sellable space in sqm	Expected fair value upon completion in MEUR
Intern. High-Class Office	7	0	219.6	35.9%	174.9	137,860	434.4
Secondary Office AT/DE	2	1	7.5	1.2%	47.3	29,232	61.9
Secondary Office CEE	2	0	30.0	4.9%	76.1	74,002	128.6
Quality Shopping Center	4	0	183.8	30.0%	29.1	95,073	219.9
STOP.SHOP./Retail Park	6	0	26.7	4.4%	7.5	22,281	36.0
Logistics West[1]	1	0	3.0	0.5%	0.0	0	3.0
Other	13	13	141.3	23.1%	84.2	90,249	275.4
IMMOFINANZ Group	**35**	**14**	**612.0**	**100.0%**	**419.1**	**448,697**	**1,159.3**

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

As of 30 April 2015, the most important property development projects based on the expected fair value after completion are as follows:

Project	Country	Primary use	Planned rentable/ sellable space in sqm (rounded)
Gerling Quartier	Germany	Office/Other (Residential)	68,000
Iride City Metroffice[1]	Romania	Office	52,000
VIVO! Stalowa Wola	Poland	Retail	33,000
FLOAT (former Casa Stupenda)	Germany	Office	31,000
Riverpark	Poland	Other (Residential)	29,000
RWTH Aachen	Germany	Office	29,000
Polus Tower 2	Slovakia	Office	23,000
Vinice	Czech Republic	Office	22,000
Nimbus	Poland	Office	21,000

1 Phase I currently under construction with 20,000 sqm
Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Pipeline projects

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

Pipeline projects	Number of properties	Carrying amount in MEUR	Carrying amount in %
Austria	16	36.4	7.8%
Germany	4	14.8	3.2%
Czech Republic	4	36.5	7.8%
Hungary	8	36.7	7.8%
Poland	2	7.5	1.6%
Romania	60	265.1	56.5%
Slovakia	4	17.0	3.6%
Non-core countries	15	54.9	11.7%
IMMOFINANZ Group	**113**	**468.9**	**100.0%**

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

IMMOFINANZ Group had temporarily suspended projects, future planned projects and undeveloped land with a carrying amount of EUR 468.9 million as of 30 April 2015. A ranking of the project pipeline by carrying amount shows Romania as the most important core market with EUR 265.1 million followed by Hungary with EUR 36.7 million.

Properties held for sale

Properties held for sale represent standing assets for which the Group had concrete sale plans as of 30 April 2015 that should be realised soon after the balance sheet date. In the portfolio report, these properties are reported under standing investments (EUR 238.4 million) and pipeline projects (EUR 13.4 million).

Like-for-like analysis of the IMMOFINANZ portfolio

Rental income like-for-like

The following section presents a like-for-like analysis of rental income in comparison with the previous year. The analysis is based only on properties that were owned in full by IMMOFINANZ Group during 2014/15 and 2013/14, i.e. an adjustment was made for new acquisitions, completions and sales. The like-for-like analysis for the reporting year is based on 311 standing investments.

Adjusted rental income fell by 10% year-on-year to EUR 387.2 million in 2014/15. This decline is attributable, above all, to the current situation in Russia, where IMMOFINANZ Group has granted temporary rental reductions to the tenants in its Moscow shopping centers. In comparison with the previous year, the adjusted rental income from Russia shows a temporary decline of EUR 36.3 million to EUR 127.2 million. The development of like-for-like rental income in Germany is generally related to property-specific factors (e.g. an increase in the vacancy rate in a property not included in the core portfolio, planned vacancies in two logistics properties due to scheduled refurbishment or new construction). In Prague and Warsaw, the recent completion of large volumes of new office space led to an increase in vacancies in several IMMOFINANZ Group office properties and increased the pressure on effective rents.

Standing investments like-for-like	Number of properties	Carrying amount 30 Apr. 2015 in MEUR	Carrying amount in %	Carrying amount 30 Apr. 2014 in MEUR	Rental income FY 2014/15 in MEUR	Rental income FY 2013/14 in MEUR	Change in rental income FY 2014/15 vs. FY 2013/14 in MEUR	Gross return FY 2014/15 in %	Gross return FY 2013/14 in %
Austria	163	1,282.9	24.3%	1,229.4	74.9	74.2	0.7	5.8%	6.0%
Germany	27	393.7	7.4%	370.8	30.8	33.1	-2.3	7.8%	8.9%
Czech Republic	20	374.1	7.1%	400.5	27.0	27.8	-0.7	7.2%	6.9%
Hungary	28	474.3	9.0%	479.6	28.3	28.9	-0.6	6.0%	6.0%
Poland	13	358.1	6.8%	396.1	22.3	24.3	-1.9	6.2%	6.1%
Romania	15	650.9	12.3%	658.2	45.7	47.0	-1.2	7.0%	7.1%
Russia	5	1,374.6	26.0%	1,537.4	127.2	163.5	-36.3	9.3%	10.6%
Slovakia	13	199.2	3.8%	206.4	14.7	14.8	-0.1	7.4%	7.2%
Non-core countries	27	182.4	3.4%	176.7	16.2	16.8	-0.6	8.9%	9.5%
IMMOFINANZ Group	**311**	**5,290.2**	**100.0%**	**5,455.0**	**387.2**	**430.3**	**-43.1**	**7.3%**	**7.9%**
Rental income from properties and development projects sold/acquired in FY 2014/15					39.1				
IMMOFINANZ Group					**426.3**				

Standing investments like-for-like	Number of properties	Carrying amount 30 Apr. 2015 in MEUR	Carrying amount in %	Carrying amount 30 Apr.2014 in MEUR	Rental income FY 2014/15 in MEUR	Rental income FY 2013/14 in MEUR	Change in rental income FY 2014/15 vs. FY 2013/14 in MEUR	Gross return FY 2014/15 in %	Gross return FY 2013/14 in %
Office	77	2,187.9	41.4%	2,244.4	127.7	133.6	-5.9	5.8%	6.0%
Retail	152	2,361.1	44.6%	2,518.2	202.0	237.2	-35.1	8.6%	9.4%
Logistics	58	565.7	10.7%	544.9	51.4	53.3	-1.9	9.1%	9.8%
Other	24	175.5	3.3%	147.5	6.1	6.2	-0.2	3.5%	4.2%
IMMOFINANZ Group	**311**	**5,290.2**	**100.0%**	**5,455.0**	**387.2**	**430.3**	**-43.1**	**7.3%**	**7.9%**

Valuation like-for-like

The IMMOFINANZ properties were valued by external appraisers as of 30 April 2015 and 31 October 2014. As of 31 July and 31 January, IMMOFINANZ Group's properties were valued internally by asset management and/or controlling. The like-for-like valuation for 2014/15 shows a total foreign exchange adjusted decrease of 3%, or EUR 159.9 million, in the property portfolio. The valuation of the property portfolios in Austria and Germany led to an increase of EUR 68.1 million and EUR 20.8 million, respectively. These countries continue to benefit from low interest rates and the rising demand for real estate. The decline in the value of the Russian portfolio resulted primary from a temporary decrease in rental income and an increase in the discount rates used for valuation. This is a consequence of the uncertainty over general economic conditions in Russia. The changes in value to a number of East European office properties were based on property-specific factors: increased capital costs for current and planned refurbishments (Bratislava and Prague) and a temporary increase in vacancies following the departure of large tenants (Warsaw). In Warsaw, the high pace of new construction in recent years has also had an effect on the general market situation through an increase in vacancies.

Standing investments like-for-like	Number of properties	Carrying amount 30 Apr. 2015 in MEUR	Carrying amount in %	Valuation effects FY 2014/15 in MEUR	Valuation effects FY 2013/14 in %
Austria	163	1,282.9	24.3%	68.1	5.3%
Germany	27	393.7	7.4%	20.8	5.3%
Czech Republic	20	374.1	7.1%	-26.1	-7.0%
Hungary	28	474.3	9.0%	-7.4	-1.6%
Poland	13	358.1	6.8%	-40.9	-11.4%
Romania	15	650.9	12.3%	-8.7	-1.3%
Russia	5	1,374.6	26.0%	-163.1	-11.9%
Slovakia	13	199.2	3.8%	-7.8	-3.9%
Non-core countries	27	182.4	3.4%	5.3	2.9%
IMMOFINANZ Group	**311**	**5,290.2**	**100.0%**	**-159.9**	**-3.0%**

Standing investments like-for-like	Number of properties	Carrying amount 30 Apr. 2015 in MEUR	Carrying amount in %	Valuation effects FY 2014/15 in MEUR	Valuation effects FY 2013/14 in %
Office	77	2,187.9	41.4%	-45.4	-2.1%
Retail	152	2,361.1	44.6%	-164.1	-6.9%
Logistics	58	565.7	10.7%	18.4	3.3%
Other	24	175.5	3.3%	31.1	17.7%
IMMOFINANZ Group	**311**	**5,290.2**	**100.0%**	**-159.9**	**-3.0%**

Property Valuation

The consolidated financial statements of IMMOFINANZ Group as of 30 April 2015 were prepared in accordance with International Financial Reporting Standards (IFRS), which include the application of the fair value method. Accordingly, properties must be appraised on a regular basis by independent experts. The valuation of the property portfolio follows the EPRA's Best Practices Policy Recommendation for the application of the fair value method as defined in IFRS. Details on the valuation methods are provided in section 2.3.3 of the notes.

The following independent, external appraisers were appointed to value the IMMOFINANZ properties as of 30 April 2015:

Jones Lang LaSalle

IMMOFINANZ Group's properties in the CEE, SEE and CIS regions are appraised by Jones Lang LaSalle (JLL), which offers specialised services for real estate owners, users and investors. With over 230 corporate offices in 80 countries and a global workforce of roughly 58,000, JLL generated revenues of approx. USD 5.4 billion in 2014. JLL also supports its clients with a wide range of management and real estate outsourcing services for a portfolio that currently covers approx. 316 million sqm. In 2014 the company concluded approx. USD 118.0 billion of sales, acquisitions and finance transactions. LaSalle Investment Management, the JLL investment management business, has USD 55.3 billion of real estate assets under management.[1]

BNP Paribas Real Estate Consult

BNP Paribas Real Estate Consult GmbH (BNPP REC) was commissioned to appraise the IMMOFINANZ Group properties in the Netherlands and Germany. BNPP REC also values the commercial real estate portfolio in Austria. The company has over 20 years of experience in advising national and international investors, owners and other firms in the development and optimisation of their properties. BNP Paribas Real Estate (BNPPRE) operates worldwide with over 180 offices in 38 countries: in 17 countries with its own branches and in a further 21 countries through cooperation agreements.[2]

CB Richard Ellis

IMMOFINANZ Group commissioned CB Richard Ellis (CBRE) to value the Austrian residential properties remaining after the BUWOG spin-off as well as individual office and retail properties in Austria. This company is headquartered in Los Angeles and, according to its own reports, is the world's largest service company in the commercial real estate sector based on annual revenues for 2014. With approx. 52,000 employees in nearly 372 offices throughout the world (excluding affiliated companies and subsidiaries), CBRE serves as a service provider for owners, investors and users. CBRE Residential Valuation Germany is one of the market leaders for residential property appraisals in Germany and Austria. In 2014 the company valued roughly 850,000 residential units with a total volume of approx. EUR 48.0 billion.

Development of property valuation in 2014/15

The 2014/15 financial year brought a revaluation of investment properties adjusted for foreign exchange effects amounting to EUR -312.3 million. This revaluation included EUR -197.0 million in the Russian portfolio and resulted, above all, from a temporary reduction in rental income and an increase in the discount rates used for valuation. These developments are a consequence of the deteriorating economic conditions in Russia. Other changes in value involved a number of office properties in Eastern Europe and were caused by property-specific factors, which included higher capital costs for current and planned modernisation projects (Bratislava and Prague) and a temporary increase in vacancies following the departure of larger tenants (Warsaw). In Poland, the high pace of new construction in recent years has had a negative influence on the general market situation and led to an increase in vacancies. A foreign exchange-adjusted increase of EUR 61.2 million was recognised to the investment properties in Germany and Austria, where the current low level of interest rates and the rising demand for real estate have had a positive effect.

The above-mentioned appraisers valued the following components of IMMOFINANZ Group's property portfolio as of 30 April 2015:

Appraiser	Carrying amount as of 30 April 2015 in MEUR	in %
Jones Lang LaSalle	4,542.2	67.8%
BNP Paribas Real Estate Consult	1,767.9	26.4%
CB Richard Ellis	129.1	1.9%
Properties carried at sale price[3]	251.8	3.8%
Internal valuation	8.9	0.1%
IMMOFINANZ Group	**6,699.9**	**100.0%**

1 www.jll.com
2 www.realestate.bnpparibas.de/bnppre/en/about-us/what-we-do/unternehmen-p_57658.html
3 In accordance with IFRS 5, properties sold after the balance sheet date are carried at their estimated sale price.
Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Financing

As in previous financial years, IMMOFINANZ Group was also able to arrange all necessary refinancing and extensions for standing investments and development projects as scheduled during 2014/15. Acquisitions made during the reporting year were financed with newly contracted borrowings. The Group also secured additional liquidity through an increase in existing loans.

Scheduled and premature repayments

In connection with the sale of a large credit portfolio by Volksbank Romania, an agreement was reached with the buyer for the premature repayment of a former land loan at an attractive discount. This represents one of the last pure land loans for a pipeline project in Bucharest, Romania, which will be refinanced during the project development stage. A financing portfolio for standing investments in Poland and the Czech Republic was also repurchased substantially below the nominal value during the fourth quarter of the reporting year; binding refinancing commitments have already been received for all of the portfolio properties and will be implemented in 2015/16.

IMMOFINANZ also repaid EUR 150.0 million of bank financing based on treasury shares shortly before the end of the reporting year. This transaction involved the sale of approx. 9% of treasury shares by IMMOFINANZ AG to the financing banks with a commitment to repurchase these shares at the end of the financing term at the same price.

Restructuring, rescheduling & pre-funding

Large-volume development and standing investment financing for the *Gerling Quartier*, currently IMMOFINANZ Group's major urban quarter development project in Cologne, Germany, was also restructured and extended during 2014/15. The external financing required for this mixed use project up to the completion of the final building section was secured at more favourable conditions.

The current liquidation of a financing bank led to the restructuring of standing investment financing for the *Crown Point* office property in Warsaw, Poland. In connection with the change in lenders, the volume of the loan was also increased.

In order to utilise the currently favourable market environment, IMMOFINANZ Group regularly evaluates opportunities for so-called "pre-funding" as a means of optimising financing costs. This form of restructuring represents the refinancing of financial liabilities during their term. The financing for three office buildings in Vienna was arranged in this manner during the reporting period with an increase in the volume and a substantial extension of the term.

Acquisition and new financing

Long-term financing for four previously unencumbered retail parks in Slovenia, which were acquired in 2013/14, was successfully arranged during the first quarter of the reporting year. These retail parks are located in Celje, Velenje, Domžale and Postojna and expand IMMOFINANZ Group's STOP.SHOP. portfolio by roughly 13,000 sqm.

A further highlight was the arrangement of long-term standing investment financing for the first shopping center under the VIVO! brand, which is located in Piła, Poland. The shopping center was opened in October 2014 and has approx. 24,000 sqm of selling space; the investment costs totalled approx. EUR 32.0 million.

Long-term standing investment financing was also concluded for a previously unencumbered logistics property in Dunaharaszti, Hungary.

Refinancing, extensions and additional borrowings

The STOP.SHOP. retail park chain represented one of the refinancing focal points in the retail segment: long-term standing investment financing with an increase in the loan volume was also arranged for properties in Vienna-Simmering, Vienna-Stadlau and Tulln, Austria, and for STOP.SHOP.s in Ružomberok, Nové Zámky, Lučenec, Zvolen und Trenčín, Slovakia.

Three long-term financing arrangements for logistics properties in Düsseldorf, Oberhausen and Hamburg, Germany, were concluded or extended during the reporting year.

Numerous, in part large-volume extensions to maturing standing investment financing for office properties were arranged in 2014/15. One focal point was Prague, Czech Republic, where maturing loans for the *BB Centrum A*, *BB Centrum B* and *Atlas* were extended, as was the financing for the now completed *Jindřišská 16* development project at a central location in Prague's inner city. Other notable transactions were the refinancing of the *Crown Point* office building in Warsaw, Poland, and the *Victoria Park* in Bucharest, Romania, as well as the increase in the financing volume for the *Vienna Twin Tower* in Vienna, Austria, which also houses the IMMOFINANZ Group headquarters.

The bank financing for the *Evocasa Orizont* and *Evocasa Viva*, two condominium projects realised by the IMMOFINANZ subsidiary Adama in Ploiesti and Brasov, Romania, was extended by a local bank to cover the sale phase for the apartments.

Another important step was the conclusion of follow-up financing with a German-Austrian bank consortium before the end of the 2014/15 financial year for the Forest Finance CBMS (Commercial Mortgage Backed Securities) bond, which was scheduled to mature soon after 30 April 2015. This portfolio financing represents one of the largest transactions of this kind concluded in Austria during recent years and covered the provision of EUR 300.0 million in financing for IMMOFINANZ Group by Bank Austria together with pbb Deutsche Pfandbriefbank. The loans were used to refinance an Austrian portfolio of 38 properties with approx. 218,000 sqm of space. This mixed use portfolio consists primarily of office and retail properties, most of which are located in Vienna.

Development financing

Development loans were also arranged for numerous projects during the construction phase in 2014/15. Of special note is the large-volume financing for the *Tarasy Zamkowe* project in Lublin, Poland. This transaction was concluded in Euros, whereby a foreign exchange forward ensures the timely availability of Polish Zloty. Other examples of development financing concluded or in place during the reporting year are the office projects *Jungmannova 15* in Prague, Czech Republic, and *Carlsquartier* in Düsseldorf, Germany. The latter also includes an additional VAT tranche and follow-up long-term standing investment financing.

In the residential segment, a project financing agreement was concluded with a local bank for the *Riverpark* residential project in Posen, Poland. It also includes an additional VAT tranche to provide interim financing for VAT on construction costs until reimbursement is received from the tax authorities.

In autumn 2014 IMMOFINANZ Group took over the *Cluster Produktionstechnik* development project, which is under construction as part of the Campus Melaten at RWTH Aachen University (Rheinisch-Westfälischen Technischen Hochschule) in Germany. This project has 28,000 sqm of rentable space and is scheduled for completion in autumn 2016. The acquisition includes all relevant planning contracts required for the project realisation as well as a development financing agreement, which will be restructured and adapted to meet IMMOFINANZ standards.

Group financing

BUWOG AG issued a EUR 260.0 million convertible bond in April 2014, which was subscribed in full by IMMOFINANZ AG. IMMOFINANZ AG funded the purchase of this convertible bond with loan financing of EUR 260.0 million provided by several banks, which was drawn during the reporting year and had a maximum term of two and one-half years. The BUWOG convertible bond and a block of BUWOG shares served as collateral for the financing. BUWOG used the funds to acquire the DGAG portfolio with 18,000 residential units in northern Germany. This financing was repaid in full during the second quarter of 2014/15.

On 11 September 2014, IMMOFINANZ AG issued an exchangeable bond for shares of BUWOG AG. The exchangeable bond (ISIN XS1108672988) has a volume of EUR 375.0 million, a coupon of 1.5% per year and an initial exchange price of EUR 17.03. The dividend of EUR 0.69 per share paid by BUWOG AG led to the adjustment of the exchange price to EUR 16.26 as of 15 October 2014. The exchangeable bond was "in the money" as of 30 April 2015. The closing price of the BUWOG share on the Vienna Stock Exchange equalled EUR 18.09 on 30 April 2015, which is 11.3% over the exchange price of EUR 16.26.

These successful arrangements demonstrate that financing is still available for attractive projects by high-equity companies, even in volatile markets. IMMOFINANZ Group is able to obtain financing for its standing investment portfolio, acquisitions and development projects in all segments at favourable conditions. The company also benefits from two other factors: long-standing business relationships with over 70 banks and financial institutions in Austria and other countries and widely diversified financing which opens access to a wide variety of financing sources and eliminates the dependence on individual lenders.

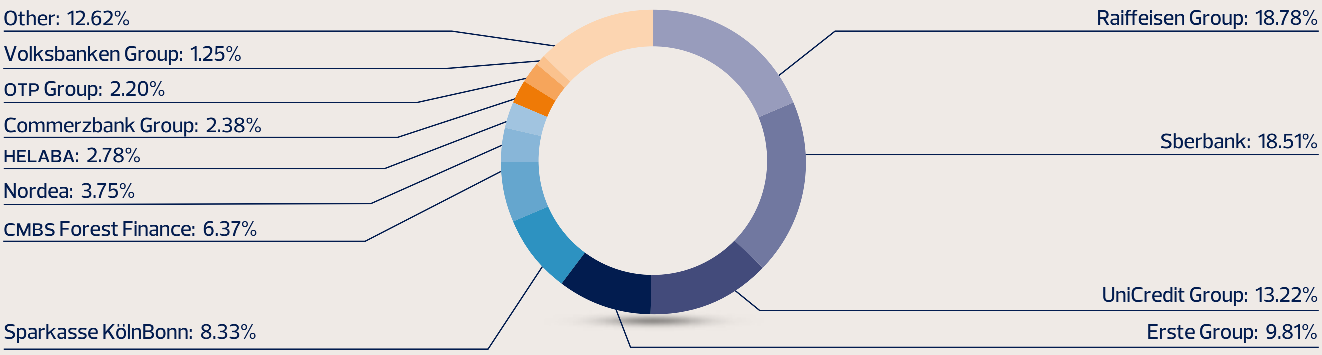
Reduction in financing costs

The average financing costs for IMMOFINANZ Group declined continuously in 2014/15 and equalled 3.94% per year, including derivatives used for interest rate hedging (3.44% per year excluding derivatives) as of 30 April 2015. The deduction of the significant component of financing arranged in Russia results in average financing costs of 3.24% per year including and 2.62% per year excluding derivatives.

Refinancing arranged after the end of the reporting year leads to expectations of a further reduction in financing costs during 2015/16. This is due, on the one hand, to the sharp drop in reference interest rates (EURIBOR, LIBOR) and, on the other hand, to the declining financing margins in the increasingly competitive environment in the IMMOFINANZ core markets.

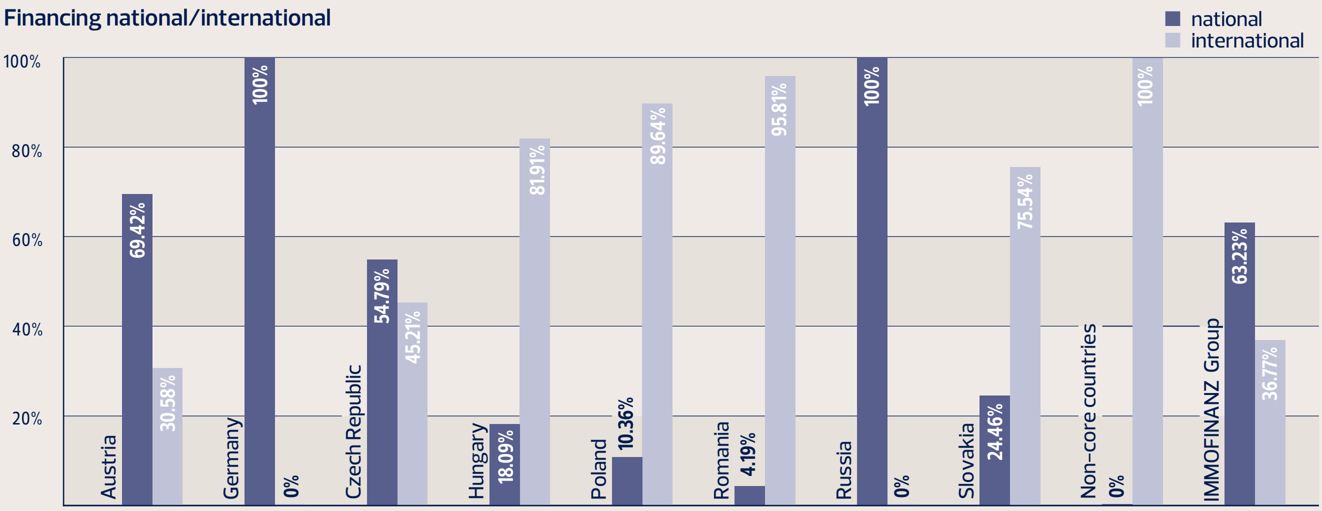
The total volume of refinancing, long-term extensions and new financing in 2014/15 amounted to approx. EUR 1,561.4 million. Of this total, EUR 994.1 million had been received as of 30 April 2015.

Financing bank groups – as of 30 April 2015



The financing concluded by IMMOFINANZ Group is not only widely diversified by source, but also by country origin. The Group works directly and selectively with international and, in recent times, increasingly with local financing partners. For example, the external financing for the properties in Russia was obtained exclusively from Russian banks.

Financing national/international



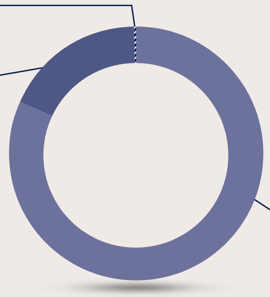
The major financial liabilities of IMMOFINANZ Group comprise liabilities from convertible, corporate and exchangeable bonds and amounts due to financial institutions. The weighted average remaining term equals 4¼ years and the individual positions as of 30 April 2015 are as follows:

Weighted average interest rate of the major financial liabilities	Outstanding liability[1] in TEUR as of 30 April 2015	Weighted average interest rate	Share of fixed interest in %	Share of floating interest in %	Fixed interest rate in %	Floating interest rate in %
Convertible bonds in EUR	529,853.7	4.23%	100.00%	0.00%	4.23%	n.a.
Corporate bond in EUR	100,000.0	5.25%	100.00%	0.00%	5.25%	n.a.
Exchangeable bond in EUR	374,900.0	1.50%	100.00%	0.00%	1.50%	n.a.
Bank liabilities in EUR	2,345,282.9	2.31%	11.07%	88.93%	3.49%	2.17%
Bank liabilities in CHF	270.5	0.25%	0.00%	100.00%	n.a.	0.25%
Bank liabilities in USD	737,435.1	7.16%	0.00%	100.00%	n.a.	7.16%
Bank liabilities in PLN	8,573.2	4.53%	0.00%	100.00%	n.a.	4.53%
IMMOFINANZ Group	**4,096,315.4**	**3.44%**	**30.87%**	**69.13%**	**3.35%**	**3.48%**

1 Actual remaining debt (nominal amount). excl. IFRS 5

The remaining balance of the major financial liabilities held by IMMOFINANZ Group totalled EUR 4.1 billion as of 30 April 2015. As of that date, 81.78% of the major financial liabilities were denominated in Euros, 18.00% in US Dollars and 0.22% in other currencies (Swiss Francs, Polish Zloty).

Financial liabilities by currency – as of 30 April 2015



Corporate & convertible bonds

IMMOFINANZ AG has two convertible bonds, one corporate and one exchangeable bond with a total nominal value of EUR 1,004.9 million outstanding. The bond liabilities as of 30 April 2015 are listed in the following table:

	ISIN	Maturity	Interest rate in %	Outstanding nominal value as of 30 April 2014 in TEUR	Conversions 2014/15 in TEUR	Repurchases/ redemptions/ issue 2014/15 in TEUR	Nominal value as of 30 April 2015 in TEUR
Convertible bond 2007–2017[3]	XS0332046043	19 Nov. 2017	3.75%[2]	35,100.0	0.0	-13,700.0	21,400.0
Convertible bond 2011–2018[3]	XS0592528870	8 March 2016[1]	4.25%	508,684.5	-230.8	0.0	508,453.7
Exchangeable bond 2014–2019[3]	XS1108672988	11 Sep. 2017[1]	1.50%	0.0	-100,0	375,000.0	374,900.0
Corporate bond 2012–2017	AT0000A0VDP8	3 July 2017	5.25%	100,000.0	0.0	0.0	100,000.0
				643,784.5	**-330.8**	**361,300.0**	**1,004,753.7**

1 Put option for bondholder, ongoing conversion/exchange right
2 Held to maturity (coupon 1.25%)
3 One certificate from the 2018 convertible bond (nominal value: EUR 4.12) entitles the bondholder to conversion into 1.1573 IMMOFINANZ shares and 0.0606 BUWOG shares. One certificate from the 2017 convertible bond (nominal value: EUR 100,000.–) entitles the bondholder to conversion into 12,547.05 IMMOFINANZ shares and 660.95 BUWOG shares. The exchange price to convert the 2019 exchangeable bond into BUWOG shares equals EUR 16.26.

The terms for the conversion rights and the conversion prices of the convertible bonds due in 2017 and 2018 were amended with the spin-off of BUWOG AG from IMMOFINANZ AG on 26 April 2014. One certificate of the 2018 convertible bond (nominal value: EUR 4.12) currently entitles the bondholder to conversion into 1.1573 IMMOFINANZ shares and 0.0606 BUWOG shares. One certificate of the 2017 convertible bond (nominal value: EUR 100,000.0) currently entitles the bondholder to conversion into 12,547.05 IMMOFINANZ shares and 660.95 BUWOG shares.

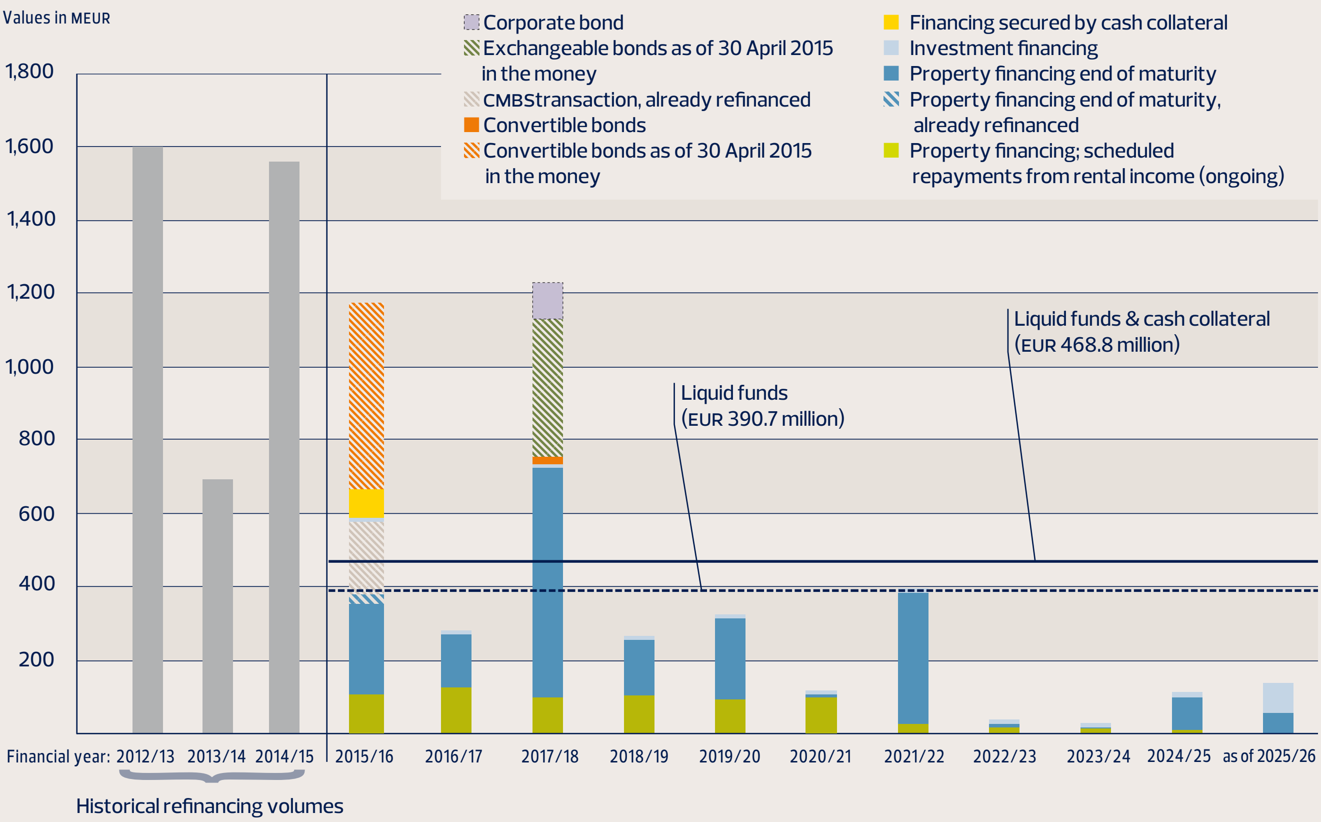
If dividends are paid by IMMOFINANZ AG or BUWOG AG in the future, the conversion rights to shares in IMMOFINANZ and BUWOG will be adjusted in accordance with the respective bond terms. The following calculation uses the 2018 convertible bond to explain this adjustment mechanism:

Sample calculation for the adjustment of the conversion price for the 2018 convertible bond to reflect the BUWOG dividend (dividend payment October 2014)		**BUWOG**
Old number of shares currently underlying each 2018 convertible bond certificate		0.0579
New conversion price = CP x (M – V) / M = BUWOG: 3.56 x (15.24 – 0.69) / 15.24		3.40
New number of shares currently underlying each 2018 convertible bond certificate – new (Old number of underlying shares / (new conversion price / old conversion price) BUWOG: 0.0579 / (3.40 / 3.56)		**0.0606**
Input factor "CP"	Old conversion price	3.56
Input factor "M"	Average market price	15.24
Input factor "V"	Dividend	0.69

As of 30 April 2015, the 2018 convertible bond had an outstanding nominal value of EUR 508.5 million with a put option on 8 March 2016. Since the IMMOFINANZ and BUWOG shares have shown positive development and closed at EUR 2.678 and EUR 18.09 on 30 April 2015, the 2018 convertible bond was "in the money" at the end of the 2014/15 financial year.

The cancellation period for the premature redemption of the 2017 convertible bond ended on 19 November 2014 (put date). A total of 137 certificates from the 2017 convertible bond were registered for redemption by the bondholders, and the total amount of EUR 13.7 million plus interest was repaid from internal funds. After this redemption, a nominal value of EUR 21.4 million from the 2017 convertible bond is still outstanding. This outstanding nominal value will be repaid on 19 November 2017 (maturity date), unless there are further conversions into shares before that time.

Term structure of financial liabilities by financial year as of 30 April 2015



Cash and cash equivalents totalled EUR 390.7 million as of 30 April 2015.

Derivatives

IMMOFINANZ Group held derivatives with a reference amount of EUR 1,337.5 million as of 30 April 2015 to hedge or cap interest rates. In total, 63.52% of the major financial liabilities are protected against interest rate risk.

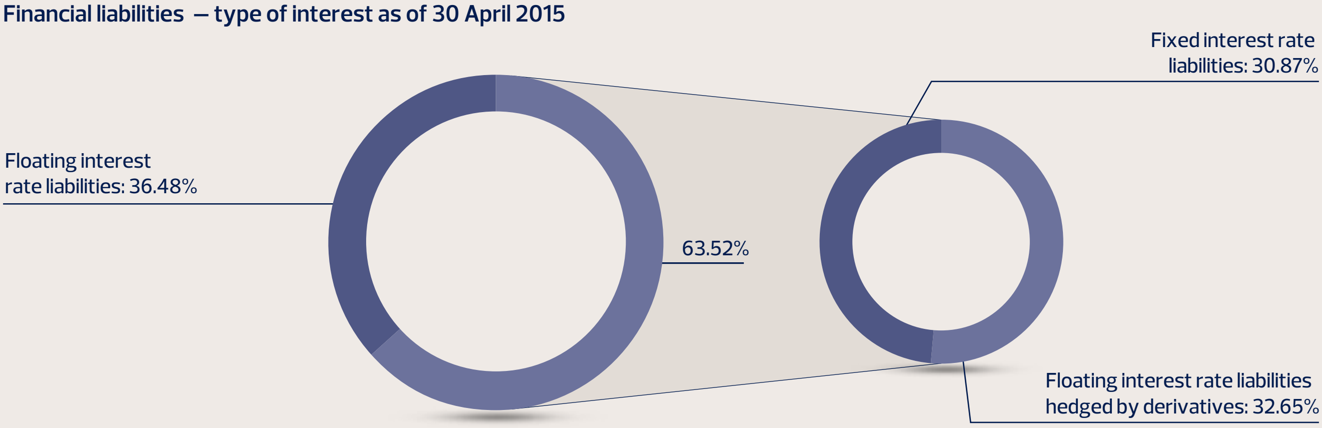
Derivative[1]	Floating leg	Market value incl. accrued interest & DVA/CVA as of 30 April 2015 in TEUR	Notional amount in TEUR	Average (hedged) interest rate in %
Collar	3-M-EURIBOR	-3,217.4	191,149.4	3.00%
Interest rate swap	3-M-EURIBOR	-38,379.7	959,472.3	1.91%
Interest rate swap	6-M-EURIBOR	-6,797.9	186,872.1	1.10%
IMMOFINANZ AG		**-48,395.0**	**1,337,493.8**	

[1] Excl. IFRS 5

A cap defines an upper limit for an interest rate: if the reference rate (e.g. 3-M-EURIBOR) exceeds this limit, IMMOFINANZ Group receives a settlement payment from its contract partner. A premium-neutral interest rate collar represents the combination of a cap and a floor (contractually agreed upper and lower interest limits). This type of derivative involves the establishment of a minimum and maximum interest rate (corridor) at a cost-neutral level. There are no fixed premium payments or additional costs, and the interest rate is hedged at the same time. A swap exchanges floating for fixed interest payments: floating interest rate liabilities that are hedged with a swap can be regarded as fixed interest rate liabilities from an economic standpoint. The interest rates used for discounting and the calculation of variable payment flows are based on interest rate curves for each currency and matching maturities that are observable on the market. In accordance with IFRS 13, the resulting market values are adjusted to include a credit value adjustment (CVA) and a debit value adjustment (DVA).

Including the expenses for derivatives, the weighted average interest rate for the major financial liabilities equals 3.94%. Excluding the expenses for derivatives, the weighted average interest rate for the major financial liabilities amounts to 3.44%.

Financial liabilities – type of interest as of 30 April 2015



Earnings, Balance Sheet and Cash Flow Analysis

Income Statement

A condensed version of IMMOFINANZ Group's income statement for the 2014/15 and 2013/14 financial years is presented in the following table:

All amounts in TEUR	1 May 2014–30 April 2015	1 May 2013–30 April 2014
Rental income	426,280.3	478,533.6
Results of asset management	**313,339.8**	**383,852.6**
Results of property sales	**43,453.2**	**5,664.4**
Results of property development	**11,000.5**	**-45,036.3**
Other operating income	22,336.4	17,084.6
Other operating expenses	-73,646.2	-91,089.2
Results of operations	**316,483.7**	**270,476.1**
Other revaluation results	**-100,481.0**	**199,206.2**
Operating profit (EBIT)	**216,002.7**	**469,682.3**
Financial results	**-565,177.8**	**-248,578.9**
Earnings before tax (EBT)	**-349,175.1**	**221,103.4**
Net profit for the period from continuing operations	**-361,372.9**	**71,950.2**
Net profit from discontinued operations[1]	0.0	104,980.6
Net profit for the period	**-361,372.9**	**176,930.8**

[1] The net profit from discontinued operations in 2013/14 include the proportional share of results from BUWOG.

Results of asset management

Results of asset management include rental income, other revenues, operating income and operating costs as well as expenses from investment property. Rental income fell by 10.9% to EUR 426.3 million in 2014/15 (2013/14: EUR 478.5 million). This decline resulted, above all, from the deterioration of the economic environment in Russia, where IMMOFINANZ Group has granted temporary rental reductions to the tenants in its Moscow shopping centers, and also reflected the sale of properties during the year. Since the estimates for the future development of the Russian economy are still connected with substantial uncertainty, the current situation leads to expectations that the temporary reductions and fixed exchange rates for the tenants in IMMOFINANZ's Moscow properties will have to be continued on a quarterly basis.

In like-for-like comparison, rental income was 10.0% lower than the previous year at EUR 387.2 million in 2014/15. This calculation only includes properties that were held by IMMOFINANZ Group during both financial years, i.e. an adjustment was made for new acquisitions, completions and sales (further information is provided in the portfolio report on page 71).

Revenues declined – similar to rental income – by 10.5% to EUR 546.6 million. Therefore, results of asset management were 18.4% below the previous year at EUR 313.3 million in 2014/15. This decrease exceeded the change in revenues and rental income due to an increase in property expenses that resulted primarily from receivables write-offs of EUR 10.7 million in Russia. The remaining balance of outstanding rents receivables in Russia, after the write-offs, amounted to EUR 15.0 million as of 30 April 2015.

Results of property sales

Results of property sales amounted to EUR 43.5 million in 2014/15 (2013/14: EUR 5.7 million). The optimisation and adjustment of the portfolio was reflected in the sale of several smaller retail properties in Austria and three residential projects in Houston, USA. The sale of three logistics properties in Switzerland to a Credit Suisse real estate fund marked the strategic exit from the Swiss market. IMMOFINANZ Group's logistics commitment in Poland and the Czech Republic was reduced, as planned, through the sale of two properties (*Bokserska Distribution Park* in Warsaw and *Westpoint Distribution Park* in Prague). After the end of the reporting year, the Dutch self-storage chain City Box with 23 locations was sold to Shurgard. A residential property portfolio in Vienna was sold to an Austrian insurance group, and the *Leonardo Hotel Vienna* – the last hotel in the IMMOFINANZ portfolio based on the primary use – was sold to the lessee.

These sales, which also took place after the end of the 2014/15 financial year, will further reduce the share of the "Other" business segment in the standing investment portfolio.

Results of property development

Results of property development cover the sale of real estate inventories as well as the valuation of development projects completed during the reporting year or currently in progress. In 2014/15 results of property development equalled EUR 11.0 million (2013/14: EUR -45.0 million). Positive effects resulted, above all, from the sale of apartments in the *Gerling Quartier*, Cologne, and the completion and opening of the *Tarasy Zamkowe* shopping center in Lublin, which has 38,000 sqm of rental space.

The first shopping center in the new IMMOFINANZ brand – VIVO! – opened in October 2014. It is located in Piła, Poland, has approx. 24,000 sqm of rental space and an occupancy rate that had already reached 91.0% on the opening date. Three locations in the STOP. SHOP. retail park chain were also completed during the reporting year.

Results of operations

Results of operations rose by 17.0% year-on-year to EUR 316.5 million in 2014/15 (EUR 270.5 million). The decline in results of asset management was more than offset by higher earnings contributions from property sales and property development. Other operating expenses (overhead costs) fell by 19.1% to EUR -73.6 million (2013/14: EUR -91.1 million), among others due to a reduction in legal, auditing and consulting fees and personnel expenses.

EBIT, financial results and EBT

EBIT fell by 54.0% year-on-year to EUR 216.0 million, and other revaluation results were negative at EUR 100.5 million (2013/14: EUR 199.2 million). Revaluation results adjusted for foreign exchange effects amounted to EUR -312.3 million (2013/14: EUR -179.7 million) and were related primarily to the Russian property portfolio at EUR -197.0 million. The decline in the value of the Russian portfolio resulted, above all, from the temporary reduction in rental income and an increase in the discount rates used for valuation – both as a consequence of the uncertainty over economic developments in Russia. In addition, property-specific factors led to changes in the value of several East European office properties: higher capital costs for current and planned modernisation projects (Bratislava and Prague) and a temporary increase in the vacancy rate due to the departure of larger tenants (Warsaw). In Warsaw, the high pace of new construction in recent years has had an effect on the overall market situation through an increase in vacancies. Positive valuation effects were recorded, in contrast, in Austria and Germany where the property markets recorded sound development due to the current low interest rate level.

Financial results declined to EUR -565.2 million (2013/14: EUR -248.6 million). Financing costs amounted to EUR -200.4 million (2013/14: EUR -193.8 million), but the net total remained stable at EUR -175.2 million (2013/14: EUR -175.3 million). Financial results also included non-cash foreign exchange effects of EUR -270.6 million (2013/14: EUR -126.9 million), above all from the valuation of the USD financing for the Moscow shopping centers. This represents, more or less, the counterpart to the currency-related value increase in the Russian portfolio, which equalled EUR 224.0 million. Other financial results (EUR -81.7 million; 2013/14: EUR -12.7 million) were negatively affected, among others, by a EUR 49.3 million increase in the liability from the exchangeable bond 2014–2019. The strong rise in the BUWOG share price (approx. +20.6% since the placement of the exchangeable bond) resulted in an increase in the liability to EUR 425.0 million (nominal value: EUR 375.0 million). Accounting rules prevent the write-up of the BUWOG shares held by IMMOFINANZ (as a counterpart to the liability) because the investment in the BUWOG Group is accounted for at equity. However, these non-cash valuation effects of EUR -49.3 million from the exchangeable bond are contrasted by undisclosed reserves. The undisclosed reserves in the roughly 48.8 million BUWOG shares amounted to approx. EUR 155.7 million[1] as of 30 April 2015.

The decline in the share of profit/loss from equity-accounted investments to EUR -37.6 million (2013/14: EUR 66.2 million) resulted chiefly from an impairment loss of EUR -24.4 million recognised to the 25.0% investment in TriGránit following its sale at the end of July 2015. This transaction is subject to the approval of the responsible authorities and the closing is expected to take place in autumn 2015. In the previous year, this position included a positive valuation effect of EUR 24.1 million from the BUWOG investment. Earnings before tax (EBT) equalled EUR -349.2 million in 2014/15, compared with EUR 221.1 million in 2013/14.

Net profit

The negative effects from the foreign exchange-adjusted valuation of properties and the decrease in financial results led to a decline in net profit to EUR -361.4 million (2013/14: EUR 72.0 million, resp. EUR 176.9 million incl. 100.0% of BUWOG).

Earnings per share

Diluted earnings per share for the 2014/15 financial year equalled EUR -0.35 (2013/14: EUR 0.17).

[1] 48.8 million BUWOG shares x EUR 18.09 (share price on 30 April 2015) - EUR 14.9 (book value per share on 30 April 2015) x 48.8 million shares = EUR 155.7 million

Balance Sheet

The condensed version of the balance sheet is as follows:

All amounts in TEUR	30 April 2015	in %	30 April 2014	in %
Investment property	5,830,951.3	75,9%	6,411,640.2	74,2%
Property under construction	469,133.7		222,206.1	
Non-current assets held for sale	266,490.3		175,066.5	
Real estate inventories	148,031.1		155,777.2	
Other tangible assets	3,879.8	0.0%	8,610.5	0.1%
Intangible assets	177,176.9	2.0%	219,112.9	2.3%
Equity-accounted investments	799,881.6	9.0%	869,659.8	9.3%
Trade and other receivables	625,558.4	7.1%	627,597.1	6.7%
Income tax receivables	39,923.9	0.5%	37,722.7	0.4%
Other financial assets	87,321.0	1.0%	410,568.0	4.4%
Deferred tax assets	8,602.4	0.1%	14,135.7	0.2%
Cash and cash equivalents	390,702.7	4.4%	235,864.0	2.5%
Assets	**8,847,653.1**	**100.0%**	**9,387,960.7**	**100.0%**
Equity	**3,699,554.1**	**41.8%**	**4,217,327.8**	**44.9%**
Liabilities from convertible bonds	529,173.6	6.0%	538,262.0	5.7%
Financial liabilities	3,603,872.9	40.7%	3,619,157.9	38.6%
Trade and other payables	422,180.9	4.8%	409,886.6	4.4%
Income tax liabilities	43,526.0	0.5%	35,476.5	0.4%
Provisions	104,744.8	1.2%	98,367.8	1.0%
Deferred tax liabilities	377,386.7	4.3%	449,561.2	4.8%
Financial liabilities held for sale	67,214.1	0.8%	19,920.9	0.2%
Equity and Liabilities	**8,847,653.1**	**100.0%**	**9,387,960.7**	**100.0%**

Investment property represented 75.9% of total assets as of 30 April 2015 and is reported on the balance sheet under the following positions: investment property, property under construction, real estate inventories and non-current assets held for sale. IMMOFINANZ Group recorded a year-on-year decline of EUR 0.3 billion in investment property to EUR 6.7 billion in 2014/15.

Equity-accounted investments fell from EUR 869.7 million to EUR 799.9 million. This development resulted from the dividend payment by BUWOG and an impairment loss recognised to the 25.0% investment in TriGránit.

The decline in other financial assets from EUR 410.6 million to EUR 87.3 million reflects the redemption of the convertible bond for BUWOG shares.

Cash and cash equivalents rose from EUR 235.9 million to EUR 390.7 million and represent 4.4% of total assets. This increase was supported by positive cash flow from operating activities and investing activities.

Assets totalled EUR 8.8 billion as of 30 April 2015. The non-current component equalled EUR 7.8 billion and the current component EUR 1.1 billion.

IMMOFINANZ Group's equity totalled EUR 3.7 billion as of 30 April 2015 (2013/14: EUR 4.2 billion). The year-on-year decline was caused by the negative net profit recorded for the reporting year. The equity ratio equalled 41.8% as of 30 April 2015 (2013/14: 44.9%).

Liabilities totalled EUR 5.1 billion as of 30 April 2015. The non-current component equalled EUR 2.9 billion and the current component EUR 2.2 billion.

Cash Flow Statement

The condensed version of the cash flow statement of IMMOFINANZ Group, incl. BUWOG, for 2014/15 and 2013/14 is as follows::

All amounts in TEUR	1 May 2014–30 April 2015	1 May 2013–30 April 2014
Earnings before tax from continuing operations	-349,175.1	221,103.4
Earnings before tax from discontinued operations	0.0	127,773.5
Revaluation/impairment losses or write-ups/recognition of gains on bargain purchases	67,561.8	-127,804.8
Gains/losses from equity-accounted investments	36,841.6	-66,028.6
Gains/losses from the disposal of non-current assets	103.8	241.9
Changes in the fair value of financial instruments	346,743.4	104,749.3
Income taxes paid	-29,119.7	-46,276.7
Net interest	175,203.0	222,769.6
Results from deconsolidation/liquidation	-10,950.0	-4,038.5
Other non-cash income/expense	-2,730.4	-101,826.5
Gross cash flow	**234,478.4**	**330,662.6**
Cash flow from operating activities	**153,741.2**	**279,394.5**
Thereof from discontinued activities	**-**	**57,196.5**
Cash flow from investing activities	**117,246.2**	**129,069.9**
Thereof from discontinued activities	**-**	**59,769.7**
Cash flow from financing activities	**-118,555.9**	**-872,486.9**
Thereof from discontinued activities	-	-30,614.8
Net foreign exchange differences	2,407.2	24,482.9
Change in cash and cash equivalents	**154,838.7**	**-488,505.4**
Cash and cash equivalents at the beginning of the period	235,864.0	724,369.4
Cash and cash equivalents at the end of the period	390,702.7	235,864.0

Gross cash flow fell by 29.1% from EUR 330.7 million to EUR 234.5 million, and cash flow from operating activities declined by 30.8% to EUR 153.7 million (2013/14: EUR 222.2 million, excl. BUWOG). This development resulted primarily from the temporary rental reductions in the Moscow shopping centers and from a decrease in rental income due to the sale of properties. Cash flow from investing activities amounted to EUR 117.2 million in 2014/15 (2013/14: EUR 69.3 million excl. BUWOG).

Cash flow from financing activities consisted primarily of additions to and reductions in financial liabilities, bonds and convertible bonds as well as the dividend payment. This position totalled EUR -118.6 million for the reporting year (2013/14: EUR -841.9 million, excl. BUWOG).

Cash and cash equivalents rose from EUR 235.9 million as of 30 April 2014 to EUR 390.7 million at the end of the reporting year.

Key Data

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

Earnings data	30 April 2015	Change in %	30 April 2014
Rental income in EUR mill.	426.3	-10.9%	478.5
Results of operations in EUR mill.	316.5	17.0%	270.5
EBIT in EUR mill.	216.0	-54.0%	469.7
EBT in EUR mill.	-349.2	n.a.	221.1
Net profit for the period in EUR mill.	-361.4	n.a.	176.9
Earnings per share in EUR	-0.35	n.a.	0.17
Sustainable cash flow (FFO) per share in EUR [1]	0.12	-41.8%	0.20
Interest coverage ratio in % [2]	157.9%	13.1%	139.6%
Gross cash flow in EUR mill.	234.5	-29.1%	330.7
Cash flow from operating activities in EUR mill.	153.7	-45.0%	279.4

Asset data	30 April 2015	Change in %	30 April 2014
Balance sheet total in EUR mill.	8,847.7	-5.8%	9,388.0
Equity as a % of the balance sheet total in % [3]	41.8%	-6.9%	44.9%
Net loan to value ratio in % [4]	50.3%	-5.5%	53.2%
Gearing in % [5]	89.7%	3.3%	86.8%

Property data	30 April 2015	Change in %	30 April 2014
Total number of properties	478	-0.6%	481
Lettable space in sqm	3,278,567.0	-9.7%	3,630,418.0
Occupancy rate in %	84.2%	-0.7%	84.8%
Carrying amount of investment properties in EUR mill.	5,831.0	-9.1%	6,411.6
Carrying amount of properties under construction in EUR mill.	469.1	>100.0%	222.2
Carrying amount of real estate inventories in EUR mill.	148.0	-5.0%	155.8

Stock exchange data	30 April 2015	Change in %	30 April 2014
Book value per share in EUR	3.73	-10.0%	4.14
Net asset value per share diluted in EUR	4.19	-8.2%	4.56
Triple net asset value per share in EUR	3.94	-8.3%	4.30
Share price at end of period in EUR	2.68	0.2%	2.67
Discount of share price to diluted NAV per share in %	36.1%	-12.9%	41.4%
Number of shares	1,073,193,688	-4.9%	1,128,952,687
Number of treasury shares	80,561,942	-28.6%	112,895,268
Market capitalisation at end of period in EUR mill.	2,874.0	-4.7%	3,016.6

1 Gross cash flow (EUR 234.5 million) + interest and dividends received on financial investments (EUR 15.4 million) – interest paid (EUR 155.2 million) – cash outflows for derivative transactions (EUR 21.4 million) + results of property sales (EUR 43.5 million) + results of property sales BUWOG (EUR 0.0 million) divided by the number of shares (basic) (1,013,118,076)
2 Results of operations (EUR 316.5 million) divided by financing costs (EUR 200.4 million)
3 Equity (EUR 3,699.6 million) divided by total capital (EUR 8,847.7 million)
4 For the calculation, see page 60 in the portfolio report
5 (Non-current and current financial liabilities (EUR 3,603.9 million) + non-current and current liabilities from convertible bonds (EUR 529.2 million) – cash and cash equivalents (EUR 390.7 million) – BUWOG exchangeable bond (EUR 425.0 million)) divided by equity (EUR 3,699.6 million)

Earnings data

Rental income fell by 10.9% to EUR 426.3 million in 2014/15. This decline resulted, above all, from the deterioration of the economic environment in Russia, where IMMOFINANZ Group has granted temporary rental reductions to the tenants in its Moscow shopping centers, and also reflected the planned sale of properties. The decline was more than offset by higher earnings contributions from property sales and property development and, consequently, results of operations rose by 17.0% over the previous year.

The negative effects from the foreign exchange-adjusted valuation of properties and the decrease in financial results led to a decline in net profit to EUR -361.4 million (2013/14: EUR 72.0 million, resp. EUR 176.9 million incl. 100.0% of BUWOG).

Asset data

The equity ratio equalled 41.8% as of 30 April 2015 (2013/14: 44.9%), whereby the decline resulted from the negative net profit recorded for the year. The balance sheet total fell to EUR 8,847.7 million (2013/14: EUR 9,388.0 million) due to the negative effects from foreign exchange-adjusted revaluations and property sales.

Property data

The occupancy rate remained stable in year-on-year comparison at 84.2% stable (2013/14: 84.8%). Properties sold during the year led to a decline in rentable space to 3,278,567 sqm (2013/14: 3,630,418 sqm).

Stock exchange data

The book value per share equalled EUR 3.73 (2013/14: EUR 4.14). Net asset value amounted to EUR 4.19 as of 30 April 2015 (2013/14: EUR 4.56) and also reflects the negative net profit recorded for the year. The price of the IMMOFINANZ share remained unchanged in year-on-year comparison at EUR 2.68 (2013/14: EUR 2.67).

Net Asset Value (NAV)

Net asset value is calculated in accordance with the Best Practices Recommendations issued by the European Public Real Estate Association (EPRA). The EPRA NAV concept is used to present the fair value of equity on a long-term basis to give investors an impression of a company's sustainable asset position. The calculation of EPRA NAV also includes the undisclosed reserves in real estate inventories as well as the (negative) fair value of derivative financial instruments. The former are not included in carrying amounts in accordance with IFRS accounting rules, while the latter regularly serve as a means of hedging long-term financing to prevent the realisation of hypothetical losses if settlement were to take place on the balance sheet date. The deferred taxes on these items are included. In accordance with the EPRA recommendations, the calculation should include the deferred taxes that would be realised on the sale of property. Goodwill, which arises as a technical figure due to the recognition of deferred taxes on business combinations, is deducted.

The results of the calculation are shown below:

	30 April 2015		30 April 2014	
	in TEUR	in EUR per share	in TEUR	in EUR per share
Equity excl. non-controlling interests	3,701,807.3		4,209,168.0	
Diluting effects of convertible bonds and the exercise of options	0.0		0.0	
Diluted equity excl. non-controlling interests after an adjustment for convertible bonds and the exercise of options	**3,701,807.3**		**4,209,168.0**	
Undisclosed reserves in real estate inventories	33,934.4		10,578.4	
Fair value of derivative financial instruments	116,313.0		106,873.1	
Deferred taxes on investment property	519,914.8		551,890.5	
Deferred taxes on real estate inventories and derivative financial instruments	-37,594.7		-27,671.9	
Goodwill excl. deferred taxes	-176,506.6		-216,327.4	
Number of shares excl. treasury shares (in 1,000)		992,631.7		1,016,057.4
EPRA NAV	**4,157,868.3**	**4.19**	**4,634,510.7**	**4.56**

The net asset value declined from EUR 4.56 to EUR 4.19 as of 30 April 2015 due to the negative net profit recorded for the year.

Book value per share

The book value per share is calculated by dividing equity before non-controlling interests by the number of shares.

The results of the calculation are shown below:

	30 April 2015	30 April 2014
Equity before non-controlling interests in TEUR	3,701,807.3	4,209,168.0
Number of shares excl. treasury shares (in 1,000)	992,631.7	1,016,057.4
Book value per share in EUR	**3.73**	**4.14**

Triple Net Asset Value (NNNAV)

Triple net asset value is also calculated in accordance with the Best Practices Recommendations issued by the European Public Real Estate Association (EPRA). The calculation of EPRA NNNAV involves an adjustment to reverse the (negative) fair value of derivative financial instruments that was included in the calculation of NAV. In addition, financial liabilities are restated at their fair value. The calculation also reflects the deduction of the deferred taxes expected from the sale of properties – which is regularly the case with asset deals in certain business segments. Also included are the deferred taxes from the adjustments to derivative financial instruments and from the valuation of financial liabilities at their fair value. The objective of the NNNAV is to give investors an overview of the current value of all assets and liabilities.

The results of the calculation are shown below:

	30 April 2015		30 April 2014	
	in TEUR	in EUR per share	in TEUR	in EUR per share
EPRA NAV	**4,157,868.3**	**4.19**	**4,634,510.7**	**4.56**
Fair value of derivative financial instruments	-116,313.0		-106,873.1	
Effect of fair value measurement of financial liabilities	-16,127.0		-24,592.2	
Deferred taxes on derivative financial instruments and the fair value measurement of financial liabilites	31,408.6		31,180.3	
Deferred taxes on investment property	-141,496.2		-162,042.2	
EPRA NNNAV	**3,915,340.6**	**3.94**	**4,372,183.5**	**4.30**

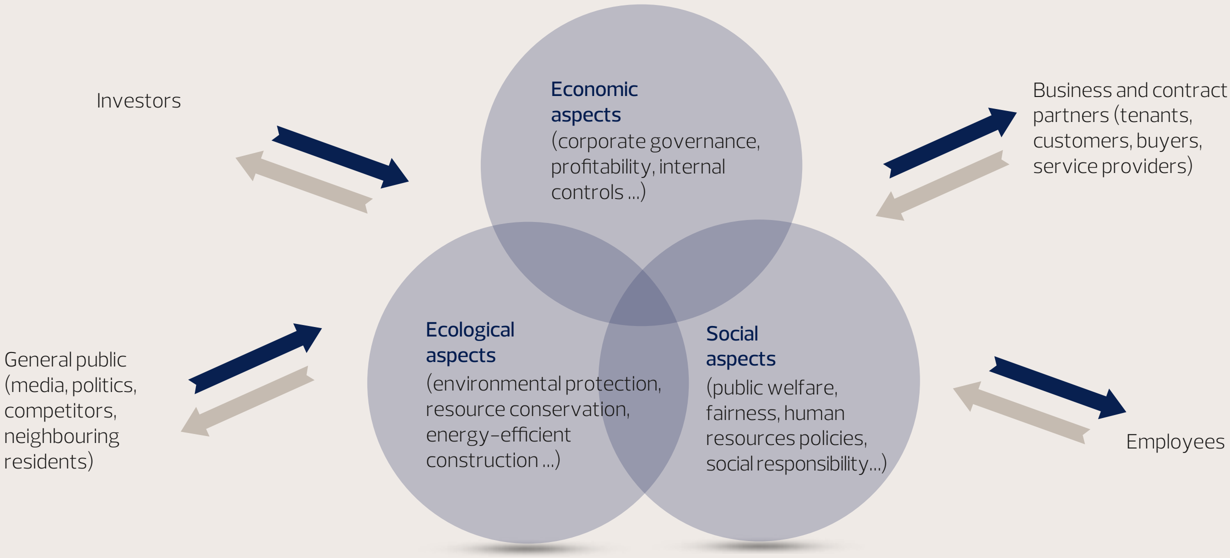
Triple net asset value declined from EUR 4.30 to EUR 3.94 as of 30 April 2015 due to the negative net profit recorded for the year.

Sustainability

One of IMMOFINANZ Group's goals as a real estate investor and developer is to generate sustainable success for its stakeholders: private and institutional investors, business and contract partners, the general public and employees. Since this objective can only be met in harmony with society and the environment, IMMOFINANZ Group takes this responsibility seriously. The Group focuses not only on climate protection and resource conservation, but also on opportunities for the advancement of human potential and, above all, on business operations that are reasonable and sustainable. An important internal focus is the creation of a working environment that supports the optimal development of all IMMOFINANZ employees.

For IMMOFINANZ Group, sustainability therefore has an ecological, an economic and a social aspect. Each of these aspects has a different effect on the company's stakeholders.

Sustainability



The Three Levels of Sustainability

Ecological aspects

IMMOFINANZ Group views environmental protection as a social and economic obligation. Energy efficiency and resource-conserving construction methods for renovation, new acquisitions and internal project development therefore take on a high priority.

Environmentally friendly construction and revitalisation

Environmental and climate protection can be supported by a variety of very practical measures – in line with the relevant directives and regulations – especially in construction: through the responsible use of resources, the use of climate-friendly technologies, a well-defined strategy for the reduction of energy consumption, the renovation of suitable building substance and the construction of new buildings that meet energy efficiency standards. Two key focal points in this respect are the minimisation of energy consumption and an increase in the use of sustainable energy sources.

IMMOFINANZ Group's development activities include the ecological and commercial optimisation of projects over the entire development cycle. All current and future development projects will be certified under sustainability criteria to also make this environmental commitment visible and understandable outside the Group. In addition to Green Building, a certification system for commercial properties initiated by the European Commission, plans call for the certification of office buildings under LEED (Leadership in Energy and Environment Design) and shopping centers under BREEAM (BRE Environmental Assessment Method). Properties are also certified according to DGNB criteria (standards issued by the German Sustainable Building Council) depending on local requirements.

In 2014/15 IMMOFINANZ Group completed the *Tarasy Zamkowe* development project in Lublin (Poland), which has 38,000 sqm of rentable space and nearly 150 shops. This shopping and entertainment center combines unique architecture with state-of-the-art ecological standards. The green areas on the roof represent a special highlight: grassy lawns, lots of plants, footpaths and lookout points – as well as an impressive view of the old city and the historical castle. In addition, the parking garage includes the city's first loading station for electric vehicles; tanking is free of charge and can be easily completed during a shopping trip. This sustainable approach was also recognised by the branch specialists: in autumn 2014, *Tarasy Zamkowe* became the first shopping center in Poland to receive the "BREEAM Excellent certificate for the design stage" and was shortlisted for the BREEAM Award 2015. The shopping center also received the "Project:Space" award in the commercial investments category from the Polish Environmental Ministry (in cooperation with Ernst&Young) for its use of green technologies.

The revitalisation of the *Jungmannova 15* in Prague was also completed during 2014/15. This building, which was built between 1907 and 1910, was acquired by IMMOFINANZ Group in 2007 with plans for extensive modernisation. Sustainability was incorporated in these plans through the use of the latest construction standards and modern technological developments, e.g. water-conserving technologies. The first phase of project work revealed a number of Jewish graves in the construction pit, most likely from the 13th Century. IMMOFINANZ Group immediately entered into a dialogue with the local Jewish community in Prague and the European Committee for Protection of Jewish Cemeteries under the direction of President Rabbi David Niederman. The efforts of all involved parties led to the development of a solution to leave the graves untouched. The construction plans were adapted to preserve and protect the graves and to permit access for religious purposes. According to the European Committee for Protection of Jewish Cemeteries, the actions of IMMOFINANZ Group were exemplary and represent a model for the protection of graves.

The *Jungmannova 15* office building with its 7,200 sqm of rentable office space and 580 sqm of commercial space is located in the heart of Prague's city center near Wenceslas Square. Green areas, terraces on the upper floors and small outdoor gardens on the ground floor create an optimal combination of working environments and nature. This sustainable construction approach was also officially recognised: *Jungmannova 15* was the first building in the Czech Republic to receive LEED Platinum certification and is also the first IMMOFINANZ property to receive this sustainability award.

Facts & figures on the sustainable buildings

In addition to the *Tarasy Zamkowe* shopping center in Lublin and the *Jungmannova 15* office building in Prague, IMMOFINANZ Group also completed the *Panta Rhei* office building in Düsseldorf which was certified with LEED Gold. The *Jindřišská 16* office property in Prague also received a LEED Gold certificate in 2014/15.

The following numbers underscore the sustainable approach for the operation of these four buildings:

› Sustainable technologies make it possible for the *Tarasy Zamkowe* shopping center to use roughly 36% less energy and 55% less water and, at the same time, to emit 35% less greenhouse gases than reference properties.
› Water consumption in the revitalised *Jungmannova 15* and *Jindřišská 16* office properties in the Czech Republic is 36%, resp. 40% lower than reference properties without a comparable sustainable approach. Annual energy costs were also reduced by approx. 31%, resp. 29%. Nearly 70.0% (for *Jindřišská 16*) and nearly 50.0% (for *Jungmannova 15*) of the wood materials used in construction meet the principles and criteria of the Forest Stewardship Council (FSC). In addition, approx. 25.0% (based on value) of the building materials used in the *Jungmannova 15* were produced from recycled materials.
› In the *Panta Rhei* office building, the installation of special heating and cooling aggregates led to a 37% reduction in energy costs.

Modernisation of standing investments: "In shape as new"

IMMOFINANZ Group invests continuously in the quality of its standing investments in order to meet the demands of the market and remain competitive. In Hungary, alternatives are under evaluation to improve the heating and cooling systems in the office and logistics buildings and have led to numerous optimisation and renovation projects. The goal is to use available resources as efficiently as possible and thereby reduce costs and energy consumption. Plans call for "BREEAM In-Use" certification for roughly 50% of the standing office investments in Hungary, and pre-certification work has already been concluded with "good/very good" ratings. Renovation work is also in progress at the *Polus Tower I & II* in Bratislava: in addition to the public areas, (reception, elevators, lobby), the offices are being refurnished to provide modern design and functionality for employees. Last but not least, a number of refurbishment projects have been started at standing investments in Vienna: the shopping mall in the *Business Park Vienna* and the facade of building section A will be modernised over the coming months.

Environmentally friendly IT technology

IMMOFINANZ Group's IT organisation is based on efficient, energy-saving operations. Modern hardware, the implementation of energy-saving concepts and conduct guidelines as well as organisational adjustments have substantially reduced energy consumption. As part of the green IT strategy, all locations have been equipped with video conference tools – which have led to a substantial reduction in travel expenses and the company's carbon footprint. Copy centers based on a follow-me concept were also installed at the corporate headquarters during the reporting year. Printed documents are no longer lost, but follow the user to any designated printer in the company's network and allow for secure and confidential printing. This improves effectiveness and eliminates print-outs that are not collected by the user. The follow-me concept will be gradually rolled out to all IMMOFINANZ locations.

Social aspects

Employees – IMMOFINANZ's most important asset

Employee development is an important priority for IMMOFINANZ Group. The human resources department (HR) sees itself as a service provider and, together with management, works to recruit and retain motivated and competent staff, to place these men and women in the right positions and to develop their potential.

Activities by the human resources department in 2014/15 focused, above all, on personnel development and an employee survey in Austria. A project was also started to develop and integrate a new bonus system.

Employee survey with follow-up focus groups

The legally required employee survey on "mental stress at the workplace" was carried out in May 2014. It was expanded to include company-specific questions, and two external consulting firms accompanied the process. After the presentation of the results, focus groups were established under the moderation of HR and the Works Council to deal with the three most important employee concerns. All employees were invited to participate in the development of measures for the following subject areas:

- Communication and information
- Organisation and management
- Workflows and processes

Each of the focus groups developed independent ideas, and many have already been implemented. They include the creation of an IMMOLounge as a meeting point for employees and the introduction of "tower talks" in the form of regular employee meetings to encourage interdepartmental communication. Other measures are currently in the finalisation stage, and the success of the previously integrated results is regularly monitored through discussions with employees.

Careers with IMMOFINANZ

IMMOFINANZ Group places high value on creating a variety of development opportunities for its employees and supports personal responsibility, motivation, flexibility and professionalism. Personalised training plans – in the form of individual courses or group workshops – are important components of this process. The IMMOFINANZ Academy offers interested employees an opportunity to obtain basic real estate training, with in-depth instructions by selected real estate experts provided in eight modules. A further course was successfully concluded during 2014/15, and plans for the coming year call for the roll-out of this training programme in all core countries to optimise internal knowledge management. Various workshops are also offered on negotiating techniques, presentation methods and project management.

This concept has proven to be a success: a number of management positions in operating and service areas were filled internally in 2014/15. A variety of workflow structures were also improved during the past year.

A separate HR team was established in the core countries of Russia and Romania to accommodate the increased operating activities and the size of the workforce.

Performance pays: the new bonus system

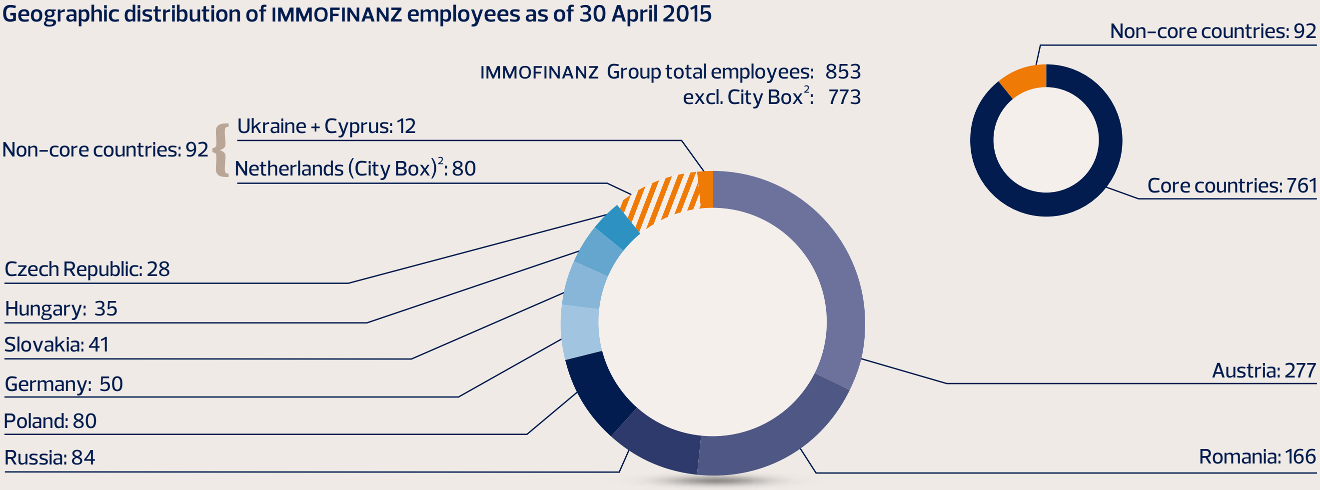
IMMOFINANZ expects high motivation and commitment from its employees, and therefore honours performance and productivity with variable compensation: roughly 60% of the staff received a variable bonus in 2014/15, which averaged approx. 12% of the respective annual salary. The exact amount of the bonus is dependent on the attainment of defined and verifiable qualitative and quantitative goals for each employee.

In December 2014, the decision was taken to implement a new bonus system for the 2015/16 financial year. Its development represented a central project during the final months of the reporting year, with HR responsible for advising and implementation. All changes were also integrated in the HR database. The new system includes annual employee appraisal meetings in two parts (target and feedback interview).

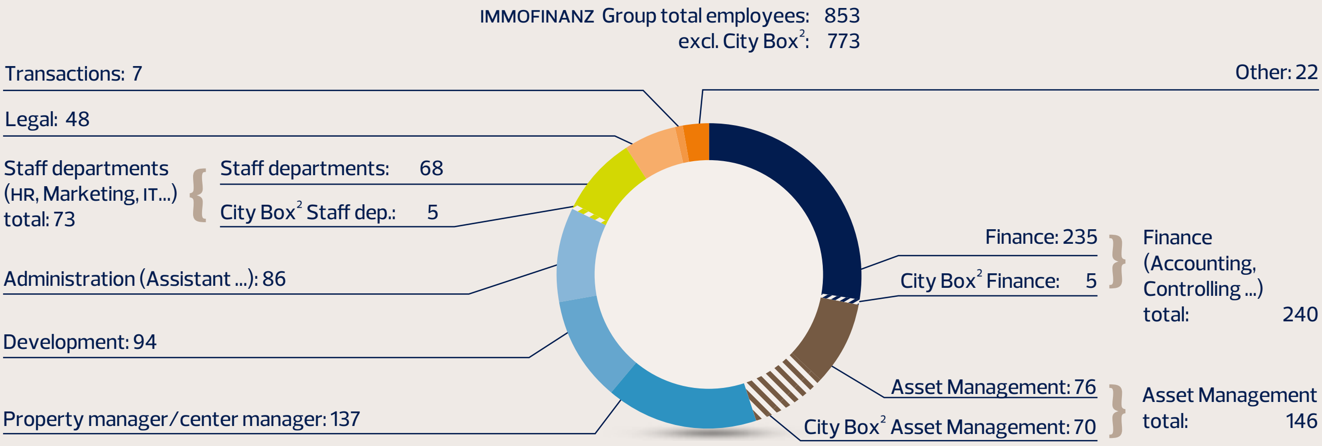
IMMOFINANZ employees: facts & figures

The consolidated companies of IMMOFINANZ Group had a total of 853[1] employees as of 30 April 2015 (791 as of 30 April 2014). The IMMOFINANZ workforce is distributed among 11 countries, whereby approx. 89% of all employees work in the eight core markets and roughly 11% in the other CEE, CIS and SEE companies.

Geographic distribution of IMMOFINANZ employees as of 30 April 2015



Areas of activity of IMMOFINANZ employees



IMMOFINANZ Group: an international orientation and diversity as competitive advantages

Men and women from 20 nations work for IMMOFINANZ Group. In keeping with the motto "think global – act local", the Group relies on local experts in its eight core markets. The regular exchange of ideas is essential and is guaranteed, for example, by the IMMnet intranet platform and regular Group-wide personnel development measures. Equal opportunity is also a central corporate goal and is reflected in the following statistics: women comprise 60% of the total workforce and hold 34.9% of the managerial positions.

1 Headcount method, number of employees (full-time and part-time)

2 In accordance with IMMOFINANZ's strategy, City Box was sold after the end of the reporting period in June 2015.

Beyond the workplace: team spirit for balance

IMMOFINANZ Group also supports its employees with an extensive offering outside the daily work routine, whereby team-building and the work-life balance represent two focal points. Examples include sporting events like the Business Run and the Vienna City Marathon, regular intercompany football matches and additional benefits like low-cost massages. A repeat of the Family Day was held in September 2014 and gave employees' families an opportunity to take a closer look into the workday at IMMOFINANZ. Another important objective was to ensure support for employees in the areas of occupational medicine and safety, in part through the development of an annual action plan together with external experts.

Employee representation: an overview of activities by the IMMOFINANZ Works Council

The activities of the IMMOFINANZ Works Council in the second year since its founding included, among others, accompanying the employee survey and subsequent participation in the focus groups. Members of the Works Council were represented in each of the three focus group and, together with the HR team, were responsible for the conception and moderation. Various measures were also implemented to improve communication within the company – ranging from workforce meetings to a presence on the intranet platform IMMnet and one-on-one meetings. The statement issued by the Works Council on the voluntary partial offer by O1 Group Limited, Cyprus ("O1") and PHI Finanzbeteiligungs und Investment GmbH, Vienna ("PHI", an indirect wholly owned subsidiary of CA Immo) also played an important role. Team-building, health and sport were supported by recreational activities, which ranged from cultural events to a joint rafting excursion.

Other issues during the past year included a reduction in turnover and the improvement of employee satisfaction. A Christmas campaign for children was also supported.

The departure of Nikolaus Obermair in November 2014 was followed by the designation of Werner Ertelthalner as a full member of the Works Council and the appointment of Philipp Obermair as a Works Council delegate to the Supervisory Board. In addition, Carmen Balazs was delegated to the Supervisory Board as the third Works Council representative on 17 April 2015.

The Clusterhaus project: the international "headquarters support" for young entrepreneurs

IMMOFINANZ Group has been involved with Clusterhaus, a project for young start-up entrepreneurs since 2012: this project involves smaller, so-called cluster rentals in IMMOFINANZ office properties and is directed to meet the needs of young entrepreneurs who are looking to enter and position their firms on the market. Central locations give these start-up companies an opportunity to develop their business ideas at attractive prices and with flexible rental contracts.

Two years after the opening of the first Clusterhaus in Cologne, the sixth property in the sixth country is scheduled to open this summer for start-up tenants: after Germany (Cologne), Austria (Vienna), Slovakia (Bratislava), Hungary (Budapest) and the Czech Republic (Brno), the first Clusterhaus in Poland will open in Warsaw.

Local CSR activities

Numerous local activities in the area of corporate social responsibility (CSR) were held in the IMMOFINANZ shopping centers during 2014/15.

The Romanian *Gold Plaza Baia Mare* shopping center launched the campaign "It´s perfect to be imperfect" to underscore the importance of integrating people with special needs into local communities. Sixteen mentally and physically handicapped people presented a diverse programme from May to July 2014. For the fifth year in succession, the *Polus Center Cluj* provided support for a Christmas project that gives older, underprivileged and lonely city residents an opportunity to spend time with like-minded people in a seasonal atmosphere. The *Pitesti Mall* shopping center also held a number of different fundraising activities throughout the year, which included a charity event for the benefit of autistic children.

Economic aspects

The economic aspect of sustainability means designing the business activities of a company to create a lasting, viable foundation for positive earnings. That implies using economic resources wisely and protecting them from exploitation. In IMMOFINANZ Group, transparency in connection with various control processes also plays an important role.

Voluntary commitment to transparency and good management

IMMOFINANZ Group is committed to compliance with the rules of the Austrian Corporate Governance Code (which was first issued on 1 October 2002) and to transparency in its business activities. The corporate governance report is included in this annual report on pages 32–39.

IMMOFINANZ's internal control system (ICS)

In order to support the early identification and monitoring of risks, IMMOFINANZ Group installed an internal audit department and further optimised its functions during the reporting year. The internal control system (ICS) comprises a wide range of methods and measures to safeguard assets and to ensure the accuracy and reliability of data for accounting and financial reporting. Additional information on the ICS is provided in the management report on page 103.

Legal Disputes

This section presents information primarily on the status of legal proceedings related to lawsuits filed by (former) shareholders and lawsuits related to the management contract with Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG). The reported values in dispute include, in part, identical items and can therefore not be added.

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

Since November 2008 a number of shareholders have filed claims against IMMOFINANZ AG (in short: IFAG) and IMMOEAST AG (now: IMBEA IMMOEAST Beteiligungsverwaltung GmbH, in short: IMBEA). Some of the plaintiffs are IMMOFINANZ AG shareholders, while others are shareholders of the former IMMOEAST AG, who are asserting various claims against IMMOFINANZ AG or against IMBEA as the legal successor of IMMOEAST AG. In all cases, the plaintiffs are claiming damages based on prospectus liability or other alleged inadequate capital market information. The plaintiffs' argumentation is based primarily on alleged deficiencies in the prospectuses of IMMOFINANZ AG or IMMOEAST AG. Many of the plaintiffs' claims are also based on other legal grounds, e.g. the violation of ad-hoc reporting requirements. Among others, the plaintiffs contend that the funds raised from the public offering were not used for acquisitions or the development of new real estate projects, but for the financing of IMMOFINANZ AG and IMMOEAST AG and for the purchase of shares in IMMOFINANZ AG and IMMOEAST AG. IMMOFINANZ AG and IMBEA reject these claims. Of special note are 19 class action lawsuits of Austrian origin involving between ten and 908 plaintiffs who have filed claims against IMMOFINANZ AG – largely together with IMBEA.

By the end of April 2015 a total of 811 lawsuits had been filed against IMMOFINANZ AG, (whereby IMBEA was also named in some of the cases) and 79 lawsuits only against IMMOEAST AG/IMBEA, for a total of 890 lawsuits with a value in dispute of approx. EUR 252 million. Most of the plaintiffs are covered by insurance for legal expenses or represented by AdvoFin, a company that finances such proceedings. The status of the pending proceedings is different, whereby most are still in the early stages. In many of the cases the plaintiffs have already been heard, and a more extensive hearing of evidence has only taken place in a few cases. In 74 cases, a judgment in the first instance or a final judgment was issued, each – for different reasons – in favour of IMMOFINANZ AG or IMMOEAST AG/IMBEA. A judgment in one other case is expected during the coming months. In five cases, the lawsuit IMMOFINANZ AG and/or IMBEA was upheld. IMMOFINANZ AG and IMBEA filed an appeal against these decisions in all but one case. The decisions by the Regional Appeals Court in Vienna are expected in the coming months. Some of the first-instance decisions were reversed by the Regional Appeals Court in Vienna or the Austrian Supreme Court and remanded to the first-instance court for renegotiation. In total, 323 of the proceedings have been completed to date (one legally binding judgment allowing the lawsuit, 45 legally binding judgments rejecting the lawsuits, 19 withdrawals of lawsuits, 195 agreements for withdrawal of the lawsuit under the waiver of claims and 63 settlements that did not involve any payments by IMMOFINANZ AG or IMBEA to the plaintiffs). The following table shows the status of the pending legal proceedings at the end of April 2015 after the deduction of the 323 previous concluded lawsuits from the above-mentioned 890 lawsuits that had been filed by the end of April 2015.

Pending proceedings: IFAG/IMBEA	Number of proceedings	Value in dispute in MEUR
IFAG	216	22.1
IMBEA	33	6.7
IFAG and IMBEA	318	215.6
Total	**567**	**244.4**

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

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

By the end of April 2015 Aviso Zeta AG had served IMMOFINANZ AG and/or IMBEA in most cases both companies, with third party noticed in 412 cases. Swiss Life Select Österreich GmbH has also served IMMOFINANZ AG and/or IMBEA with third party noticed in 229 cases, also in class action suits that were filed against Swiss Life Select Österreich GmbH. IMMOFINANZ AG and IMBEA joined in most of these cases.

According to the information currently available to IMMOFINANZ AG, judgments have been issued in 21 lawsuits against Swiss Life Select Österreich GmbH and in 56 lawsuits against Aviso Zeta AG. Some of these judgments were issued in favour of the respective defendant, others against. Neither Swiss Life Select Österreich GmbH nor Aviso Zeta AG has filed recourse claims against IMMOFINANZ AG or IMBEA. Most of the lawsuits against Swiss Life Select Österreich GmbH have already been concluded.

Third party notices to IFAG/IMBEA	Number of proceedings	Value in dispute in MEUR
Aviso Zeta	412	42.4
AWD (now: Swiss Life Select Österreich GmbH)	229	32.3
Total	**641**	**74.7**

Legal proceedings against Aviso Zeta AG

At the end of April 2015, 954 proceedings with a total value in dispute of EUR 270.7 million were still pending against Aviso Zeta AG as the dependent or intervening party. These proceedings are based on different facts and circumstances. The purchase of IMMOFINANZ/IMMOEAST shares is still the primary issue in 835 proceedings with a value in dispute of EUR 258.5 million. Moreover, 1,465 proceedings had been concluded by the end of the 2014/15 financial year (30 April 2015). In 792 of these cases, permanent suspension of the proceedings was agreed in exchange for the waiver of costs. The lawsuits were withdrawn under the waiver of claims in a further 226 cases and rejected by the court in 147 cases. Only 36 proceedings were lost from the viewpoint of Aviso Zeta AG, and settlements were reached in 258 cases. Lawsuits have been filed against Aviso Zeta AG in a further 934 cases (value in dispute: EUR 18.2 million) involving securities brokerage (in particular, Lehman Brothers products with the designation "Dragon FX Garant"). The proceedings were concluded in 782 cases: the results were positive for Aviso Zeta AG (withdrawal, rejection, settlements or permanent suspension of the proceedings) in 779 cases and the lawsuits were allowed in only three cases. Several proceedings were interrupted pending a decision by the Court of Justice of the European Union on the correctness of the prospectus publication. The Court of Justice has since remanded the proceedings to the national courts, where they were continued at the end of 2014. The court of second instance decided in favour of Aviso Zeta AG, and the proceedings are currently pending at the Austrian Supreme Court.

In a further 203 still pending proceedings, Aviso Zeta AG was served with third-party notices and joined in the proceedings. These cases deal solely with the purchase of IMMOFINANZ/IMMOEAST shares. No regress claims have been filed against Aviso Zeta AG to date.

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

At the end of 2012 Aviso Zeta AG filed lawsuits against three former members of the Executive Board of Constantia Privatbank AG for compensation for damages and declaration by judgment. The purpose of these lawsuits is to allow for the possible future filing of a recourse claim based on false advising in connection with share purchases. These legal proceedings currently involve the introduction of evidence.

Defendant's litigation Aviso Zet AG

Aviso Zeta AG	Number of proceedings	Value in dispute in MEUR
Total	**954**	**270.7**
Defendant i. c. IMMOFINANZ/IMMOEAST	632	247.8
Defendant i. c. Dragon FX Garant	118	2.6
Intervening party	203	10.7
Other	1	9.6

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

IMMOFINANZ AG, as the accepting company, was merged with IMMOEAST AG, as the transferring company, in accordance with a merger agreement dated 21 January 2010. In connection with this merger, the former shareholders of IMMOEAST AG were granted a total of 567,363,702 shares in IMMOFINANZ AG based on an agreed exchange ratio of three IMMOFINANZ shares for each two IMMOEAST shares. Petitions were subsequently filed with the commercial court of Vienna by IMMOFINANZ shareholders and shareholders of the former IMMOEAST AG for a review of this exchange ratio pursuant to §§ 225c ff of the Austrian Stock Corporation Act. This step led to the start of court proceedings, and IMMOFINANZ AG has filed an extensive statement in response to the petitions. In accordance with legal regulations (§ 225g of the Austrian Stock Corporation Act), the commercial court of Vienna ordered an expert opinion on the exchange ratio. In April 2014 Hans Bodendorfer was appointed by the court to prepare an expert opinion that will determine whether the defined exchange ratio reflects the factual and legal situation and evaluate whether the applied valuation methods are plausible. The expert opinion is expected to be issued by the end of the year.

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

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

Other legal disputes

In March 2011 IMMOFINANZ AG filed a lawsuit against three former members of the Executive Board and members of the Supervisory Board of the former Constantia Privatbank AG that involved option transactions to the detriment of the former IMMOEAST AG. The proceedings were suspended after the first hearing in September 2011 until a final binding decision is issued in the criminal proceedings against these former Executive and Supervisory Board members. These criminal proceedings resulted in the (not yet legally binding) first-instance conviction, among others, of two of the three defendants. IMBEA was also awarded approx. EUR 7 million by this first-instance decision (not yet legally binding). In addition, Aviso Zeta was awarded approx. EUR 4 million. The proceedings pertaining to the nullity appeal are still pending with the Austrian Supreme Court, which filed a petition with the Austrian Administrative High Court for the annulment of a procedural issue. Following a decision by the Austrian Administrative High Court, the decision by the Austrian Supreme Court is expected in summer 2015.

IMMOFINANZ AG filed a further lawsuit in September 2011 to enforce claims against a former member of the Executive Board and other persons in connection with payments made to third parties without justifiable grounds on the instructions of this former board member. This case is still in the early stages and only a number of parties have been heard.

In 2013 IMMOFINANZ AG and IMBEA filed a lawsuit against a former member of the Executive Board for payment of EUR 10 million as compensation for damages. The first witnesses and parties have been heard, and the next hearing is scheduled for the end of 2015.

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

As mentioned above, the values in dispute cover in part identical content. Based on estimates for the expected outcome of these proceedings, IMMOFINANZ Group has recognised an appropriate amount of provisions for legal disputes and provisions for legal proceedings in the consolidated financial statements.

In specific East European countries, legal uncertainty could arise in connection with land ownership.

Information on the liabilities held by IMMOFINANZ is provided in section 8.3.1 of the notes to the consolidated financial statements.

In May 2015 the shareholders O1 Group Limited and PHI Finanzbeteiligungs und Investment GmbH (an indirect wholly owned subsidiary of CA Immobilien Anlagen AG) filed a lawsuit with the Vienna Commercial Court for a declaratory judgment and the annulment of the election of Horst Populorum and Wolfgang Schischek to the Supervisory Board of IMMOFINANZ AG by the company's extraordinary general meeting on 17 April 2015. The candidates nominated by O1 and CA Immo, Tamara Gutmann and Oliver Puhl, were not elected. IMMOFINANZ AG has filed for the rejection of this lawsuit. The legal challenge is based on § 10 para. 5 of the articles of association, under which the first "year of office" for the election of a supervisory board member by an extraordinary general meeting must end with the next ordinary general meeting. However, this provision – in contrast to the arguments put forth by the plaintiff – regulates the number of years in the term of office, but does not reduce the term of office up to the next ordinary general meeting. With this legal challenge, O1/CA Immo contradict their own nominations at the extraordinary general meeting on 17 April 2015, which also covered a three-year term of office. Furthermore, O1/CA Immo assert that the female candidate was not elected. The applicable law intentionally does not define a specific quota for women. From the point of view of IMMOFINANZ AG, there are no grounds for a legal challenge in this connection.

Information on Equity

The share capital of IMMOFINANZ AG totalled EUR 1,114,171,813.16 as of 30 April 2015 (30 April 2014: EUR 1,172,059,877.27). It is divided into 1,073,193,688 zero par value shares with voting rights (30 April 2014: 1,128,952,687), each of which represents a proportional share of EUR 1.04 (rounded) in share capital.

All IMMOFINANZ shares are zero par value bearer shares that entitle the holders to participate in the annual general meeting and to exercise voting rights and other shareholder rights in accordance with applicable legal regulations. Each bearer share is entitled to one vote.

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

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

The development of the number of shares in 2014/2015 is explained in the following table:

	Number of shares	Difference	Explanation
30 April 2014	1,128,952,687		
December 2014	1,117,728,000	11,224,687	Withdrawal of treasury shares
March 2015	1,073,193,688	44,534,312	Withdrawal of treasury shares
30 April 2015	**1,073,193,688**		

Convertible bonds

Convertible bond 2017 (CB 2017)

On 19 January 2007 IMMOFINANZ AG issued convertible bonds with a total nominal value of EUR 750.0 million and a term ending on 20 January 2014 (ISIN XS0332046043).

In connection with the spin-off of the BUWOG Group and the allocation of BUWOG shares to the shareholders of IMMOFINANZ AG, the terms of the CB 2017 were amended to include proportional conversion rights to shares of BUWOG AG. The current conversion rights (last amended on 16 October 2014 following the dividend payment by BUWOG AG for the 2013/14 financial year) entitle the holders of the CB 2017 to conversion into 2,685,069 shares of IMMOFINANZ AG and 141,443 shares of BUWOG AG.

The holders of CB 2017 bonds with a total nominal value of EUR 13.7 million elected to use their premature cancellation rights on 19 November 2014. These bonds were redeemed by IMMOFINANZ AG. The CB 2017 had a remaining outstanding nominal value of EUR 21.4 million on 30 April 2015.

Convertible bond 2018 (CB 2018)

On 8 March 2011 IMMOFINANZ AG issued 125,029,692 convertible bonds with a total nominal value of EUR 515.1 million and a term ending on 8 March 2018 (ISIN XS0592528870). The terms of the issue entitle all bondholders to register their CB 2018 certificates for premature repayment on 8 March 2016.

In connection with the spin-off of the BUWOG Group and the allocation of BUWOG shares to the shareholders of IMMOFINANZ AG, the terms of the CB 2018 were amended to include proportional conversion rights to shares of BUWOG AG. The current conversion rights (last amended on 15 October 2014 following the dividend payment by BUWOG AG for the 2013/14 financial year) entitle the holders of the CB 2018 to conversion into 142,823,659 shares of IMMOFINANZ AG and 7,478,712 shares of BUWOG AG. The CB 2018 had a remaining outstanding nominal value of EUR 508,453,707 on 30 April 2015.

Exercise of conversion rights and new shares issued in 2014/15

Conversion rights for 56,022 CB 2018 convertible bonds with a total nominal value of EUR 230,810.64 were exercised in 2014/15. The conversions were serviced with treasury shares of IMMOFINANZ AG (and shares of BUWOG AG).

The nominal value of the convertible bonds developed as follows in 2014/15:

	ISIN	Nominal value as of 30 April 2014 in TEUR	Conversions in 2014/15 in TEUR	Repurchased/redeemed in 2014/15 in TEUR	Nominal value as of 30 April 2015 in TEUR
CB 2017	XS0332046043	35,100.0	0.0	-13,700.0	21,400.0
CB 2018	XS0592528870	508,684.5	-230.8	0.0	508,453.7
IMMOFINANZ AG		**543,784.5**			**529,853.7**

Authorisation to issue new convertible bonds

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

Treasury shares

Purchase and withdrawal of treasury shares in financial years prior to 2014/15

Purchase of treasury shares in 2010/11 based on agreements for the "IBAG Bond" and Aviso Zeta

IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, purchased 55,005,409 IMMOFINANZ shares on 23 August 2010 at the closing price of EUR 2.75 per share in connection with the closing of the agreements between IMMOFINANZ Group and Constantia Packaging B.V. on the so-called "IBAG Bond" (EUR 512 million). In addition, IMBEA IMMOEAST Beteiligungsverwaltung GmbH purchased 2,066,020 IMMOFINANZ shares from Aviso Zeta AG (now a wholly owned subsidiary of IMMOFINANZ AG) on 29 September 2010 at the closing price of EUR 2.708 per share.

The 57,071,429 IMMOFINANZ shares purchased by IMBEA IMMOEAST Beteiligungsverwaltung GmbH represent a proportional share of EUR 59,250,607.08, or 5.32%, of share capital as of 30 April 2015.

The purchase of the shares previously held by Aviso Zeta AG by IMBEA IMMOEAST Beteiligungsverwatung GmbH in December 2010 also included the indirect purchase of six bearer shares (formerly registered shares) of IMMOFINANZ AG. These six IMMOFINANZ shares represent a proportional amount of EUR 6.23 in share capital.

All of the above purchases were based on the statutory provision for the prevention of damages as defined in § 65 (1) no. 1 of the Austrian Stock Corporation Act.

Share buyback programme 2010/11

IMMOFINANZ AG repurchased 47,350,248 shares as part of the 2010/11 share buyback programme (total purchase price: EUR 145,755,598.48; proportional share of share capital: EUR 49,158,238.87, i.e. 4.41% of share capital as of 30 April 2015).

Share buyback programme 2012/13

IMMOFINANZ AG repurchased 20,000,000 shares as part of the 2012/13 share buyback programme (total purchase price: EUR 62,361,443.45; proportional share of share capital: EUR 20,763,666.91, i.e. 1.86% of share capital as of 30 April 2015).

Authorisations of the annual general meeting relating to treasury shares

Authorisation of the Executive Board to purchase treasury shares

The annual general meeting of IMMOFINANZ AG on 30 September 2014 authorised the Executive Board, with the consent of the Supervisory Board, to repurchase the company's shares in accordance with § 65 (1) no. 8 and (1b) of the Austrian Stock Corporation Act at an amount equalling up to 10% of share capital. This authorisation is valid for a period of 30 months beginning on the date the resolution was passed. The shares may be purchased in one or more transactions over the stock exchange or over the counter with repeated utilisation of the 10% limit, also with the exclusion of the proportional subscription rights of shareholders.

Authorisation of the Executive Board to sell treasury shares

The annual general meeting of IMMOFINANZ AG on 30 September 2014 authorised the Executive Board, with the consent of the Supervisory Board, to sell treasury shares in another manner than over the stock exchange or through a public offering in accordance with § 65 (1b) of the Austrian Stock Corporation Act. These shares may be sold or used for any legal purpose, whereby the proportional purchase rights of shareholders are excluded (exclusion of subscription rights). This authorisation is valid for a period of five years beginning on the date the resolution was passed.

Repayment of financing with treasury shares

The financing transactions with treasury shares were repaid during the reporting year. In this connection, the company repurchased 101,605,741 treasury shares on 27 March 2015. These shares represented a proportional share of EUR 105,485,388.09, or 9.47%, of the company's share capital as of 30 April 2015.

Of the total shares repurchased, 57,071,429 were transferred back to IMBEA IMMOEAST Beteiligungsverwaltung GmbH in accordance with the financing arrangement concluded between IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsverwaltung GmbH. These shares were originally held by IMBEA IMMOEAST Beteiligungsverwaltung GmbH.

Withdrawal of treasury shares in 2014/15

IMMOFINANZ AG withdrew 11,224,687 treasury shares on 17 December 2014 based on an authorisation of the annual general meeting on 30 September 2014 in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act. The withdrawn shares were repurchased during the share buyback programme 2012/13 and – after the intragroup sale to IMBEA IMMOEAST Beteiligungsverwaltung GmbH – were transferred to the company for withdrawal through a distribution in kind. This withdrawal reduced the company's share capital by EUR 11,653,283.10 through a simplified capital decrease (§ 192 (3) of the Austrian Stock Corporation Act).

A further 44,534,312 treasury shares were withdrawn on 27 March 2015 – following their repurchase in connection with the repayment of financing transactions – which represent a proportional share of EUR 46,234,781.01 in the company's share capital. The withdrawn shares were repurchased in part during the share buyback programmes in 2010/11 and 2012/13. This withdrawal reduced the company's share capital by EUR 46,234,781.01 through a simplified capital decrease (§ 192 (3) of the Austrian Stock Corporation Act). Share capital now totals EUR 1,114,171,813.16 and is divided into 1,073,193,688 zero par value shares.

Share buyback programme 2014/15

The share buyback programme 2014/15 involved the repurchase of 10,167,053 IMMOFINANZ shares. This programme was based on the authorisation of the Executive Board by the annual general meeting of IMMOFINANZ AG on 30 September 2014 in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act. It was carried out between 23 December 2014 and 6 March 2015. The shares were purchased from IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, at an average price of EUR 2.26 per share. The total purchase price amounted to EUR 23,014,581.16. These shares represented a proportional amount of EUR 10,555,265.10, or 0.95%, of the share capital of IMMOFINANZ AG as of 30 April 2015.

Share buyback programme 2015

A further share buyback programme was started on 1 April 2015. It is based on the authorisation of the Executive Board by the annual general meeting of IMMOFINANZ AG on 30 September 2014 in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act. A total of 13,323,454 IMMOFINANZ shares were repurchased from IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, for a total price of EUR 37,238,886.08 during the reporting year and up to 30 April 2015. These shares represented a proportional amount of EUR 13,832,188.04, or 1.24%, of the share capital of IMMOFINANZ AG as of 30 April 2015.

The development of treasury shares is shown in the following table:

Date	Number of shares	Circumstances and statutory provision	Proportional share of share capital as of 30 April 2015 in EUR	Proportional share of share capital as of 30 April 2015 in %	Purchase/sale price in EUR
August 2010	55,005,409	Closing of the agreements with Constantia Packaging B.V. on the "IBAG bond" (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	57,105,699.52	5.13%	151,264,874.75 (Group settlement)
September 2010	2,066,020	Termination of banking activities by Aviso Zeta (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	2,144,907.56	0.19%	5,594,782.16
December 2010	6	Acquisition of Aviso Zeta (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	6.23	0.00%	1
Nov. 2010–March 2011	47,350,248	Share buyback programme 2010/11 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	49,158,238.87	4.41%	145,755,598.48
October 2012	-11,526,415	Withdrawal of treasury shares (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	-11,966,532.08	-1.07%	n.a.
Oct. 2012–Feb. 2013	20,000,000	Share buyback programme 2012/13 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	20,763,666.91	1.86%	62,361,443.45
January 2013	-101,605,741	Sale for financing with treasury shares (§ 65 (1b) of the Austrian Stock Corporation Act)	-105,485,388.09	-9.47%	150,000,000.00 (total financing)
October 2014	-64,834	Servicing of CB 2018	-67,309.58	-0.01%	142,634.80
December 2014	-11,224,687	Withdrawal of treasury shares (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	-11,653,283.10	-1.05%	n.a.
Dec. 2014–March 2015	10,167,053	Share buyback programme 2014/15 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	10,555,265.10	0.95%	23,014,581.67
March 2015	101,605,741	Repurchase of treasury shares used for financing (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	105,485,388.09	9.47%	150,000,000.00 (total financing)
March 2015	-44,534,312	Withdrawal of treasury shares (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	-46,234,781.01	-4.15%	n.a.
April 2015–(ongoing)	13,323,454	Share buyback programme 2015 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	13,832,188.04	1.24%	37,238,886.08
IMMOFINANZ Group total April 2015	**80,561,942**		**83,638,066.45**	**7.51%**	**n.a.**

As of 30 April 2015 IMBEA IMMOEAST Beteiligungsverwaltung GmbH (a wholly owned subsidiary of IMMOFINANZ AG) was the owner under civil law of 80,561,936 treasury shares. Six of these shares are held by Aviso Zeta AG, which is also a wholly owned subsidiary of IMMOFINANZ AG. These 80,561,942 shares represented a proportional amount of EUR 83,638,066.45, or 7.51%, of the company's share capital as of 30 April 2015.

Authorised capital

The annual general meeting on 30 September 2014 authorised the Executive Board, with the consent of the Supervisory Board, pursuant to § 169 of the Austrian Stock Corporation Act to increase the company's share capital by up to EUR 234,411,975.04 through the issue of up to 225,790,537 new shares in exchange for cash or contributions in kind. This authorised capital may also be issued under the exclusion of subscription rights (i) in connection with a capital increase in exchange for cash contributions of up to 10% of the company's share capital on the utilisation date; and (ii) for contributions in kind, to service a greenshoe option or for the settlement of peak amounts. The authorisation is valid up to 29 January 2020. The authorised capital issued under the exclusion of subscription rights may not exceed 20% of the company's share capital on the issue date. This limit also includes any new shares to be delivered in connection with a convertible bond that was issued during the term of the authorised capital under the exclusion of subscription rights.

Change of Control

Convertible bonds

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

Corporate bond 2017

In July 2012 IMMOFINANZ AG issued a 5.25% 2012–2017 partial debenture (corporate bond 2017, ISIN AT0000A0VDP8) with a total volume of EUR 100.0 million. This bond has a five-year term extending from 3 July 2012 to 2 July 2017. If there is a change of control and this change significantly impairs the ability of IMMOFINANZ AG to meet its obligations under the terms of the debenture, the bondholders are entitled to put their partial debentures to the company and to demand immediate repayment of the nominal amount plus accrued interest up to the repayment date.

Exchangeable bond 2019

The issue terms of the exchangeable bond 2019 entitle the bondholders to put some or all of the securities not yet converted or redeemed in the event of a change of control. In such case, IMMOFINANZ AG must redeem the tendered securities at the nominal value plus accrued interest as of the respective date or may exercise the option to provide BUWOG shares instead of a cash payment. Details on these provisions are provided in the terms of issue for the exchangeable bond 2019.

Executive Board and Supervisory Board

The employment agreements with the members of the Executive Board contain a change of control clause that may lead to the cancellation of a contract.

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

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

There are no other significant agreements which enter into force, change or terminate in the event of a change of control in the company following a takeover bid.

Amendments to the articles of association, board appointments and dismissals

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

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

Significant holdings

Stock exchange voting rights reports and directors' dealings reports indicate that FRIES Familien-Privatstiftung, Dr. Rudolf FRIES Familien-Privatstiftung and members of the Fries family (together the "Fries Group") hold a total of 69,781,813 IMMOFINANZ shares, representing an investment of 6.5%, directly and through their holdings.

In accordance with a report on 28 April 2015, O1 Group Limited and PHI Finanzbeteiligungs und Investment GmbH, a wholly owned indirect subsidiary of CA Immobilien Anlagen Aktiengesellschaft, hold a total of 61,133,364 IMMOFINANZ shares directly or based on reciprocal allocation as defined in § 92 no. 7 of the Austrian Stock Corporation Act. These shares represent approx. 5.7% of the share capital of IMMOFINANZ AG.

Risk Management

As an international property investor and developer, IMMOFINANZ Group is exposed to a variety of opportunities and risks in its business operations. An active risk management process ensures the timely identification of developments that could endanger the realisation of strategic and operating goals and allows for the inclusion of important information in decision-making processes. The company's goal is the management, development and cycle-optimised sale of commercial properties in the retail, office and logistics asset classes. Eight core countries form the geographic focus of business: Austria, Germany, Poland, Czech Republic, Slovakia, Romania, Hungary and Russia.

IMMOFINANZ Group has integrated an active risk management system in its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct influence on strategic decisions and operating processes. Internal guidelines, reporting systems and control measures have been installed throughout IMMOFINANZ Group to support the monitoring, evaluation and control of risks related to the operating business. Risk management in IMMOFINANZ Group takes place at all levels and is ultimately the responsibility of the Executive Board, which is involved in all risk-related decisions. In addition, the internal control system (ICS) has been further optimised to support the early identification and monitoring of risks. A description of the ICS is provided in the management report starting on page 103.

The most significant risk factors can be summarised under strategic, financial and market/property-specific factors. The major financial risks result from re(financing), fluctuations in foreign exchange rates and interest rates, and negative changes in the credit standing or liquidity of customers and business partners. A detailed description of the financial risk factors is provided in section 8.2 of the notes.

Market- and property-specific risks arise from micro- and macroeconomic events in individual countries and developments at the property level. Included here are the risks associated with market prices, the competitive environment and transactions.

Strategic risks

Concentration risk
Concentration risk is understood to mean the accumulation of similar risks that contradict the principle of risk diversification. IMMOFINANZ Group consciously reduces these risks with the diversification of the property portfolio by sector and region and with the development of a differentiated tenant structure. The Group's tenant mix is very well balanced and diversified.

The spin-off of BUWOG AG at the end of April 2014 has shifted the geographic distribution of the portfolio more towards Eastern Europe, and Russia is now the largest single market for IMMOFINANZ Group. A number of specific concentration risks are connected with this core market: with its *Golden Babylon Rostokino* shopping center in Moscow, IMMOFINANZ Group holds a single investment which represents more than 15% of the total standing investment portfolio based on fair value; additionally, the properties in Russia are concentrated in the Moscow retail sector and represent 27.9% of the total standing investment portfolio.

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

IMMOFINANZ Group has issued a compliance guideline to ensure the fulfilment of capital market requirements. The related actions include, among others: the development of a compliance organisation; the definition of authorisations and responsibilities for the compliance officer; the implementation of permanent and, where necessary, temporary classified units as well as blackout periods and trading prohibitions for persons assigned to these units.

The evaluation of opportunities to optimise or further reduce operating costs is a focal point of implementation and continuous improvement. Internal procurement guidelines for the operating business, above all in the area of property services, construction and facility management, form an important part of this cost reduction and optimisation potential.

In order to receive or continue the use of funds obtained through loan agreements, IMMOFINANZ Group must meet certain obligations – so-called financial covenants. The Group continuously monitors compliance with these covenants and remains in close contact with the lending institutions. If these obligations are not met, the lender is entitled to cancel the loan agreement under certain circumstances. Information on financial covenants is provided in section 6.14 of the notes.

Market risk and property-specific risks

Branch and market risk

IMMOFINANZ Group is invested primarily in three commercial asset classes at the present time. In addition to the specific risks associated with each of these asset classes, the Group as a whole is exposed to risk factors that are dependent on economic growth and macroeconomic trends.

These risks are related to developments on the global financial and capital markets and to the political, microeconomic and macroeconomic developments in the countries where IMMOFINANZ Group is active. These factors can have a significant effect on the market value of real estate (**risk of changes in value**) and on earnings, development plans and investment and sales activities.

IMMOFINANZ Group's business model includes the acquisition and sale of standing investments and the development of projects. A standstill on individual transaction markets (**transaction risk**) could lead to a halt or delay in planned portfolio optimisation or adjustments. However, recent transaction volumes confirm the recovery of the real estate market in Europe. CBRE reports a 35.2% year-on-year increase in the volume of commercial transactions in Europe to EUR 223.4 billion in 2014. Properties with a combined value of EUR 7.57 billion were bought and sold in the CEE countries, excl. Russia, during that year (plus 25.1% versus 2013). The yields in Western and Eastern Europe remain at a low level. The general risk appetite has increased, and investors looking for more profitable alternatives are increasingly turning to higher-yield asset classes like logistics and retail.

Rental and default risk

There is a high correlation between the risk associated with rentals and the general economic climate in the individual countries. Growing economic weakness can lead to lower demand by tenants for space and/or to the non-extension of rental contracts and an increase in vacancies.

The competitive situation can also influence rentals. A high volume of newly produced space that is not absorbed by the market can lead to increased pressure on rental prices as well as the non-extension of rental contracts and the relocation of tenants to new buildings. In addition, the reduction of rents or higher financial incentives to achieve contract extensions can lead to a decline in earnings.

A like-for-like analysis of rental income (i.e. after an adjustment for acquisitions, sales and completions) shows a year-on-year decline of 10.0% to EUR 387.2 million in 2014/15. This development resulted, above all, from the current situation in Russia, where IMMOFINANZ has granted temporary rental reductions to the tenants in its Moscow shopping centers. The adjusted rental income generated in Russia declined temporarily by EUR 36.3 million year-on-year to EUR 127.2 million in 2014/15. In addition, a high volume of newly completed office space in Prague and Warsaw led to increased vacancies in a number of office properties.

In order to minimise **inflation risk,** IMMOFINANZ Group includes index clauses in its standard rental contracts.

Rental transactions also expose IMMOFINANZ Group to a **default risk**. Group guidelines require credit evaluations for future tenants and the payment of security deposits. However, delayed rental payments by individual tenants cannot be excluded. This was the case in Russia, above all during 2014/15. All outstanding receivables are valued on a quarterly basis.

IMMOFINANZ Group made an offer to the tenants in its Moscow shopping centers in December 2014 to fix the exchange rates applied to rental payments for a three-month period. This offer covered the tenants who had not previously concluded an individual agreement and was contingent upon payment of all outstanding amounts. As there has still been no change in the economic situation, rental reductions were extended for a further limited period of time and the exchange rates were fixed again under certain conditions.

Real estate development risks

Real estate development projects involve risks that can lead to schedule and construction cost overruns as well as risks related to rentals. Examples of these risks are delays in the procedures required to obtain zoning and construction permits or loans, problems with general contractors or subcontractors, construction defects and a lack of demand for rental space due to prevailing market conditions or unexpected events. Delays during the construction or initial rental phase can also have a negative effect on rental income.

IMMOFINANZ Group minimises these risks by accompanying projects with regular cost and schedule controls. The development projects currently under realisation by IMMOFINANZ Group have a combined carrying amount of EUR 612.0 million. The outstanding construction costs up to the completion of these projects totalled EUR 419.1 million as of 30 April 2015.

Property valuation risk

A change in macroeconomic conditions or certain property-specific factors can lead to a risk of substantial fluctuations in the value of the property portfolio. Declines in the market value of properties can have a negative influence on Group earnings and equity. Many of the factors that can have a negative effect on earnings are beyond the influence of IMMOFINANZ Group.

The 2014/15 financial year brought a revaluation of investment properties adjusted for foreign exchange effects amounting to EUR -312.3 million. This revaluation included EUR -197.0 million in the Russian portfolio and resulted, above all, from a temporary reduction in rental income and an increase in the discount rates used for valuation. Other changes in value involved a number of office properties in Eastern Europe and resulted from property-specific factors. In Poland, the high pace of new construction in recent years has had a negative influence on the general market situation and led to an increase in vacancies.

Market cycles and fluctuations as well as concentration risks can be partially offset by the sector and regional diversification of the property portfolio. In order to allow for timely reaction to changes in the market environment, detailed market studies are prepared on a regular basis and analysed in connection with reports by recognised real estate experts. All market changes are included in the portfolio analysis and have an important influence on investment, sales and project plans and thereby also on the Group's medium-term planning. IMMOFINANZ Group follows a strategy to identify all risks before the acquisition of properties and to evaluate these risks in connection with legal, tax, economic, technical and social factors.

Other Risks

Legal risks

As an international company, IMMOFINANZ Group is exposed to a variety of legal risks. Included here are risks related to the purchase or sale of property and risks arising from legal disputes with tenants or joint venture and development partners. The Group's legal transactions are generally accompanied by corporate legal department and are supported by external experts where necessary. A list of the major legal proceedings in which the Group is involved is provided in the section on legal disputes, which can be found on pages 91–94 of the management report.

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

Environmental risks

IMMOFINANZ Group is exposed to environmental risks as well as the risks associated with various types of disasters. Natural disasters and extreme weather conditions, such as earthquakes, floods, storms and hail, can result in severe damage to completed properties and properties under construction. Severe damages can also result from man-made disasters such as nuclear accidents.

In order to provide protection against the major damages arising from these risks, IMMOFINANZ Group arranges for insurance at the corporate level (various liability insurance policies) or at the development project or standing investment level. The insurance policies for standing investments provide full or partial coverage for destruction or damage to buildings or parts of buildings, for damages to third parties (liability) and for the possible loss of rents (optional). Construction insurance (construction all-risk, CAR) generally covers these areas for properties or parts of properties under construction; the insurance against a possible loss of profit (advanced loss of profit, ALOP) is optional.

IMMOFINANZ Group regularly evaluates the scope of its insurance coverage based on risk, cost and availability. However, there is still a possibility that this insurance does not cover certain risks in full or in part. In 2014/15 IMMOFINANZ Group was not confronted with any material damage events arising from environmental risks or from inadequate or non-existent insurance coverage.

Tax risks

As an international real estate company, IMMOFINANZ Group is subject to numerous national tax systems that undergo continuous changes, for example with respect to taxes on property, revenue and/or income. These changes can lead to unscheduled tax effects and therefore represent a risk for earnings. Appropriate provisions have been recognised for the identified risks arising from tax audits, proceedings by fiscal court proceedings or extrajudicial proceedings.

BUWOG investment

Following the spin-off of the majority investment and the successful listing of the BUWOG former residential property subsidiary at the end of the 2013/14 financial year, IMMOFINANZ Group holds a 49% investment in this company. The BUWOG share traded in the Prime Segment of the Vienna Stock Exchange as of 30 April 2015. BUWOG is also exposed to various risks in connection with its activities as a real estate investor and developer, whereby financial, market and property-specific risks represent the major risk factors.

IMMOFINANZ AG issued an exchangeable bond for shares of BUWOG AG on 11 September 2014. The bond has a volume of EUR 375.0 million, a term ending on 11 September 2019, a coupon of 1.5% per year and an original exchange price of EUR 17.03. The exchange price was adjusted to EUR 16.26 as of 15 October 2014 following the payment of a EUR 0.69 dividend by BUWOG AG. Information on the fair value measurement of the exchangeable bond can be found under financial risk factors in section 6.14 of the notes.

The share and exchangeable bond are exposed to market price risks.

Internal Control System

As a multinational company, IMMOFINANZ Group relies on the framework developed by the Committee of Sponsoring Organisation of the Treadway Commission (COSO) for the development of its Internal Control System (ICS). This framework consists of five components: control environment, risk assessment, control activities, information and communication, and monitoring.

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

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

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

The ICS in corporate accounting and financial reporting guarantees accuracy, security and efficiency and also ensures the correct, complete and timely preparation of all necessary information. The key features of the ICS in IMMOFINANZ Group's accounting processes are the appropriate segregation of duties, the application of the four-eyes principle in all order and invoice release procedures, compliance with internal guidelines (e.g. IMMOFINANZ Group's IFRS accounting manual), the review of accounting data by Group controlling for correctness, plausibility and completeness, the integration of preventive and informative controls in processes as well as the automation of key controls through specific system settings in the Navision financial accounting software and Hyperion consolidation software.

The implementation of new guidelines and control measures is preceded by coordination with all involved departments and supported by information events. Progress and opportunities for improvement are subsequently reported to the Executive Board. The monthly internal report includes a comparison of budget and actual data as well as a variance analysis, which allows for the early identification of risks and the timely implementation of countermeasures.

Compliance with internal controls is monitored by the internal audit department as part of its auditing activities. The internal audit department is responsible for audits throughout the entire Group. It reports to the Executive Board, but the organisational responsibility lies with Chief Financial Officer Birgit Noggler. The corresponding corporate organisational guidelines apply to all auditing activities.

The internal audit department independently and regularly reviews operating processes and business transactions based on an annual audit plan that is approved by the Supervisory Board. The priorities for this schedule are defined on the basis of risk criteria and organisational goals. These reviews focus primarily on compliance, the internal control systems and opportunities to improve efficiency.

The results of the audits are reported to the Executive Board of IMMOFINANZ AG on a regular basis and to the Supervisory Board twice each year. As part of an annual report, the internal audit department gives an account of its performance during the audit year and presents a summary of all significant audit areas and results.

Research and Development

IMMOFINANZ Group incurrs no expenditures for research and development.

Accounting and Valuation Standards

New accounting standards or a change in the options selected for the application of these standards could have a significant influence on the consolidated financial statements of IMMOFINANZ Group and could also limit comparability with earlier financial statements. Detailed information on the accounting and valuation methods applied by the Group is provided in the notes.

Outlook

Following the spin-off of BUWOG, IMMOFINANZ Group has successfully established a position as a commercial real estate company with a focus on Central and Eastern Europe. Our activities in 2015/16 will concentrate on strengthening the standing investments through the further streamlining of the portfolio structure and value-creating growth.

The Group's robust balance sheet and available liquidity form a solid foundation for the continued utilisation of suitable investment opportunities in the retail and office sectors of our core markets. These opportunities can represent the acquisition of standing investments as well as development projects with a focus on Austria, Germany and Poland. With this growth, we are also targeting the balanced geographical distribution of our portfolio between Western and Eastern Europe.

Our plans for the management of the standing investments include an improvement in operating performance, an increase in occupancy and the further optimisation of the offering for our tenants. We expect generally stable rents in our core markets on a like-for-like basis, with the exception of Russia.

The deterioration of the economic environment in Russia has led to a notable decline in valuation results and the rental income from our Moscow shopping centers. However, we are well prepared to deal with this situation. We have granted temporary rental reductions to provide short-term financial relief for our tenants and, at the same time, hold the occupancy in our shopping centers at the highest possible level. The Ruble has strengthened and the Russian financial market has stabilised in recent months, but lasting recovery is still not in sight. The forecasts for future economic developments in Russia are therefore connected with substantial uncertainty. From the current point of view, we assume it will be necessary to continue the temporary rental reductions and fixed exchange rates for the tenants in our Moscow shopping centers at least through the end of this year.

The current economic situation in Russia is also the reason for the Executive Board's decision not to recommend a dividend for the 2014/15 financial year to the annual general meeting. However, IMMOFINANZ repurchased shares for approx. EUR 102 million, i.e. approx. EUR 0.10 per share, in connection with the 2014/15 and 2015 share buyback programmes.

This outlook reflects the Executive Board's assessments as of 6 August 2015 and does not include the effects of possible acquisitions, sales or other structural changes during the 2015/16 financial year. Forward-looking statements are subject to identified as well unidentified risks and uncertainties, which could cause actual results to differ from the statements made here.

Significant events after the end of the 2014/15 financial year are reported in section 8.7 of the notes.

Vienna, 6 August 2015

The Executive Board

Oliver Schumy
CEO

Birgit Noggler
CFO

Dietmar Reindl
COO

The Group: strong standing investments and value-creating growth

After the successful spin-off of BUWOG, the focus has turned to further simplification and optimisation of the portfolio structure and value-creating growth to strengthen the standing investments and generate sustainable cash flow.

Consolidated Financial Statements

Consolidated Income Statement

All amounts in TEUR	Notes	1 May 2014– 30 April 2015	1 May 2013– 30 April 2014 [1]
Rental income	**5.1.1**	**426,280.3**	**478,533.6**
Operating costs charged to tenants		111,268.6	121,662.8
Other revenues		9,057.8	10,410.5
Revenues	**5.1.2**	**546,606.7**	**610,606.9**
Expenses from investment property	5.1.3	–123,469.1	–108,639.6
Operating expenses	5.1.4	–109,797.8	–118,114.7
Results of asset management	**5.1**	**313,339.8**	**383,852.6**
Proceeds from the sale of properties		146,543.3	567,713.7
Carrying amount of sold properties		–146,543.3	–567,713.7
Gains/losses from deconsolidation		10,950.0	3,199.3
Expenses from property sales		–4,131.3	–5,642.1
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	5.7.1	36,634.5	8,107.2
Results of property sales before foreign exchange effects	**5.2**	**43,453.2**	**5,664.4**
Revaluation of properties sold and held for sale resulting from foreign exchange effects	5.7.1	0.0	0.0
Results of property sales	**5.2**	**43,453.2**	**5,664.4**
Proceeds from the sale of real estate inventories		47,344.0	9,727.4
Cost of real estate inventories sold		–39,524.5	–9,117.4
Expenses from real estate inventories		–6,551.9	–7,477.8
Real estate development expenses		–11,544.7	–21,431.1
Revaluation of properties under construction adjusted for foreign exchange effects	5.7.1	21,171.0	–51,934.0
Results of property development before foreign exchange effects	**5.3**	**10,893.9**	**–80,232.9**
Revaluation of properties under construction resulting from foreign exchange effects	5.7.1	106.6	35,196.6
Results of property development	**5.3**	**11,000.5**	**–45,036.3**
Other operating income	5.4	22,336.4	17,084.6
Other operating expenses	5.5	–73,646.2	–91,089.2
Results of operations		**316,483.7**	**270,476.1**
Revaluation of investment properties adjusted for foreign exchange effects	5.7.1	–312,334.6	–179,677.8
Revaluation of investment properties resulting from foreign exchange effects	5.7.1	228,732.3	310,009.9
Goodwill impairment and earn-out effects on income	5.7.2	–16,878.7	68,874.1
Other revaluation results	**5.7**	**–100,481.0**	**199,206.2**
Operating profit (EBIT)		**216,002.7**	**469,682.3**
Financing costs		–200,437.4	–193,763.6
Financing income		25,234.4	18,491.1
Foreign exchange differences		–270,621.6	–126,851.0
Other financial results		–81,739.2	–12,655.4
Gains/losses from equity-accounted investments	5.8	–37,614.0	66,200.0
Financial results	**5.9**	**–565,177.8**	**–248,578.9**
Earnings before tax (EBT)		**–349,175.1**	**221,103.4**
Current income tax expense/income	5.10	–40,025.0	–43,021.1
Deferred tax expense/income	5.10	27,827.2	–106,132.1
Net profit for the period from continuing operations		**–361,372.9**	**71,950.2**
Net profit from discontinued operations	5.11	–	104,980.6
Net profit for the period		**–361,372.9**	**176,930.8**

[1] The comparable prior year figures were adjusted accordingly (see section 1).

All amounts in TEUR	Notes	1 May 2014– 30 April 2015	1 May 2013– 30 April 2014 [1]
Net profit for the period		**–361,372.9**	**176,930.8**
Thereof attributable to owners of IMMOFINANZ AG		**–357,496.3**	**173,832.9**
Thereof attributable to non-controlling interests		**–3,876.6**	**3,097.9**
Basic earnings per share in EUR	**5.12**	**–0.35**	**0.17**
Net profit for the period from continuing operations per share in EUR		**–0.35**	**0.07**
Net profit from discontinued operations per share in EUR		**–**	**0.10**
Diluted earnings per share in EUR	**5.12**	**–0.35**	**0.17**
Net profit for the period from continuing operations per share in EUR		**–0.35**	**0.07**
Net profit from discontinued operations per share in EUR		**–**	**0.10**

[1] The comparable prior year figures were adjusted accordingly (see section 1).

Consolidated Statement of Comprehensive Income

All amounts in TEUR	Notes	1 May 2014– 30 April 2015	1 May 2013– 30 April 2014 [1]
Net profit for the period		**–361,372.9**	**176,930.8**
Other comprehensive income (reclassifiable)			
Valuation of available-for-sale financial instruments	8.1.2	3,969.5	–3,948.0
Thereof changes during the reporting period		24.6	–3,948.0
Thereof reclassification to profit or loss		3,951.1	0.0
Thereof income taxes		–6.2	0.0
Currency translation adjustment		–84,454.5	–196,545.6
Thereof changes during the reporting period		–83,079.8	–200,345.6
Thereof reclassification to profit or loss		–1,374.7	3,800.0
Other comprehensive income from equity-accounted investments	6.5	–7,556.9	–4,250.0
Total other comprehensive income (reclassifiable)		**–88,041.9**	**–204,743.6**
Other comprehensive income (not reclassifiable)			
Revaluation of defined benefit plans	6.17	–59.0	–39.5
Thereof income taxes		19.7	13.2
Total other comprehensive income (not reclassifiable)		**–59.0**	**–39.5**
Total other comprehensive income after tax		**–88,100.9**	**–204,783.1**
Total comprehensive income		**–449,473.8**	**–27,852.3**
Thereof attributable to owners of IMMOFINANZ AG		**–447,296.8**	**–25,524.5**
Thereof attributable to non-controlling interests		**–2,177.0**	**–2,327.8**

[1] The comparable prior year figures were adjusted accordingly (see section 1).

Consolidated Balance Sheet

All amounts in TEUR	Notes	30 April 2015	30 April 2014[1]	1 May 2013[1]
Investment property	6.1	5,830,951.3	6,411,640.2	8,941,567.6
Property under construction	6.2	469,133.7	222,206.1	322,420.0
Other tangible assets	6.3	3,879.8	8,610.5	18,861.8
Intangible assets	6.4	177,176.9	219,112.9	275,243.7
Equity-accounted investments	6.5	799,881.6	869,659.8	153,942.2
Trade and other receivables	6.6	380,261.4	416,903.2	462,809.2
Income tax receivables		17,705.5	16,834.7	16,853.6
Other financial assets	6.7	87,321.0	148,201.9	207,145.2
Deferred tax assets	6.8	8,602.4	14,135.7	39,839.7
Non-current assets		**7,774,913.6**	**8,327,305.0**	**10,438,683.0**
Trade and other receivables	6.6	245,297.0	210,693.9	315,538.1
Income tax receivables		22,218.4	20,888.0	14,817.1
Other financial assets	6.7	0.0	262,366.1	0.0
Non-current assets held for sale	6.9	266,490.3	175,066.5	570,761.2
Real estate inventories	6.10	148,031.1	155,777.2	258,981.2
Cash and cash equivalents	6.11	390,702.7	235,864.0	724,369.4
Current assets		**1,072,739.5**	**1,060,655.7**	**1,884,467.0**
Assets		**8,847,653.1**	**9,387,960.7**	**12,323,150.0**
Share capital		1,114,171.8	1,172,059.9	1,172,059.9
Capital reserves		3,473,569.7	3,588,241.7	4,518,235.9
Treasury shares		-216,970.9	-329,504.5	-329,504.5
Accumulated other equity		-469,481.1	-379,680.6	-88,700.3
Retained earnings		-199,482.2	158,051.5	46,499.5
Attributable to owners of IMMOFINANZ AG		**3,701,807.3**	**4,209,168.0**	**5,318,590.5**
Non-controlling interests		-2,253.2	8,159.8	13,269.5
Equity	**6.12**	**3,699,554.1**	**4,217,327.8**	**5,331,860.0**
Liabilities from convertible bonds	6.13	24,307.4	494,043.0	525,221.4
Financial liabilities	6.14	2,378,203.3	2,387,783.8	3,946,390.7
Trade and other payables	6.15	96,394.1	146,994.5	208,879.6
Income tax liabilities		79.7	222.3	366.7
Provisions	6.16/6.17	57,064.2	48,595.5	53,361.2
Deferred tax liabilities	6.8	377,386.7	449,561.2	557,680.5
Non-current liabilities		**2,933,435.4**	**3,527,200.3**	**5,291,900.1**
Liabilities from convertible bonds	6.13	504,866.2	44,219.0	28,887.0
Financial liabilities	6.14	1,225,669.6	1,231,374.1	739,275.8
Trade and other payables	6.15	325,786.8	262,892.1	594,888.6
Income tax liabilities		43,446.3	35,254.2	28,710.1
Provisions	6.16/6.17	47,680.6	49,772.3	55,152.6
Financial liabilities held for sale	6.9	67,214.1	19,920.9	252,475.8
Current liabilities		**2,214,663.6**	**1,643,432.6**	**1,699,389.9**
Equity and liabilities		**8,847,653.1**	**9,387,960.7**	**12,323,150.0**

[1] The comparable prior year figures were adjusted accordingly (see section 1).

Consolidated Cash Flow Statement

All amounts in TEUR	Notes	1 May 2014–30 April 2015	1 May 2013–30 April 2014[1]
Earnings before tax (EBT) from continuing operations		–349,175.1	221,103.4
Earnings before tax (EBT) from discontinued operations		–	127,773.5
Revaluation/impairment losses/recognition of gains on bargain purchases		67,561.8	–127,804.8
Gains/losses from equity-accounted investments	6.5	36,841.6	–66,028.6
Gains/losses from disposal of non-current assets		103.8	241.9
Changes in the fair value of financial instruments		346,743.4	104,749.3
Income taxes paid		–29,119.7	–46,276.7
Net interest		175,203.0	222,769.6
Results from the change in investments		–10,950.0	–4,038.5
Other non-cash income/expense		–2,730.4	–101,826.5
Gross cash flow		**234,478.4**	**330,662.6**
Receivables and other assets		–108,749.5	–71,576.7
Trade payables		2,147.9	39,700.8
Provisions		4,372.3	9,766.4
Other liabilities		21,492.1	–29,158.6
Cash flow from operating activities		**153,741.2**	**279,394.5**
Thereof from discontinued operations		**–**	**57,196.5**
Acquisition of/investments in investment property		–20,193.8	–129,057.4
Acquisition of/investments in property under construction		–171,527.4	–271,980.9
Acquisition of property companies, net of cash and cash equivalents (EUR 0.0 mill.; 2013/14: EUR 2.0 mill.)	3.2	–7,539.6	–246,904.5
Acquisition of other tangible assets		–446.0	–2,428.1
Acquisition of intangible assets		–388.1	–1,981.1
Acquisition of financial investments		–274,149.6	–2,419.7
Proceeds from disposal of property companies net of cash and cash equivalents (EUR 0.6 mill.; 2013/14: EUR 9.8 mill. excl. spin-off of BUWOG)	3.3	51,924.2	130,720.6
Disposal of cash and cash equivalents from spin-off of BUWOG		–	–132,775.9
Proceeds from disposal of non-current assets		139,309.2	726,522.3
Proceeds from disposal of financial assets		351,212.7	35,958.5
Dividends received from equity-accounted investments	6.5	33,677.1	0.0
Interest or dividends received		15,367.5	23,416.1
Cash flow from investing activities		**117,246.2**	**129,069.9**
Thereof from discontinued operations		**–**	**59,769.7**
Cash inflows from financing		994,122.3	379,606.8
Cash outflows for financing		–854,282.6	–883,937.9
Cash in-/outflows from the change in investments		0.0	3,472.1
Cash outflows for convertible bonds	6.13	–16,432.6	–25,700.0
Cash outflows for derivative transactions		–21,430.3	–34,361.9
Interest paid		–155,182.9	–158,772.3
Distributions		0.0	–152,408.6
Distributions to non-controlling interests		–5,095.9	0.0
Share buyback		–60,253.9	–385.1
Cash flow from financing activities		**–118,555.9**	**–872,486.9**
Thereof from discontinued operations		**–**	**–30,614.8**
Net foreign exchange differences		2,407.2	–24,482.9
Change in cash and cash equivalents	**7.**	**154,838.7**	**–488,505.4**
Cash and cash equivalents at the beginning of the period	7.	235,864.0	724,369.4
Cash and cash equivalents at the end of the period	7.	390,702.7	235,864.0
Change in cash and cash equivalents	**7.**	**154,838.7**	**–488,505.4**

[1] The comparable prior year figures were adjusted accordingly (see section 1).

Statement of Changes in Equity

	Attributable to owners of IMMOFINANZ AG					
2014/15				Accumulated other equity		
All amounts in TEUR	**Share capital**	**Capital reserves**	**Treasury shares**	**Revaluation reserve**	**AFS reserve**	**IAS 19 reserve**
Balance on 30 April 2014 (adjusted)	**1,172,059.9**	**3,588,241.7**	**–329,504.5**	**3,320.7**	**–3,951.0**	**–20.9**
Revaluation of defined benefit plans						–59.0
Thereof income taxes						19.7
Valuation of available-for-sale financial instruments					3,969.5	
Thereof reclassification to profit or loss					3,951.1	
Thereof income taxes					–6.2	
Currency translation adjustment						
Thereof reclassification to profit or loss						
Other comprehensive income from equity-accounted investments						
Other comprehensive income for the financial year 2014/15					**3,969.5**	**–59.0**
Net profit for the financial year 2014/15						
Total comprehensive income					**3,969.5**	**–59.0**
Share buyback			–60,253.9			
Disposal of treasury shares through conversion			227.4			
Withdrawal of treasury shares	–57,888.1	–114,672.0	172,560.1			
Capital increase						
Distributions						
Disposal of non-controlling interests						
Balance on 30 April 2015	**1,114,171.8**	**3,473,569.7**	**–216,970.9**	**3,320.7**	**18.5**	**–79.9**

2013/14 **All amounts in TEUR**	**Share capital**	**Capital reserves**	**Treasury shares**	**Revaluation reserve**	**AFS reserve**	**IAS 19 reserve**
Balance on 30 April 2013	**1,172,059.9**	**4,518,235.9**	**–329,504.5**	**91,411.0**	**7.2**	**0.0**
Retrospective adjustment in acc. with IAS 8, incl. transition guidance in IFRS 10 and IFRS 11				–385.1		
Balance on 30 April 2013 (adjusted)	**1,172,059.9**	**4,518,235.9**	**–329,504.5**	**91,025.9**	**7.2**	**0.0**
Revaluation of defined benefit plans						–39.5
Thereof income taxes						13.2
Valuation of available-for-sale financial instruments					–3,948.0	
Currency translation adjustment						
Thereof reclassification to profit or loss						
Other comprehensive income from equity-accounted investments						
Other comprehensive income for the financial year 2013/14					**–3,948.0**	**–39.5**
Net profit for the financial year 2013/14						
Total comprehensive income					**–3,948.0**	**–39.5**
Distributions						
Dividend in kind BUWOG		–888,489.6				
Structural changes				2.6		
Addition to the scope of consolidation						
Deconsolidations				–87,707.8	–10.2	18.6
Common control transactions						
Retrospective adjustment from convertible bonds in acc. with IAS 8		–41,504.6				
Balance on 30 April 2014 (adjusted)	**1,172,059.9**	**3,588,241.7**	**–329,504.5**	**3,320.7**	**–3,951.0**	**–20.9**

	Attributable to owners of IMMOFINANZ AG				
2014/15	**Accumulated other equity**				
All amounts in TEUR	**Currency translation reserve**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balance on 30 April 2014 (adjusted)	**–379,029.4**	**158,051.5**	**4,209,168.0**	**8,159.8**	**4,217,327.8**
Revaluation of defined benefit plans			–59.0		–59.0
Thereof income taxes			19.7		19.7
Valuation of available-for-sale financial instruments			3,969.5		3,969.5
Thereof reclassification to profit or loss			3,951.1		3,951.1
Thereof income taxes			–6.2		–6.2
Currency translation adjustment	–86,154.1		–86,154.1	1,699.6	–84,454.5
Thereof reclassification to profit or loss	–2,760.6		–2,760.6	1,385.9	–1,374.7
Other comprehensive income from equity-accounted investments	–7,556.9		–7,556.9		–7,556.9
Other comprehensive income for the financial year 2014/15	**–93,711.0**		**–89,800.5**	**1,699.6**	**–88,100.9**
Net profit for the financial year 2014/15		**–357,496.3**	**–357,496.3**	**–3,876.6**	**–361,372.9**
Total comprehensive income	**–93,711.0**	**–357,496.3**	**–447,296.8**	**–2,177.0**	**–449,473.8**
Share buyback			–60,253.9		–60,253.9
Disposal of treasury shares through conversion			227.4		227.4
Withdrawal of treasury shares					0.0
Capital increase		–37.4	–37.4	37.4	0.0
Distributions				–5,095.9	–5,095.9
Disposal of non-controlling interests				–3,177.5	–3,177.5
Balance on 30 April 2015	**–472,740.4**	**–199,482.2**	**3,701,807.3**	**–2,253.2**	**3,699,554.1**

2013/14 **All amounts in TEUR**	**Currency translation reserve**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balance on 30 April 2013	**–173,586.7**	**37,692.4**	**5,316,315.2**	**10,751.7**	**5,327,066.9**
Retrospective adjustment in acc. with IAS 8, incl. transition guidance in IFRS 10 and IFRS 11	–6,146.7	8,807.1	2,275.3	2,517.8	4,793.1
Balance on 30 April 2013 (adjusted)	**–179,733.4**	**46,499.5**	**5,318,590.5**	**13,269.5**	**5,331,860.0**
Revaluation of defined benefit plans			–39.5		–39.5
Thereof income taxes			13.2		13.2
Valuation of available-for-sale financial instruments			–3,948.0		–3,948.0
Currency translation adjustment	–191,119.9		–191,119.9	–5,425.7	–196,545.6
Thereof reclassification to profit or loss	3,800.0		3,800.0		3,800.0
Other comprehensive income from equity-accounted investments	–4,250.0		–4,250.0		–4,250.0
Other comprehensive income for the financial year 2013/14	**–195,369.9**		**–199,357.4**	**–5,425.7**	**–204,783.1**
Net profit for the financial year 2013/14		**176,844.4**	**176,844.4**	**3,097.9**	**179,942.3**
Total comprehensive income	**–195,369.9**	**176,844.4**	**–22,513.0**	**–2,327.8**	**–24,840.8**
Distributions		–152,408.6	–152,408.6		–152,408.6
Dividend in kind BUWOG			–888,489.6		–888,489.6
Structural changes	–126.1	–2,469.7	–2,593.2	5,679.8	3,086.6
Addition to the scope of consolidation				–94.7	–94.7
Deconsolidations	–3,800.0	92,604.9	1,105.5	–8,374.5	–7,269.0
Common control transactions		–7.5	–7.5	7.5	0.0
Retrospective adjustment from convertible bonds in acc. with IAS 8		–3,011.5	–44,516.1		–44,516.1
Balance on 30 April 2014 (adjusted)	**–379,029.4**	**158,051.5**	**4,209,168.0**	**8,159.8**	**4,217,327.8**

Notes

1. General Principles

1.1 Introduction

IMMOFINANZ AG is the parent company of IMMOFINANZ Group, the largest publicly traded real estate company in Austria. The company headquarters are located at A-1100 Vienna, Wienerbergstrasse 11. The business activities of IMMOFINANZ Group cover the development, acquisition, rental and best possible commercial utilisation of properties to optimise asset management. The IMMOFINANZ AG share is listed in the Prime Market Segment of the Vienna Stock Exchange.

These consolidated financial statements of IMMOFINANZ Group were prepared as of 30 April 2015 in accordance with § 245a (1) of the Austrian Commercial Code and in agreement with International Financial Reporting Standards (IFRS), as adopted by the EU. The consolidated financial statements are presented in thousand Euros ("TEUR", rounded).

The consolidated financial statements of IMMOFINANZ Group comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated cash flow statement, the consolidated statement of changes in equity and the notes. The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

1.2 Conformity with IFRS

1.2.1 Statement of compliance with IFRS

The consolidated financial statements prepared by IMMOFINANZ Group reflect the full scope of International Financial Reporting Standards (IFRS) in their current version, to the extent the IFRS were adopted into the European Union body of law in accordance with Art. 6 para. 2 of IAS Regulation 1606/2002.

IFRS comprise IFRS and the International Accounting Standards (IAS) issued by the International Accounting Standards Board (IASB) as well as the interpretations of the Standing Interpretations Committee (SIC) and the IFRS Interpretations Committee (IFRIC).

1.2.2 First-time application of standards and interpretations

The following new or revised standards and interpretations were applied for the first time in 2014/15:

Standard	Content	Published by the IASB (endorsed by the EU)	Mandatory application by IMMOFINANZ Group	Effects on IMMOFINANZ Group
New standards and interpretations				
IFRS 10	Consolidated Financial Statements	12 May 2011 (11 December 2012)	1 May 2014	yes
IFRS 11	Joint Arrangements	12 May 2011 (11 December 2012)	1 May 2014	yes
IFRS 12	Disclosure of Interests in Other Entities	12 May 2011 (11 December 2012)	1 May 2014	yes
Changes to standards and interpretations				
IFRS 10, 11, 12	Transition Guidance	28 June 2012 (4 April 2013)	1 May 2014	yes
IAS 27	Separate Financial Statements	12 May 2011 (11 December 2012)	1 May 2014	no
IAS 27, IFRS 10, 12	Investment Entities	31 October 2012 (20 November 2013)	1 May 2014	no
IAS 28	Investments in Associates and Joint Ventures	12 May 2011 (11 December 2012)	1 May 2014	yes
IAS 32	Offsetting Financial Assets and Financial Liabilities	16 December 2011 (13 December 2012)	1 May 2014	no
IAS 36	Recoverable Amount Disclosures for Non-Financial Assets	29 May 2013 (19 December 2013)	1 May 2014	yes
IAS 39	Novation of Derivatives and Continuation of Hedge Accounting	27 June 2013 (19 December 2013)	1 May 2014	no

IFRS 10 Consolidated Financial Statements

IFRS 10 was initially applied as of 1 May 2014. This standard replaces the accounting regulations for consolidated financial statements in IAS 27 Consolidated and Separate Financial Statements and SIC 12 Consolidation – Special Purpose Entities. IAS 27 Separate Financial Statements now only regulates the accounting treatment of (investments in) subsidiaries, joint ventures and associates in separate financial statements under IFRS. IFRS 10 provides a new definition of control that applies to all companies, including special purpose entities. In accordance with IFRS 10, control is considered to exist when the parent company is entitled to receive or is exposed to the risk of variable returns from its investment in a company ("the investee") and has the ability to affect these returns. Furthermore, IFRS 10 provides specific information on how to apply the control principle through the acknowledgment or evaluation of potential voting rights, joint decision-making powers or protective rights of third parties as well as constellations that are characterised by delegated or retained decision-making rights or de facto control. The assessment of control requires a more comprehensive analysis (i.e. more dependent on judgment) of the parent company's influence over the investee.

The management of IMMOFINANZ Group reassessed the scope of consolidation as of 1 May 2014 in connection with the initial application of IFRS 10 and the new definition of control. In agreement with the transition guidance for IFRS 10, this assessment led to the following changes retrospective to 1 May 2013:

› Eight Turkish companies previously included through proportionate consolidation are now included through full consolidation,
› Five Austrian and one Polish company previously included through full consolidation are now accounted for at equity, and
› Five Austrian companies are no longer consolidated.

The comparative data for the 2013/14 financial year and the consolidated balance sheet as of 1 May 2013 were adjusted in agreement with the applicable transition guidance. (see section 2.4).

IFRS 11 Joint Arrangements

IFRS 11 was applied for the first time as of 1 May 2014. This standard replaces the accounting rules for joint ventures, joint operations and jointly managed assets in IAS 31 Interests in Joint Ventures and SIC 13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers. IAS 28 was therefore renamed. IFRS 11 eliminates proportionate consolidation as an optional method for recognising investments in joint ventures; these investments must be accounted for at equity beginning with the 2014/15 financial year. The difference between joint ventures and joint operations was also defined more precisely, the latter now also includes jointly managed assets. If the partner companies to a joint arrangement have direct rights to the assets of the joint arrangement or obligations arising from its liabilities based on the legal form, contract terms or other facts and circumstances, the joint arrangement is no longer classified as a joint venture but as a joint operation. Under a joint operation, the partner companies must recognise their proportional share of the assets, liabilities, income and expenses in their IFRS consolidated financial statements.

The management of IMMOFINANZ Group reassessed the Group's joint arrangements as of 1 May 2014 in connection with the initial application of IFRS 11. In agreement with the transition guidance for IFRS 11, this assessment led to the retrospective change from proportionate consolidation to the equity method for 44 companies as of 1 May 2013.

The comparative data for the 2013/14 financial year and the consolidated balance sheets as of 1 May 2013 and 30 April 2014 were adjusted in agreement with the applicable transition guidance and IAS 8. The carrying amount of the investments previously included through proportionate consolidation and subsequently accounted for at equity as of 1 May 2013 represents the aggregated carrying amounts of the assets and liabilities included by IMMOFINANZ Group through proportionate consolidation in the past. A negative carrying amount resulted in the reduction of receivables whose economic substance would lead to their classification as a net investment in the respective company under IAS 28 or to an appropriate retained earnings adjustment if these types of receivables or legal or actual obligations were not available to cover the loss. The new carrying amounts were tested for impairment as of 1 May 2013, which led to the recognition of impairment losses totalling EUR 0.8 million. These impairment losses were recognised through an adjustment of retained earnings in agreement with the respective transition guidance (see section 2.4).

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 combines the disclosure requirements for investments in subsidiaries, joint ventures, associated companies and structured entities in a single, comprehensive standard. The application of IFRS 12 led, in particular, to additional disclosures concerning the significant judgments and assumptions made in determining the scope of consolidation.

IFRS 10, 11, 12 Transition Guidance

The changes to IFRS 10, 11 und 12 clarify the transition guidance in IFRS 10 and simplify all three standards. The clarification defines the timing for the initial application of IFRS 10 as the beginning of the reporting period in which this standard is initially applied. For all three standards, the disclosures required by IFRS 8 for comparative information on corrections are limited to the prior reporting period, but the voluntary reporting of corrections for earlier financial periods is permitted. The changes to IFRS 12 include the elimination of the requirement to present comparative information for non-consolidated special purpose entities in connection with the initial application of this standard. IMMOFINANZ Group incorporated these changes with the initial application of the revised IFRS 10, 11 and 12.

IAS 27 Separate Financial Statements, IAS 28 Investments in Associates

The announcement of IFRS 10 covered the transfer of the rules governing control and the requirements for the preparation of consolidated financial statements from IAS 27 to IFRS 10. IAS 27 now only includes the rules for the accounting treatment of subsidiaries, joint ventures and associated companies in separate financial statements prepared in accordance with IFRS. The announcement of IFRS 11 also led to changes in IAS 28. IAS 28 now regulates – as in the past – the application of the equity method. However, the scope of application of IAS 28 was substantially expanded by the announcement of IFRS 11 because it requires the recording of investments in associated companies as well as investments in joint ventures at equity. A further change involves accounting in accordance with IFRS 5 when only part of the investment in an associated company or joint venture is designated as available for sale. IFRS 5 is to be applied to the component designated for sale, while the "retained" component is to be accounted for at equity until the first component is sold.

IAS 36 Disclosures: recoverable amount for non-financial assets

A subsequent revision to IFRS 13 introduced a new mandatory disclosure on the impairment testing of goodwill under IAS 36: the recoverable amount of cash-generating units would have to be reported independently of any impairment. The requirement was introduced unintentionally and subsequently retracted with this change. The revision also requires additional information on when an impairment loss was actually recognised and when the recoverable amount was determined on the basis of fair value. The changes in this standard led to revised disclosures in the notes to the consolidated financial statements of IMMOFINANZ Group.

1.2.3 Standards and interpretations adopted by the EU, but not yet applied

The following changes to standards and interpretations had been adopted by the EU as of the balance sheet date, but did not require mandatory application for the reporting year and were not applied prematurely:

Standard	Content	Published by the IASB (adopted by the EU)	Mandatory application for IMMOFINANZ Group	Expected effects on IMMOFINANZ Group
Changes to standards and interpretations				
IAS 19	Defined Benefit Plans: Employee Contributions	21 November 2013 (17 December 2014)	1 May 2015	no
Various	Improvements to IFRS 2010–2012	12 December 2013 (17 December 2014)	1 May 2015	yes
Various	Improvements to IFRS 2011–2013	12 December 2013 (18 December 2014)	1 May 2015	yes
IFRIC 21	Levies	20 May 2013 (13 June 2014)	1 May 2015	yes

Annual improvements to IFRS – 2010–2012 cycle

This annual IFRS improvement project included changes to seven standards. The phrasing of individual IFRSs was modified to clarify existing rules, while other changes involved the disclosures in the notes. The 2010 – 2012 cycle involved IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 and IAS 38. The application of the changes will not have any material effects on the consolidated financial statements of IMMOFINANZ Group.

Annual improvements to IFRS – 2011–2013 cycle

This annual IFRS improvement project included changes to four standards. The phrasing of individual IFRSs was modified to clarify existing rules. The 2011 – 2013 cycle involved IFRS 1, IFRS 3, IFRS 13 and IAS 40. The application of the changes will not have any material effects on the consolidated financial statements of IMMOFINANZ Group.

IFRIC 21 Levies

IFRIC 21 represents an interpretation of IAS 37 and the accounting treatment of levies which represent liabilities. The primary need for interpretation involved the accounting treatment of government levies whose assessment base is linked to past data. IFRIC 21 clarifies when a provision or liability must be recognised for the payment of a levy. The scope of application of IFRIC 21 does not cover, above all, property taxes. For these items, it will be necessary to recognise a liability when the obligating event occurs – which, for property taxes, represents the economic ownership of domestic property at the beginning of a calendar year. Since the financial year of IMMOFINANZ Group differs from the calendar year, IFRIC 21 results in different accounting for property taxes: the property taxes assessed for a calendar year are recognised as liabilities at an earlier date. In 2014/15 IMMOFINANZ Group recognised approx. EUR 13.5 million of property taxes in countries whose tax laws would lead to a different accounting treatment for property taxes under IFRIC 21. The material effects of changes in accounting for property taxes would have to be recorded retrospectively.

1.2.4 Standards and interpretations announced, but not yet adopted by the EU

The following changes or revisions to standards and interpretations had been announced as of the balance sheet date, but have not yet been adopted by the EU and are therefore not applicable:

Standard	Content	Announced by the IASB	Expected mandatory application by IMMOFINANZ Group	Expected effects on IMMOFINANZ Group
New standards and interpretations				
IFRS 9	Financial Instruments	24 July 2014	1 May 2018	yes
IFRS 14	Regulatory Deferral Accounts	30 January 2014	1 May 2016	no
IFRS 15	Revenue from Contracts with Customers	28 May 2014	1 May 2018	yes
Changes to standards and interpretations				
IFRS 11	Accounting for Aquisitions of Interests in Joint Operations	6 May 2014	1 May 2016	yes
IAS 16, 38	Clarification of Acceptable Methods of Depreciation and Amortisations	12 May 2014	1 May 2016	no
IAS 16, 41	Agriculture: Bearer Plants	30 June 2014	1 May 2016	no
Various	Improvements to IFRS 2012–2014	25 September 2014	1 May 2016	yes
IFRS 10, IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	11 September 2014	1 May 2016	yes
IAS 27	Equity Method in Separate Financial Statements	12 August 2014	1 May 2016	no
IFRS 10, 12, IAS 28	Investment Entities: Applying the Consolidation Exception	18 December 2014	1 May 2016	no
IAS 1	Disclosure Initiative	18 December 2014	1 May 2016	yes

IFRS 9 Financial Instruments

IFRS 9 is intended to replace IAS 39. Under IFRS 9, financial assets will only be classified in two groups in the future with measurement either at amortised cost or fair value. Financial assets carried at amortised cost comprise debt instruments which create an entitlement solely to principal and interest payments on specified dates and which are held within a business model to collect contractual cash flows. All other financial assets must be accounted for at fair value. When financial assets are measured at fair value, the related income and expenses are recognised to profit or loss (at fair value through profit or loss, FVTPL) or in other comprehensive income (at fair value through other comprehensive income, FVTOCI). Some debt instruments can require classification as FVTOCI unless the fair value option is exercised. The classification of equity instruments as FVTOCI represents an option. The accounting requirements for financial liabilities were basically taken over from IAS 39, but the changes in fair value attributable to changes in a company's own credit risk must now be recorded under other comprehensive income. IFRS 9 also defines new accounting requirements for expected credit risk. This three-stage impairment model applies, above all, to financial assets carried at amortised cost or classified as FVTOCI. The three stages reflect a deterioration in the credit quality since initial recognition and differentiate between the amount of the loss allowance (12-month loss or expected loss over the remaining contractual period) and the interest revenue (based on the gross or net carrying amount). In addition, the requirements for hedge accounting were revised to better depict entrepreneurial risk management. Against this backdrop, the scope of the underlying transactions and hedging instruments eligible for hedge accounting was expanded and the measurement of effectiveness was redefined. The application of these changes will not have any material effects on the consolidated financial statements of IMMOFINANZ Group.

IFRS 15 Revenue from Contracts with Customers

The IASB and FASB developed and announced this joint standard for revenue recognition as part of a convergence project. The new IFRS 15 Revenue from Contracts with Customers replaces the previous IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations. Its objective, among others, is to unify the realisation of revenues between these two standard setters and eliminate the inconsistencies between IAS 18 and IAS 11.

The basis for the new standards includes a comprehensive model for the recognition of revenues from contracts with customers. Under this model, a company recognises revenues at the amount that reflects the consideration expected in exchange for the obligation(s) accepted or for the transfer of goods or the provision of services. IMMOFINANZ Group is currently evaluating the effects of this standards on the consolidated financial statements.

IFRS 11 Accounting for the purchase of an interest in a joint operation

This change to IFRS 11 requires the purchaser of an interest in a joint operation whose activity constitutes a business to apply IFRS 3 Business Combinations and other IFRSs unless they conflict with IFRS 11. These changes are to be applied prospectively.

Annual improvements to IFRS – 2012–2014 cycle

This annual IFRS improvement project includes changes to four standards. The changes involve the clarification and definition of additional guidelines to IFRS 5, IFRS 7 and IAS 4 as well as the clarification of IAS 19. The application of the changes is not expected to have any material effects on the consolidated financial statements of IMMOFINANZ Group.

IFRS 10, IAS 28 Sale or Contribution of Assets between an Investor and an Associate or Joint Venture

The changes to these standards eliminate an inconsistency between IFRS 10 and IAS 28. They clarify that the recognition of the gain or loss resulting from transactions with an associate or joint venture depends on whether the sold or contributed assets represent a business operation as defined in IFRS 3. Transactions related to assets that do not represent a business operation lead, as in the past, only to the recognition of the gain or loss attributable to the third-party investor's interest in the joint venture or associate. Transactions related to assets that represent a business operation will, in the future, lead to the full recognition of the gain or loss by the entity holding the investment. The changes to these standards must be applied prospectively.

IAS 1 Disclosure Initiative

The changes clarify the materiality of information in components of financial statements and indicate that immaterial disclosures should not be made, even when this information is required by other standards. New requirements were also added for the presentation of subtotals, the structure of the notes and disclosures on accounting policies. In addition, clarification is provided for the presentation of items of other comprehensive income arising from entities accounted for at equity. IMMOFINANZ Group is currently determining the effects of the changes to this standard on the consolidated financial statements.

2. Significant Accounting Policies

2.1 Consolidation methods

2.1.1 Basis of consolidation

The annual financial statements of all significant Austrian and foreign companies included in the consolidated financial statements through full consolidation (see section 2.1.2) were converted to IFRS, and the financial statements of newly acquired companies were revalued (see section 2.1.4). The accounting and valuation principles applied by all companies included in the consolidated financial statements were standardised and uniform options and judgments were applied throughout the Group. The balance sheet date for the consolidated financial statements of IMMOFINANZ Group is the same as the balance sheet date of IMMOFINANZ AG. The annual financial statements of all companies included in the consolidation were prepared on the same balance sheet date as the consolidated financial statements.

All receivables and liabilities, revenues, other income and expenses from the provision of goods and services between companies included in the scope of consolidation were eliminated. Material interim profits – which arise, at most, from the transfer of stakes in other companies and properties between member companies of the group – were also eliminated.

2.1.2 Fully consolidated companies

A subsidiary is an entity that is controlled by a parent company. Subsidiaries are included in the consolidated financial statements of IMMOFINANZ Group through full consolidation. In accordance with IFRS 10, a parent company controls a subsidiary when all of the following conditions are fulfilled: the parent company has control over the subsidiary; it is exposed to variable returns from this subsidiary; and it is in a position to influence these returns through its control.

In determining whether de-facto control exists, it may also be necessary to consider other factors like contractual agreements – for example, a controlling influence can be presumed when there is an attendance majority in the annual general meetings of a publicly held company. The selection of the consolidation method therefore represents a discretionary decision by management.

2.1.3 Joint ventures and associated companies

IFRS 11 distinguishes between two categories of joint arrangements for entrepreneurial activities: joint ventures and joint operations. The joint arrangements in which IMMOFINANZ Group holds investments generally represent joint ventures. Under a joint venture, the parties manage the company together and have rights (only) to the company's net assets. In contrast, a joint operation gives the parties rights to the assets and obligations for the liabilities related to the arrangement.

Associated companies are companies over which IMMOFINANZ Group can exercise significant influence. Significant influence is the power to participate in the company's financial and operating policy decisions. It does not represent control as defined in IFRS 10 or joint management as defined in IFRS 11.

Joint ventures and associated companies ("investees") are accounted for at equity in accordance with IAS 28. The equity method is a consolidation and valuation method under which an investment is initially recognised at its acquisition cost. Subsequent measurement involves the adjustment of the carrying amount to reflect changes in the share held by IMMOFINANZ AG in the net assets of the investee. The carrying amount of the investment is increased or decreased by the proportional share of the investee's profit or loss, respectively by the proportional share of the investee's other comprehensive income. Dividends reduce the carrying amount of the investment. If the cumulative proportional share of losses recorded by the investee exceeds the carrying amount of the investment (including receivables whose economic content results in classification as a net investment in the investee under IAS 28) and if there is neither a legal nor a constructive obligation to cover these losses, the losses are kept on record off-balance sheet. The result is a "one-line consolidation". The accounting treatment for the purchase of shares in an associated company includes comparing the cost of the investment with the proportional share of revalued net assets. Positive differences between the acquisition cost and the proportional share of revalued net assets represent goodwill. This goodwill is not reported separately, but as part of the carrying amount of the investment in the associated company. Negative differences are recognised immediately to profit or loss. The shares in associated companies that are accounted for at equity are assessed for indications of impairment as of every balance sheet date in accordance with IAS 39. If such indications are identified, the shares in the associated companies are tested for impairment in accordance with IAS 36. Any goodwill included in the carrying amount of shares in associated companies is not tested separately for impairment in keeping with IAS 28.

Material gains or losses arising from transactions between the company holding the investment and the joint venture or associated company are eliminated in proportion to the share owned. When the application of the equity method is terminated or the investment is sold, the gains or losses previously recorded under other comprehensive income are reclassified to profit or loss.

2.1.4 Business combinations

Property companies acquired by IMMOFINANZ Group are accounted for as business combinations that fall under the scope of application of IFRS 3 when the transaction involves the purchase of a business operation. In all other cases (e.g. the acquisition of shell companies or pure land-owning companies), the acquisition cost is allocated to the identifiable assets and liabilities based on their fair value on the acquisition date. These transactions do not lead to the recognition of goodwill.

From the viewpoint of IMMOFINANZ Group, the acquisition of property companies and the related property assets sometimes represents the acquisition of businesses and therefore business combinations. The decision as to whether acquired property assets represent a business in the sense of IFRS 3 involves discretionary judgment and requires regular detailed analysis of the acquired processes and structures, above all with respect to property management.

A business combination gives IMMOFINANZ Group control over one (or more) business operation(s) through an asset deal or a share deal. Business combinations are accounted for by applying the acquisition method. The compensation transferred in the form of acquisition costs (plus any non-controlling interests and/or any investment previously held by IMMOFINANZ Group) is compared with the fair value of the acquired net assets to determine a potential difference. A positive difference represents goodwill; a negative difference initially results in the reassessment of the assets acquired and liabilities assumed to verify their correct identification. Any negative difference remaining after this review is recognised to profit or loss. Non-controlling interests are measured at their proportional share of revalued net assets. The acquisition of property companies and the application of the acquisition method generally lead to goodwill because of the obligation to record deferred taxes on the difference between the fair value and the tax base of the acquired real estate assets. Consequently, goodwill normally results as a technical figure.

2.1.5 Structural changes

Structural changes represent shifts in the investments in other companies – that do not lead to the attainment or loss of control – between shareholders, i.e. between IMMOFINANZ Group (the shareholders) and the non-controlling interests of subsidiaries which, in turn, have their own fully consolidated subsidiaries with non-controlling interests. An increase or decrease in the investment in a controlled subsidiary is accounted for as an equity transaction between shareholders. The carrying amounts of assets and liabilities, including any initially recognised goodwill, remain unchanged; these structural changes do not have any effect on the income statement or statement of comprehensive income. Differences between the proportional carrying amount of the respective equity, which represents the structural change in the investment in the subsidiary, and the fair value of the compensation received are recognised directly in equity.

2.1.6 Deconsolidations

A subsidiary is removed from the consolidated financial statements (i.e. deconsolidated) when it is sold or when the parent company loses control. The income and expenses of the deconsolidated subsidiary are included in the consolidated financial statements of IMMOFINANZ Group up to the date on which control is lost.

Deconsolidation involves the comparison of the disposed assets and transferred liabilities with the fair value of the compensation received; the resulting amount represents the gains and losses from deconsolidation. When a foreign subsidiary is deconsolidated, the gains and losses from the deconsolidation are increased or decreased to reflect any items recorded under other comprehensive income during the subsidiary's membership in the group (e.g. from foreign currency translation).

2.2 Foreign currency translation

2.2.1 Functional currency

The Group reporting currency is the Euro. For subsidiaries that prepare their financial statements in a foreign currency, the determination of the functional currency is based on the primary (macro)economic environment in which the respective company operates. One determining factor is the currency in which the majority of cash flows, goods and services are denominated and settled in the relevant country. When the functional currency cannot be clearly identified, IAS 21 allows management to use its judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions and events. Any change in the functional currency must be made prospectively in accordance with IAS 21.

2.2.2 Foreign currency transactions

The individual Group companies record foreign currency transactions at the average exchange rate in effect on the date of the event. Monetary assets and liabilities denominated in foreign currencies are translated on the balance sheet date at the average exchange rate in effect on this date. Any resulting foreign exchange gains or losses are recognised to the income statement for the reporting year.

2.2.3 Translation of financial statements from foreign subsidiaries, joint ventures and associated companies

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

Foreign currency translation as of 30 April 2015 is based on the following exchange rates issued by the European Central Bank and by the respective national banks:

Currency	Closing rate on 30 April 2015	Closing rate on 30 April 2014	Average rate 2014/15	Average rate 2013/14
HUF	303.06000	307.78000	308.20250	301.07917
PLN	4.03370	4.19940	4.18008	4.21365
CZK	27.43000	27.45500	27.58133	26.63425
RON	4.41980	4.45030	4.43387	4.46755
BGN	1.95583	1.95583	1.95581	1.95583
RSD	120.14980	115.67510	118.94608	114.55793
HRK	7.59010	7.60419	7.63996	7.59865
RUB	56.80600	49.50640	56.93758	45.17868
UAH	23.57000	16.06540	19.58241	11.67205
USD	1.12150	1.38500	1.24288	1.34923
CHF	1.04860	1.22000	1.15479	1.22950
SEK	9.32610	9.07230	9.28223	8.79978
TRY	2.98150	2.93280	2.84367	2.76458
GBP	0.72670	0.82300	0.77575	0.84027

2.3 Specific accounting policies

2.3.1 Revenue realisation

Revenues from property rentals are recognised during the period defined by the underlying rental agreement. Incentives granted for the conclusion or extension of rental agreements, e.g., the granting of rent-free periods, the installation of special furnishings ("fit outs") or the assumption of relocation costs, are accrued and recognised as an adjustment to rental income over the term of the rental contract. In addition, contractually defined rent increases are accrued on a straight-line basis over the term of the respective rental contract. The renegotiation, supplement or amendment of a rental agreement leads to an assessment to determine whether the rental agreement should be considered new or revised. IMMOFINANZ Group assumes a rental agreement is new or revised when the incentives granted or a substantial change in the contract provisions lead to a material change in the cash flows from the rental agreement. Short-term reductions in rental payments or the temporary pegging of the exchange rate applied to rental payments generally do not lead to the assumption that a rental agreement is new or revised. When a rental agreement is classified as new or revised, the previously accrued incentives (excl. incentives resulting from the installation of special furnishings) are derecognised. Any newly granted incentives are accrued and recognised on a straight-line basis over the term of the rental contract.

The sale of inventories is reported under income from property development, with the transfer of ownership representing the date of realisation. Revenues are recognised when the risks and opportunities of ownership as well as control over the goods or services are transferred to the buyer. In accordance with IFRIC 15, contracts relating to inventories that are sold during the planning or construction stage fall under IAS 18. Revenue is recognised on the transfer date; there is no partial recognition of profit based on the stage of completion. Construction services that are outstanding on the transfer date are accounted for through the recognition of an appropriate provision. Any payments received are recognised as liabilities.

2.3.2 Impairment

In accordance with IAS 36, impairment tests must be performed when there are indications that an asset may be impaired. Independent of this practice, intangible assets with an indefinite useful life and intangible assets that are not yet available for use must be tested each year for signs of impairment. Investment property is excluded from the scope of application of IAS 36. In cases where cash inflows cannot be directly allocated to a specific asset and individual valuation is not possible, the impairment test takes place at the cash-generating unit level. Cash-generating units represent the smallest groups of units to which independent cash flows can be allocated. IAS 36 defines the recoverable amount as the relevant benchmark for the impairment test. The recoverable amount equals the higher of fair value less costs to sell and the value in use.

Fair value less costs to sell represents the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction at normal market conditions between knowledgeable and willing parties, less the costs of disposal. The costs of disposal are incremental costs directly attributable to the disposal of an asset or cash-generating unit. The value in use equals the present value of the estimated future cash flows that are expected to arise from the continuing use of an asset or cash-generating unit. Cash flow planning must be based on reasonable and justifiable assumptions. Present value methods are normally used to calculate the values in use, in particular the discounted cash flow (DCF) method.

If the carrying amount of an asset or disposal group exceeds the recoverable amount, the difference is recognised as an impairment loss. An impairment loss calculated in accordance with the above principles must then be allocated to the assets in the cash-generating unit as follows: first, the carrying amount of goodwill in the cash-generating unit is written down; any remaining impairment loss is then allocated to the other assets in the cash- generating unit in proportion to their carrying amount. The impairment loss may not be allocated to an individual asset if the resulting carrying amount would be lower than the fair value of the asset less cost to sell, the value in use or zero.

If there is an indication that the reasons for impairment no longer exist or have decreased, the impairment loss is reversed to the carrying amount that would have been determined (net of amortisation or depreciation) if the impairment loss had not been recognised in an earlier year. IFRS do not permit the write-up of goodwill that was previously reduced through an impairment loss. If the acquisition of a property company through a share deal falls under the scope of application of IFRS 3, accounting based on the acquisition method generally leads to goodwill (as a technical figure) due to the mandatory recognition of deferred taxes on the difference between fair value and the tax base of the acquired property. This goodwill must be tested annually for indications of impairment. The cash-generating units generally represent individual properties or property portfolios. Since it is normally assumed that above-market returns are not sustainable, the recoverable amount is usually not based on the value in use but on fair value less costs to sell. The recoverable amount of a cash-generating unit corresponds to the fair value of the included property (properties) as determined by an expert opinion. The determination of fair value reflects the assumption that the underlying hypothetical transaction is structured in a way that does not change the tax base of the asset(s); this is regularly the case with share deals. The recoverable amount of the cash-generating unit is then compared with the carrying amount of the included properties less the related deferred taxes (as a rule, deferred tax liabilities). Deferred taxes are included in accordance with IAS 36 because they were implicitly reflected at an amount of zero in the determination of the recoverable amount. Unless it not possible to assume with sufficient certainty that properties in a particular market can be sold through share deals – i.e. without the realisation of deferred taxes – goodwill is generally not considered to be recoverable.

2.3.3 Investment property

Investment property includes land, buildings and/or parts of buildings that are held to generate rental income or for capital appreciation or both and are not used in production or for administrative purposes or sold as part of the company's ordinary business activities. Land purchased as a site for the construction of investment property is classified as investment property on the date of acquisition. In accordance with IAS 40, investment property is initially recognised at acquisition or production cost; subsequent measurement is based on fair value.

Valuation process

The valuation of investment property in accordance with the fair value model requires regular revaluation. In IMMOFINANZ Group, the valuation of, de facto, all properties is carried out by independent appraisers in accordance with the recommendations of the European Public Real Estate Association ("EPRA's Best Practices Policy Recommendations").

As of 30 April 2015 IMMOFINANZ Group had commissioned the following appraisers: Jones Lang LaSalle (for the CEE, SEE and CIS regions), BNP Paribas Real Estate Consult (for the valuation of the properties in the Netherlands, Germany and Austria, excluding residential properties in Austria) and CB Richard Ellis (for residential properties in Austria and Germany as well as selected office and retail properties in Austria).

The valuations by these external appraisers are based on their knowledge of the markets and inspection of the properties as well as distributed information, e.g. rental lists, rental contracts, land register excerpts and investment budgets. This data is reviewed by the appraisers, who verify its plausibility through comparisons with market data. The experts also make estimates, among others, for the occupancy, future rental income, scheduled investments and expected returns. This process is accompanied by discussions with members of IMMOFINANZ Group's asset management and controlling staffs.

A Group guideline and the contracts concluded with IMMOFINANZ Group require the appraisers to fully inspect all properties in connection with their initial valuation. Starting with the first follow-up valuation, the appraisers are required to inspect selected properties and examine all newly acquired properties each year.

The IMMOFINANZ Group properties are appraised as of 30 April for the preparation of the consolidated financial statements and as of 31 October for the preparation of the interim financial statements. An internal valuation by asset management and/or controlling is carried out for the preparation of the interim financial statements as of 31 July and 31 January. The review by asset management and controlling is designed to identify any changes in rental income, occupancy or value-increasing investments since the last external appraisal and to make any necessary adjustments to fair value.

The above-mentioned appraisers were commissioned for a three-year period in connection with the tender of various valuation services as of 30 April 2013. Very limited internal valuations were also carried out. In accordance with the Group guideline, a new tender will be held for valuations as of 30 April 2016.

Valuation methods

The investment properties were generally valued using a discounted cash flow method, specifically in the form of the term and reversion model as well as the hard core and top-slice method. The application of the term and reversion model to existing rental contracts involves the following: net income up to the end of the contract term and the market-based net income over the following ten years are discounted back to the valuation date ("term"); for the time after this period, the stabilised net rental income is capitalised at the market interest rate and also discounted back to the valuation date to determine the perpetual yield ("reversion").

Depending on the estimates of risk – which are based on the asset class, location and region as well as current market circumstances – different discount rates are applied to the current rental income and the capitalisation of the perpetual yield. The assumptions underlying the valuation, e.g. for risk, vacancies or maintenance costs, are based on estimates by relevant market players, on derived data or on the appraisers' experience. The calculation methodology for the hard core and top-slice method is similar to the logic behind the term and reversion model. The net income generated by the property – up to the market rent (hard core component) – is capitalised at a normal market interest rate as a perpetual yield over the entire term (term of the rental contract plus subsequent rental). The top-slice component (the net income for this same term that is higher, respectively lower than the market rent) is then discounted at a risk-adjusted market interest rate. The amount of the risk premium is dependent on the probability of vacancy. Quantitative disclosures on the parameters used for valuation are provided in section 6.1.1.

The valuation of undeveloped land is based on a comparable value method. This method uses the realised purchase prices from other sites with a similar location and size to determine the value of the target property.

Properties under construction, development objects and investment properties that were acquired for possible redesign and renovation (redevelopment) are also measured at fair value using the residual value method. Suspended development projects are valued according to the sales comparison approach.

All changes in the fair value of investment properties, properties under construction, properties held for sale and properties sold are recognised to the income statement. These items are reported under the revaluation of investment properties, properties under construction or properties sold adjusted for or resulting from foreign exchange effects (also see sections 5.7.1 and 8.2.4). The revaluation results resulting from foreign exchange effects are calculated by multiplying the beginning balance by the difference between the exchange rates in effect on 30 April 2015 and 30 April 2014. In addition, all movements in the reporting year are multiplied by the difference between the average exchange rate for 2014/15 and the exchange rate in effect on 30 April 2015. The revaluation results adjusted for foreign exchange effects represent the difference between the total revaluation results and the revaluation results resulting from foreign exchange effects.

2.3.4 Leasing

In accordance with IAS 17, the classification of a leased asset is based on the extent to which the risks and rewards incidental to the ownership of the leased asset lie with the lessor or lessee. Fixed assets obtained through finance leases are recognised by the lessee at fair value or the lower present value of the minimum lease payments, and depreciated on a straight-line basis over the expected useful life or the shorter term of the lease. Under an operating lease, the economic ownership of the lease asset remains with the lessor. The lessee recognises the lease payments as an expense on a straight-line basis over the term of the lease. Directly attributable costs to prepare the lease agreement and other similar expenses are accrued and recognised to profit or loss analogously over the term of the lease.

IAS 40 offers an option to account for investment property that is utilised on the basis of an operating lease as such if the fair value method is applied. IMMOFINANZ Group uses this option in individual cases.

Investment property includes assets obtained through finance leases as well as operating leases. All these assets are classified as investment property and measured at fair value through profit or loss as of the balance sheet date.

2.3.5 Government grants

Government grants represent assistance provided to a company through the transfer of funds in return for past or future compliance with certain conditions relating to the company's operating activities. IMMOFINANZ Group generally uses the net method to account for investment subsidies provided by public bodies, i.e. the government grant reduces the acquisition or production cost of the subsidised asset.

In contrast, regular interest subsidies from the public sector are recognised to profit or loss when the interest expense for the subsidised financing is incurred.

2.3.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets whose purchase or development requires a longer period of time are capitalised as part of acquisition or production cost. In accordance with IAS 23, this accounting rule does not require application if the acquired or developed assets are measured at fair value. Since IMMOFINANZ Group uses the fair value model for the subsequent measurement of investment property, borrowing costs are not capitalised for properties accounted for in accordance with IAS 40. The borrowing costs for real estate inventories under construction are capitalised on the basis of actual interest expense. For financing provided by the Group, the average interest expense is capitalised. The average borrowing costs for IMMOFINANZ Group in 2014/15 equalled approx. 3.9%. Borrowing costs of EUR 3.8 million were capitalised during the reporting year.

2.3.7 Other tangible assets

In accordance with IAS 40, tangible assets not covered by IAS 16 are carried at cost less accumulated depreciation and any recognised impairment losses. Acquisition or production cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the intended manner.

When the payment for a tangible asset extends beyond the normal payment period, interest expense at market rates is also recognised or included.

Depreciation is calculated on a straight-line basis beginning in the month of acquisition.

Ordinary straight-line depreciation on depreciable tangible assets is based on the following useful lives:

	Useful life in years
Administrative buildings (own use)	50
Other tangible assets	2–16

The useful lives of the various assets and the depreciation method are reviewed regularly in agreement with IAS 16 to ensure they reflect the expected development of the economic value in use of the respective tangible assets.

2.3.8 Other intangible assets

Intangible assets represent identifiable, non-monetary assets without physical substance that can be expected to generate a future economic benefit. In accordance with IAS 38, intangible assets are carried at cost less amortisation.

With the exception of goodwill, all intangible assets held by IMMOFINANZ Group have a finite useful life and are amortised on a straight-line basis (pro rata temporis).

Ordinary straight-line amortisation is based on the following useful lives:

	Useful life in years
Other intangible assets	2–10

IMMOFINANZ Group had no internally generated intangible assets or capitalised market rights as of 30 April 2015.

2.3.9 Trade and other receivables

Receivables and other financial assets are generally classified as loans and receivables (L&R) in accordance with IAS 39 and carried at amortised cost. Recognisable individual risks are reflected in appropriate valuation adjustments.

Non-financial receivables, e.g. claims against administrative authorities for the reimbursement of input VAT, are also basically carried at amortised cost after the deduction of any necessary impairment losses.

2.3.10 Other financial assets

Other non-current financial instruments comprise shares in real estate funds, miscellaneous securities and derivative financial instruments.

Securities and similar rights as well as fund shares acquired prior to 1 May 2004 are classified as available for sale (AFS) in accordance with IAS 39 and carried at fair value, i.e. at the market or stock exchange value on the balance sheet date. If fair value cannot be determined and comparable market prices are not available, fair value is established using generally accepted valuation methods. The initial valuation is made as of the settlement date. Market-based fluctuations in fair value are recorded under other comprehensive income and only recognised to the income statement when the assets are sold or impaired. If there are objective indications of solvency-related impairment as defined in IAS 39, an impairment loss is recognised.

Fund shares acquired after 1 May 2004 are generally designated as financial instruments at fair value through profit or loss in accordance with IAS 39. This classification reflects the fact that the investments are part of a portfolio whose results are measured at fair value and which also forms the basis for periodic reporting to management.

Derivatives are accounted for as independent transactions. These financial instruments are used to reduce the risks associated with foreign exchange and interest rate fluctuations. Derivative transactions are only concluded with financial institutions that have first-rate credit standings. Derivatives are assigned to the category "held for trading" (HFT) and valued through profit or loss at the market value applicable on the balance sheet date. IMMOFINANZ Group does not apply hedge accounting.

Other short-term financial assets are classified as held for trading (HFT) in accordance with IAS 39 and carried at the applicable market or stock exchange value as of the balance sheet date. All purchases and sales are recognised as of the settlement date, which represents the date on which the asset is transferred. Temporary fluctuations in fair value are recognised through profit or loss.

2.3.11 Deferred tax assets and deferred tax liabilities

The income tax expenses reported on the income statement include the current taxes payable by fully consolidated subsidiaries for the reporting year – based on their taxable income and the applicable tax rate – as well as changes in deferred tax assets and deferred tax liabilities. In accordance with the balance sheet liability method defined in IAS 12, deferred taxes are calculated on temporary differences between the carrying amount of an asset or liability in the IFRS consolidated financial statements and the respective tax base at the subsidiary level. Deferred taxes are calculated for temporary differences that lead to taxable or deductible amounts for the determination of taxable income in future periods. Temporary differences can be:

> Taxable temporary differences that lead to taxable amounts for the determination of taxable profit (tax loss) in future periods when the carrying amount of the respective asset or liability is recovered or settled; or
> Deductible temporary differences that lead to taxable amounts for the determination of taxable profit (tax loss) in future periods when the carrying amount of the respective asset or liability is recovered or settled.

A deferred tax asset or deferred tax liability must be recorded for each taxable temporary difference unless the difference arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination as defined in IFRS 3 and affects neither accounting profit (before tax) nor taxable profit (tax loss) at the time of the transaction.

Expected realisable tax credits from unused tax loss carryforwards and deductible temporary differences are included in the determination of deferred taxes to the extent it is probable that they can be used against taxable profit in the future. The relevant estimates by management are updated as of every balance sheet date based on the latest tax planning. With regard to the deferred taxes resulting from the use of the fair value model for the valuation of investment property, it assumed that the carrying amount is realised through the sale of the property.

Goodwill arising during the initial recognition of a subsidiary does not lead to deferred taxes. Another exception to the comprehensive recognition of deferred taxes involves regular temporary differences related to the carrying amounts of investments, in cases where these differences do not result from tax deductible depreciation.

The calculation of deferred taxes is based on the tax rate that is expected to apply when the temporary differences are reversed. The applicable corporate tax rate for IMMOFINANZ AG is 25%.

2.3.12 Properties held for sale

IFRS 5 requires non-current assets and groups of assets (disposal groups) to be classified as held for sale if they can be sold in their present condition and if appropriate documentation shows a highly probable intention by management to sell the assets within twelve months.

If the requirements for classification as held for sale are no longer met, the assets or groups of assets are reclassified under their original balance sheet positions.

Non-current assets and groups of assets classified as held for sale are measured at the lower of the carrying amount and fair value less costs to sell. The following items, among others, are excluded from the IFRS 5 valuation requirements: investment properties that are measured at fair value, financial assets and deferred taxes. However, these non-current assets must be reported separately according to IFRS 5. The carrying amount of investment property is reduced in cases where an impairment loss required for a group of assets held for sale cannot be allocated to assets covered by the scope of application of IFRS 5 – for example, based on the need to deduct the expected costs to sell from fair value.

2.3.13 Real estate inventories

Inventories represent assets that are held for sale during the ordinary course of business, or are in the process of production for such sale, or take the form of materials or supplies to be consumed in the production process or in the rendering of services.

The business activities of IMMOFINANZ Group as a real estate company include the acquisition, rental and best possible commercial utilisation of assets to optimise asset management. The properties held for sale by IMMOFINANZ Group during the course of ordinary business operations do not fall under the scope of application of IAS 40, but are treated as inventories in accordance with IAS 2. As a rule, these inventories represent residential construction properties.

Inventories are capitalised at acquisition or production cost, including borrowing costs related to the construction period (see section 2.3.6), and measured at the lower of the carrying amount or net realisable value as of the balance sheet date. If the net realisable value is lower than the production cost, an impairment loss is recognised to the involved property. The acquisition or production cost of inventories includes all acquisition and processing costs as well as all directly attributable ancillary costs. The net realisable value represents the estimated selling price less any outstanding production costs and costs to sell. For information on the determination of net realisable value and the related uncertainties, see sections 2.3.3 and 2.5.

Sales of inventories are reported under the results of property development, whereby revenue is realised when ownership is transferred.

2.3.14 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, funds in transit and deposits with financial institutions with a term of up to three months. These items are carried at the value applicable on the balance sheet date. The funds in frozen accounts are recorded under other receivables.

2.3.15 Financial liabilities, trade and other liabilities

Financial liabilities are generally classified as financial liabilities measured at amortised cost (FLAC) in accordance with IAS 39 and measured at amortised cost by applying the effective interest rate method. Changes in estimates for the cash flows from financial liabilities lead to the adjustment of the carrying amount through profit or loss. In such cases, IMMOFINANZ Group recalculates the carrying amount by discounting the (newly) estimated future cash flows with the (original) effective interest rate.

Financial liabilities are recorded at the amount of funds received less directly attributable transaction costs. The amount received generally represents fair value. Any difference (e.g. premium, discount or other difference) between the amount received and the repayment amount is allocated over the term of the financing according to the effective interest rate method and recorded under financial results.

Financial instruments can consist of a non-derivative underlying contract and a derivative financial instrument. Embedded derivatives that must be separated in accordance with IAS 39 are accounted for as standalone derivatives. As an alternative, hybrid financial instruments can be measured at fair value through profit or loss (fair value option). Hybrid financial instruments which include both equity and debt components must be separated for accounting purposes.

Derivatives with a negative fair value and derivatives with a positive fair value (see section 2.3.10) are classified as held for trading (HFT) and measured at fair value through profit or loss as of the balance sheet date.

Non-financial liabilities are carried at amortised cost.

2.3.16 Provisions

In accordance with IAS 37, an obligation arising from a past event whose timing or amount is uncertain is recorded as a provision when it becomes probable that an outflow of resources will be required to settle this obligation and when the amount can be reliably estimated.

The provision is based on the best estimate at the time the financial statements are prepared. The best estimate of the amount required to meet the present obligation is the amount the company would rationally pay to settle the obligation at the balance sheet date or to transfer the obligation to a third party at that time. The risks and uncertainties that inevitably surround many events and circumstances must be taken into account in determining the best estimate. The expected cash flows must be discounted to their present value if the time value of money is material.

In cases where some or all of the expenditure required to settle an obligation is expected to be reimbursed by another party, the reimbursement may only be recognised when it is virtually certain that this reimbursement will be received if the company settles the obligation. This reimbursement must be treated as a separate asset. The amount recognised for the reimbursement may not exceed the amount of the provision.

A current obligation arising from an onerous contract is recognised as a provision. A contract is considered to be onerous when the unavoidable costs to meet the obligations under the contract exceed the economic benefits expected to be received by IMMOFINANZ Group.

2.3.17 Obligations to employees

The provisions for termination benefits are calculated in accordance with the projected unit credit method, whereby an actuarial valuation is carried out as of each balance sheet date. The actuarial gains and losses – which are referred to as revaluations – are recognised under other comprehensive income. The revaluations recognised under other comprehensive income are considered part of equity and are not reclassified to the income statement at a later date. The service cost and net interest cost are reported on the income statement. The calculation of the provisions for termination benefits is based on assumptions and estimates as of the balance sheet date. The following actuarial assumptions form the basis for the major parameters:

	30 April 2015	30 April 2014
Discount rate	1,400%	3,000%
Increase in wages/salaries	2,000%	2,000%
Employee turnover (graduated by length of employment)	0,000%	0,000%
Remaining life expectancy as per mortality tables	Pagler & Pagler AVÖ 2008-P	Pagler & Pagler AVÖ 2008-P

The Austrian Group companies currently recognise provisions for termination benefits. Labour regulations in Austria grant employees whose employment relationship began before 1 January 2003 specific benefits on termination or retirement. The amount of this payment is dependent on the length of service and remuneration at the end of employment. The provisions for termination benefits expose the company to risks that can influence the amount of these provisions in the future. However, these risks are not considered to be material because of the scope of the provisions for termination benefits. The provisions for termination benefits are not covered by plan assets; the obligations will be financed through future cash flows.

2.4 Change in comparative information

Following the spin-off of the BUWOG operating business as of 26 April 2014 (see section 5.11), the conversion rights and prices of the convertible bond 2007–2017 and the convertible bond 2011–2018 issued by IMMOFINANZ AG were adjusted by the calculation agent in accordance with the respective issue terms. The bondholders are now entitled not only to the delivery of IMMOFINANZ AG shares, but also to the delivery of BUWOG AG shares when they exercise their conversion rights. In accordance with IAS 32, this type of adjustment to the conversion rights and prices leads to the reclassification of the equity component of the convertible bonds that was recognised under capital reserves on the issue date. The equity component must be reclassified at fair value to other liabilities. The resulting independent derivative is subsequently measured at fair value through profit or loss in accordance with IAS 39. This reclassification was not made in 2013/14, and the comparative information was therefore adjusted retrospectively as required by IAS 8.

The following tables show the effects of the retrospective application of IFRS 10 and IFRS 11 (see section 1.2.2) and the above-mentioned retrospective adjustment required by IAS 8 on the consolidated financial statements of IMMOFINANZ Group:

Consolidated Income Statement for the 2013/14 Financial Year

All amounts in TEUR	1 May 2013–30 April 2014 as reported	IFRS 10	IFRS 11	IAS 8	1 May 2013–30 April 2014 adjusted
Rental income	**506,666.3**	**–4,544.7**	**–23,588.0**	**0.0**	**478,533.6**
Operating costs charged to tenants	125,651.4	–510.2	–3,478.4	0.0	121,662.8
Other revenues	11,439.7	–1.9	–1,027.3	0.0	10,410.5
Revenues	**643,757.4**	**–5,056.8**	**–28,093.7**	**0.0**	**610,606.9**
Expenses from investment property	–120,499.3	595.7	11,264.0	0.0	–108,639.6
Operating expenses	–122,099.6	448.0	3,536.9	0.0	–118,114.7
Results of asset management	**401,158.5**	**–4,013.1**	**–13,292.8**	**0.0**	**383,852.6**
Proceeds from the sale of properties	568,723.0	0.0	–1,009.3	0.0	567,713.7
Carrying amount of sold properties	–568,723.0	0.0	1,009.3	0.0	–567,713.7
Gains/losses from deconsolidation	18,745.4	–7,126.8	–8,419.3	0.0	3,199.3
Expenses from property sales	–5,642.1	0.0	0.0	0.0	–5,642.1
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	19,670.7	0.0	–11,563.5	0.0	8,107.2
Results of property sales before foreign exchange effects	**32,774.0**	**–7,126.8**	**–19,982.8**	**0.0**	**5,664.4**
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0	0.0
Results of property sales	**32,774.0**	**–7,126.8**	**–19,982.8**	**0.0**	**5,664.4**
Proceeds from the sale of real estate inventories	9,727.4	0.0	0.0	0.0	9,727.4
Cost of real estate inventories sold	–9,117.4	0.0	0.0	0.0	–9,117.4
Expenses from real estate inventories	–7,974.5	–0.6	497.3	0.0	–7,477.8
Real estate development expenses	–21,451.6	0.0	20.5	0.0	–21,431.1
Revaluation of properties under construction adjusted for foreign exchange effects	–47,858.7	0.0	–4,075.3	0.0	–51,934.0
Results of property development before foreign exchange effects	**–76,674.8**	**–0.6**	**–3,557.5**	**0.0**	**–80,232.9**
Revaluation of properties under construction resulting from foreign exchange effects	36,797.5	0.0	–1,600.9	0.0	35,196.6
Results of property development	**–39,877.3**	**–0.6**	**–5,158.4**	**0.0**	**–45,036.3**
Other operating income	17,872.0	–267.9	–519.5	0.0	17,084.6
Other operating expenses	–92,764.3	749.8	925.3	0.0	–91,089.2
Results of operations	**319,162.9**	**–10,658.6**	**–38,028.2**	**0.0**	**270,476.1**
Revaluation of investment properties adjusted for foreign exchange effects	–177,907.6	–5,527.7	3,757.5	0.0	–179,677.8
Revaluation of investment properties resulting from foreign exchange effects	310,964.0	1,507.4	–2,461.5	0.0	310,009.9
Goodwill impairment and earn-out effects on income	68,874.1	0.0	0.0	0.0	68,874.1
Other revaluation results	**201,930.5**	**–4,020.3**	**1,296.0**	**0.0**	**199,206.2**
Operating profit (EBIT)	**521,093.4**	**–14,678.9**	**–36,732.2**	**0.0**	**469,682.3**
Financing costs	–203,662.4	1,653.0	8,245.8	0.0	–193,763.6
Financing income	13,713.3	1,117.6	3,660.2	0.0	18,491.1
Foreign exchange differences	–135,832.2	4,016.8	4,964.4	0.0	–126,851.0
Other financial results	–8,044.8	636.3	–1,231.6	–4,015.3	–12,655.4
Gains/losses from equity-accounted investments	43,515.3	1,872.0	20,812.7	0.0	66,200.0
Financial results	**–290,310.8**	**9,295.7**	**36,451.5**	**–4,015.3**	**–248,578.9**
Earnings before tax (EBT)	**230,782.6**	**–5,383.2**	**–280.7**	**–4,015.3**	**221,103.4**
Current income tax expense/income	–50,011.0	6,815.1	174.8	0.0	–43,021.1
Deferred tax expense/income	–105,327.5	578.1	–2,386.5	1,003.8	–106,132.1
Net profit for the period from continuing operations	**75,444.1**	**2,010.0**	**–2,492.4**	**–3,011.5**	**71,950.2**
Net profit from discontinued operations	104,980.6	0.0	0.0	0.0	104,980.6
Net profit for the period	**180,424.7**	**2,010.0**	**–2,492.4**	**–3,011.5**	**176,930.8**
Thereof attributable to owners of IMMOFINANZ AG	**178,075.7**	**1,261.1**	**–2,492.4**	**–3,011.5**	**173,832.9**
Thereof attributable to non-controlling interests	**2,349.0**	**748.9**	**0.0**	**0.0**	**3,097.9**
Basic earnings per share in EUR	**0,175**	**0,001**	**–0,002**	**–0,003**	**0,171**
Diluted earnings per share in EUR	**0,175**	**0,001**	**–0,002**	**–0,003**	**0,171**

Consolidated Statement of Comprehensive Income for the 2013/14 Financial Year

All amounts in TEUR	1 May 2013– 30 April 2014 as reported	IFRS 10	IFRS 11	IAS 8	1 May 2013– 30 April 2014 adjusted
Net profit for the period	**180,424.7**	**2,010.0**	**–2,492.4**	**–3,011.5**	**176,930.8**
Other comprehensive income (reclassifiable)					
Valuation of available-for-sale financial instruments	–3,948.0	0.0	0.0	0.0	–3,948.0
Thereof changes during the reporting period	–3,948.0	0.0	0.0	0.0	–3,948.0
Thereof reclassification to profit or loss	0.0	0.0	0.0	0.0	0.0
Thereof income taxes	0.0	0.0	0.0	0.0	0.0
Currency translation adjustment	–191,731.2	–5,363.9	549.5	0.0	–196,545.6
Thereof changes during the reporting period	–196,126.4	–5,363.9	1,144.7	0.0	–200,345.6
Thereof reclassification to profit or loss	4,395.2	0.0	–595.2	0.0	3,800.0
Other comprehensive income from equity-accounted investments	–3,681.3	16.2	–584.9	0.0	–4,250.0
Total other comprehensive income (reclassifiable)	**–199,360.5**	**–5,347.7**	**–35.4**	**0.0**	**–204,743.6**
Other comprehensive income (not reclassifiable)					
Revaluation of defined benefit plans	–39.5	0.0	0.0	0.0	–39.5
Thereof income taxes	13.2	0.0	0.0	0.0	13.2
Total other comprehensive income (not reclassifiable)	**–39.5**	**0.0**	**0.0**	**0.0**	**–39.5**
Total other comprehensive income after tax	**–199,400.0**	**–5,347.7**	**–35.4**	**0.0**	**–204,783.1**
Total comprehensive income	**–18,975.3**	**–3,337.7**	**–2,527.8**	**–3,011.5**	**–27,852.3**
Thereof attributable to owners of IMMOFINANZ AG	**–21,246.3**	**1,261.1**	**–2,527.8**	**–3,011.5**	**–25,524.5**
Thereof attributable to non-controlling interests	**2,271.0**	**–4,598.8**	**0.0**	**0.0**	**–2,327.8**

Consolidated Cash Flow Statement (condensed) for the 2013/14 Financial Year

All amounts in TEUR	1 May 2013– 30 April 2014 as reported	IFRS 10	IFRS 11	1 May 2013– 30 April 2014 adjusted
Gross cash flow	**333,566.3**	**–4,730.6**	**1,826.9**	**330,662.6**
Cash flow from operating activities	**287,799.3**	**9,063.5**	**–17,468.3**	**279,394.5**
Cash flow from investing activities	**105,191.5**	**–32,374.7**	**56,253.1**	**129,069.9**
Cash flow from financing activities	**–910,968.4**	**24,367.0**	**14,114.5**	**–872,486.9**
Net foreign exchange differences	24,382.6	3,568.4	–52,433.9	–24,482.9
Change in cash and cash equivalents	**–493,595.0**	**4,624.2**	**465.4**	**–488,505.4**
Cash and cash equivalents at the beginning of the period	738,454.9	–6,125.1	–7,960.4	724,369.4
Cash and cash equivalents at the end of the period	244,859.9	–1,500.9	–7,495.0	235,864.0
Change in cash and cash equivalents	**–493,595.0**	**4,624.2**	**465.4**	**–488,505.4**

Consolidated Balance Sheet as of 30 April 2014

All amounts in TEUR	30 April 2014 as reported	IFRS 10	IFRS 11	IAS 8	30 April 2014 adjusted
Investment property	6,574,379.5	–31,168.7	–131,570.6	0.0	6,411,640.2
Property under construction	251,916.1	0.0	–29,710.0	0.0	222,206.1
Other tangible assets	8,768.5	4.6	–162.6	0.0	8,610.5
Intangible assets	219,112.9	0.0	0.0	0.0	219,112.9
Equity-accounted investments	827,078.8	16,738.3	25,842.7	0.0	869,659.8
Trade and other receivables	354,709.6	17,626.7	44,566.9	0.0	416,903.2
Income tax receivables	16,834.7	0.0	0.0	0.0	16,834.7
Other financial assets	154,932.0	–6,494.9	–235.2	0.0	148,201.9
Deferred tax assets	15,389.6	–465.7	–788.2	0.0	14,135.7
Non-current assets	**8,423,121.7**	**–3,759.7**	**–92,057.0**	**0.0**	**8,327,305.0**
Trade and other receivables	195,785.8	17,895.5	–2,987.4	0.0	210,693.9
Income tax receivables	20,901.3	–0.9	–12.4	0.0	20,888.0
Other financial assets	262,366.1	0.0	0.0	0.0	262,366.1
Non-current assets held for sale	261,530.0	0.0	–86,463.5	0.0	175,066.5
Real estate inventories	159,107.2	0.0	–3,330.0	0.0	155,777.2
Cash and cash equivalents	244,859.9	–1,500.9	–7,495.0	0.0	235,864.0
Current assets	**1,144,550.3**	**16,393.7**	**–100,288.3**	**0.0**	**1,060,655.7**
Assets	**9,567,672.0**	**12,634.0**	**–192,345.3**	**0.0**	**9,387,960.7**
Share capital	1,172,059.9	0.0	0.0	0.0	1,172,059.9
Capital reserves	3,629,746.3	0.0	0.0	–41,504.6	3,588,241.7
Treasury shares	–329,504.5	0.0	0.0	0.0	–329,504.5
Accumulated other equity	–373,552.9	–542.5	–5,585.2	0.0	–379,680.6
Retained earnings	153,074.2	–1,143.6	9,132.4	–3,011.5	158,051.5
Attributable to owners of IMMOFINANZ AG	**4,251,823.0**	**–1,686.1**	**3,547.2**	**–44,516.1**	**4,209,168.0**
Non-controlling interests	8,080.8	129.9	–50.9	0.0	8,159.8
Equity	**4,259,903.8**	**–1,556.2**	**3,496.3**	**–44,516.1**	**4,217,327.8**
Liabilities from convertible bonds	494,043.0	0.0	0.0	0.0	494,043.0
Financial liabilities	2,455,076.8	–2,192.8	–65,100.2	0.0	2,387,783.8
Trade and other payables	162,526.9	15,959.0	–31,491.4	0.0	146,994.5
Income tax liabilities	222.3	0.0	0.0	0.0	222.3
Provisions	48,595.5	0.0	0.0	0.0	48,595.5
Deferred tax liabilities	467,806.4	–3,031.1	–375.4	–14,838.7	449,561.2
Non-current liabilities	**3,628,270.9**	**10,735.1**	**–96,967.0**	**–14,838.7**	**3,527,200.3**
Liabilities from convertible bonds	44,219.0	0.0	0.0	0.0	44,219.0
Financial liabilities	1,254,332.2	4,573.0	–27,531.1	0.0	1,231,374.1
Trade and other payables	214,467.4	–946.0	–9,984.1	59,354.8	262,892.1
Income tax liabilities	35,307.7	29.1	–82.6	0.0	35,254.2
Provisions	50,455.6	–201.0	–482.3	0.0	49,772.3
Financial liabilities held for sale	80,715.4	0.0	–60,794.5	0.0	19,920.9
Current liabilities	**1,679,497.3**	**3,455.1**	**–98,874.6**	**59,354.8**	**1,643,432.6**
Equity and liabilities	**9,567,672.0**	**12,634.0**	**–192,345.3**	**0.0**	**9,387,960.7**

Consolidated Balance Sheet as of 1 May 2013

All amounts in TEUR	1 May 2013 as reported	IFRS 10	IFRS 11	1 May 2013 adjusted
Investment property	9,297,431.3	–73,985.1	–281,878.6	8,941,567.6
Property under construction	344,170.1	0.0	–21,750.1	322,420.0
Other tangible assets	19,594.7	5.2	–738.1	18,861.8
Intangible assets	275,243.7	0.0	0.0	275,243.7
Equity-accounted investments	72,320.4	23,306.0	58,315.8	153,942.2
Trade and other receivables	390,603.4	25,729.2	46,476.6	462,809.2
Income tax receivables	16,861.0	0.0	–7.4	16,853.6
Other financial assets	213,859.3	–6,489.9	–224.2	207,145.2
Deferred tax assets	45,034.2	–850.0	–4,344.5	39,839.7
Non-current assets	**10,675,118.1**	**–32,284.6**	**–204,150.5**	**10,438,683.0**
Trade and other receivables	305,887.7	15,796.3	–6,145.9	315,538.1
Income tax receivables	15,190.8	–33.0	–340.7	14,817.1
Other financial assets	0.0	0.0	0.0	0.0
Non-current assets held for sale	583,403.2	–12,642.0	0.0	570,761.2
Real estate inventories	262,649.6	0.0	–3,668.4	258,981.2
Cash and cash equivalents	738,454.9	–6,125.1	–7,960.4	724,369.4
Current assets	**1,905,586.2**	**–3,003.8**	**–18,115.4**	**1,884,467.0**
Assets	**12,580,704.3**	**–35,288.4**	**–222,265.9**	**12,323,150.0**
Share capital	1,172,059.9	0.0	0.0	1,172,059.9
Capital reserves	4,518,235.9	0.0	0.0	4,518,235.9
Treasury shares	–329,504.5	0.0	0.0	–329,504.5
Accumulated other equity	–82,168.5	–1,718.4	–4,813.4	–88,700.3
Retained earnings	37,692.4	–1,084.4	9,891.5	46,499.5
Attributable to owners of IMMOFINANZ AG	**5,316,315.2**	**–2,802.8**	**5,078.1**	**5,318,590.5**
Non-controlling interests	10,751.7	2,568.7	–50.9	13,269.5
Equity	**5,327,066.9**	**–234.1**	**5,027.2**	**5,331,860.0**
Liabilities from convertible bonds	525,221.4	0.0	0.0	525,221.4
Financial liabilities	4,106,969.8	–19,694.5	–140,884.6	3,946,390.7
Trade and other payables	243,943.3	–279.2	–34,784.5	208,879.6
Income tax liabilities	366.7	0.0	0.0	366.7
Provisions	53,380.2	0.0	–19.0	53,361.2
Deferred tax liabilities	577,181.0	–9,551.4	–9,949.1	557,680.5
Non-current liabilities	**5,507,062.4**	**–29,525.1**	**–185,637.2**	**5,291,900.1**
Liabilities from convertible bonds	28,887.0	0.0	0.0	28,887.0
Financial liabilities	756,533.5	5,191.9	–22,449.6	739,275.8
Trade and other payables	610,076.9	–1,220.3	–13,968.0	594,888.6
Income tax liabilities	31,583.8	717.8	–3,591.5	28,710.1
Provisions	57,018.0	–218.6	–1,646.8	55,152.6
Financial liabilities held for sale	262,475.8	–10,000.0	0.0	252,475.8
Current liabilities	**1,746,575.0**	**–5,529.2**	**–41,655.9**	**1,699,389.9**
Equity and liabilities	**12,580,704.3**	**–35,288.4**	**–222,265.9**	**12,323,150.0**

2.5 Judgments and estimation uncertainty

The preparation of consolidated financial statements in accordance with IFRS requires judgments and assumptions for future developments by the management of IMMOFINANZ Group. These judgments and assumptions can have a significant influence on the recognition and measurement of assets and liabilities, the disclosure of other obligations as of the balance sheet date and the reporting of income and expenses for the financial year. In 2014/15, management took the following discretionary decisions:

- Controlling influence based on voting rights is generally presumed to exist when the direct or indirect interest in an entity exceeds 50%. In individual cases (see 9), interests over 50% may be connected with statutory rights for a co-investor or the absence of a connection between IMMOFINANZ Group's control over the investee and the receipt of variable returns. A co-investor may be assumed to have such statutory rights, above all, when there are wide-ranging requirements for unanimity or the co-investor's agreement on decisions over material activities (e.g. the sale of investment properties).
- In connection with the spin-off of the BUWOG operating segment in 2013/14, IMMOFINANZ AG and BUWOG AG concluded a de-domination agreement that establishes limitations on voting rights for the BUWOG shares held by IMMOFINANZ Group. The de-domination agreement also limits the number of supervisory members who can be appointed by IMMOFINANZ AG in order to prevent majority decisions by these appointees, even if there is a change in the number of members on the supervisory board. As of 30 April 2015 the supervisory board of BUWOG AG had five members. IMMOFINANZ AG originally exercised its voting rights to elect Eduard Zehetner and Vitus Eckert to this body. Eduard Zehetner resigned from the supervisory board as of 30 April 2015 and was succeeded on 1 May 2015 by Oliver Schumy. IMMOFINANZ AG exercised its voting rights to elect Oliver Schumy to the supervisory board at the annual general meeting of BUWOG AG on 14 October 2014. At the annual general meeting of BUWOG AG on 8 June 2015, the number of supervisory board members defined by the articles of association was increased to six, and Stavros Efremidis was elected as the sixth member without the votes of IMMOFINANZ AG. Furthermore, IMMOFINANZ AG is obliged not to exercise its voting rights in the annual general meeting of BUWOG AG, among others in the following cases: resolutions on the release of the executive board or other supervisory board members from liability, resolutions on the dismissal of another supervisory board member or resolutions on management issues that are presented by the executive board or supervisory board to the annual general meeting for voting. The de-domination agreement can only be cancelled by IMMOFINANZ AG or BUWOG AG for important reasons. The term of the de-domination agreement ends on 29 April 2020; if IMMOFINANZ AG does not raise any objections, this term will be extended automatically. Compliance with the de-domination agreement can be required by shareholders of BUWOG AG who alone or together represent 5% of share capital or by any member of the executive board of BUWOG AG. The potential sanctions defined by the de-domination agreement lead to the assumption that IMMOFINANZ Group can no longer exercise a controlling influence over the significant activities of the BUWOG Group in spite of its 48.99% investment. BUWOG AG is therefore included in the consolidated financial statements of IMMOFINANZ AG as an associated company. IMMOFINANZ AG can exercise significant influence in the sense of IAS 28 through the members it appoints to this supervisory board.
- Significant influence can generally be presumed (but is refutable), when the direct or indirect interest in an entity equals or exceeds 20%. With respect to shares in property funds, IMMOFINANZ Group does not have significant influence even with an interest of 20% or more because it is not represented in the fund's operating management or this influence is excluded by the legal structure of the fund (see 9).
- The application of the acquisition method defined by IFRS 3 to business combinations is dependent on whether a business operation is acquired. The assessment of whether the acquired property assets represent a business operation in the sense of IFRS 3 involves judgments and regularly requires a detailed analysis of the acquired processes and structures, above all with respect to property management. If the acquisition method is applied, the related transaction costs are treated as an expense; deferred taxes on temporary differences between the fair value of the acquired property assets and their respective tax bases must be recognised in full; and any resulting goodwill must be tested annually for indications of impairment. The acquisition method is not used if a business operation is not acquired. In this case the acquisition costs, including transaction costs, are allocated to the acquired assets and liabilities based on their fair value; deferred taxes are not recognised (initial recognition exemption); and goodwill does not arise.
- Capital market data was used to derive the fair value of the investment in the BUWOG Group which remained after the spin-off of the BUWOG operating segment. The purchase price allocation, which was based on the recognition of the negative difference through profit or loss in accordance with IAS 28, was considered preliminary as of 30 April 2014 because of the timing of the transaction shortly before the balance sheet date. The purchase price allocation was completed during the reporting year and is considered final as of 30 April 2015. Adjustments were made to the fair value (incl. deferred taxes) of owner-occupied properties and real estate inventories, other financial assets, amounts due to financial institutions and other liabilities. These adjustments resulted in an additional negative difference of EUR 16.4 million, which was recognised through profit or loss.
- If a subsidiary's functional currency is not obvious, IAS 21 permits management to use judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The Euro has been designated the functional currency for the IMMOFINANZ subsidiaries in Romania, Poland, Czech Republic and Hungary. This decision reflects the fact that the macroeconomic development of these countries is influenced by the Eurozone. Furthermore,

IMMOFINANZ Group normally concludes rental contracts in these countries in the Euro. Property financing is also generally arranged in the Euro.

- Changes to the estimates for the cash flows from financial liabilities require discretionary judgment, above all when there is legal uncertainty concerning the measurement of profit-based interest and principal repayments. IMMOFINANZ Group accounts for this uncertainty with conservative estimates for the related cash flows.
- In accordance with IAS 17, the accounting treatment of real estate leases (e.g. land leases) must include the determination, at the commencement of the lease, of whether economic ownership has been transferred to IMMOFINANZ Group. The evaluation of long-term real estate leases involves discretionary judgment, above all with respect to the useful life and present value criteria.

The following assumptions carry a significant risk that they may lead to a material adjustment in the value of assets and liabilities during the next financial year:

- The fair value of the investment property and property under construction held by IMMOFINANZ Group and, in part, the net realisable of real estate inventories are determined on the basis of appraisals prepared by independent property experts. These appraisals are prepared on the basis of net present value methods, in most cases the DCF method, by discounting the expected future cash flows from the respective property. The preparation of these appraisals involves the use of assumptions, e.g., for the applied discount rate, expected occupancy, development of rental prices and/or outstanding construction costs. One characteristic of net present value methods is their sensitivity to the underlying assumptions and parameters. For example, a reduction in the applied discount rate without any changes to the other assumptions or parameters will lead to an increase in the value of the respective property. In contrast, a reduction in the expected occupancy rate or the expected rental prices without any changes to the other assumptions or parameters will lead to a decline in the value of the respective property. These assumptions and parameters relevant for valuation are determined through a careful process as of each balance sheet date based on the best possible estimates of the current market environment by management and the appraisers. The estimates are updated as of every balance sheet date, which can lead to substantial fluctuations in the value of the appraised properties (see section 6.1).
- The net realisable value of inventories is calculated, in part, on the basis of the expected sale proceeds minus the estimated costs for completion and sale. These estimates are updated as of every balance sheet date, which can lead to substantial fluctuations in the value of the appraised properties (see section 6.10).
- The impairment testing of intangible assets, tangible assets, investments accounted for at equity and non-financial receivables (e.g. receivables from input VAT refunds) is based on forward-looking assumptions because net present value models are also used here. With regard to the impairment testing of goodwill, in particular, the management of IMMOFINANZ Group assumes that goodwill primarily arises as a technical figure due to the mandatory recognition of deferred taxes. Impairment testing based on fair value less costs to sell reflects the assumption that the hypothetical transaction, which forms the basis for determining the fair value of the property, is structured in a way that does not change the tax base of the property to be transferred. It is also assumed that most of the selling costs will be carried by the buyer. If these assumptions are not tenable or if there is a decline in the fair values of the properties in the cash-generating units that carry the goodwill, an impairment loss will be required for the recognised goodwill (see section 6.4.1).
- The fair value of the investment in the BUWOG Group that remained after the spin-off of the BUWOG operating segment was derived from capital market data. The purchase price allocation, which was based on the recognition of the negative difference through profit or loss in accordance with IAS 28, was considered temporary as of 30 April 2014 due to the timing of the transaction shortly before that balance sheet date. The purchase price allocation was completed during the reporting year and can be considered final as of 30 April 2015. Fair value adjustments (including the recognition of deferred taxes) were made to owner-occupied properties and real estate inventories, other financial assets, liabilities to financial institutions and other liabilities. These adjustments led to an additional negative difference of EUR 16.4 million, which was recognised through profit or loss (see section 6.5).
- The measurement of outstanding purchase price liabilities from earn-out payments is regularly based on the latest expert estimates for the relevant parameters and estimates for current developments.
- Alternative financial valuation methods are used in the impairment testing of financial instruments for which there is no active market. The parameters used to establish fair value are based, in part, on forward-looking assumptions (see section 8.1.3).
- In connection with the initial recognition of convertible bonds, the fair value of the liability component is calculated in accordance with IAS 32 based on applicable swap rates with similar terms in effect at that time and on the average risk premiums for financing obtained by IMMOFINANZ Group.
- Changes in estimates for the cash flows from financial liabilities require discretionary judgment, above all when there is legal uncertainty concerning the measurement of profit-based interest and principal repayments. IMMOFINANZ Group incorporates this uncertainty through the use of careful estimates for cash flows (see section 5.9).
- Changes in the input factors used to determine the fair value of the exchangeable bond for BUWOG shares and the standalone derivatives from the convertible bonds 2007–2017 and 2011–2018 could lead to a significant change in the carrying amounts of these liabilities in the future (see section 8.1.3).

- The valuation of provisions is based on the best possible estimates, which were developed in part by experts. The factors included in this valuation process comprise, among others, past experience, the probability of the outcome of legal or tax proceedings, future cost trends and assumptions for interest rates (see, above all, section 8.3).
- The valuation of pension and severance compensation obligations includes the use of assumptions for the interest rate, retirement age, life expectancy, employee turnover and future increase in salaries and wages (see section 6.17).
- The recognition of deferred tax assets, in general, and deferred taxes on unused tax loss carryforwards, in particular, is based on expectations by the management of IMMOFINANZ Group concerning the availability of sufficient taxable profits in the future. The previous history of tax losses, limits on the utilisation of tax losses, membership in a tax group and the possible expiration of tax loss carryforwards in some countries are included. Accounting decisions regarding the recognition or impairment of deferred taxes are based, on the one hand, on the latest data from tax planning over a five-year forecast period and, on the other hand, on assumptions for the timing of the reversal of deferred tax liabilities (see section 6.8).
- The contingent liabilities arising from sureties, guarantees and other liabilities that are not recognised on IMMOFINANZ Group's balance sheet are evaluated regularly with respect to the probability of their occurrence. If an outflow of resources embodying economic benefits is neither sufficiently probable to require the recognition of a provision nor improbable, the obligations are recognised as contingent liabilities. The estimates are made by IMMOFINANZ Group specialists based on market-related inputs (where possible) and expert opinions (in individual cases) (see, above all, section 8.1.4).

The estimates and related underlying assumptions used by IMMOFINANZ Group are reviewed regularly. Actual values may vary from these estimates and assumptions when the development of the general parameters is different than expectations on the balance sheet date. Changes are made when more accurate information is available, and the assumptions and parameters are adjusted accordingly.

3. Scope of Consolidation

3.1 Development of the scope of consolidation

The changes in the scope of consolidation during the 2014/15 financial year are shown in the following table:

Scope of consolidation	Full consolidation	Proportionate consolidation	Equity method	Total
Balance on 1 May 2013	**698**	**52**	**27**	**777**
Changes from the initial application of IFRS 10	-3	-8	6	-5
Changes from the initial application of IFRS 11	0	-44	44	0
Balance on 1 May 2013 in acc. with IFRS 10 and 11	**695**	**0**	**77**	**772**
Changes in the scope of consolidation during 2013/14	-64	–	-22	-86
Balance on 30 April 2014	**631**	**–**	**55**	**686**
Initially included due to founding	10	–	0	10
Initially included due to acquisition	9	–	0	9
Disposals	-18	–	-6	-24
Mergers	-5	–	0	-5
Change in consolidation method	1	–	-1	0
Balance on 30 April 2015	**628**	**–**	**48**	**676**
Thereof foreign companies	395	–	37	432

A list of the IMMOFINANZ Group companies is presented in section 9.

The ability of IMMOFINANZ Group to gain access to the Group's assets, to transfer these assets between Group companies or to utilise the coverage potential of these assets to meet liabilities could be limited by restrictions defined in the articles of association, contracts or legal regulations or by protective rights held by non-controlling interests. The following restrictions were in place as of 30 April 2015:

› Mortgages on land and buildings serve as collateral for property financing concluded by IMMOFINANZ Group. The assets pledged as collateral for mortgages as of 30 April 2015 are as follows: standing investments with a carrying amount of EUR 4,949.6 million, property under construction with a carrying amount of EUR 380.9 million and real estate inventories with a carrying amount of EUR 118.1 million (see section 8.1.4).
› The shares in the respective subsidiary also serve as collateral for property financing concluded by IMMOFINANZ Group in 103 cases. As of 30 April 2015, the carrying amount of the net assets in these subsidiaries totalled EUR 2,163.8 million.
› The rights of disposal over the shares held in a Romanian subsidiary (carrying amount of net assets: EUR 56.7 million) were limited by a preliminary injunction as of 30 April 2015.
› Restitution proceedings are currently in progress over land on which a Romanian subsidiary constructed a shopping center. These proceedings (de facto) restrict rights of disposal. Settlement discussions are currently in progress to resolve the restitution proceedings.
› With respect to investments in joint ventures, the related agreements generally include limitations on the sale of the investment in the form of pre-emptive/call rights or co-sale/co-purchase rights. These types of limitations are found, for example, in HEPP III Luxembourg MBP SARL, NP Investments a.s. and IMMOKRON Immobilienbetriebsgesellschaft m.b.H. In some cases, IMMOFINANZ Group also carries financing obligations for the joint venture's budgeted project-specific costs (see section 8.1.4).
› The other shareholders of the associate TriGránit Holding Ltd. held pre-emptive rights as of 30 April 2014. Since the contract for the sale of this equity-accounted investment was signed before the release of these consolidated financial statements for publication, the limitation is now obsolete (see section 8.8).
› The sale of fund shares held by IMMOFINANZ Group is generally contingent on the consent of the fund manager (see section 2.3.10).

IMMOFINANZ Group had no material non-controlling interests as of 30 April 2015, and aggregated financial information on subsidiaries with non-controlling interests is therefore not provided. In addition, there are no material restrictions arising from the protective rights held by non-controlling interests.

3.2 Initial consolidations and additions to investments

IMMOFINANZ Group initially consolidated the following subsidiaries during the reporting year. These initial consolidations do not represent business combinations in the sense of IFRS 3, but generally involve the purchase of shell companies or land-owning companies:

Segment	Country	Headquarters	Company	Direct stake	Type of consolidation	Date
Germany	DE	Düsseldorf	capricorn CAMPUS GmbH & Co. KG	100.0%	F	20 November 2014
Germany	DE	Essen	Deutsche Lagerhaus Gelsenkirchen GmbH & Co KG	100.0%	F	27 January 2015
Germany	DE	Cologne	IMF Campus GmbH	100.0%	F	20 November 2014
Germany	DE	Cologne	IMF Campus Verwaltungs GmbH	100.0%	F	20 November 2014
Germany	DE	Cologne	IMMOFINANZ Development Services Deutschland GmbH	100.0%	F	31 July 2014
Poland	PL	Warsaw	Cortan Enterprise Sp. z o.o.	100.0%	F	26 May 2014
Poland	PL	Warsaw	ENIT Lublin Sp. z o.o. (formerly: Dessa Enterprise Sp. z o.o.)	100.0%	F	26 May 2014
Poland	PL	Warsaw	Karam Enterprise Sp. z o.o.	100.0%	F	26 May 2014
Poland	PL	Warsaw	Wolkar Enterprise Sp. z o.o.	100.0%	F	26 May 2014
Romania	RO	Bucharest	Berceni Estate Srl	100.0%	F	5 September 2014
Romania	RO	Bucharest	COREAL ESTATE RESIDENCE INVEST SRL	100.0%	F	30 March 2015
Romania	RO	Bucharest	Timreal Development SRL	100.0%	F	22 April 2015
Russia	RU	Moscow	OOO Comcenter Podolsk (formerly: OOO Log center Domodedovo)	100.0%	F	9 September 2014
Russia	RU	Moscow	OOO IMMO Management	100.0%	F	9 September 2014
Russia	RU	Moscow	OOO Log center Terekhovo	100.0%	F	9 September 2014
Other	RS	Belgrade	STOP.SHOP. 6 d.o.o. Beograd-Vozdovac	100.0%	F	26 November 2014
Other	RS	Belgrade	STOP.SHOP. 7 d.o.o. Beograd-Vozdovac	100.0%	F	26 November 2014
Other	RS	Belgrade	STOP.SHOP. 8 d.o.o. Beograd-Vozdovac	100.0%	F	26 November 2014
Other	RS	Belgrade	STOP.SHOP.5 d.o.o.	100.0%	F	1 November 2014

F = Full consolidation

The increase in the stake held in the following company led to its initial consolidation:

				Before		After		
Segment	Country	Headquarters	Company	Direct stake	Type of consolidation	Direct stake	Type of consolidation	Date
Romania	RO	Bucharest	S.C. IE Baneasa Project s.r.l.	50.0%	E-JV	100.0%	F	17 February 2015

F = Full consolidation, E-JV = Joint venture

Acquired assets and liabilities

The following revalued assets and liabilities were recognised in connection with the acquisition of the above-mentioned shell companies and land-owning companies:

All amounts in TEUR	2014/15
Cash and cash equivalents	46.8
Receivables and other assets	1,323.4
Deferred tax assets	5.4
Investment property	19,822.1
Financial liabilities	-0.3
Trade payables	-1,102.8
Other liabilities	-481.3
Provisions	-401.0
Foreign exchange differences	31.9
Net assets acquired	**19,244.2**
Receivables offset against the purchase price for equity-accounted investments	-14,900.1
Purchase price paid in cash	**4,344.1**
Less cash and cash equivalents acquired	-46.8
Net purchase price for property companies	**4,297.3**

3.3 Deconsolidations

Segment	Country	Headquarters	Company	Direct stake	Type of consolidation	Date
Austria	AT	Vienna	CBB-L Beta Beteiligungs GmbH in Liqu.	100.0%	F	18 June 2014
Austria	AT	Vienna	CBB-L Jota Beteiligungs GmbH in Liqu.	100.0%	F	18 June 2014
Austria	AT	Vienna	CBB-L Realitäten Beteiligungs GmbH inLiqu.	100.0%	F	8 July 2014
Austria	AT	Vienna	FUTUR-IMMOBILIEN GmbH	100.0%	F	23 December 2014
Austria	AT	Vienna	PIO Liegenschaftsverwertungs GmbH	100.0%	F	23 December 2014
Austria	AT	Vienna	TCB Telecom Beteiligungsgesellschaft m.b.H. in Liqu.	100.0%	F	19 June 2014
Germany	DE	Düsseldorf	Greenfield Logistikpark Vaihingen-Ost GmbH	75.0%	F	19 December 2014
Poland	PL	Warsaw	IMMOEAST Projekt Investment jeden Sp.z o.o. w likwidacji	100.0%	F	16 May 2014
Poland	PL	Warsaw	Madeley Investments Sp. z o.o.	100.0%	F	15 July 2014
Poland	PL	Warsaw	Residea Alpha Sp. z o.o.	50.0%	E-JV	26 June 2014
Czech Republic	CZ	Prague	ABLO Property s.r.o.	100.0%	F	30 June 2014
Romania	CY	Nicosia	Bubkas Limited	100.0%	F	4 December 2014
Romania	CY	Nicosia	Etsu Ltd	100.0%	F	4 December 2014
Other	LU	Luxembourg	Adama Luxemburg S.à.r.l	100.0%	F	19 June 2014
Other	MD	Chisinau	IM TAL Development SRL	50.0%	E-JV	12 August 2014
Other	US	Wilmington	IMF Holdings LLC	73.3%	F	30 April 2015
Other	US	Houston	IMF INVESTMENTS 105 LP	90.0%	E-JV	30 July 2014
Other	US	Houston	IMF INVESTMENTS 111 LP	90.0%	E-JV	30 April 2015
Other	US	Houston	IMF INVESTMENTS 205 LP	90.0%	E-JV	18 August 2014
Other	US	Houston	IMF INVESTMENTS 307 LP	90.0%	E-JV	18 July 2014
Other	US	Wilmington	IMF Solo Investments LLC	100.0%	F	30 April 2015
Other	CY	Nicosia	Graviscalar Limited	100.0%	F	30 July 2014
Holding	AT	Vienna	CPB Immobilien und Mobilien Vermietungs GmbH in Liqu.	100.0%	F	22 August 2014
Holding	AT	Vienna	IP1 Liegenschaftsverwaltungsgesellschaft m.b.H. in Liqu.	100.0%	F	6 February 2015

F = Full consolidation, E-JV = Joint venture

The total effects of the deconsolidations are shown in the following table:

All amounts in TEUR	2014/15
Cash and cash equivalents	559.1
Receivables and other assets	14,629.2
Deferred tax assets	3,530.4
Investment property	80,404.8
Financial liabilities	–9,449.1
Trade payables	–184.2
Other liabilities	–49,573.3
Provisions	–133.3
Deferred tax liabilities	–5,361.9
Foreign exchange differences and reserves	–3,435.6
Thereof attributable to non-controlling interests	–1,791.3
Net assets disposed	**29,194.8**
Gains/losses from deconsolidation	10,950.0
Sale price	**40,144.8**
Less cash and cash equivalents	–559.1
Cash and cash equivalents sold/net sale price	**39,585.7**

3.4 Structural changes

The following table lists the Group companies that were merged in 2014/15. They are reported at an investment of 0.00% in the column "stake after".

Segment	Country	Headquarters	Company	Stake before	Stake after	Type of consolidation	Date
Mergers							
Romania	RO	Bucharest	S.C. Valero Invest s.r.l.	100.0%	0.0%	F	18 September 2014
Other	TR	Istanbul	Bersan Gayrimenkul Yatirim A.S.	100.0%	0.0%	F	24 December 2014
Other	TR	Istanbul	Kilyos Gayrimenkul Yatirim A.S.	100.0%	0.0%	F	24 December 2014
Other	TR	Istanbul	Manisa Cidersan Gayrimenkul Yatirim A.S.	100.0%	0.0%	F	24 December 2014
Other	TR	Istanbul	Sehitler Gayrimenkul Yatirim A.S.	100.0%	0.0%	F	24 December 2014

F = Full consolidation

4. Information on Operating Segments

4.1 Internal reporting

The chief operating decision-maker of IMMOFINANZ Group is the Executive Board as a collegial body. Internal reporting to the Executive Board is based on the classification of data into eight regional core markets (Austria, Germany, Czech Republic, Slovakia, Hungary, Romania, Poland and Russia). Within these core markets, rental income is reported by asset class (office, retail, residential and logistics). Regions with a low volume of business are included in the column "Other non-core countries". The presentation of segment results is based on internal reporting to the Executive Board (management approach).

4.2 Information on reportable operating segments

Segment assets consist primarily of investment properties, property under construction, goodwill, properties held for sale and inventories.

Segment investments include additions to investment properties, property under construction and investments in property companies. Liabilities were not allocated to the individual segments.

Results of asset management and operating profit (EBIT) are used to evaluate earning power and to allocate resources. The development of financial results and tax expense in the Group is managed centrally; reporting does not take place at the operating segment level. The accounting and valuation methods applied by the reportable segments comply with the accounting and valuation methods used to prepare the consolidated financial statements of IMMOFINANZ Group (see section 2).

4.3 Transition from operating segments to Group results

There are no material transactions between the segments, and the elimination of intersegment amounts is therefore not reported separately.

Central services are allocated to the operating segments based on actual expenses. Service companies that only provide services for a particular segment are allocated to that segment.

Investments in holding companies that cannot be assigned to a specific segment and non-operating companies are included in the transition column. Also included in this column is elimination of immaterial intersegment transactions.

4.4 Regions as operating segments

The allocation of revenues and non-current assets to the individual regions is based on the location of the property.

- Austria: The Austria segment represents a major focal point for the office standing investments. These properties include, among others, the *Business Park Vienna* and the *City Tower Vienna*. This portfolio also includes properties from the retail and other asset classes.
- Germany: The majority of the logistics portfolio is located in this core market, i.e. the properties bundled under the LOG.IQ brand. A number of major real estate development projects are also located in Germany, e.g. the *Gerling Quartier*, the *FLOAT* office complex and the *Campus Aachen* which are assigned to the office and other asset classes.
- Poland: This country represents another focal point for the office standing investments which include, above all, the *Park Postepu* and *IO-1* buildings in Warsaw. This segment also contains retail properties like the *Tarasy Zamkowe* shopping center in Lublin. The development projects in Poland include shopping centers under the VIVO! and STOP.SHOP. brands as well as properties in the office and other asset classes.

- Czech Republic: The Czech Republic is another focal point for the portfolio of office properties. Included here are the *BB Centrum* and *Pankrac House*. Major retail properties are also included in this portfolio as well as office properties that are currently under development.
- Slovakia: The core business in Slovakia lies primarily in the retail asset class with the *Polus City Center* in Bratislava. The portfolio also includes a substantial share of office properties (e.g. *Polus Tower*).
- Hungary: The properties in this country are allocated primarily to the office asset class (among others, the *Atrium Park*) and the retail asset class (STOP.SHOP. properties).
- Romania: The operating segment Romania is focused, above all, on the office and retail asset classes. The main properties in the office asset class include the *S-Park* and *Iride Business Park*. Important properties in the retail asset class are, above all, the *Polus Center Cluj* and the *Maritimo Shopping Center*. IMMOFINANZ Group is also active in residential property development in Romania under the Adama brand.
- Russia: Business activities in this country are concentrated in the retail asset class. The largest properties are the *Golden Babylon Rostokino*, *GOODZONE* and *Golden Babylon I* in Moscow.
- Other non-core countries: This segment consists primarily of logistics properties owned by the Dutch City Box and STOP.SHOP. retail properties in Slovenia and Serbia.

4.5 Information on key customers

IMMOFINANZ Group had no individual customers who accounted for 10% or more of revenues in 2014/15 or 2013/14.

4.6 Segment reporting

Information on the reportable segments of IMMOFINANZ Group is provided in the following section:

	Austria		Germany	
All amounts in TEUR	2014/15	2013/14 [1]	2014/15	2013/14 [1]
Office	37,303.5	37,672.2	5,278.2	7,411.2
Logistics	1,568.6	1,672.0	24,929.6	25,858.6
Retail	26,609.0	28,105.0	588.1	657.4
Other	12,385.9	14,120.8	2,711.2	2,963.2
Rental income	**77,867.0**	**81,570.0**	**33,507.1**	**36,890.4**
Operating costs charged to tenants	14,210.7	17,512.8	6,175.1	7,230.4
Other revenues	1,941.8	2,307.2	171.5	196.4
Revenues	**94,019.5**	**101,390.0**	**39,853.7**	**44,317.2**
Expenses from investment property	–24,587.7	–26,856.8	–8,590.5	–9,440.5
Operating expenses	–14,166.5	–16,220.2	–6,893.4	–7,310.9
Results of asset management	**55,265.3**	**58,313.0**	**24,369.8**	**27,565.8**
Proceeds from the sale of properties	28,361.1	86,043.7	5,469.0	70,235.0
Carrying amount of sold properties	–28,361.1	–86,043.7	–5,469.0	–70,235.0
Gains/losses from deconsolidation	2,481.0	141.7	3,094.3	–3.0
Expenses from property sales	–1,210.0	–1,429.1	–337.1	–2,585.5
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	28,405.7	5,193.2	1,499.3	414.8
Results of property sales before foreign exchange effects	**29,676.7**	**3,905.8**	**4,256.5**	**–2,173.7**
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	**29,676.7**	**3,905.8**	**4,256.5**	**–2,173.7**
Proceeds from the sale of real estate inventories	0.0	390.0	18,316.4	0.0
Cost of real estate inventories sold	0.0	–289.7	–16,327.0	–0.8
Expenses from real estate inventories	0.0	–131.9	–4,486.5	0.0
Real estate development expenses	–461.6	–234.5	–1,478.6	–1,048.7
Revaluation of properties under construction adjusted for foreign exchange effects	337.1	0.0	–6,610.7	9,369.6
Results of property development before foreign exchange effects	**–124.5**	**–266.1**	**–10,586.4**	**8,320.1**
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property development	**–124.5**	**–266.1**	**–10,586.4**	**8,320.1**
Other operating income	2,869.7	1,981.0	1,835.4	792.5
Other operating expenses	–2,523.6	–3,570.7	–5,092.6	–5,640.4
Results of operations	**85,163.6**	**60,363.0**	**14,782.7**	**28,864.3**
Revaluation of investment properties adjusted for foreign exchange effects	42,698.5	–9,555.9	18,520.4	–5,044.0
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Goodwill impairment and earn-out effects on income	0.0	0.0	0.0	–3,110.8
Other revaluation results	**42,698.5**	**–9,555.9**	**18,520.4**	**–8,154.8**
Operating profit (EBIT)	**127,862.1**	**50,807.1**	**33,303.1**	**20,709.5**
Financial results				
Income taxes				
Net profit from discontinued operations				
Net profit for the period				
Segment investments	**4,402.5**	**26,783.8**	**40,571.2**	**74,755.0**

	30 April 2015	30 April 2014 [1]	30 April 2015	30 April 2014 [1]
Investment property	1,218,249.4	1,306,825.8	441,100.0	448,110.0
Property under construction	450.0	0.0	137,588.0	110,990.4
Goodwill	0.0	0.0	0.0	0.0
Investment properties held for sale	126,125.0	1,625.0	0.0	0.0
Real estate inventories	1,670.4	4,270.0	101,009.8	66,198.0
Segment assets	**1,346,494.8**	**1,312,720.8**	**679,697.8**	**625,298.4**

[1] The comparable prior year figures were adjusted accordingly (see section 1).

	Poland		Czech Republic	
All amounts in TEUR	**2014/15**	**2013/14** [1]	**2014/15**	**2013/14** [1]
Office	18,164.5	19,516.5	20,415.1	23,008.8
Logistics	1,131.5	1,802.2	164.8	1,387.1
Retail	4,850.2	12,138.9	10,936.9	10,583.0
Other	1,727.4	1,942.0	2,155.6	2,515.4
Rental income	**25,873.6**	**35,399.6**	**33,672.4**	**37,494.3**
Operating costs charged to tenants	9,385.9	11,411.0	8,976.5	10,761.4
Other revenues	1,017.6	892.3	302.3	349.1
Revenues	**36,277.1**	**47,702.9**	**42,951.2**	**48,604.8**
Expenses from investment property	–8,616.5	–5,211.5	–7,312.0	–6,519.0
Operating expenses	–9,384.8	–11,386.9	–8,759.0	–10,666.3
Results of asset management	**18,275.8**	**31,104.5**	**26,880.2**	**31,419.5**
Proceeds from the sale of properties	9,845.1	410,521.6	0.0	0.0
Carrying amount of sold properties	–9,845.1	–410,521.6	0.0	0.0
Gains/losses from deconsolidation	401.8	1,124.9	5,502.3	1,720.2
Expenses from property sales	–250.0	–411.8	–253.5	–792.2
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	1,686.3	–0.9	0.0	2,869.8
Results of property sales before foreign exchange effects	**1,838.1**	**712.2**	**5,248.8**	**3,797.8**
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	**1,838.1**	**712.2**	**5,248.8**	**3,797.8**
Proceeds from the sale of real estate inventories	15,981.2	1,139.9	0.0	0.0
Cost of real estate inventories sold	–13,652.9	–772.9	0.0	0.0
Expenses from real estate inventories	332.9	–1,985.4	0.0	0.0
Real estate development expenses	–2,671.4	–1,047.4	–151.7	–200.2
Revaluation of properties under construction adjusted for foreign exchange effects	36,565.7	–3,089.2	–51.7	975.7
Results of property development before foreign exchange effects	**36,555.5**	**–5,755.0**	**–203.4**	**775.5**
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property development	**36,555.5**	**–5,755.0**	**–203.4**	**775.5**
Other operating income	409.4	2,517.3	776.9	388.5
Other operating expenses	–1,976.7	–5,602.8	–925.5	–2,454.3
Results of operations	**55,102.1**	**22,976.2**	**31,777.0**	**33,927.0**
Revaluation of investment properties adjusted for foreign exchange effects	–41,744.7	–16,885.8	–66,393.4	–19,507.3
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Goodwill impairment and earn-out effects on income	–6,424.4	–4,459.7	–7,542.1	–1,118.2
Other revaluation results	**–48,169.1**	**–21,345.5**	**–73,935.5**	**–20,625.5**
Operating profit (EBIT)	**6,933.0**	**1,630.7**	**–42,158.5**	**13,301.5**
Financial results				
Income taxes				
Net profit from discontinued operations				
Net profit for the period				
Segment investments	**107,502.5**	**56,160.6**	**6,990.4**	**16,836.7**

	30 April 2015	**30 April 2014** [1]	**30 April 2015**	**30 April 2014** [1]
Investment property	365,220.0	415,700.0	434,560.0	525,209.1
Property under construction	240,561.8	93,503.4	42,430.0	16,420.0
Goodwill	1,488.8	8,087.9	22,726.2	30,268.3
Investment properties held for sale	0.0	0.0	4,753.1	22,309.7
Real estate inventories	31,726.9	36,627.9	0.0	0.0
Segment assets	**638,997.5**	**553,919.2**	**504,469.3**	**594,207.1**

[1] The comparable prior year figures were adjusted accordingly (see section 1).

	Slovakia		Hungary	
All amounts in TEUR	**2014/15**	**2013/14** [1]	**2014/15**	**2013/14** [1]
Office	3,243.6	3,925.8	12,247.1	12,530.6
Logistics	735.9	806.9	4,092.2	4,077.7
Retail	13,808.9	13,830.9	11,656.8	11,620.3
Other	247.0	299.3	960.6	986.6
Rental income	**18,035.4**	**18,862.9**	**28,956.7**	**29,215.2**
Operating costs charged to tenants	8,656.5	9,496.0	11,484.1	11,922.4
Other revenues	458.1	437.9	297.6	353.1
Revenues	**27,150.0**	**28,796.8**	**40,738.4**	**41,490.7**
Expenses from investment property	–4,663.2	–5,803.7	–9,488.0	–8,795.7
Operating expenses	–7,477.8	–7,995.2	–10,892.8	–11,475.3
Results of asset management	**15,009.0**	**14,997.9**	**20,357.6**	**21,219.7**
Proceeds from the sale of properties	0.0	0.0	57.9	349.7
Carrying amount of sold properties	0.0	0.0	–57.9	–349.7
Gains/losses from deconsolidation	0.0	0.0	0.0	–1.0
Expenses from property sales	–24.9	–9.6	–154.5	–74.1
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	0.0	0.0	–8.1	218.1
Results of property sales before foreign exchange effects	**–24.9**	**–9.6**	**–162.6**	**143.0**
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	**–24.9**	**–9.6**	**–162.6**	**143.0**
Proceeds from the sale of real estate inventories	0.0	0.0	0.0	0.0
Cost of real estate inventories sold	0.0	0.0	0.0	0.0
Expenses from real estate inventories	–123.4	–1,806.5	0.0	0.0
Real estate development expenses	–256.0	141.7	69.7	–55.5
Revaluation of properties under construction adjusted for foreign exchange effects	0.0	0.0	–236.2	0.0
Results of property development before foreign exchange effects	**–379.4**	**–1,664.8**	**–166.5**	**–55.5**
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property development	**–379.4**	**–1,664.8**	**–166.5**	**–55.5**
Other operating income	60.0	363.7	299.2	818.6
Other operating expenses	–1,586.8	–1,246.3	–2,012.7	–2,017.7
Results of operations	**13,077.9**	**12,440.9**	**18,315.0**	**20,108.1**
Revaluation of investment properties adjusted for foreign exchange effects	–33,291.3	–19,594.3	–10,580.1	–4,693.3
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Goodwill impairment and earn-out effects on income	–295.0	0.0	–184.7	1.5
Other revaluation results	**–33,586.3**	**–19,594.3**	**–10,764.8**	**–4,691.8**
Operating profit (EBIT)	**–20,508.4**	**–7,153.4**	**7,550.2**	**15,416.3**
Financial results				
Income taxes				
Net profit from discontinued operations				
Net profit for the period				
Segment investments	**2,732.5**	**218.7**	**2,690.1**	**24,128.9**

	30 April 2015	**30 April 2014** [1]	**30 April 2015**	**30 April 2014** [1]
Investment property	216,210.0	263,130.0	519,205.0	527,700.0
Property under construction	26,900.0	0.0	1,925.0	1,040.1
Goodwill	760.6	1,055.6	5,418.8	5,603.4
Investment properties held for sale	0.0	0.0	0.0	0.0
Real estate inventories	0.0	10,260.0	0.0	0.0
Segment assets	**243,870.6**	**274,445.6**	**526,548.8**	**534,343.5**

[1] The comparable prior year figures were adjusted accordingly (see section 1).

	Romania		Russia	
All amounts in TEUR	**2014/15**	**2013/14[1]**	**2014/15**	**2013/14[1]**
Office	18,433.6	21,195.7	352.0	355.8
Logistics	3,845.8	3,710.5	3,558.7	3,597.5
Retail	20,695.7	19,541.7	136,124.7	163,142.9
Other	3,711.4	3,346.3	198.2	212.8
Rental income	**46,686.5**	**47,794.2**	**140,233.6**	**167,309.0**
Operating costs charged to tenants	19,080.8	20,061.5	31,726.6	31,472.4
Other revenues	1,739.4	1,484.6	2,566.5	3,564.3
Revenues	**67,506.7**	**69,340.3**	**174,526.7**	**202,345.7**
Expenses from investment property	–13,999.7	–14,759.1	–36,477.9	–20,822.3
Operating expenses	–18,629.9	–19,565.8	–32,090.2	–31,558.9
Results of asset management	**34,877.1**	**35,015.4**	**105,958.6**	**149,964.5**
Proceeds from the sale of properties	233.6	0.0	2,235.9	24.3
Carrying amount of sold properties	–233.6	0.0	–2,235.9	–24.3
Gains/losses from deconsolidation	–5.5	212.3	0.0	0.0
Expenses from property sales	–162.1	–83.0	–12.3	–55.5
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	48.7	0.0	374.9	0.0
Results of property sales before foreign exchange effects	**–118.9**	**129.3**	**362.6**	**–55.5**
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	**–118.9**	**129.3**	**362.6**	**–55.5**
Proceeds from the sale of real estate inventories	11,865.4	7,543.3	0.0	0.0
Cost of real estate inventories sold	–8,356.9	–7,543.3	0.0	0.0
Expenses from real estate inventories	–2,144.8	–3,328.5	0.0	0.0
Real estate development expenses	–1,915.1	–1,738.3	–4,178.3	–16,731.1
Revaluation of properties under construction adjusted for foreign exchange effects	–8,993.1	0.0	0.0	–59,190.1
Results of property development before foreign exchange effects	**–9,544.5**	**–5,066.8**	**–4,178.3**	**–75,921.2**
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	35,196.6
Results of property development	**–9,544.5**	**–5,066.8**	**–4,178.3**	**–40,724.6**
Other operating income	3,136.7	8,791.2	11,331.3	944.9
Other operating expenses	–11,681.4	–12,805.4	–3,415.0	–5,890.2
Results of operations	**16,669.0**	**26,063.7**	**110,059.2**	**104,239.1**
Revaluation of investment properties adjusted for foreign exchange effects	–24,988.2	–20,544.7	–196,999.1	–74,242.0
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	224,036.4	302,033.5
Goodwill impairment and earn-out effects on income	0.0	–604.1	0.0	77,662.2
Other revaluation results	**–24,988.2**	**–21,148.8**	**27,037.3**	**305,453.7**
Operating profit (EBIT)	**–8,319.2**	**4,914.9**	**137,096.5**	**409,692.8**
Financial results				
Income taxes				
Net profit from discontinued operations				
Net profit for the period				
Segment investments	**13,738.5**	**1,825.0**	**6,047.6**	**284,035.8**

	30 April 2015	**30 April 2014[1]**	**30 April 2015**	**30 April 2014[1]**
Investment property	929,691.0	929,061.5	1,566,513.0	1,744,300.0
Property under construction	7,300.0	0.0	36.0	0.0
Goodwill	20,851.3	20,851.3	119,842.2	136,866.4
Investment properties held for sale	0.0	0.0	0.0	0.0
Real estate inventories	12,213.5	35,706.3	0.0	0.0
Segment assets	**970,055.8**	**985,619.1**	**1,686,391.2**	**1,881,166.4**

[1] The comparable prior year figures were adjusted accordingly (see section 1).

All amounts in TEUR	Other non-core countries 2014/15	Other non-core countries 2013/14 [1]	Total reportable segments 2014/15	Total reportable segments 2013/14 [1]
Office	1,595.6	1,877.0	117,033.2	127,493.6
Logistics	16,002.3	19,590.0	56,029.4	62,502.5
Retail	3,557.7	2,291.3	228,828.0	261,911.4
Other	292.4	239.7	24,389.7	26,626.1
Rental income	**21,448.0**	**23,998.0**	**426,280.3**	**478,533.6**
Operating costs charged to tenants	1,572.4	1,794.9	111,268.6	121,662.8
Other revenues	563.0	825.6	9,057.8	10,410.5
Revenues	**23,583.4**	**26,618.5**	**546,606.7**	**610,606.9**
Expenses from investment property	–9,733.6	–10,431.0	–123,469.1	–108,639.6
Operating expenses	–1,503.4	–1,935.2	–109,797.8	–118,114.7
Results of asset management	**12,346.4**	**14,252.3**	**313,339.8**	**383,852.6**
Proceeds from the sale of properties	100,340.7	539.4	146,543.3	567,713.7
Carrying amount of sold properties	–100,340.7	–539.4	–146,543.3	–567,713.7
Gains/losses from deconsolidation	–523.9	4.2	10,950.0	3,199.3
Expenses from property sales	–1,726.9	–201.3	–4,131.3	–5,642.1
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	4,627.7	–587.8	36,634.5	8,107.2
Results of property sales before foreign exchange effects	**2,376.9**	**–784.9**	**43,453.2**	**5,664.4**
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	**2,376.9**	**–784.9**	**43,453.2**	**5,664.4**
Proceeds from the sale of real estate inventories	1,181.0	654.2	47,344.0	9,727.4
Cost of real estate inventories sold	–1,187.7	–510.7	–39,524.5	–9,117.4
Expenses from real estate inventories	–130.1	–225.5	–6,551.9	–7,477.8
Real estate development expenses	–501.7	–517.1	–11,544.7	–21,431.1
Revaluation of properties under construction adjusted for foreign exchange effects	159.9	0.0	21,171.0	–51,934.0
Results of property development before foreign exchange effects	**–478.6**	**–599.1**	**10,893.9**	**–80,232.9**
Revaluation of properties under construction resulting from foreign exchange effects	106.6	0.0	106.6	35,196.6
Results of property development	**–372.0**	**–599.1**	**11,000.5**	**–45,036.3**
Other operating income	450.8	382.0	21,169.4	16,979.7
Other operating expenses	–6,942.6	–6,691.4	–36,156.9	–45,919.2
Results of operations	**7,859.5**	**6,558.9**	**352,806.0**	**315,541.2**
Revaluation of investment properties adjusted for foreign exchange effects	443.3	–9,610.5	–312,334.6	–179,677.8
Revaluation of investment properties resulting from foreign exchange effects	4,695.9	7,976.4	228,732.3	310,009.9
Goodwill impairment and earn-out effects on income	–2,432.5	503.2	–16,878.7	68,874.1
Other revaluation results	**2,706.7**	**–1,130.9**	**–100,481.0**	**199,206.2**
Operating profit (EBIT)	**10,566.2**	**5,428.0**	**252,325.0**	**514,747.4**
Financial results				
Income taxes				
Net profit from discontinued operations				
Net profit for the period				
Segment investments	**14,585.5**	**4,008.4**	**199,260.8**	**488,752.9**

	30 April 2015	30 April 2014 [1]	30 April 2015	30 April 2014 [1]
Investment property	140,202.9	251,603.8	5,830,951.3	6,411,640.2
Property under construction	11,942.9	252.2	469,133.7	222,206.1
Goodwill	5,418.7	13,594.5	176,506.6	216,327.4
Investment properties held for sale	120,881.0	94,426.2	251,759.1	118,360.9
Real estate inventories	1,410.5	2,715.0	148,031.1	155,777.2
Segment assets	**279,856.0**	**362,591.7**	**6,876,381.8**	**7,124,311.8**

[1] The comparable prior year figures were adjusted accordingly (see section 1).

All amounts in TEUR	Total reportable segments 2014/15	Total reportable segments 2013/14[1]	Transition to consolidated financial statements 2014/15	Transition to consolidated financial statements 2013/14[1]	IMMOFINANZ Group 2014/15	IMMOFINANZ Group 2013/14[1]
Office	117,033.2	127,493.6	0.0	0.0	117,033.2	127,493.6
Logistics	56,029.4	62,502.5	0.0	0.0	56,029.4	62,502.5
Retail	228,828.0	261,911.4	0.0	0.0	228,828.0	261,911.4
Other	24,389.7	26,626.1	0.0	0.0	24,389.7	26,626.1
Rental income	**426,280.3**	**478,533.6**	**0.0**	**0.0**	**426,280.3**	**478,533.6**
Operating costs charged to tenants	111,268.6	121,662.8	0.0	0.0	111,268.6	121,662.8
Other revenues	9,057.8	10,410.5	0.0	0.0	9,057.8	10,410.5
Revenues	**546,606.7**	**610,606.9**	**0.0**	**0.0**	**546,606.7**	**610,606.9**
Expenses from investment property	-123,469.1	-108,639.6	0.0	0.0	-123,469.1	-108,639.6
Operating expenses	-109,797.8	-118,114.7	0.0	0.0	-109,797.8	-118,114.7
Results of asset management	**313,339.8**	**383,852.6**	**0.0**	**0.0**	**313,339.8**	**383,852.6**
Proceeds from the sale of properties	146,543.3	567,713.7	0.0	0.0	146,543.3	567,713.7
Carrying amount of sold properties	-146,543.3	-567,713.7	0.0	0.0	-146,543.3	-567,713.7
Gains/losses from deconsolidation	10,950.0	3,199.3	0.0	0.0	10,950.0	3,199.3
Expenses from property sales	-4,131.3	-5,642.1	0.0	0.0	-4,131.3	-5,642.1
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	36,634.5	8,107.2	0.0	0.0	36,634.5	8,107.2
Results of property sales before foreign exchange effects	**43,453.2**	**5,664.4**	**0.0**	**0.0**	**43,453.2**	**5,664.4**
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0	0.0	0.0
Results of property sales	**43,453.2**	**5,664.4**	**0.0**	**0.0**	**43,453.2**	**5,664.4**
Proceeds from the sale of real estate inventories	47,344.0	9,727.4	0.0	0.0	47,344.0	9,727.4
Cost of real estate inventories sold	-39,524.5	-9,117.4	0.0	0.0	-39,524.5	-9,117.4
Expenses from real estate inventories	-6,551.9	-7,477.8	0.0	0.0	-6,551.9	-7,477.8
Real estate development expenses	-11,544.7	-21,431.1	0.0	0.0	-11,544.7	-21,431.1
Revaluation of properties under construction adjusted for foreign exchange effects	21,171.0	-51,934.0	0.0	0.0	21,171.0	-51,934.0
Results of property development before foreign exchange effects	**10,893.9**	**-80,232.9**	**0.0**	**0.0**	**10,893.9**	**-80,232.9**
Revaluation of properties under construction resulting from foreign exchange effects	106.6	35,196.6	0.0	0.0	106.6	35,196.6
Results of property development	**11,000.5**	**-45,036.3**	**0.0**	**0.0**	**11,000.5**	**-45,036.3**
Other operating income	21,169.4	16,979.7	1,167.0	104.9	22,336.4	17,084.6
Other operating expenses	-36,156.9	-45,919.2	-37,489.3	-45,170.0	-73,646.2	-91,089.2
Results of operations	**352,806.0**	**315,541.2**	**-36,322.3**	**-45,065.1**	**316,483.7**	**270,476.1**
Revaluation of investment properties adjusted for foreign exchange effects	-312,334.6	-179,677.8	0.0	0.0	-312,334.6	-179,677.8
Revaluation of investment properties resulting from foreign exchange effects	228,732.3	310,009.9	0.0	0.0	228,732.3	310,009.9
Goodwill impairment and earn-out effects on income	-16,878.7	68,874.1	0.0	0.0	-16,878.7	68,874.1
Other revaluation results	**-100,481.0**	**199,206.2**	**0.0**	**0.0**	**-100,481.0**	**199,206.2**
Operating profit (EBIT)	**252,325.0**	**514,747.4**	**-36,322.3**	**-45,065.1**	**216,002.7**	**469,682.3**
Financial results					**-565,177.8**	**-248,578.9**
Income taxes					-12,197.8	-149,153.2
Net profit from discontinued operations					0.0	104,980.6
Net profit for the period					**-361,372.9**	**176,930.8**
Segment investments	**199,260.8**	**488,752.9**	**0.0**	**0.0**	**199,260.8**	**488,752.9**

	30 April 2015	30 April 2014[1]	30 April 2015	30 April 2014[1]	30 April 2015	30 April 2014[1]
Investment property	5,830,951.3	6,411,640.2	0.0	0.0	5,830,951.3	6,411,640.2
Property under construction	469,133.7	222,206.1	0.0	0.0	469,133.7	222,206.1
Goodwill	176,506.6	216,327.4	0.0	0.0	176,506.6	216,327.4
Investment properties held for sale	251,759.1	118,360.9	0.0	0.0	251,759.1	118,360.9
Real estate inventories	148,031.1	155,777.2	0.0	0.0	148,031.1	155,777.2
Segment assets	**6,876,381.8**	**7,124,311.8**	**0.0**	**0.0**	**6,876,381.8**	**7,124,311.8**

[1] The comparable prior year figures were adjusted accordingly (see section 1).

5. Notes to the Consolidated Income Statement

5.1 Results of asset management

5.1.1 Rental income

The following table shows the classification of rental income by asset class:

All amounts in TEUR	1 May 2014–30 April 2015	1 May 2013–30 April 2014
Office	117,033.2	127,493.6
Logistics	56,029.4	62,502.5
Retail	228,828.0	261,911.4
Other	24,389.7	26,626.1
Total	**426,280.3**	**478,533.6**

5.1.2 Revenues

Revenues are presented by core market in the section on segment reporting. Revenues comprise rental income, operating costs charged to tenants and other revenues.

5.1.3 Expenses directly related to investment property

All amounts in TEUR	1 May 2014–30 April 2015	1 May 2013–30 April 2014
Vacancies	–20,171.0	–16,289.6
Commission expenses	–893.7	–1,604.1
Maintenance	–20,177.7	–18,449.1
Operating costs charged to building owners	–22,910.5	–22,856.3
Property marketing	–9,549.3	–7,838.5
Personnel expenses from asset management	–11,202.3	–9,705.6
Other expenses from asset management	–3,138.8	–3,800.3
Lease payments	–6,319.1	–6,628.9
Extension costs	–5,140.6	–3,805.1
Write-off of receivables from asset management	–16,376.3	–5,273.6
Other expenses	–7,589.8	–12,388.5
Total	**–123,469.1**	**–108,639.6**

The position "vacancies" covers the operating costs for vacant properties that must be carried by IMMOFINANZ Group as the owner.

The year-on-year increase in the write-off of receivables from asset management resulted, among others, from higher impairment losses in Russia, above all due to impairment losses and the write-off of rents receivable in the *Golden Babylon Rostokino* and *GOODZONE* shopping centers.

5.1.4 Operating expenses

Operating expenses amounted to EUR 109.8 million for the reporting year (2013/14: EUR 118.1 million) and include EUR 4.4 million (2013/14: EUR 0.8 million) of personnel and other expenses from the direct management of properties as well as directly allocated operating expenses and represent operating costs charged to tenants. The increase is related, above all, to the insourcing of center management services.

5.2 Results of property sales

Results from the sale of properties show the income from asset deals. This income represents the fair value of the property on the transaction date and is therefore contrasted by book value disposals of the same amount.

The gains and losses on deconsolidation show the results of share deals as a net total of the income and disposal of net assets. A list of the deconsolidated assets and liabilities as well as the respective sale prices is provided in section 3.3.

Expenses from property sales include all personnel and operating expenses directly related to the sale process for a property or property company.

The expenses for property sales comprise the following:

All amounts in TEUR	1 May 2014– 30 April 2015	1 May 2013– 30 April 2014
Sales commissions	–2,125.9	–3,077.5
Personnel expenses from property sales	–1,294.3	–1,420.3
Legal, auditing and consulting fees from property sales	–339.2	–429.0
Other expenses	–371.9	–715.3
Total	**–4,131.3**	**–5,642.1**

5.3 Results of property development

The expenses arising from real estate inventories are as follows:

All amounts in TEUR	1 May 2014– 30 April 2015	1 May 2013– 30 April 2014
Marketing for real estate inventories	–1,112.8	–591.9
Brokerage fees for real estate inventories	–679.3	–103.5
Other transaction costs for real estate inventories	–1,111.7	–566.4
Depreciation related reversals of real estate inventories	1,679.8	315.1
Depreciation of real estate inventories	–4,349.4	–6,531.1
Write-off of receivables from inventories	–31.3	0.0
Operating costs charged to building owners – inventories	–947.2	0.0
Total	**–6,551.9**	**–7,477.8**

Development expenses total EUR 11.5 million (2013/14: EUR 21.4 million) and include costs for the development and realisation of projects as well as costs that cannot be capitalised.

5.4 Other operating income

Other operating income comprises the following items:

All amounts in TEUR	1 May 2014– 30 April 2015	1 May 2013– 30 April 2014
Expenses charged on	2,217.0	1,003.8
Insurance compensation	735.7	962.0
Income from derecognised liabilities	2,383.9	4,150.6
Reimbursement for penalties	1,049.1	1,016.8
Miscellaneous	15,950.7	9,951.4
Total	**22,336.4**	**17,084.6**

Miscellaneous other operating income includes an increase of EUR 9.5 million (2013/14: EUR 0.0 million) in the value of claims for the reimbursement of input VAT in Russia. The recoverable amount represented the value in use as the present value of future VAT liabilities against which the VAT claims can presumably be offset. The future VAT liabilities were determined on the basis of current corporate forecasts, and the discount rates applied in the individual periods ranged from 10.4% to 10.8%.

5.5 Other operating expenses

Other operating expenses include the following items:

All amounts in TEUR	1 May 2014– 30 April 2015	1 May 2013– 30 April 2014
Administrative expenses	–991.4	–110.8
Legal, auditing and consulting fees	–16,968.3	–22,593.2
Penalties	–621.1	–1,037.1
Taxes and duties	–2,764.7	–6,229.0
Advertising	–1,497.3	–2,535.6
Expenses charged on	–841.6	–186.3
Rental and lease expenses	–1,067.1	–1,055.7
EDP and communications	–2,044.9	–2,374.7
Expert opinions	–1,067.2	–1,516.4
Personnel expenses	–23,977.4	–26,301.2
Addition to/reversal of provision for onerous contracts	–2,074.0	–7,414.4
Other write-downs	–4,036.0	–3,910.1
Miscellaneous	–15,695.2	–15,824.7
Total	**–73,646.2**	**–91,089.2**

The personnel expenses in the above table are attributable to non-operating departments whose services cannot be directly allocated to a specific functional area of IMMOFINANZ Group.

Information on the remuneration of the Supervisory Board is presented in section 8.5.

Miscellaneous other operating expenses consist primarily of expenses for legal disputes (see section 8.3.1). The decline in legal, auditing and consulting fees resulted mainly from a reduction in the legal advisory expenses for business transactions. The comparable amount for 2013/14 was influenced, above all, by higher legal and consulting fees due to the BUWOG spin-off.

5.6 Personnel expenses

Personnel expenses for the employees of IMMOFINANZ Group include the following:

All amounts in TEUR	1 May 2014– 30 April 2015	1 May 2013– 30 April 2014
Wages	–3,006.3	–2,304.0
Salaries	–34,344.6	–34,449.7
Expenses for defined contribution plans	–230.5	–250.4
Expenses for defined benefit plans	–345.3	–423.7
Expenses for legally required social security and other employee-related expenses	–7,994.7	–7,075.8
Other personnel expenses	–2,093.7	–1,954.2
Total	**–48,015.1**	**–46,457.8**

Personnel expenses of EUR 24.0 million (2013/14: EUR 20.2 million) were directly allocated to the functional operating areas. Expenses charged on include personnel expenses of EUR 3.9 million (2013/14: EUR 0.7 million). A further EUR 11.2 million (2013/14: EUR 9.7 million) were reported under the results of asset management. The results of property sales include EUR 1.3 million (2013/14: EUR 1.4 million) of personnel expenses. The results of property development include personnel expenses totalling EUR 7.6 million (2013/14: EUR 8.3 million) which were, for the most part, capitalised on property under construction during the reporting year.

The following table shows the average workforce employed by the companies included in the consolidation:

	2014/15	2013/14
Salaried employees	785	692
Wage employees	19	12
Total	**804**	**704**

5.7 Other revaluation results

5.7.1 Revaluation of properties adjusted for foreign exchange effects and revaluation of properties resulting from foreign exchange effects

Revaluation results include all write-ups and impairment losses recognised to assets reported under real estate on the balance sheet. Detailed information on the revaluation gains and losses by business segment is provided in section 4.

The write-ups and impairment losses are classified as follows:

	Investment property		Property under construction		Properties sold and held for sale	
All amounts in TEUR	1 May 2014–30 April 2015	1 May 2013–30 April 2014	1 May 2014–30 April 2015	1 May 2013–30 April 2014	1 May 2014–30 April 2015	1 May 2013–30 April 2014
Revaluation gains	151,434.9	271,481.7	54,275.9	14,101.6	40,787.6	11,158.5
Impairment losses	–235,037.2	–141,149.6	–32,998.3	–30,839.0	–4,153.1	–3,051.3
Total	**–83,602.3**	**130,332.1**	**21,277.6**	**–16,737.4**	**36,634.5**	**8,107.2**

The following table shows the classification by operating segment of the write-ups adjusted for foreign exchange effects and the write-ups resulting from foreign exchange effects in 2014/15:

2014/15 All amounts in TEUR	Investment property	Property under construction	Properties sold and held for sale	Total
Austria	54,464.5	337.1	28,425.7	83,227.3
Germany	25,352.9	11,519.2	1,499.3	38,371.4
Poland	1,197.4	41,940.0	1,686.3	44,823.7
Czech Republic	1,584.2	0.0	0.0	1,584.2
Slovakia	795.4	0.0	0.0	795.4
Hungary	4,698.5	153.6	0.0	4,852.1
Romania	16,219.1	0.0	48.7	16,267.8
Russia	39,659.9	0.0	374.9	40,034.8
Other	7,463.0	326.0	8,752.7	16,541.7
Total	**151,434.9**	**54,275.9**	**40,787.6**	**246,498.4**

The following table shows the classification by operating segment of the write-ups adjusted for foreign exchange effects and the write-ups resulting from foreign exchange effects in 2013/14:

2013/14 All amounts in TEUR	Investment property	Property under construction	Properties sold and held for sale	Total
Austria	13,969.4	0.0	5,493.5	19,462.9
Germany	7,762.9	11,205.1	1,250.0	20,218.0
Poland	1,456.0	965.0	0.0	2,421.0
Czech Republic	1,236.6	1,931.5	2,869.8	6,037.9
Slovakia	970.0	0.0	0.0	970.0
Hungary	2,214.2	0.0	218.1	2,432.3
Romania	8,246.7	0.0	0.0	8,246.7
Russia	227,791.5	0.0	0.0	227,791.5
Other	7,834.4	0.0	1,327.1	9,161.5
Total	**271,481.7**	**14,101.6**	**11,158.5**	**296,741.8**

The following table shows the classification by operating segment of the impairment losses adjusted for foreign exchange effects and the impairment losses resulting from foreign exchange effects in 2014/15:

2014/15 All amounts in TEUR	Investment property	Property under construction	Properties sold and held for sale	Total
Austria	-11,766.0	0.0	-20.0	-11,786.0
Germany	-6,832.5	-18,129.9	0.0	-24,962.4
Poland	-42,942.1	-5,374.3	0.0	-48,316.4
Czech Republic	-67,977.6	-51.7	0.0	-68,029.3
Slovakia	-34,086.7	0.0	0.0	-34,086.7
Hungary	-15,278.6	-389.8	-8.1	-15,676.5
Romania	-41,207.3	-8,993.1	0.0	-50,200.4
Russia	-12,622.6	0.0	0.0	-12,622.6
Other	-2,323.8	-59.5	-4,125.0	-6,508.3
Total	**-235,037.2**	**-32,998.3**	**-4,153.1**	**-272,188.6**

The following table shows the classification by operating segment of the impairment losses adjusted for foreign exchange effects and the impairment losses resulting from foreign exchange effects in 2013/14:

2013/14 All amounts in TEUR	Investment property	Property under construction	Properties sold and held for sale	Total
Austria	-23,525.3	0.0	-300.3	-23,825.6
Germany	-12,806.9	-1,835.5	-835.2	-15,477.6
Poland	-18,341.8	-4,054.2	-0.9	-22,396.9
Czech Republic	-20,743.9	-955.8	0.0	-21,699.7
Slovakia	-20,564.3	0.0	0.0	-20,564.3
Hungary	-6,907.5	0.0	0.0	-6,907.5
Romania	-28,791.4	0.0	0.0	-28,791.4
Russia	0.0	-23,993.5	0.0	-23,993.5
Other	-9,468.5	0.0	-1,914.9	-11,383.4
Total	**-141,149.6**	**-30,839.0**	**-3,051.3**	**-175,039.9**

5.7.2 Impairment of goodwill and earn-out adjustments

This position includes the impairment losses recognised to goodwill, differences from the acquisition of subsidiaries recognised to profit or loss and the earnings effects of conditional purchase price payments.

All amounts in TEUR	1 May 2014– 30 April 2015	1 May 2013– 30 April 2014
Impairment of goodwill	–16,798.5	–11,140.0
Purchase price adjustments	176.0	77,662.2
Negative differences recognised through profit or loss	–256.2	2,351.9
Total	**–16,878.7**	**68,874.1**

The purchase price adjustments in the previous financial year involved the acquisition of shares in Gangaw Investments Limited, Nicosia, a holding company that owns 100% of the Russian property company OAO Kashirskij Dvor-Severyanin, Moscow. The latter company is the owner of the *Golden Babylon Rostokino* shopping center. The purchase price was dependent, above all, on net operating income (NOI) for the 2013 calendar year and was finalised through negotiations in February 2014. The purchase price was set and paid in US Dollars. There was a reduction of EUR 77.7 million in comparison with the final purchase price expected as of 30 April 2013. A tax audit at OAO Kashirskij Dvor-Severyanin, the owner of the *Golden Babylon Rostokino* shopping center, resulted in a subsequent tax payment of EUR 24.4 million for the period from 2009 to 2011. IMMOFINANZ Group recognised this payment under current income tax expenses (see section 5.10). This subsequent tax payment was included in the final purchase price calculation and reduced the earn-out, which led to higher income from the purchase price adjustment. However, an appeal has been filed against the related tax assessment. The success of the appeal would result in tax income; a tax refund would lead to a further adjustment of the purchase price, which would represent an expense for IMMOFINANZ Group.

5.8 Shares of profit/loss from equity-accounted investments

This item includes the shares of profit or loss from joint ventures at EUR -24.9 million (2013/14: EUR 16.8 million) and from associated companies at EUR -10.6 million (2013/14: EUR 43.4 million). It also includes the results from the sale of equity-accounted investments at EUR -2.2 million (2013/14: EUR 6.0 million). Summarised financial information on joint ventures and associated companies is presented in section 6.5.

5.9 Financial results

All amounts in TEUR	1 May 2014– 30 April 2015	1 May 2013– 30 April 2014
Financing costs	**–200,437.4**	**–193,763.6**
Financing income	**25,234.4**	**18,491.1**
Foreign exchange differences	**–270,621.6**	**–126,851.0**
Profit/(loss) on other financial instruments and proceeds on the disposal of financial instruments	12,986.0	11,404.0
Valuation of financial instruments at fair value through profit or loss (fair value option)	–87,768.1	–6,912.7
Income from distributions	3,656.0	603.7
Write-off of receivables	–10,613.1	–17,750.4
Other financial results	**–81,739.2**	**–12,655.4**
Gains/losses from equity-accounted investments	**–37,614.0**	**66,200.0**
Financial results	**–565,177.8**	**–248,578.9**

The financing costs attributable to financial liabilities that are not carried at fair value through profit or loss totalled EUR 177.9 million (2013/14: EUR 170.4 million). The financing income from financial receivables that are not carried at fair value through profit or loss amounted to EUR 18.6 million (2013/14: EUR 18.2 million); this financing income also includes interest income on blocked liquid funds.

The foreign exchange differences resulted chiefly from the valuation of loans in US Dollars and from Group financing for Russian subsidiaries in Euros.

Profit/(loss) on other financial instruments and proceeds on the disposal of financial instruments involve, above all, impairment losses of EUR 12.9 million (2013/14: EUR 0.0 million) on real estate funds classified as available for sale. These impairment losses include a reclassification of EUR 3.9 million (2013/14: EUR 0.0 million) from other comprehensive income to the income statement. A further EUR –8.7 million (2013/14: EUR 14.6 million) are related to the valuation of derivatives and include a fair value measurement of EUR –10.4 million (2013/14: EUR –4.0 million) for the standalone derivatives from the 2007–2017 and 2011–2018 convertible bonds. This position also contains adjustments of EUR 20.5 million (2013/14: EUR 0.0 million) to the carrying amount of financial liabilities through profit or loss.

The valuation of financial instruments at fair value through profit or loss (fair value option) comprises write-ups of EUR 7.1 million (2013/14: EUR 6.3 million) and impairment losses of EUR 94.8 million (2013/14: EUR 13.2 million). A total of EUR –38.7 million (2013/14: EUR –9.3 million) is attributable to the valuation of real estate fund shares. In addition to the valuation of real estate fund shares, this item includes EUR –49.3 million from the fair value measurement of the exchangeable bond for BUWOG shares (see section 6.14). This negative valuation effect resulted primarily from the positive development of the BUWOG share price (approx. +20.6% since the placement of the exchangeable bond). The exchangeable bond is backed by approx. 23.1 million BUWOG shares, which are part of the equity-accounted investment in the BUWOG Group. As of 30 April 2015 the carrying amount of this investment equalled EUR 14.90 per share, while the market price equalled EUR 18.09 per share. The undisclosed reserves in the BUWOG shares that back the exchangeable bond totalled approx. EUR 73.5 million as of 30 April 2015, but were not recognised due to the application of the equity method to this investment.

Information on the share of profit/loss from associated companies is provided in section 6.5.2.

5.10 Income taxes

This position includes income taxes paid or owed by Group companies as well as the deferred taxes resulting from tax liabilities. Interest and penalties from tax proceedings are also included here.

All amounts in TEUR	1 May 2014– 30 April 2015	1 May 2013– 30 April 2014
Current income tax expense/income	–40,025.0	–43,021.1
Thereof from current period	–40,254.6	–24,069.0
Thereof from prior periods	229.6	–18,952.1
Deferred tax expense/income	27,827.2	–106,132.1
Thereof from current period	40,166.9	–57,461.5
Thereof from changes in tax rates	–235.1	4,284.9
Thereof from prior periods	12,231.4	3,293.0
Thereof from revaluation	–7,514.7	–25,758.8
Thereof from write-downs or from the reversal of previous write-downs to deferred tax assets	–16,821.3	–30,489.7
Total	**–12,197.8**	**–149,153.2**

The difference between calculated income tax expenses and the actual income tax expenses shown on the income statement is attributable to the following factors:

All amounts in TEUR	2014/15		2013/14	
Earnings before tax	**–349,175.1**		**221,103.4**	
Income tax expense at 25% tax rate	**87,293.8**	**25.0%**	**–55,275.9**	**25.0%**
Effect of different tax rates	–18,010.4	–5.2%	1,387.4	–0.6%
Effect of changes in tax rates	–235.1	–0.1%	4,284.8	–1.9%
Impairment losses to goodwill/reversal of negative goodwill	–3,420.1	–1.0%	–2,440.8	1.1%
Loss carryforwards and deferred taxes not recognised	–60,499.3	–17.3%	–41,076.7	18.6%
Non-deductible income and expenses	–22,911.8	–6.6%	–16,368.7	7.4%
Impairment losses and write-ups to deferred taxes	20,277.0	5.8%	3,759.5	–1.7%
Effects related to other periods	–8,592.9	–2.5%	–5,878.8	2.7%
Effects of deferred taxes on investments in subsidiaries, joint ventures and associated companies	–2,470.1	–0.7%	–44,376.0	20.1%
Other non temporary differences	–3,628.9	–1.0%	6,832.0	–3.1%
Effective tax rate	**–12,197.8**	**–3.5%**	**–149,153.2**	**67.5%**

The impact of the different tax rates on the effective tax rate for the Group results from the difference between the Austrian corporate tax rate of 25% and the respective local tax rates (see section 6.8).

The non-deductible income and expenses consist mainly of non-deductible interest expense, tax-free income from investments and non-deductible foreign exchange losses.

The effects reported in 2013/14 as related to other periods included a subsequent tax payment of EUR 24.4 million from a tax audit for the 2009–2011 calendar years at OAO Kashirskij Dvor-Severyanin, which owns the *Golden Babylon Rostokino* shopping center. IMMOFINANZ Group recognised this payment under current income tax expenses. The subsequent tax payment was included in the final purchase price calculation and reduced the earn-out, which led to higher income from the purchase price adjustment. However, an appeal has been filed against the related tax assessment. The success of the appeal would result in tax income; a tax refund would lead to a further adjustment of the purchase price, which would represent an expense for IMMOFINANZ Group.

In 2004/05 the major Austrian companies joined together into a corporate group in the sense of § 9 of the Austrian Corporate Tax Act. IMMOFINANZ AG serves as the head company of this group. The company and the members of the tax group concluded an agreement for the settlement of taxes, which was amended in 2011/12. In accordance with the amended agreement, each member of the group with positive results must pay a tax charge to the head of the group. This charge currently equals 25% of the assessment base and is based on the tax rate defined in § 22 (1) of the Austrian Corporate Tax Act. Any losses by members of the group are registered and can be offset in full against taxable profit recorded by the respective member in subsequent years. Group members with registered tax losses are not required to make payments to the head of the group; no payments for (negative) charges are made by the head of the group to the group members.

Up to and including the 2010/11 financial year, members of the group were required to pay a tax charge to the head of the group when taxable results were positive. A tax loss by a group member resulted in the payment of a (negative) tax charge by the head of the group to the member, whereby a rate of 12.50% was applied in both cases.

In 2009/10 another corporate group was established in accordance with § 9 of the Austrian Corporate Tax Act. CPB Enterprise GmbH serves as the head of this group. Based on the group and tax assessment agreement concluded on 22 December 2009, the taxable income generated by the members of this group is allocated to CPB Enterprise GmbH, as the head of the group, after an offset against any pre-group losses. The group contract also calls for a tax charge as settlement for the transfer of taxable income. The tax charge procedure for this tax group is the same as the new tax charge agreement implemented for the IMMOFINANZ AG corporate group; it took effect starting in the 2011/12 financial year.

5.11 Results of discontinued activities

In 2013/14 IMMOFINANZ Group transformed the BUWOG business into an independent company through a spin-off (a spin-off for absorption pursuant to the Austrian Spin-off Act). IMMOFINANZ AG held a diversified portfolio of commercial and residential properties up to that time. The establishment of an independent residential property portfolio with BUWOG AG as the parent company of an independent listed corporation, the BUWOG Group, would – from the viewpoint of IMMOFINANZ Group's management – support an improvement in the joint market capitalisation of IMMOFINANZ Group and BUWOG Group. All intragroup transactions to prepare for the spin-off were carried out under common control. The carrying amounts were taken over from the transferred company, and any interim results were eliminated.

In accordance with the spin-off and takeover contract, the shareholders of IMMOFINANZ AG received one share in BUWOG AG for every 20 shares held in IMMOFINANZ AG. The 56,447,635 shares in BUWOG AG were allocated when the spin-off took effect upon recording in the commercial register. The treasury shares held by IMMOFINANZ Group resulted in the allocation of 5,644,763 shares, which resulted in the spin-off of 51% of the shares in BUWOG AG. IMMOFINANZ Group therefore retained 49% of the shares in BUWOG AG, which management intended – and as of 30 April 2015 still intends – to sell. Based on the widely diversified shareholder structure and the expected representation of shareholders in the annual general meetings, it was assumed that the 49% investment held by IMMOFINANZ AG would create the possibility of effective control over the BUWOG Group. Not least for the purpose of presenting the separation of the BUWOG Group in the consolidated financial statements of IMMOFINANZ Group over the long-term, IMMOFINANZ AG and BUWOG AG concluded a de-domination agreement (see section 2.4) which took effect with the recording of the spin-off in the commercial register. The 49% investment in the BUWOG Group is therefore reported in the consolidated financial statements of IMMOFINANZ Group as a share in an associated company and is accounted for by applying the equity method. In its entirety, the spin-off represents a non-cash transaction.

The spin-off of BUWOG falls under the scope of application of IFRIC 17. The execution of the spin-off and the resulting loss of control over the BUWOG operating segment led to the following: the derecognition of BUWOG net assets totalling EUR 1,595.9 million (including non-controlling interests of EUR 8.4 million); the reclassification of components of other comprehensive income totalling EUR 0.0 million; to the servicing of the spin-off liability of EUR 888.5 million; and to the recognition of a 49% investment in the BUWOG Group at a value of EUR 722.3 million. The resulting effect on earnings amounted to EUR 14.9 million; it represents the deconsolidation results from the BUWOG operating segment and is included in the EUR 105.0 million results of discontinued operations. The deconsolidation results had no effect on income taxes; the spin-off was tax-neutral.

5.12 Earnings per share

In accordance with IAS 33, earnings per share are calculated by dividing net profit for the period by the weighted average number of shares outstanding. Diluting effects are only included in this calculation when they reduce earnings per share or increase the loss per share.

	2014/15	2013/14
Weighted average number of shares (basic)	**1,013,118,076**	**1,016,057,419**
Weighted average number of shares (diluted)	**1,013,118,076**	**1,016,057,419**
Net profit for the period (excl. non-controlling interests) in EUR	-357,496,300.00	173,832,900.00
Net profit excl. non-controlling interests in EUR (diluted)	**-357,496,300.00**	**173,832,900.00**
Basic earnings per share in EUR	**-0.35**	**0.17**
Diluted earnings per share in EUR	**-0.35**	**0.17**

Diluting effects could only arise in 2014/15 through potential common shares from the issue of the convertible bond 2007–2017 and the convertible bond 2011–2018. Diluting effects were not included in the calculation of earnings per share for 2014/15 because the effects of the convertible bond 2007–2017 and the convertible bond 2011–2018 did not increase the loss per share. The calculation of the number of shares outstanding reflects the deduction of the 80,561,942 treasury shares (2013/14: 112,895,268 treasury shares) held by the company.

6. Notes to the Consolidated Balance Sheet

6.1 Investment property

6.1.1 Fair value

Details on the development of the fair value of investment property are presented in the following section. Foreign exchange differences resulting from the translation of foreign company assets at the rates in effect at the beginning and the end of the year are also presented separately.

The development of the investment properties is shown below:

All amounts in TEUR	Investment property
Balance on 1 May 2013	**8,941,567.6**
Addition to the scope of consolidation	73,410.1
Deconsolidations	–86,353.2
Disposal through BUWOG spin-off	–2,564,947.0
Currency translation adjustments	–309,934.1
Additions	129,057.4
Disposals	–181,088.3
Revaluation	215,613.8
Reclassifications	312,650.0
Reclassification IFRS 5	–118,336.1
Balance on 30 April 2014	**6,411,640.2**
Balance on 1 May 2014	**6,411,640.2**
Addition to the scope of consolidation	17,450.0
Deconsolidations	–58,095.1
Currency translation adjustments	–227,829.9
Additions	23,175.7
Disposals	–39,253.2
Revaluation	–48,468.7
Reclassifications	4,091.4
Reclassification IFRS 5	–251,759.1
Balance on 30 April 2015	**5,830,951.3**

The reclassifications are related primarily to transfers from properties under construction to investment properties or from investment properties to properties under construction (e.g. for major refurbishment projects). The reclassifications also include transfers of EUR 37.0 million (2013/14: EUR 0.0 million) from real estate inventories to investment properties and transfers of EUR 1.2 million (2013/14: EUR 0.6 million) from investment properties to real estate inventories. The additions recognised during the reporting year include EUR 3.0 million (2013/14: EUR 97.5 million) of additions resulting from asset deals.

Measurement hierarchy and classes of investment property

IFRS 13 requires the classification of assets and liabilities measured at fair value in three hierarchy levels (the so-called fair value hierarchy) based on the inputs used to determine fair value. All investment properties are classified under Level 3 of the fair value hierarchy because of the various parameters used in property valuation that are not directly or indirectly observable on the market (see the following table for information on the most important non-observable input factors).

The investment properties were assigned to classes based on their respective characteristics, features and risks. The criteria used for allocation include the operating segments (in accordance with IFRS 8) and the asset classes (Office, Retail, Logistics and Other). The former were aggregated into four country groups based on specific homogeneity criteria: West (Austria, Germany), CEE (Poland, Czech Republic, Slovakia, Hungary and Romania), Russia and other non-core countries.

This aggregation resulted in the following 11 classes:

> **Office** – in each of the country groups West, CEE, other non-core countries
> **Retail** – in each of the country groups West, CEE, Russia, other non-core countries
> **Logistics** – in each of the country groups West, CEE, Russia, other non-core countries

The valuation of investment properties generally involves a net present value procedure based on the DCF method (see section 2.3.3). The following table shows the non-observable input factors used for valuation. Jones Lang LaSalle and CB Richard Ellis use DCF methods in the form of the term and reversion model; BNP Paribas Real Estate Consult values primarily with the hardcore and top slice methods, but also carries out present value-equivalent calculations with the term and reversion model. To improve comparability, the underlying input factors for the term and reversion model are shown for all three appraisers' calculations. The key input parameters used in the valuation of investment property are then listed for each asset class. A minimum and maximum value is shown for each input parameter in the class; as a result, the various parameters are generally not related to the same property. In addition to the minimum and maximum amounts, a weighted average and median amount are provided for each input parameter within the individual classes.

The following table also include the investment properties classified in accordance with IFRS 5 (see section 6.9).

Office		Lettable space in sqm	Rent per sqm and month	Discount rate	Exit yield	Vacancy rate
West	min	1,808	€ 3.35	4.92%	3.60%	0.00%
	max	68,365	€ 20.35	9.00%	7.25%	65.91%
	weighted average	12,453	€ 13.54	6.77%	5.31%	24.57%
	median	7,034	€ 13.00	6.94%	5.55%	20.96%
CEE	min	2,210	€ 6.57	7.00%	6.00%	0.00%
	max	82,774	€ 56.49	9.50%	9.25%	94.91%
	weighted average	16,507	€ 12.83	8.45%	7.97%	24.96%
	median	10,944	€ 12.56	8.55%	8.13%	23.68%
Other non-core countries	min	3,652	€ 9.57	8.50%	8.25%	34.85%
	max	15,853	€ 19.13	11.90%	9.75%	79.24%
	weighted average	9,766	€ 16.59	9.51%	8.78%	49.17%
	median	9,792	€ 11.08	10.25%	8.50%	61.15%

Retail		Lettable space in sqm	Rent per sqm and month	Discount rate	Exit yield	Vacancy rate
West	min	536	€ 3.07	6.00%	5.80%	0.00%
	max	24,677	€ 13.64	11.00%	10.75%	65.44%
	weighted average	2,018	€ 8.29	8.62%	8.03%	1.86%
	median	1,240	€ 7.52	8.86%	9.23%	0.00%
CEE	min	2,636	€ 6.50	8.00%	7.40%	0.00%
	max	62,963	€ 24.49	9.40%	9.00%	28.37%
	weighted average	11,201	€ 11.79	8.73%	8.40%	6.65%
	median	6,990	€ 9.14	8.55%	8.25%	0.55%
Russia	min	9,056	€ 51.59	12.50%	11.50%	3.54%
	max	167,355	€ 74.37	13.75%	12.25%	23.32%
	weighted average	55,597	€ 60.81	11.74%	11.74%	13.88%
	median	25,372	€ 61.10	13.25%	11.75%	9.44%
Other non-core countries	min	1,665	€ 7.24	8.25%	7.75%	0.00%
	max	12,397	€ 14.96	9.00%	8.50%	22.76%
	weighted average	5,060	€ 10.33	8.42%	7.96%	3.79%
	median	4,125	€ 12.15	8.50%	8.00%	0.00%

Logistics		Lettable space in sqm	Rent per sqm and month	Discount rate	Exit yield	Vacancy rate
West	min	2,528	€ 0.70	4.48%	6.40%	0.00%
	max	116,386	€ 7.22	11.17%	12.25%	57.45%
	weighted average	31,804	€ 3.04	7.83%	7.83%	5.71%
	median	26,145	€ 3.34	7.06%	7.75%	0.69%
CEE	min	13,215	€ 2.78	8.25%	8.50%	0.00%
	max	33,686	€ 8.19	10.50%	10.25%	95.05%
	weighted average	19,063	€ 4.99	9.57%	9.27%	21.78%
	median	17,275	€ 4.91	9.50%	9.00%	6.12%
Russia	min	41,305	€ 10.95	14.00%	13.75%	21.03%
	max	41,305	€ 10.95	14.00%	13.75%	21.03%
	weighted average	41,305	€ 10.95	14.00%	13.75%	21.03%
	median	41,305	€ 10.95	14.00%	13.75%	21.03%
Other non-core countries	min	1,272	€ 5.29	9.00%	8.25%	0.00%
	max	6,915	€ 16.43	10.34%	9.00%	13.73%
	weighted average	4,495	€ 10.91	9.80%	8.60%	0.57%
	median	4,863	€ 10.79	9.83%	8.75%	0.00%

An increase in the rent per square meter would lead to an increase in fair value, while a decrease in this parameter would cause a decrease in fair value. An increase in the discount rate, exit yield and/or vacancy rate would lead to a reduction in fair value, while a reduction in these factors would result in a higher fair value.

The following table shows the input factors for properties valued according to the comparable value method (undeveloped land and vacant buildings):

Office		Land in sqm	Price per sqm
West	min	891	€ 657.89
	max	8,723	€ 4,507.13
	weighted average	4,239	€ 1,539.46
	median	3,670	€ 1,798.42
CEE	min	2,162	€ 135.67
	max	194,592	€ 568.92
	weighted average	49,211	€ 201.09
	median	21,450	€ 397.01
Other non-core countries	min	69,109	€ 214.15
	max	69,109	€ 214.15
	weighted average	69,109	€ 214.15
	median	69,109	€ 214.15

Retail		Land in sqm	Price per sqm
West	min	1,265	€ 125.68
	max	4,200	€ 592.89
	weighted average	2,910	€ 192.45
	median	2,848	€ 164.29
CEE	min	3,916	€ 31.91
	max	126,500	€ 473.40
	weighted average	48,475	€ 106.49
	median	36,307	€ 68.40
Other non-core countries	min	21,380	€ 84.55
	max	52,041	€ 121.14
	weighted average	36,711	€ 95.20
	median	36,711	€ 102.84

Logistics		Land in sqm	Price per sqm
West	min	17,019	€ 31.73
	max	53,430	€ 235.42
	weighted average	31,412	€ 118.21
	median	23,787	€ 93.58
CEE	min	12,760	€ 6.65
	max	560,396	€ 289.97
	weighted average	125,464	€ 22.59
	median	68,055	€ 22.85

Other		Land in sqm	Price per sqm
CEE	min	481	€ 12.72
	max	210,034	€ 769.39
	weighted average	25,675	€ 158.10
	median	13,129	€ 156.83
Other non-core countries	min	6,306	€ 7.94
	max	196,671	€ 1,404.06
	weighted average	43,331	€ 76.01
	median	28,869	€ 75.51

An increase in the price per square meter would lead to an increase in fair value, while a decrease would lead to a comparatively lower fair value.

The following table shows a transition calculation from the opening balance sheet to the closing balance sheet, arranged by property class:

Office All amounts in TEUR	West	CEE	Russia	Other non-core countries	Total
Balance on 1 May 2013	**1,050,174.0**	**1,496,470.0**	**0.0**	**60,460.0**	**2,607,104.0**
Addition to the scope of consolidation	0.0	2,200.0	0.0	0.0	
Deconsolidations	0.0	–10,970.0	0.0	0.0	
Disposal through BUWOG spin-off	–8,456.0	0.0	0.0	0.0	
Foreign exchange differences	0.0	0.0	0.0	–13.8	
Additions	2,577.2	1,956.3	0.0	39.8	
Disposals	–34,442.6	–6.1	0.0	0.0	
Valuation of properties in the portfolio as of the balance sheet date	–15,284.4	–50,548.8	0.0	–4,427.0	
Valuation of properties no longer in the portfolio as of the balance sheet date	3,597.4	0.0	0.0	0.0	
Reclassifications	30,414.4	25,038.6	0.0	91.0	
Balance on 30 April 2014	**1,028,580.0**	**1,464,140.0**	**0.0**	**56,150.0**	**2,548,870.0**
Balance on 1 May 2014	**1,028,580.0**	**1,464,140.0**	**0.0**	**56,150.0**	**2,548,870.0**
Foreign exchange differences	0.0	0.0	0.0	58.8	
Additions	4,036.5	4,244.9	0.0	44.1	
Valuation of properties in the portfolio as of the balance sheet date	34,417.0	–148,263.5	0.0	–344.6	
Reclassifications	3,161.5	–55,321.4	0.0	–8.1	
Reclassification IFRS 5	–50,625.0	0.0	0.0	0.0	
Balance on 30 April 2015	**1,019,570.0**	**1,264,800.0**	**0.0**	**55,900.2**	**2,340,270.2**

Retail All amounts in TEUR	West	CEE	Russia	Other non-core countries	Total
Balance on 1 May 2013	**261,430.0**	**877,718.0**	**1,575,400.0**	**31,320.0**	**2,745,868.0**
Addition to the scope of consolidation	0.0	8,610.0	0.0	20,600.0	
Disposal through BUWOG spin-off	–24,640.0	0.0	0.0	0.0	
Foreign exchange differences	0.0	0.0	–295,441.0	–203.0	
Additions	992.0	14,001.0	–300.1	0.0	
Disposals	–7,162.7	–19.8	–110.7	0.0	
Valuation of properties in the portfolio as of the balance sheet date	–4,918.4	–25,743.6	221,664.0	1,093.0	
Valuation of properties no longer in the portfolio as of the balance sheet date	3,588.0	0.0	0.0	0.0	
Reclassifications	1,416.1	15,934.4	208,987.8	0.0	
Reclassification IFRS 5	–1,625.0	0.0	0.0	0.0	
Balance on 30 April 2014	**229,080.0**	**890,500.0**	**1,710,200.0**	**52,810.0**	**2,882,590.0**
Balance on 1 May 2014	**229,080.0**	**890,500.0**	**1,710,200.0**	**52,810.0**	**2,882,590.0**
Deconsolidations	–15,900.0	0.0	0.0	0.0	
Foreign exchange differences	0.0	0.0	–219,655.1	–891.8	
Additions	1,502.7	2,327.9	5,861.5	455.7	
Disposals	–2,727.0	–1,167.9	–2,232.6	0.0	
Valuation of properties in the portfolio as of the balance sheet date	6,305.8	–17,039.5	27,084.0	–868.7	
Valuation of properties no longer in the portfolio as of the balance sheet date	470.0	199.9	0.0	0.0	
Reclassifications	178.5	3,584.6	15,255.2	584.8	
Balance on 30 April 2015	**218,910.0**	**878,405.0**	**1,536,513.0**	**52,090.0**	**2,685,918.0**

Logistics All amounts in TEUR	West	CEE	Russia	Other non-core countries	Total
Balance on 1 May 2013	**303,000.0**	**199,080.0**	**34,600.0**	**208,394.7**	**745,074.7**
Foreign exchange differences	0.0	0.0	–6,592.5	289.0	
Additions	1,911.6	–308.2	7.4	1,350.9	
Disposals	–5,164.8	–348.9	0.0	0.0	
Valuation of properties in the portfolio as of the balance sheet date	1,142.4	784.3	6,085.1	–4,218.4	
Valuation of properties no longer in the portfolio as of the balance sheet date	–635.2	0.0	0.0	0.0	
Reclassifications	27,156.0	797.7	0.0	0.0	
Reclassification IFRS 5	0.0	–22,284.9	0.0	–94,426.2	
Balance on 30 April 2014	**327,410.0**	**177,720.0**	**34,100.0**	**111,390.0**	**650,620.0**
Balance on 1 May 2014	**327,410.0**	**177,720.0**	**34,100.0**	**111,390.0**	**650,620.0**
Deconsolidations	–30,395.1	–11,800.0	0.0	0.0	
Foreign exchange differences	0.0	0.0	–4,381.2	0.0	
Additions	637.4	469.3	0.0	2,897.5	
Disposals	0.0	–39.9	–47.1	0.0	
Valuation of properties in the portfolio as of the balance sheet date	16,471.1	–3,749.8	328.3	5,732.5	
Reclassifications	926.6	–26.5	0.0	0.0	
Reclassification IFRS 5	0.0	–4,753.1	0.0	–120,020.0	
Balance on 30 April 2015	**315,050.0**	**157,820.0**	**30,000.0**	**0.0**	**502,870.0**

Other All amounts in TEUR	West	CEE	Russia	Other non-core countries	Total
Balance on 1 May 2013	**2,667,701.5**	**142,212.6**	**0.0**	**33,606.8**	**2,843,520.9**
Addition to the scope of consolidation	42,000.1	0.0	0.0	0.0	
Deconsolidations	–75,383.2	0.0	0.0	0.0	
Disposal through BUWOG spin-off	–2,531,851.0	0.0	0.0	0.0	
Foreign exchange differences	0.0	0.0	0.0	–7,972.8	
Additions	105,848.5	152.3	0.0	828.7	
Disposals	–133,293.3	0.0	0.0	–539.4	
Valuation of properties in the portfolio as of the balance sheet date	3,639.4	–2,588.0	0.0	5,330.5	
Valuation of properties no longer in the portfolio as of the balance sheet date	77,053.5	0.0	0.0	0.0	
Reclassifications	14,150.3	–11,336.3	0.0	0.0	
Balance on 30 April 2014	**169,865.8**	**128,440.6**	**0.0**	**31,253.8**	**329,560.2**
Balance on 1 May 2014	**169,865.8**	**128,440.6**	**0.0**	**31,253.8**	**329,560.2**
Addition to the scope of consolidation	0.0	17,450.0	0.0	0.0	
Foreign exchange differences	0.0	0.0	0.0	–2,960.6	
Additions	151.2	431.7	0.0	115.3	
Disposals	–24,009.0	–8,447.3	0.0	–582.4	
Valuation of properties in the portfolio as of the balance sheet date	31,460.8	–7,904.4	0.0	5,247.6	
Valuation of properties no longer in the portfolio as of the balance sheet date	500.0	1,484.8	0.0	0.0	
Reclassifications	3,350.6	32,405.6	0.0	0.0	
Reclassification IFRS 5	–75,500.0	0.0	0.0	–861.0	
Balance on 30 April 2015	**105,819.4**	**163,861.0**	**0.0**	**32,212.7**	**301,893.1**

All amounts in TEUR	West	CEE	Russia	Other non-core countries	Total
Balance on 30 April 2014	**1,754,935.8**	**2,660,800.6**	**1,744,300.0**	**251,603.8**	**6,411,640.2**
Balance on 30 April 2015	**1,659,349.4**	**2,464,886.0**	**1,566,513.0**	**140,202.9**	**5,830,951.3**

Sensitivity analyse of revaluation results

Property valuation in IMMOFINANZ Group follows general branch practices and is based on fair value as defined in IAS 40. The resulting values are heavily dependent on the calculation method and the underlying assumptions (input factors). For example: a change in the assumed occupancy or future investment costs can have a direct effect on the fair value of the property and, in turn, on the revaluation results of IMMOFINANZ Group. Therefore, the derived fair values are directly related to the underlying assumptions and the calculation model. Even minor changes to the economic or property-specific assumptions used for valuation can have a significant influence on the earnings reported by IMMOFINANZ Group.

The following two tables show the per cent change in the fair value of investment property that would result from changes in rental income and interest rates, respectively from changes in rental income and the vacancy rate:

					Change in rental income in %
Change in interest rate in basis points [1]	**-5.0%**	**-2.5%**	**0.0%**	**+2.5%**	**+5.0%**
-50	-0.2%	2.1%	4.4%	6.7%	9.1%
-25	-2.3%	-0.1%	2.2%	4.4%	6.7%
0	-4.4%	-2.2%	0.0%	2.2%	4.4%
25	-6.3%	-4.2%	-2.0%	0.1%	2.3%
50	-8.2%	-6.1%	-4.0%	-1.9%	0.2%

[1] Discount rate and capitalisation rate

					Change in vacancy rate in percentage points
Change in rental income in %	**-5.0**	**-2.5**	**0.0**	**+2.5**	**+5.0**
-5.0%	-1.1%	-3.3%	-4.4%	-6.5%	-8.6%
-2.5%	1.2%	-1.1%	-2.2%	-4.3%	-6.4%
0.0%	3.4%	1.1%	0.0%	-2.2%	-4.3%
2.5%	5.7%	3.3%	2.2%	0.0%	-2.2%
5.0%	8.0%	5.6%	4.4%	2.2%	-0.1%

The above data are based on the top 30 standing investments. As of 30 April 2015 the carrying amount of investment property totalled EUR 5,831.0 million (2013/14: EUR 6,574.7 million), while the carrying amount of the top 30 standing investments equalled EUR 3,313.5 million (2013/14: EUR 3,557.0 million) or 56.83% (2013/14: 54.1%) of the standing investment portfolio.

For the top 30 standing investments, the interest rates (capitalisation, resp. discount rate) used by the appraisers for valuation as of 30 April 2015 ranged from 4.2% to 13.8% (2013/14: 5.39% to 12.75%). The interest rates were highest in Russia with a range of 11.5% to 13.8% (2013/14: 11.5% to 12.75%) and lowest in Austria with a range of 4.2% to 7.1% (2013/14: 5.39% to 7.09%).

Changes in exchange rates also have an effect on profit or loss through revaluation results.

Property appraisals are generally prepared on the basis of Euro values. An increase in foreign exchange rates compared to the Euro leads to a translation-based increase in the Euro fair value of investment properties over the fair value reported in the previous year's appraisal. When the latest higher value is compared with the prior year Euro equivalent, translation back into the functional currency (local currency) produces a lower value – because of the higher exchange rate – and therefore leads to a write-down. If the value in the appraisal rises, this foreign exchange effect reduces the upward valuation of the property; if the value in the appraisal is lower, this effect increases the write-down. A decline in foreign exchange rates versus the Euro leads to the opposite effect. A higher appraisal value increases the foreign exchange effect of the property revaluation, while a lower appraisal reduces the write-down.

The following table shows how the revaluation of investment properties, property under construction and properties held for sale would be influenced by an increase or decrease of 2% and 5% in the local currency as of 30 April 2015. This calculation is based on the exchange rates specified in section 2.2.3. The analysis assumes that all other relevant variables, especially interest rates, remain constant.

Based on the following exchange rate movements as of 30 April 2015 **All amounts in TEUR**	**2014/15**	**Δ +2%**	**Δ –2%**	**Δ +5%**	**Δ –5%**
Russia	27,412.2	–30,645.0	31,895.7	–74,423.5	82,257.5
Other	10,033.4	–2,088.5	2,173.7	–5,072.0	5,605.9
Operating segments excl. revaluation resulting from foreign exchange effects	–63,135.8	0.0	0.0	0.0	0.0
Total	**–25,690.2**	**–32,733.5**	**34,069.4**	**–79,495.5**	**87,863.4**

6.1.2 Concentration risk

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

The Russian market is associated with a number of specific concentration risks. On the one hand, IMMOFINANZ Group has a single investment with the *Golden Babylon Rostokino* shopping center in Moscow – which represents more than 15% of the total portfolio based on fair value. On the other hand, the investments in Russia are concentrated in the Moscow retail market, which comprises 26.4% of the Group's standing investment portfolio.

Given the high share of the total portfolio represented by the *Golden Babylon Rostokino*, a change in the underlying input factors and resulting change in the value of this asset could have a significant effect on Group earnings. The following table shows the changes in fair value that would result from a shift in the valuation parameters:

Golden Babylon Rostokino					**Change in rental income in %**
Change in interest rate in basis points [1]	**–5.0%**	**–2.5%**	**0.0%**	**+2.5%**	**+5.0%**
–50	1.0%	2.7%	4.4%	6.1%	7.8%
–25	–1.1%	0.5%	2.2%	3.8%	5.4%
0	–3.2%	–1.6%	0.0%	1.6%	3.2%
25	–5.1%	–3.6%	–2.1%	–0.5%	1.0%
50	–7.0%	–5.5%	–4.0%	–2.5%	–1.0%

[1] Discount rate and capitalisation rate

Golden Babylon Rostokino					**Change in vacancy rate in percentage points**
Change in rental income in %	**–5.0**	**–2.5**	**0.0**	**+2.5**	**+5.0**
–5.0%	2.1%	–3.2%	–3.2%	–5.8%	–8.5%
–2.5%	3.8%	–1.6%	–1.6%	–4.3%	–7.0%
0.0%	5.5%	0.0%	0.0%	–2.7%	–5.5%
2.5%	7.1%	1.6%	1.6%	–1.2%	–4.0%
5.0%	8.8%	3.2%	3.2%	0.4%	–2.5%

6.1.3 Leasing

IMMOFINANZ Group as the lessee

Investment property include standing assets with a combined value of EUR 5.7 million (2013/14: EUR 24.5 million) that were obtained through finance leases. The future minimum lease payments arising from finance lease assets totalled EUR 2.6 million as of 30 April 2015 (2013/14: EUR 8.3 million). The corresponding present value is EUR 2.6 million (2013/14: EUR 7.2 million).

All amounts in TEUR	30 April 2015	Due within 1 year	Due in 1 to 5 years	Due in over 5 years
Present value	2,564.9	1,937.8	627.1	0.0
Interest component	68.5	58.3	10.2	0.0
Total	**2,633.4**	**1,996.1**	**637.3**	**0.0**

All amounts in TEUR	30 April 2014	Due within 1 year	Due in 1 to 5 years	Due in over 5 years
Present value	7,154.9	1,634.3	4,168.1	1,352.5
Interest component	1,179.4	293.0	573.7	312.7
Total	**8,334.3**	**1,927.3**	**4,741.8**	**1,665.2**

Expenses of EUR 8.8 million were recognised for operating leases in 2014/15 (2013/14: EUR 8.4 million). This amount includes conditional lease payments of EUR 0.3 million (2013/14: EUR 0.2 million). The minimum lease payments for the operating leases are as follows:

All amounts in TEUR	30 April 2015	Due within 1 year	Due in 1 to 5 years	Due in over 5 years
Minimum lease payments	242,817.1	7,107.2	26,945.4	208,764.5
Total	**242,817.1**	**7,107.2**	**26,945.4**	**208,764.5**

All amounts in TEUR	30 April 2014	Due within 1 year	Due in 1 to 5 years	Due in over 5 years
Minimum lease payments	240,996.9	7,815.5	29,989.2	203,192.2
Total	**240,996.9**	**7,815.5**	**29,989.2**	**203,192.2**

The operating leases are related chiefly to leases for land. These contracts have an average term of 30.0 years (2013/14: 31.6 years) and are normally indexed or include an adjustment of the lease payment to reflect the development of the land price. As a rule, the lease contracts do not include a purchase option.

The present value of the minimum lease payments was calculated at the discount rate underlying the lease and apportioned into a finance charge and the repayment of the outstanding liability.

IMMOFINANZ Group as the lessor

The investment properties held by IMMOFINANZ include properties in the office, logistics, retail and other asset classes which are leased to third parties. The revenues generated by these leases are shown in section 5.1.1.

The leases differ substantially due to the diversity of the properties and their broad geographical distribution. At the beginning of the lease, the lessee normally waives all cancellation rights for a period of three months to ten years. The leases do not include a purchase option, and extension and price adjustment clauses are negotiated separately with each lessee. Contingent lease payments include ordinary market-related index adjustments.

All leases in which IMMOFINANZ serves as the lessor are classified as operating leases. Therefore, all leased property is carried on the IMMOFINANZ balance sheet.

Turnover-based rents of EUR 8.6 million were recognised during the reporting year (2013/14: EUR 8.8 million).

The future rental income from the leases in effect as of 30 April 2015 is as follows:

All amounts in TEUR	2014/15	2013/14
Within 1 year	439,608.2	462,529.1
Between 1 and 5 years	1,272,873.7	1,420,494.0
Over 5 years	801,915.3	1,160,540.2
Total	**2,514,397.2**	**3,043,563.3**

This estimated rental income from existing leases includes future index adjustments. Special cancellation rights and additional rental income from turnover-based rents were not included. An average lease term of 15 years was applied to open-end rental contracts.

6.2 Property under construction

The development of property under construction is shown in the following table:

All amounts in TEUR	Property under construction
Balance on 1 May 2013	**322,420.0**
Addition to the scope of consolidation	2,304.1
Disposal through BUWOG spin-off	–18,757.8
Currency translation adjustments	–35,199.1
Additions	271,980.9
Disposals	–2,160.7
Revaluation	–17,376.9
Reclassifications	–300,979.6
Reclassification IFRS 5	–24.8
Balance on 30 April 2014	**222,206.1**
Balance on 1 May 2014	**222,206.1**
Addition to the scope of consolidation	2,372.1
Currency translation adjustments	–127.7
Additions	171,527.4
Disposals	–5,476.3
Revaluation	22,778.5
Reclassifications	55,853.6
Balance on 30 April 2015	**469,133.7**

The additions reported under development projects represent capitalised construction costs.

The residual value method is used to value property under construction. Residual value is understood to represent the amount remaining after the deduction of all development costs from the property's estimated selling price after completion. The most important input factors for this valuation method are the future net proceeds from the project, the discount rate (these two parameters generally determine the estimated fair value on completion) and the outstanding development costs. The discount rates for IMMOFINANZ Group's development projects range from 4.10% to 9.50% (2013/14: 5.25% to 7.25%); the estimated fair values of the projects on completion range from EUR 4.8 million to EUR 162.5 million (2013/14: EUR 39.7 million to EUR 163.7 million); and the estimated outstanding construction costs by property range from EUR 0.5 million to EUR 103.5 million (EUR 3.4 million to EUR 70.0 million).

6.3 Other tangible assets

The following table shows the development of other tangible assets:

All amounts in TEUR	Other tangible assets
Acquisition costs as of 1 May 2013	**53,706.1**
Change in scope of consolidation	46.5
Disposal through BUWOG spin-off	–18,915.5
Currency translation adjustments	–503.4
Additions	2,438.3
Disposals	–1,105.5
Reclassifications	1,946.2
Acquisition costs as of 30 April 2014	**37,612.7**
Accumulated depreciation as of 1 May 2013	**–34,844.3**
Change in scope of consolidation	–36.2
Disposal through BUWOG spin-off	11,055.8
Currency translation adjustments	220.5
Disposals	974.9
Reclassifications	–1,880.8
Depreciation for the year	–4,492.1
Impairment losses	0.0
Accumulated depreciation as of 30 April 2014	**–29,002.2**
Carrying amount as of 30 April 2014	**8,610.5**

All amounts in TEUR	Other tangible assets
Acquisition costs as of 1 May 2014	**37,612.7**
Change in scope of consolidation	–30.0
Currency translation adjustments	49.2
Additions	397.8
Disposals	–2,342.3
Reclassifications	–2,320.8
Reclassification IFRS 5	–5,608.1
Acquisition costs as of 30 April 2015	**27,758.5**
Accumulated depreciation as of 1 May 2014	**–29,002.2**
Change in scope of consolidation	30.0
Currency translation adjustments	–178.3
Disposals	2,180.6
Reclassifications	1,479.0
Reclassification IFRS 5	4,451.9
Depreciation for the year	–2,839.7
Impairment losses	0.0
Accumulated depreciation as of 30 April 2015	**–23,878.7**
Carrying amount as of 30 April 2015	**3,879.8**

6.4 Intangible assets

The carrying amounts of goodwill (see section 6.4.1) and other intangible assets (see section 6.4.2) are as follows:

All amounts in TEUR	30 April 2015	30 April 2014
Goodwill	176,506.6	216,327.4
Other intangible assets	670.3	2,785.5
Total	**177,176.9**	**219,112.9**

6.4.1 Goodwill

The development of goodwill is shown in the following table:

All amounts in TEUR	Goodwill
Balance on 1 May 2013	**271,948.2**
Additions	2,681.7
Disposals	–1,869.7
Currency translation adjustments	–45,292.8
Impairment losses	–11,140.0
Balance on 30 April 2014	**216,327.4**
Balance on 1 May 2014	**216,327.4**
Currency translation adjustments	–17,019.1
Impairment losses	–16,798.5
Reclassification IFRS 5	–6,003.2
Balance on 30 April 2015	**176,506.6**

Goodwill totalling EUR 16.8 million (2013/14: EUR 11.1 million) was written off through impairment charges during the reporting year in accordance with IAS 36. These impairment charges represent expenses that are not deductible for tax purposes.

The reclassification of goodwill was related to City Box, which was classified as held for sale as of 30 April 2015 (see section 6.9).

The following table shows goodwill (after the deduction of impairment losses in 2014/15), the impairment losses recognised in 2014/15 and the related investment property by operating segment:

Segment	Goodwill	Impairment losses	Investment property
Poland	1,488.8	–6,600.4	256,200.0
Czech Republic	22,726.2	–7,542.1	301,840.0
Slovakia	760.6	–295.0	47,600.0
Hungary	5,418.8	–184.7	267,400.0
Romania	20,851.3	0.0	324,860.0
Russia	119,842.2	0.0	1,288,363.0
Other	5,418.7	–2,176.3	203,062.7
Total	**176,506.6**	**–16,798.5**	**2,689,325.7**

The cash-generating units generally represent individual properties or property portfolios (see section 2.3.2). Due to the extensive number of properties held by IMMOFINANZ Group, this presentation is aggregated by segment.

IMMOFINANZ Group is exposed to a substantial concentration risk in Russia, in general, and in the *Golden Babylon Rostokino* shopping center in Moscow, in particular. As of 30 April 2015, the value of the related goodwill was confirmed. If the fair value of the related cash-generating unit were reduced by 38.5%, the recoverable amount of the related cash-generating unit would reflect the carrying amount and an impairment loss would still not be required for goodwill.

All goodwill is tested for indications of impairment. The required disclosures on the determination of the recoverable amount are provided in section 6.1. Detailed information on impairment charges to goodwill is shown in the following table:

All amounts in TEUR	
Goodwill	45,069.0
Investment property	568,470.0
Deferred tax liability	–28,270.5
Carrying amount of cash-generating units	**585,268.5**
Fair value less cost to sell of cash-generating unit	568,470.0
Impairment losses	**–16,798.5**

6.4.2 Other intangible assets

Other intangible assets consist primarily of software and various rights. The development of other intangible assets (excluding goodwill) is shown in the following table:

All amounts in TEUR	Other intangible assets
Acquisition costs as of 1 May 2013	**12,013.8**
Change in scope of consolidation	21.3
Disposal through BUWOG spin-off	–6,648.7
Currency translation adjustments	–23.6
Additions	2,402.0
Disposals	–36.1
Reclassifications	3.1
Acquisition costs as of 30 April 2014	**7,731.8**
Accumulated depreciation as of 1 May 2013	**–8,718.3**
Change in scope of consolidation	–27.4
Disposal through BUWOG spin-off	5,189.1
Currency translation adjustments	10.8
Disposals	19.3
Reclassifications	0.2
Depreciation for the year	–1,420.0
Accumulated depreciation as of 30 April 2014	–4,946.3
Carrying amount as of 30 April 2014	**2,785.5**

All amounts in TEUR	Other intangible assets
Acquisition costs as of 1 May 2014	**7,731.8**
Currency translation adjustments	–14.0
Additions	390.8
Disposals	–64.0
Reclassifications	–10.0
Reclassification IFRS 5	–1,943.5
Acquisition costs as of 30 April 2015	**6,091.1**
Accumulated depreciation as of 1 May 2014	**–4,946.3**
Currency translation adjustments	7.9
Disposals	64.0
Reclassifications	7.4
Reclassification IFRS 5	397.1
Depreciation for the year	–950.9
Accumulated depreciation as of 30 April 2015	**–5,420.8**
Carrying amount as of 30 April 2015	**670.3**

None of the intangible assets are encumbered.

6.5 Equity-accounted investments

For joint ventures and associated companies, the income and expenses and the carrying amounts of assets and liabilities are determined in accordance with the accounting policies defined by IMMOFINANZ Group. The basis for the equity accounting of joint ventures is formed by financial statements which are prepared as of the balance sheet date of IMMOFINANZ Group. For associated companies, the latest available financial statements form the basis for accounting under the equity method. Associated companies that use a different balance sheet date prepare interim financial statements as of 30 April. In cases where it is not possible to prepare interim financial statements, IMMOFINANZ Group recognises adjustments for material transactions or other events that occur between the balance sheet date of the associated company and the balance sheet date of IMMOFINANZ Group during the equity accounting process.

The associated BUWOG Group is included on the basis of consolidated interim financial statements that do not differ by more than three months from the balance sheet date of IMMOFINANZ Group. Material business transactions and events occurring in the BUWOG Group during the interim period are included through appropriate adjustments based on best judgment. In 2014/15 IMMOFINANZ Group only recognised adjustments arising from the finalisation of the purchase price allocation and the proportional share of BUWOG Group results for the period from 1 May 2014 to 31 January 2015.

The included consolidated financial statements of the associated TriGránit Holding Ltd. and the included financial statements of Walk about Beteiligungs GmbH and Visionär Beteiligungs GmbH have a balance sheet date of 31 December. The preparation of interim financial statements by these companies was not possible. All major transactions and events for these companies that occurred between their balance sheet date and the balance sheet date of IMMOFINANZ AG were included according to best judgment.

6.5.1 Investments in joint ventures

The most important joint ventures for IMMOFINANZ Group are:

- HEPP III Luxemburg MBP SARL, which maintains its registered office in Luxembourg, holds eight office properties in Warsaw with the *EMPARK Mokotów Business Park*.
- NP Investments a.s., which maintains its registered office in Prague, is the owner of the *Na Prikope* office and shopping center in the inner city of Prague.
- IMMOKRON Immobiliengesellschaft m.b.H., which maintains its registered office in Vienna, operates two retail properties in Austria with the *FMZ Gmünd* and *FMZ Korneuburg* retail parks.

The following table provides aggregated financial information on the joint ventures, including a reconciliation to the carrying amounts and shares of profit or loss reported in the consolidated financial statements of IMMOFINANZ Group. The other adjustments are related primarily to coverage for negative carrying amounts through the reduction of receivables which are considered net investments in the joint ventures according to IAS 28 because of their economic content.

All amounts in TEUR	HEPP III Luxembourg MBP SARL 30 April 2015	NP Investments a.s. 30 April 2015	IMMOKRON Immobilienbe-triebsgesellschaft m.b.H. 30 April 2015	Other 30 April 2015	Total 30 April 2015
Non-current assets	180,974.2	59,885.5	28,070.3	45,426.4	314,356.4
Thereof investment property	171,280.0	58,270.0	7,300.0	28,135.3	264,985.3
Current assets	9,840.1	190.0	4,367.2	10,824.7	25,221.9
Thereof cash and cash equivalents	8,355.4	64.4	4,302.0	6,264.3	18,986.1
Non-current liabilities	127,026.3	1,678.0	3,057.8	45,162.6	176,924.7
Thereof non-current financial liabilities	117,257.0	0.0	1,961.3	27,952.6	147,170.9
Current liabilities	126,390.3	81,803.3	7,134.2	16,518.6	231,846.4
Thereof current financial liabilities	8,221.7	22,585.7	231.6	150.0	31,189.0
Equity	**-62,602.3**	**-23,405.8**	**22,245.4**	**-5,430.1**	**-69,192.7**
Equity interest of IMMOFINANZ Group in the investment	**-31,301.1**	**-11,702.9**	**17,796.3**	**-4,261.5**	**-29,469.2**
Other adjustments	31,301.1	11,702.9	-82.8	9,908.7	52,830.0
Carrying amount as of 30 April 2015	**0.0**	**0.0**	**17,713.5**	**5,647.2**	**23,360.7**
Losses not recognised during the reporting period	0.0	0.0	0.0	0.0	0.0
Cumulative losses not recognized as of 30 April 2015	0.0	0.0	0.0	0.0	0.0

	1 May 2014– 30 April 2015	1 May 2014– 30 April 2015	1 May 2014– 30 April 2015	1 May 2014– 30 April 2015	1 May 2014– 30 April 2015
Rental income	13,030.1	1,047.3	642.2	1,708.5	16,428.1
Expenses charged on and other revenue	7,996.9	151.3	116.6	1.0	8,265.8
Revenues	**21,027.0**	**1,198.6**	**758.9**	**1,709.4**	**24,693.9**
Net profit/loss for the period	**-35,447.4**	**-6,815.9**	**933.0**	**-6,297.3**	**-47,627.5**
Thereof depreciation	0.0	-9.9	0.0	-0.3	-10.2
Thereof interest income	18.5	0.0	567.3	143.6	729.4
Thereof interest expense	-12,244.1	-5,588.7	-75.6	-1,845.7	-19,754.1
Thereof income taxes	1,261.6	-8.2	-395.5	-1,850.5	-992.6
Thereof attributable to non-controlling interests	0.0	0.0	0.0	0.0	0.0
Thereof attributable to shareholders of the investment	-35,447.4	-6,815.9	933.0	-6,297.3	-47,627.5
Share of net profit/loss attributable to IMMOFINANZ Group	-17,723.7	-3,407.9	746.4	-3,412.7	-23,797.9
Other adjustments	0.0	0.0	0.0	-1,088.2	-1,088.2
Gains/losses from equity-accounted investments	**-17,723.7**	**-3,407.9**	**746.4**	**-4,500.9**	**-24,886.1**
Other comprehensive income	**-1,332.2**	**-50.0**	**0.0**	**-418.6**	**-1,800.7**
Thereof attributable to non-controlling interests	0.0	0.0	0.0	0.0	0.0
Thereof attributable to shareholders of the investment	-1,332.2	-50.0	0.0	-418.6	-1,800.7
Share of other comprehensive income attributable to IMMOFINANZ Group	-666.1	-25.0	0.0	-216.7	-907.7
Other adjustments	0.0	0.0	0.0	290.0	290.1
Other comprehensive income from equity-accounted investments	**-666.1**	**-25.0**	**0.0**	**73.4**	**-617.7**
Total comprehensive income	**-36,779.5**	**-6,865.9**	**933.0**	**-6,715.8**	**-49,428.2**
Thereof attributable to non-controlling interests	0.0	0.0	0.0	0.0	0.0
Thereof attributable to shareholders of the investment	-36,779.5	-6,865.9	933.0	-6,715.8	-49,428.2
Share of total comprehensive income attributable to IMMOFINANZ Group	-18,389.8	-3,432.9	746.4	-3,629.3	-24,705.6
Other adjustments	0.0	0.0	0.0	-798.2	-798.2
Total comprehensive income from equity-accounted investments	**-18,389.8**	**-3,432.9**	**746.4**	**-4,427.5**	**-25,503.7**
Dividends received	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

The other adjustments to net profit/loss in 2014/15 include an impairment loss of EUR 1.1 million to the investment in Residea Limited (see section 8.7).

6.5.2 Investments in associated companies

The most important associated companies of IMMOFINANZ Group are:

- The BUWOG Group, which maintains its registered office in Vienna, is a complete provider in the residential property sector (over 52,000 apartments) of Germany and Austria. IMMOFINANZ Group separated the BUWOG operating business through a spin-off in 2013/14 (see section 5.11). BUWOG shares are listed on the stock exchanges in Vienna, Frankfurt and Warsaw.
- TriGránit Holding Ltd., which maintains its registered office in Nicosia, and its subsidiaries develop and management retail and office properties in Central and Eastern Europe and Russia.
- Bulreal EAD, which maintains its registered office in Sofia, holds the *Stock Bazaar Iliyanci* shopping center, a retail property located in Sofia.

The following table shows the aggregated financial information for the associated companies, including a reconciliation to the carrying amounts and shares of profit or loss reported in the consolidated financial statements of IMMOFINANZ Group. The other adjustments are related primarily to impairment losses. In individual cases, the adjustments represent disproportionate dividend payments or the reduction of receivables which are considered net investments in the associated company according to IAS 28 because of their economic content.

The other adjustments to net profit or loss for 2014/15 include an impairment charge of EUR 24.4 million to the investment in TriGránit Holding Ltd. (see section 8.7).

The purchase price allocation for the investment in the BUWOG Group was finalised as of 30 April 2015. The adjustments made in 2014/15 included the recognition of an additional negative difference of EUR 16.4 million through profit or loss. The other adjustments to BUWOG Group's net profit include the carryforward of EUR -3.3 million in fair value adjustments that were identified in connection with the acquisition of the investment.

In 2014/15 the conversion of certificates from the 2018 convertible bond issued by IMMMOFINANZ AG led to the transfer of 3,244 BUWOG AG shares to the former bondholders and to a subsequent slight reduction in the investment from 49.000% to 48.997%.

All amounts in TEUR	BUWOG Group[1] 30 April 2015	TriGránit Holding Ltd. 30 April 2015	Bulreal EAD 30 April 2015	Other 30 April 2015	Total 30 April 2015
Non-current assets	3,695,071.0	889,049.0	76,288.6	83,579.3	4,743,987.9
Thereof investment property	3,646,983.6	575,848.0	73,200.0	80,160.0	4,376,191.6
Current assets	481,202.0	56,710.0	2,749.0	27,641.6	568,302.6
Thereof real estate inventory	133,648.7	0.0	0.0	0.0	133,648.7
Non-current liabilities	2,308,887.3	520,569.0	11,396.4	98,145.7	2,938,998.4
Current liabilities	380,483.4	282,026.0	18,130.4	12,752.8	693,392.6
Equity	**1,486,902.3**	**143,164.0**	**49,510.8**	**322.4**	**1,679,899.5**
Thereof attributable to non-controlling interests	7,899.8	16,836.0	0.0	0.0	24,735.8
Thereof attributable to shareholders of the investment	1,479,002.5	126,328.0	49,510.8	322.4	1,655,163.7
Equity interest of IMMOFINANZ Group in the associate	**724,572.2**	**31,582.0**	**24,260.3**	**–2,778.4**	**777,636.1**
Goodwill	0.0	351,881.4	6,320.1	2,867.6	361,069.1
Other adjustments	2,758.1	–368,384.3	–3,849.0	7,291.2	–362,184.0
Carrying amount as of 30 April 2015	**727,330.3**	**15,079.1**	**26,731.4**	**7,380.4**	**776,521.1**
Losses not recognised during the reporting period	0.0	0.0	0.0	–1,278.1	–1,278.1
Cumulative losses not recognised as of 30 April 2015	0.0	0.0	0.0	–6,008.8	–6,008.8
	1 May 2014– 30 April 2015	**1 May 2014– 30 April 2015**	**1 May 2014– 30 April 2015**	**1 May 2014– 30 April 2015**	**1 May 2014– 30 April 2015**
Rental income	134,858.9	32,282.0	7,999.7	5,154.2	180,294.8
Expenses charged on and other revenue	79,325.6	18,834.0	738.4	24,420.2	123,318.2
Revenues	**214,184.5**	**51,116.0**	**8,738.1**	**29,574.4**	**303,613.0**
Net profit/loss for the period	**3,324.3**	**–4,319.0**	**1,852.7**	**2,560.6**	**3,418.6**
Thereof attributable to non-controlling interests	–40.2	7,644.0	0.0	0.0	7,603.8
Thereof attributable to shareholders of the investment	3,364.5	–11,963.0	1,852.7	2,560.6	–4,185.2
Share of net profit/loss attributable to IMMOFINANZ Group	1,648.3	–2,990.8	907.8	787.2	352.6
Other adjustments	13,035.2	–24,442.7	–94.1	597.5	–10,904.0
Gains/losses from equity-accounted investments	**14,683.5**	**–27,433.4**	**813.7**	**1,384.7**	**–10,551.5**
Other comprehensive income	**0.0**	**–29,311.0**	**0.0**	**12.2**	**–29,298.8**
Thereof attributable to non-controlling interests	0.0	–1,530.0	0.0	0.0	–1,530.0
Thereof attributable to shareholders of the investment	0.0	–27,781.0	0.0	12.2	–27,768.8
Share of other comprehensive income attributable to IMMOFINANZ Group	0.0	–6,945.3	0.0	6.0	–6,939.3
Other adjustments	0.0	0.0	0.0	0.0	0.0
Other comprehensive income from equity-accounted investments	**0.0**	**–6,945.3**	**0.0**	**6.0**	**–6,939.2**
Total comprehensive income	**3,324.3**	**–33,630.0**	**1,852.7**	**2,572.8**	**–25,880.2**
Thereof attributable to non-controlling interests	–40.2	6,114.0	0.0	0.0	6,073.8
Thereof attributable to shareholders of the investment	3,364.5	–39,744.0	1,852.7	2,572.8	–31,954.0
Share of total comprehensive income attributable to IMMOFINANZ Group	1,648.3	–9,936.0	907.8	793.2	–6,586.7
Other adjustments	13,035.2	–24,442.7	–94.1	597.6	–10,904.0
Total comprehensive income from equity-accounted investments	**14,683.5**	**–34,378.7**	**813.7**	**1,390.7**	**–17,490.7**
Dividends received	**–33,677.1**	**0.0**	**0.0**	**0.0**	**–33,677.1**

[1] The financial information recorded for the BUWOG Group is based on the company's consolidated interim financial statements as of 31 January 2015 (see section 6.5).

6.6 Trade and other receivables

The following table shows the development and remaining terms of receivables and other assets:

All amounts in TEUR	30 April 2015	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2014	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Trade accounts receivable								
Rents receivable	33,093.8	33,093.8	0.0	0.0	23,942.4	23,942.4	0.0	0.0
Miscellaneous	24,559.7	23,985.2	574.5	0.0	17,883.6	17,689.3	185.2	9.1
Total trade accounts receivable	**57,653.5**	**57,079.0**	**574.5**	**0.0**	**41,826.0**	**41,631.7**	**185.2**	**9.1**
Receivables due from equity-accounted investments								
Receivables due from associated companies	57,071.7	9,447.7	2.1	47,621.9	72,261.8	11,937.9	0.0	60,323.9
Receivables due from joint ventures	90,295.8	34,799.7	46,381.6	9,114.5	122,018.4	7,537.9	0.0	114,480.5
Total receivables due from equity-accounted investments	**147,367.5**	**44,247.4**	**46,383.7**	**56,736.4**	**194,280.2**	**19,475.8**	**0.0**	**174,804.4**
Other financial receivables								
Restricted funds	215,980.8	42,928.8	108,353.2	64,698.8	201,159.4	48,846.2	87,205.8	65,107.4
Financing	33,730.4	0.0	12,004.2	21,726.2	36,260.4	119.5	12,217.5	23,923.4
Property management	2,163.2	2,071.0	41.4	50.8	3,185.3	3,022.9	106.9	55.5
Insurance	1,525.8	1,511.3	14.5	0.0	1,651.2	1,637.1	14.1	0.0
Commissions	534.7	258.0	276.7	0.0	2,639.1	1,253.6	1,225.8	159.7
Accrued interest	367.3	367.3	0.0	0.0	326.5	326.5	0.0	0.0
Outstanding purchase price receivables – sale of properties	24,943.4	24,943.4	0.0	0.0	18,083.3	18,083.3	0.0	0.0
Outstanding purchase price receivables – sale of shares in other companies	7,056.0	1,222.6	4,666.7	1,166.7	7,335.6	1,502.2	4,666.7	1,166.7
Receivables due from administrative authorities	2,718.5	2,718.5	0.0	0.0	28,874.5	28,874.5	0.0	0.0
Miscellaneous	37,081.5	23,651.6	9,211.6	4,218.3	30,304.8	20,516.7	7,130.4	2,657.7
Total other financial receivables	**326,101.6**	**99,672.5**	**134,568.3**	**91,860.8**	**329,820.1**	**124,182.5**	**112,567.2**	**93,070.4**
Other non-financial receivables								
Tax authorities	94,435.8	44,298.1	47,434.2	2,703.5	61,670.8	25,403.9	32,844.8	3,422.1
Total other non-financial receivables	**94,435.8**	**44,298.1**	**47,434.2**	**2,703.5**	**61,670.8**	**25,403.9**	**32,844.8**	**3,422.1**
Total	**625,558.4**	**245,297.0**	**228,960.7**	**151,300.7**	**627,597.1**	**210,693.9**	**145,597.2**	**271,306.0**

The following analysis shows the contractual maturity of the financial receivables that were past due but not impaired as of the balance sheet date as well as the individual financial instruments that were considered to be impaired as of the balance sheet date:

Contractual maturity analysis					2014/15
All amounts in TEUR	Carrying amount 30 April 2015	Thereof not overdue	Thereof overdue but not impaired	Thereof overdue and impaired	Allowance for bad debts
Rents receivable	33,093.8	18,123.2	5,122.5	44,111.1	–34,263.0

Receivables past due but not impaired					
All amounts in TEUR	Carrying amount 30 April 2015	Overdue up to 3 months[1]	Overdue between 3 and 6 months	Overdue between 6 and 12 months	Overdue more than 12 months
Rents receivable	5,122.5	4,607.2	474.1	26.8	14.4
Miscellaneous	1,561.8	1,295.3	229.4	26.7	10.4
Other financial receivables	8,515.8	129.4	12.9	4,617.3	3,756.2
Total	**15,200.1**	**6,031.9**	**716.4**	**4,670.8**	**3,781.0**

[1] The column "overdue up to 3 months" also includes receivables that are due immediately.

Contractual maturity analysis					2013/14
All amounts in TEUR	Carrying amount 30 April 2014	Thereof not overdue	Thereof overdue but not impaired	Thereof overdue and impaired	Allowance for bad debts
Rents receivable	23,942.4	13,746.0	6,283.1	30,007.1	–26,093.8
Miscellaneous	17,883.6	14,215.0	2,976.7	8,730.6	–8,038.7
Financing	36,260.4	81,433.8	0.0	37,596.9	–82,770.3
Other financial receivables	487,839.9	568,503.3	3,976.5	28,083.4	–112,723.3
Total	**565,926.3**	**677,898.1**	**13,236.3**	**104,418.0**	**–229,626.1**

Receivables past due but not impaired					
All amounts in TEUR	Carrying amount 30 April 2014	Overdue up to 3 months[1]	Overdue between 3 and 6 months	Overdue between 6 and 12 months	Overdue more than 12 months
Rents receivable	6,283.1	5,231.9	375.1	217.0	459.1
Miscellaneous	2,976.7	1,888.7	184.7	202.9	700.4
Other financial receivables	3,976.5	3,083.8	16.2	0.6	875.9
Total	**13,236.3**	**10,204.4**	**576.0**	**420.5**	**2,035.4**

[1] The column "overdue up to 3 months" also includes receivables that are due immediately.

The risk associated with receivables due from tenants is low because credit standings are monitored on a regular basis and the tenant is generally required to provide a deposit of one to five months' rent or an appropriate bank guarantee when the contract is signed. Individual valuation adjustments are recognised to receivables that carry an increased risk of default (e.g. in Russia due to the difficult foreign exchange-related market situation). Consequently, all uncollectible had been written off and all doubtful receivables had been adjusted as of the balance sheet date. These valuation adjustments are reported on the income statement under results of asset management.

With respect to the trade accounts receivable that were neither impaired nor overdue as of the balance sheet date, there are no signs that the debtors will be unable to meet their payment obligations.

As in the previous financial year, individual valuation adjustments were recognised to trade accounts receivable, financing receivables and receivables from joint ventures in 2014/15. Therefore, the balance sheet only includes these receivables at the expected collection amount. Valuation adjustments of EUR 27.0 million were recognised through profit or loss during the reporting year (2013/14: EUR 23.0 million).

The following table shows the change in valuation adjustments recognised through profit or loss as well as the income and expenses related to doubtful and uncollectible receivables by category of financial instrument:

All amounts in TEUR	1 May 2014–30 April 2015	1 May 2013–30 April 2014
Receivables and other assets		
Trade accounts receivable	–16,376.3	–5,273.6
Financing receivables	–10,613.1	–17,750.4
Loans and other receivables	–31.3	0.0
Total allowance for bad debt	**–27,020.7**	**–23,024.0**

6.7 Other financial assets

Other financial assets comprise the following:

All amounts in TEUR	IAS 39 investments	Other securities	Derivative financial instruments	Total
Carrying amount as of 30 April 2014	**125,933.3**	**17,215.6**	**5,053.0**	**148,201.9**
Carrying amount as of 30 April 2015	**66,067.9**	**20,676.8**	**576.3**	**87,321.0**

The following table shows the composition of real estate fund shares, classified by the focal point of investment:

All amounts in TEUR	30 April 2015	30 April 2014
Real estate funds – AFS		
Focal points in Europe	10,912.0	26,411.6
Real estate funds – fair value option		
Focal points in Europe	52,496.6	95,789.0
Focal points in America	2,006.1	1,874.3
Other investments	653.2	1,858.4
Total	**66,067.9**	**125,933.3**

Of the real estate fund shares included under the category "fair value option", carrying amounts totalling USD 2.2 million are recorded in foreign currencies. The change in the value of real estate funds with a focal point in Europe, which are measured at fair value through profit or loss, include a negative valuation result of EUR 39.2 million for Russia Development Fund L.P.

Information on the development of other financial assets is provided in section 8.

6.8 Deferred tax assets and deferred tax liabilities

Deferred taxes as of 30 April 2015 resulted from the following temporary valuation and accounting differences between the carrying amounts in the IFRS consolidated financial statements of IMMOFINANZ Group and the respective tax bases:

		30 April 2015		30 April 2014
All amounts in TEUR	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Investment property	8,372.7	528,287.5	12,231.5	564,121.9
Other financial assets and miscellaneous assets	12,099.5	1,055,747.2	53,376.5	1,072,820.1
Total	**20,472.2**	**1,584,034.7**	**65,608.0**	**1,636,942.0**
Other liabilities and provisions	24,302.1	19,187.0	21,530.8	31,474.2
Financial liabilities	12,979.5	69,869.8	4,138.3	55,580.2
Total	**37,281.6**	**89,056.8**	**25,669.1**	**87,054.4**
Tax loss carryforwards	1,246,553.4	0.0	1,197,293.8	0.0
Deferred tax assets and deferred tax liabilities	**1,304,307.2**	**1,673,091.5**	**1,288,570.9**	**1,723,996.4**
Offset of deferred tax assets and deferred tax liabilities due to the same taxation authority	–1,295,704.8	–1,295,704.8	–1,274,435.2	–1,274,435.2
Net deferred tax assets and deferred tax liabilities	**8,602.4**	**377,386.7**	**14,135.7**	**449,561.2**

Deferred tax assets are created for tax loss carryforwards in cases where it is probable that sufficient taxable income will be available to utilise these tax loss carryforwards in the future. Deferred tax assets are also recorded in cases where sufficient deferred tax liabilities relating to the same tax subject and taxation authority were recognised and will reverse at the same time as the deferred tax assets on loss carryforwards.

The realisation of deferred tax assets by Group companies that recorded losses for the reporting year or prior year (EUR 7.6 million; 2013/14: EUR 5.8 million) is dependent on the generation of future taxable income that is higher than the earnings effect from the reversal of existing taxable temporary differences.

Deferred tax assets were not recorded for tax loss carryforwards totalling EUR 1,316.1 million (2013/14: EUR 1,265.2 million). A number of these items have an indefinite term, while others will expire within the next five to ten years.

Deferred tax liabilities were not recognised for temporary differences of EUR 795.6 million (2013/14: EUR 875.0 million) that result from shares in subsidiaries, joint ventures or associated companies (“outside-basis differences“).

The calculation of deferred taxes for Austrian companies is based on a tax rate of 25%. The applicable local tax rate is used for foreign companies.

The tax rates used to value deferred taxes in the individual countries are listed below:

Country	Applicable tax rate 2014/15	Applicable tax rate 2013/14
Bulgaria	10.00%	10.00%
Germany[1]	15.83%–32.45%	15.83%–32.98%
France	33.33%	33.33%
Croatia	20.00%	20.00%
Luxembourg[2]	21.40%–29.20%	28.59%–29.20%
Malta	35.00%	35.00%
Moldova	12.00%	12.00%
Netherlands[3]	20.00%–25.00%	20.00%–25.00%
Austria	25.00%	25.00%
Poland	19.00%	19.00%
Romania	16.00%	16.00%
Russia	20.00%	20.00%
Sweden	22.00%	22.00%
Switzerland[2]	20.84%–22.48%	16.68%–21.62%
Serbia	15.00%	15.00%
Slovakia	22.00%	23.00%
Slovenia	17.00%	17.00%
Turkey	20.00%	20.00%
Czech Republic	19.00%	19.00%
Ukraine	18.00%	16.00%
Hungary[3]	10.00%–19.00%	10.00%–19.00%
USA[4]	34.00%	34.00%
Cyprus	12.50%	12.50%

1 The tax rate can vary and is dependent on the company's headquarters and liability under trade tax.
2 The tax rate can vary and is dependent on the company's headquarters.
3 The tax rate can vary and is dependent on the company's revenues.
4 The taxable income of corporations in the USA is taxed at the rates defined in federal law, which generally range from 15% to 35%.

The Slovakian Parliament passed an amendment to the income and corporate tax act which, among others, includes a reduction of the corporate tax rate from 23% to 22%. This change applies to companies with a financial year beginning on 1 January 2014.

The federal law on direct taxes in Switzerland defines a proportional tax rate of 8.50% for corporate profits. The cantons apply different taxation methods, tax rates and tax bases.

Following a change to 16% as part of a gradual reduction in the corporate tax rate that was announced by Ukraine in 2011, the corporate tax rate was raised to 18% as of 1 January 2014.

6.9 Non-current assets and specific liabilities held for sale

The assets and liabilities of City Box were classified as held for sale as of 30 April 2015. City Box is the second largest self-storage provider in the Netherlands. Its real estate assets comprise 23 logistics properties, which were previously reported under the segment "Other, non-core markets". The reclassification as held for sale included the recognition of an impairment loss of EUR 2.2 million to goodwill. The sale took place in the form of a share deal (see section 8.7) and was based on a decision by IMMOFINANZ Group to reorient its strategic focus.

Properties in the other asset class (eight residential properties in the Austria segment and one in the other, non-core markets segment), the office asset class (three properties in the Austria segment) and the logistics asset class (one property in the Czech Republic segment) were also classified as held for sale. With the exception of the logistics property in the Czech Republic, all of these sales will take place through asset deals.

All of these properties were revalued following the decision to sell. The results of the revaluation are reported under revaluation of properties sold and held for sale. These sales are expected to close soon after the end of the reporting year or have already been released for public announcement (see section 8.7).

Details on the assets and liabilities classified as held for sale are provided below:

All amounts in TEUR	30 April 2015	30 April 2014
Investment property	251,759.1	118,336.1
Property under construction	0.0	24.8
Other tangible assets	1,158.3	0.0
Intangible assets	7,549.6	0.0
Trade and other receivables	3,861.4	14,087.1
Other financial assets	2,161.9	42,618.5
Non-current assets held for sale	**266,490.3**	**175,066.5**
Financial liabilities	50,969.4	14,430.9
Trade and other payables	16,244.7	5,484.6
Provisions	0.0	5.4
Financial liabilities held for sale	**67,214.1**	**19,920.9**

6.10 Real estate inventories

The real estate inventories had a combined carrying amount of EUR 148.0 million as of 30 April 2015 (2013/14: EUR 155.8 million). Write-ups of EUR 1.7 million were recorded in 2014/15 (2013/14: EUR 0.3 million), above all due to the improved marketing situation in Poland and Romania. Impairment losses totalling EUR 4.3 million (2013/14: EUR 6.5 million) were recognised to inventories with a carrying amount of EUR 33.4 million (2013/14: EUR 56.5 million). These impairment losses were related primarily to the segment Germany.

6.11 Cash and cash equivalents

The balance sheet shows cash and cash equivalents of EUR 390.7 million as of 30 April 2015 (2013/14: EUR 235.9 million). In addition, other financial receivables include bank deposits whose use is restricted (see section 6.6).

6.12 Equity

The development of equity in IMMOFINANZ Group during the 2014/15 and 2013/14 financial years is shown on the Statement of Changes in Equity, which represents an integral part of the consolidated financial statements as of 30 April 2015.

Share capital totalled EUR 1,114.2 million as of 30 April 2015 and is divided into 1,073,193,688 zero par value shares. All shares are fully paid. A capital decrease of EUR 57.9 million was carried out through the withdrawal of 11,224,687 shares on 17 December 2014 and 44,534,312 shares on 27 March 2015. Capital reserved changed by EUR 114.7 million due to the withdrawal of these treasury shares.

In 2012/13 IMMOFINANZ Group sold and transferred 101,605,741 treasury shares to financial institutions for financing purposes and received EUR 150,0 million of financing in exchange. This transaction did not lead to the derecognition of the treasury shares because of the accompanying repurchase rights, but the proceeds were recorded as a financial liability. This financing was repaid on 27 March 2015, and IMMOFINANZ Group again received the right of disposal over the 101,605,741 treasury shares. A total of 44,534,312 treasury shares were then withdrawn and resulted in a balance of 80,561,942 treasury shares as of 30 April 2015.

The classification of shares as of 30 April 2015 is shown below:

		30 April 2015		30 April 2014
	Number of shares	Share capital in TEUR	Number of shares	Share capital in TEUR
Bearer shares	1,073,193,688	1,114,171.8	1,128,952,687	1,172,059.9
Total	**1,073,193,688**	**1,114,171.8**	**1,128,952,687**	**1,172,059.9**

The Executive Board is not aware of any agreements between shareholders that restrict voting rights or the transfer of shares. All shares of IMMOFINANZ AG are bearer shares and entitle the holders to participate in the annual general meeting and to exercise their voting rights. Each bearer share is entitled to one vote.

The number of shares developed as follows:

	2014/15	2013/14
Balance at the beginning of the financial year	**1,128,952,687**	**1,128,952,687**
Withdrawal of treasury shares	-55,758,999	0
Balance at the end of the financial year	**1,073,193,688**	**1,128,952,687**

Accumulated other equity comprises the currency translation reserve, the reserve for the fair value measurement of AFS financial instruments and the revaluation reserve.

The currency translation reserve comprises all foreign exchange differences resulting from the translation of subsidiary financial statements that are prepared in a foreign currency (see section 2.2.3).

The reserve for the fair value measurement of AFS financial instruments contains the accumulated changes in the value of AFS financial instruments held by Group companies which have not yet been realised through the sale of these instruments.

Accumulated other equity also includes a revaluation reserve of EUR 3.3 million (2013/14: EUR 3.3 million). This revaluation reserve includes the components of undisclosed reserves that relate to previous shareholdings and, according to IFRS 3.58 (2004), must be determined through the revaluation of net assets on the transaction date in connection with a successive share purchase.

A cash dividend was not paid for the 2013/14 financial year, and the Executive Board of IMMOFINANZ Group will not propose a dividend payment to the annual general meeting for the 2014/15 financial year.

6.13 Liabilities from convertible bonds

As of 30 April 2015 IMMOFINANZ AG had two convertible bonds with a nominal value of EUR 529.9 million outstanding.

All amounts in TEUR	30 April 2015	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2014	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Convertible bond 2007–17	24,425.7	118.3	24,307.4	0.0	41,105.5	41,105.5	0.0	0.0
Convertible bond 2011–18	504,747.9	504,747.9	0.0	0.0	497,156.5	3,113.5	494,043.0	0.0
Total	**529,173.6**	**504,866.2**	**24,307.4**	**0.0**	**538,262.0**	**44,219.0**	**494,043.0**	**0.0**

Convertible bond 2007–2017

The conversion rights for the 2017 convertible bond issued by IMMOFINANZ AG were amended as of 16 October 2014 based on the dividend approved by BUWOG AG. One certificate of the 2017 convertible bond (nominal value: EUR 100,000.0 per certificate) currently entitles the bondholder to conversion into 12,547.05 IMMOFINANZ shares (no change) and 660.95 BUWOG shares (previously: 627.35).

The registration period for the premature repayment of the convertible bond 2007–2017 ended on 19 November 2014. The holders of 137 certificates from this convertible bond filed for repayment, and EUR 13.7 million plus accrued interest were redeemed from available funds. The nominal amount remaining after the redemption of the registered certificates totalled EUR 21.4 million and will be redeemed on 19 November 2017 (maturity date) if there are no conversions into the company's shares before that date.

The value of the standalone derivative from the convertible bond 2007–2017, which is recorded under other liabilities (see section 6.15), equalled EUR 0.0 million as of 30 April 2015 (2013/14: EUR 0.0 million).

Convertible bond 2011–2018

Based on the dividend approved by BUWOG AG, the conversion rights for the 2018 convertible bond issued by IMMOFINANZ AG were amended as of 15 October 2014. One certificate of the 2018 convertible bond (nominal value: EUR 4.12 per certificate) currently entitles the bondholder to conversion into 1.1573 IMMOFINANZ shares (no change) and 0.0606 BUWOG shares (previously: 0.0579).

The conversion of 2018 convertible bond certificates by one bondholder during the second quarter of 2014/15 was serviced by IMMOFINANZ AG from treasury shares (and shares of BUWOG AG). As of 30 April 2015, the 2018 convertible bond had an outstanding nominal value of EUR 508.5 million with a put option for bondholders on 8 March 2016. The development of the IMMOFINANZ share price and the BUWOG share price has been positive – with closing prices that equalled EUR 2.68 and EUR 18.09, respectively on 30 April 2015 – and the convertible bond 2018 was therefore in the money at the end of the 2014/15 financial year.

The value of the standalone derivative from the convertible bond 2011–2018, which is recorded under other liabilities (see section 6.15), equalled EUR 69.8 million as of 30 April 2015 (2013/14: EUR 59.4 million).

6.14 Financial liabilities

The following table shows the composition and classification of financial liabilities by remaining term as of 30 April 2015 and 30 April 2014:

All amounts in TEUR	30 April 2015	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2014	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Amounts due to financial institutions	2,857,889.8	580,623.4	1,479,439.3	797,827.1	2,997,802.2	947,275.4	1,232,511.9	818,014.9
Thereof secured by collateral	2,857,849.7	580,583.3	1,479,439.3	797,827.1	2,996,019.2	945,492.4	1,232,511.9	818,014.9
Thereof not secured by collateral	40.1	40.1	0.0	0.0	1,783.0	1,783.0	0.0	0.0
Liabilities arising from finance leases	2,564.9	1,937.8	627.1	0.0	7,154.9	1,634.3	4,168.1	1,352.5
Liabilities arising from the issue of bonds	727,220.0	627,771.3	99,448.7	0.0	306,897.3	11,106.3	295,791.0	0.0
Financial liability – limited partnership interest	142.9	132.9	0.0	10.0	135.4	125.4	0.0	10.0
Other financial liabilities	16,055.3	15,204.2	0.0	851.1	307,168.1	271,232.7	35,483.0	452.4
Total	**3,603,872.9**	**1,225,669.6**	**1,579,515.1**	**798,688.2**	**3,619,157.9**	**1,231,374.1**	**1,567,954.0**	**819,829.8**

On 11 September 2014 IMMOFINANZ AG placed an exchangeable bond for shares of BUWOG AG. The bond has a volume of EUR 375.0 million and is accounted for at fair value through profit or loss. There was no price formation on an active market as of 30 April 2015. The bond has a coupon of 1.5% per year and is backed by approx. 23.1 million BUWOG shares. IMMOFINANZ AG is entitled to deliver BUWOG shares or a cash settlement in the event of exchange. The exchangeable bond was issued and will be redeemed at 100% of the nominal value. The term of the instrument ends on 11 September 2019, whereby the bondholders have a put option on 11 September 2017. The exchange price originally equalled EUR 17.03, but was adjusted to EUR 16.26 to reflect the EUR 0.69 dividend per share approved by the annual general meeting of BUWOG AG on 14 October 2014.

In connection with the issue of the exchangeable bond for shares of BUWOG AG, BNP Paribas, J.P. Morgan and Morgan Stanley – which served as joint bookrunners for this issue – concluded securities lending agreements for up to 12,000,000 BUWOG shares. A total of 2,258,428 BUWOG AG shares had been loaned as of 30 April 2015. This securitised lending did not lead to the derecognition of the related component of the equity-accounted investment in the BUWOG Group. The loaned BUWOG shares represented a proportional share of EUR 33.7 million of the carrying amount of this investment as of 30 April 2015.

The exchangeable bond is included under liabilities from bonds at a carrying amount of EUR 425.0 million. It is classified as current because of the possibility that the bondholders could exercise their exchange right within 12 months after the balance sheet date.

This position also includes a corporate bond with a total nominal value of EUR 100.0 million (2013/14: EUR 100.0 million), a term of five years and a coupon of 5.25%, which was issued in July 2012, as well as CMBS financing (Commercial Mortgage-Backed Security) of EUR 196.9 million (2013/14: EUR 209.1 million), which expired soon after 30 April 2015. Refinancing had been arranged prior to 30 April 2015 to cover the entire volume of the CMBS financing (see sections 8.2.3 and 8.7).

The conditions of the major financial liabilities are as follows:

30 April 2015		Interest rate	Weighted average interest rate	Remaining liability per company		
	Currency	fixed/ variable		in 1,000	in TEUR	Carrying amount in TEUR
Amounts due to financial institutions	CHF	variable	0.25%	283.6	270.5	
(Loans and advances)	EUR	fixed	3.49%	62,695.8	62,695.8	
	EUR	variable	2.17%	2,050,169.7	2,050,169.7	
	USD	variable	7.16%	827,033.5	737,435.1	
	PLN	variable	4.53%	34,581.8	8,573.2	
Total amounts due to financial institutions					**2,859,144.3**	**2,857,889.8**
Liabilities arising from the issue of bonds	**EUR**	**fixed**	**2.69%**	**671,834.4**	**671,834.4**	**727,220.0**
Liabilities arising from finance leases						**2,564.9**
Financial liability – limited partnership interest						**142.9**
Other						**16,055.3**
Total						**3,603,872.9**

30 April 2014		Interest rate	Weighted average interest rate	Remaining liability per company		
	Currency	fixed/ variable		in 1,000	in TEUR	Carrying amount in TEUR
Amounts due to financial institutions	CHF	variable	0.92%	52,559.3	43,081.4	
(Loans and advances)	EUR	fixed	3.84%	80,489.6	80,489.6	
	EUR	variable	2.61%	2,217,764.0	2,217,764.0	
	USD	fixed	3.97%	265.9	192.0	
	USD	variable	7.13%	828,185.8	645,002.2	
	PLN	variable	5.96%	47,868.4	11,398.9	
Total amounts due to financial institutions					**2,997,928.1**	**2,997,802.2**
Liabilities arising from the issue of bonds	**EUR**	**fixed**	**4.18%**	**308,188.3**	**308,188.3**	**306,897.3**
Liabilities arising from finance leases						**7,154.9**
Financial liability – limited partnership interest						**135.4**
Other[1]						**307,168.1**
Total						**3,619,157.9**

[1] Includes the liability from the BUWOG AG convertible bond, which has not yet been paid.

The liabilities with financial institutions shown in the above table have a present value of EUR 2,857.9 million (2013/14: EUR 2,994.0 million. The present value calculation was based on the following discount rates, which reflect the market interest rates as of 30 April 2015 and 30 April 2014 as well as the weighted average credit spreads for the loans held by IMMOFINANZ Group companies in the relevant local currencies as of the balance sheet date. All long-term, fixed-interest loans are denominated in EUR.

Discount rates	2014/15 EUR
Up to 31 October 2015	3,845%
Up to 30 April 2016	3,853%
Up to 30 April 2018	3,927%
Up to 30 April 2020	4,073%
Up to 30 April 2022	4,232%
Up to 30 April 2025	4,439%
Up to 30 April 2030	4,661%
As of 1 May 2030	4,769%

Discount rates	2013/14 EUR
Up to 31 October 2014	3,678%
Up to 30 April 2015	3,630%
Up to 30 April 2017	3,989%
Up to 30 April 2019	4,230%
Up to 30 April 2021	4,573%
Up to 30 April 2024	5,060%
Up to 30 April 2029	5,621%
As of 1 May 2029	5,842%

The financial covenants for a number of bank loans, in particular the debt service coverage ratio (DSCR) and the loan-to-value ratio (LTV ratio), were not met during the 2014/15 financial year. Negotiations were started with the financing banks. The involved loans amounted to EUR 150.7 million (2013/14: EUR 155.2 million). In this connection, EUR 136.8 million (2013/14: EUR 130.0 million) were reclassified from non-current financial liabilities to current financial liabilities. The difference would, in any case, have been reported under current financial liabilities.

6.15 Trade and other payables

The fair value of derivative financial instruments (liabilities) includes EUR 69.8 million (2013/14: EUR 59.4 million) for the standalone derivatives, which are classified under current liabilities, from the convertible bonds 2007–2017 and 2011–2018 (see section 6.13). The prepayments received on apartment sales include down payments of EUR 39.4 million (2013/14: EUR 27.1 million) for apartments in the *Gerling Quartier*.

All amounts in TEUR	30 April 2015	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2014	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Trade payables	88,585.7	86,748.8	1,777.2	59.7	83,391.0	81,474.8	1,828.4	87.8
Other financial liabilities								
Fair value of derivative financial instruments (liabilities)	116,889.3	70,827.7	40,372.5	5,689.1	111,926.2	62,991.2	43,943.1	4,991.9
Property management	4,851.4	4,851.4	0.0	0.0	3,257.7	3,257.7	0.0	0.0
Amounts due to non-controlling interests	6,378.6	751.3	3,245.8	2,381.5	6,117.7	564.4	4,021.8	1,531.5
Amounts due to associated companies	2,631.8	2,557.5	0.0	74.3	1,332.4	1,258.1	0.0	74.3
Amounts due to joint ventures	18,455.1	17,136.1	73.6	1,245.4	18,022.7	5.9	21.5	17,995.3
Deposits and guarantees received	38,334.1	7,973.8	15,863.0	14,497.3	41,909.3	7,337.6	15,611.7	18,960.0
Prepayments received on apartment sales	44,619.7	42,588.4	2,031.3	0.0	34,422.3	4,906.8	29,515.5	0.0
Construction and refurbishment	13,759.3	13,527.1	130.8	101.4	17,654.6	17,377.3	143.2	134.1
Outstanding purchase prices (share deals)	3,752.4	1,624.0	2,128.4	0.0	3,939.4	1,741.0	2,198.4	0.0
Outstanding purchase prices (acquisition of properties)	4,472.8	898.7	3,574.1	0.0	1,352.8	1,352.8	0.0	0.0
Miscellaneous	12,144.8	11,182.1	915.3	47.4	30,606.0	26,850.9	3,212.5	542.6
Total other financial liabilities	**266,289.3**	**173,918.1**	**68,334.8**	**24,036.4**	**270,541.1**	**127,643.7**	**98,667.7**	**44,229.7**
Other non-financial liabilities								
Tax authorities	39,517.7	39,484.2	33.5	0.0	19,411.0	19,159.6	251.4	0.0
Rental and lease prepayments received	27,760.4	25,633.6	1,734.8	392.0	36,513.6	34,611.9	1,492.6	409.1
Income from the sale of rental rights	27.8	2.1	8.4	17.3	29.9	2.1	8.4	19.4
Total other non-financial liabilities	**67,305.9**	**65,119.9**	**1,776.7**	**409.3**	**55,954.5**	**53,773.6**	**1,752.4**	**428.5**
Total	**422,180.9**	**325,786.8**	**71,888.7**	**24,505.4**	**409,886.6**	**262,892.1**	**102,248.5**	**44,746.0**

6.16 Provisions

The following table shows the development of provisions recognised by the Group in 2014/15, excluding employee-related provisions:

All amounts in TEUR	Provision for onerous contracts	Other provisions	Total
Balance on 1 May 2014	**16,657.8**	**81,363.0**	**98,020.8**
Addition to the scope of consolidation	400.0	0.0	400.0
Deconsolidations	0.0	-15.0	-15.0
Additions	8,538.9	30,403.3	38,942.2
Disposals	-864.9	-9,175.8	-10,040.7
Use	-1,166.5	-23,056.3	-24,222.8
Compounding/discounting	0.0	2,179.6	2,179.6
Reclassifications	-944.1	0.0	-944.1
Foreign exchange differences	21.5	29.6	51.1
Balance on 30 April 2015	**22,642.7**	**81,728.4**	**104,371.1**
Thereof current	22,529.3	25,151.3	47,680.6
Thereof non-current	113.4	56,577.1	56,690.5

Other provisions consist chiefly of provisions for legal proceedings and employee bonuses.

In accordance with IAS 37.92, no information is provided on the provisions for legal proceedings because such disclosures could seriously prejudice the position of IMMOFINANZ Group. A general description of the nature of the major legal proceedings is provided in section 8.3.

6.17 Obligations to employees

The actuarial expert opinion to determine the defined benefit obligation as of 30 April 2015 was prepared by AKTUAR Versicherungsmathematik GmbH. The development of employee-related provisions is shown in the following table:

All amounts in TEUR	2014/15	2013/14
Balance on 1 May 2014	**347.0**	**3,199.9**
Change in scope of consolidation	0.0	-139.9
Disposal through BUWOG spin-off	0.0	-2,170.0
Interest expense/income	8.0	84.1
Service cost	14.1	322.8
Actuarial gains/losses on experience-based adjustments	78.7	52.7
Payments	-74.1	-1,002.6
Balance on 30 April 2015	**373.7**	**347.0**
Thereof non-current	373.7	347.0

As of 30 April 2015 the average term of the termination benefit obligations equalled 16.5 years (2013/14: 16.6 years).

Additions of TEUR 18.0 to the plan in the form of service costs are expected in 2015/16.

The amount of the provision for termination benefits is significantly influenced by the selection of the actuarial parameters. The following sensitivity analysis describes the results of changes in one parameter, when all other parameters are held constant. However, a complete lack of correlation between these factors is unlikely. The determination of the changed obligation, similar to the determination of the actual obligation, is based on the projected unit credit method defined by IAS 19. A change of +/- 0.5 percentage points in the discount rate would lead to a change of TEUR -24.0/TEUR 26.0 in the provision for termination benefits. A change of +/- 0.5 percentage points in the salary trend would lead to a change of TEUR 25.0/TEUR -23.0 in the provision for termination benefits..

7. Notes to the Consolidated Cash Flow Statement

The cash flow statement of IMMOFINANZ Group shows the changes in cash and cash equivalents resulting from the inflow and outflow of funds during the reporting year. The cash flow statement distinguishes between cash flows from operating activities, investing activities and financing activities. Cash flow from operating activities is calculated using the indirect method. Cash and cash equivalents comprise liquid funds of EUR 390.7 million (2013/14: EUR 235.9 million).

Cash flows are translated at the average exchange rate for the respective local currency. Translation differences arising from the use of the average exchange rate and the exchange rate on the balance sheet date are charged or credited to the currency translation reserve.

The consolidated cash flow statement for 2013/14 includes the cash flows attributable to the discontinued BUWOG operating segment. An addition position provides a transition to Group earnings before tax including discontinued operations because earnings before tax on the income statement are presented excluding discontinued operations. Cash flows from operating activities, investing activities and financing activities from discontinued operations, i.e. from the BUWOG operating segment, are presented separately from the continuing operations of IMMOFINANZ Group.

The spin-off of BUWOG and the issue of the convertible bond 2014–2019 by BUWOG AG basically represent non-cash transactions that were not part of the consolidated cash flow statement in 2013/14. The spin-off only led to cash outflows of EUR 132.8 million from the BUWOG operating segment, which are reported under cash flow from investing activities. All cash flows related to the convertible bond 2014–2019 were included in IMMOFINANZ Group's cash flow statement for 2014/15 (see section 8.4.1). The payment of the (originally postponed) issue price for the convertible bond by IMMOFINANZ Group is reported under the acquisition of financial assets. The convertible bond was redeemed on 19 January 2015 following the exercise of a hard call option and in accordance with the issue terms at 101% of the nominal value of EUR 260.0 million. This payment is reported under the disposal of financial assets.

8. Other Information

8.1 Information on financial instruments

Financial instruments is a collective term used to represent financial assets and financial liabilities. A financial instrument is defined as a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. One or more companies may serve as the contract partner. This definition covers securities, receivables, liabilities, equity and derivatives, regardless of whether the obligation is conditional or unconditional.

8.1.1 Classes and categories of financial instruments

IFRS 7 requires the breakdown of financial instruments by classes as well as the reconciliation of these classes with the line items shown on the balance sheet. Since the reporting company is entitled to define these classes, they generally differ from the categories defined by IAS 39 for the measurement of financial instruments.

The definition of the reportable classes reflects the different characteristics of the major financial instruments held by IMMOFINANZ Group. Accordingly, similar financial instruments are grouped together to form a separate class. The classes are also defined to facilitate reconciliation with the line items shown on the balance sheet. These factors led to the definition of the following classes: trade accounts receivable, financing receivables, loans and other receivables, real estate fund shares, derivative financial assets, current securities, miscellaneous other financial instruments and cash and cash equivalents (asset classes) as well as liabilities arising from convertible bonds, bonds, liabilities with financial institutions, other financial liabilities, trade accounts payable, derivative financial liabilities and miscellaneous other liabilities (liability classes).

In addition to the assignment of financial instruments to classes, IFRS 7 calls for the disclosure of the carrying amount of financial assets and financial liabilities in accordance with the categories defined in IAS 39. The following table presents the carrying amount and fair value of each class of financial assets and financial liabilities as well as each IAS 39 category, and reconciles these amounts to the appropriate balance sheet line item. Since the balance sheet positions trade and other receivables and trade and other liabilities can contain financial instruments as well as non-financial assets/liabilities (e.g. tax receivables), the column "Non- FI" allows for a full reconciliation with the balance sheet line items.

Assets		FA@FV/P&L					Carrying amount	Fair value
All amounts in TEUR	AFS	Fair value option	HFT	L&R/at Cost	Cash and cash equivalents	Non-FI	30 April 2015	30 April 2015
Trade and other receivables	**0.0**	**0.0**	**0.0**	**531,122.6**	**0.0**	**94,435.8**	**625,558.4**	**625,558.4**
Trade accounts receivable	0.0	0.0	0.0	57,653.5	0.0	0.0	57,653.5	57,653.5
Financing receivables	0.0	0.0	0.0	33,730.4	0.0	0.0	33,730.4	33,730.4
Loans and other receivables	0.0	0.0	0.0	439,738.7	0.0	94,435.8	534,174.5	534,174.5
Other financial assets	**14,433.9**	**55,155.9**	**576.3**	**17,154.9**	**0.0**	**0.0**	**87,321.0**	**87,321.0**
IAS 39 investments	10,912.0	55,155.9	0.0	0.0	0.0	0.0	66,067.9	66,067.9
Derivatives	0.0	0.0	576.3	0.0	0.0	0.0	576.3	576.3
Miscellaneous other financial instruments	3,521.9	0.0	0.0	17,154.9	0.0	0.0	20,676.8	20,676.8
Cash and cash equivalents	**0.0**	**0.0**	**0.0**	**0.0**	**390,702.7**	**0.0**	**390,702.7**	**390,702.7**
Total assets	**14,433.9**	**55,155.9**	**576.3**	**548,277.5**	**390,702.7**	**94,435.8**	**1,103,582.1**	**1,103,582.1**

Equity and liabilities	FL@FV/P&L				Carrying amount	Fair value
All amounts in TEUR	Fair value option	HFT	FLAC	Non-FI	30 April 2015	30 April 2015
Liabilities from convertible bonds	**0.0**	**0.0**	**529,173.6**	**0.0**	**529,173.6**	**538,844.0**
Financial liabilities	**424,986.6**	**0.0**	**3,178,886.3**	**0.0**	**3,603,872.9**	**3,610,329.5**
Bonds	424,986.6	0.0	302,233.4	0.0	727,220.0	733,632.5
Amounts due to financial institutions	0.0	0.0	2,857,889.8	0.0	2,857,889.8	2,857,933.9
Other financial liabilities	0.0	0.0	18,763.1	0.0	18,763.1	18,763.1
Trade and other payables	**0.0**	**116,889.3**	**237,985.7**	**67,305.9**	**422,180.9**	**422,180.9**
Trade payables	0.0	0.0	88,585.7	0.0	88,585.7	88,585.7
Derivatives	0.0	116,889.3	0.0	0.0	116,889.3	116,889.3
Miscellaneous other liabilities	0.0	0.0	149,400.0	67,305.9	216,705.9	216,705.9
Total equity and liabilities	**424,986.6**	**116,889.3**	**3,946,045.6**	**67,305.9**	**4,555,227.4**	**4,571,354.4**

AFS: available for sale
FA@FV/P&L: financial assets at fair value through profit or loss
FL@FV/P&L: financial liabilities at fair value through profit or loss
FLAC: financial liabilities measured at amortised cost
HFT: held for trading
HTM: held to maturity
L&R: loans and receivables at amortised cost, miscellaneous other financial instruments at cost
Non-FI: non-financial assets/liabilities

Assets		FA@FV/P&L					Carrying amount	Fair value
All amounts in TEUR	**AFS**	**Fair value option**	**HFT**	**L&R/at Cost**	**Cash and cash equivalents**	**Non-FI**	**30 April 2014**	**30 April 2014**
Trade and other receivables	**0.0**	**0.0**	**0.0**	**565,926.3**	**0.0**	**61,670.8**	**627,597.1**	**627,597.1**
Trade accounts receivable	0.0	0.0	0.0	41,826.0	0.0	0.0	41,826.0	41,826.0
Financing receivables	0.0	0.0	0.0	36,260.4	0.0	0.0	36,260.4	36,260.4
Loans and other receivables	0.0	0.0	0.0	487,839.9	0.0	61,670.8	549,510.7	549,510.7
Other financial assets	**26,411.6**	**361,887.8**	**5,053.0**	**17,215.6**	**0.0**	**0.0**	**410,568.0**	**410,568.0**
IAS 39 investments	26,411.6	99,521.7	0.0	0.0	0.0	0.0	125,933.3	125,933.3
Derivatives	0.0	0.0	5,053.0	0.0	0.0	0.0	5,053.0	5,053.0
Current securities	0.0	262,366.1	0.0	0.0	0.0	0.0	262,366.1	262,366.1
Miscellaneous other financial instruments	0.0	0.0	0.0	17,215.6	0.0	0.0	17,215.6	17,215.6
Cash and cash equivalents	**0.0**	**0.0**	**0.0**	**0.0**	**235,864.0**	**0.0**	**235,864.0**	**235,864.0**
Total assets	**26,411.6**	**361,887.8**	**5,053.0**	**583,141.9**	**235,864.0**	**61,670.8**	**1,274,029.1**	**1,274,029.1**

Equity and liabilities	FL@FV/P&L				Carrying amount	Fair value
All amounts in TEUR	**Fair value option**	**HFT**	**FLAC**	**Non-FI**	**30 April 2014**	**30 April 2014**
Liabilities from convertible bonds	**0.0**	**0.0**	**538,262.0**	**0.0**	**538,262.0**	**557,465.1**
Financial liabilities	**0.0**	**0.0**	**3,619,157.9**	**0.0**	**3,619,157.9**	**3,624,547.0**
Bonds	0.0	0.0	306,897.3	0.0	306,897.3	316,087.3
Amounts due to financial institutions	0.0	0.0	2,997,802.2	0.0	2,997,802.2	2,994,001.3
Other financial liabilities	0.0	0.0	314,458.4	0.0	314,458.4	314,458.4
Trade and other payables	**0.0**	**111,926.2**	**242,005.9**	**55,954.5**	**409,886.6**	**409,886.6**
Trade payables	0.0	0.0	83,391.0	0.0	83,391.0	83,391.0
Derivatives	0.0	111,926.2	0.0	0.0	111,926.2	111,926.2
Miscellaneous other liabilities	0.0	0.0	158,614.9	55,954.5	214,569.4	214,569.4
Total equity and liabilities	**0.0**	**111,926.2**	**4,399,425.8**	**55,954.5**	**4,567,306.5**	**4,591,898.7**

AFS: available for sale
FA@FV/P&L: financial assets at fair value through profit or loss
FL@FV/P&L: financial liabilities at fair value through profit or loss
FLAC: financial liabilities measured at amortised cost
HFT: held for trading
HTM: held to maturity
L&R: loans and receivables at amortised cost, miscellaneous other financial instruments at cost
Non-FI: non-financial assets/liabilities

The fair values shown in the table were derived from stock exchange prices or determined by applying recognised valuation methods, depending on the class (see section 8.1.3).

Trade accounts receivables are generally considered to be current or are carried net of any necessary valuation adjustments and, for this reason, fair value reflects the carrying amount. The same applies to cash and cash equivalents.

The fair value of financing receivables, other receivables and the components of miscellaneous other financial instruments carried at amortised cost also reflects the carrying amount because valuation adjustments have already been deducted.

The fair value shown in the above table for liabilities from convertible bonds, the CMBS bond and amounts due to financial institutions which are not carried at fair value equals the present value of future interest and principal payments. The discount rate includes a margin for IMMOFINANZ's own credit risk (debt value adjustment), and the valuation method used to determine fair value therefore represents Level 3 in the fair value hierarchy under IFRS 13. Information on the method used to determine the debt value adjustment is provided in section 8.1.3. The fair value of the corporate bond is based on the market price and therefore represents Level 1 in the fair value hierarchy under IFRS 13.

The fair value of the miscellaneous other liabilities generally reflects the carrying amount.

The following table shows the carrying amounts of the financial instruments classified as held for sale – based on the IAS 39 categories. Included here are receivables and liabilities measured at amortised cost and derivative financial liabilities carried at fair value:

All amounts in TEUR	30 April 2015 Carrying amount	30 April 2014 Carrying amount
IAS 39 category		
Financial assets		
Loans and receivables	1,386.6	504.2
Financial liabilities		
Carried at amortised cost	51,558.6	14,861.4
Held for trading	260.9	0.0
Cash and cash equivalents	2,171.0	1,019.9

8.1.2 Net gains and losses

IFRS 7 requires the disclosure of net gains and losses for each category of financial instrument defined in IAS 39. This information is presented in the following table:

All amounts in TEUR								30 April 2015
		Measurement at fair value	Impairment losses	Revaluation	Recycling	Income from disposal/repurchase	Other gains/losses	Net gain/loss
AFS		18.4	–8,981.6	0.0	0.0	0.0	1,754.7	–7,208.5
	Thereof recognised to the income statement	0.0	–8,981.6	0.0	–3,951.0	0.0	1,754.7	–11,177.9
	Thereof recognised in other comprehensive income	18.4	0.0	0.0	3,951.0	0.0	0.0	3,969.4
FA@FV/P&L		–38,595.3	0.0	0.0	0.0	0.0	1,618.2	–36,977.1
	Thereof fair value option	–38,467.2	0.0	0.0	0.0	0.0	1,618.3	–36,848.9
	Thereof HFT	–128.1	0.0	0.0	0.0	0.0	–0.1	–128.2
L&R		0.0	–27,882.4	861.7	0.0	1.4	213.0	–26,806.3
FL@FV/P&L		–57,902.0	0.0	0.0	0.0	0.0	–373.3	–58,275.3
	Thereof fair value option	–49,300.9	0.0	0.0	0.0	0.0	0.0	–49,300.9
	Thereof HFT	–8,601.1	0.0	0.0	0.0	0.0	–373.3	–8,974.4
FLAC		0.0	20,485.4	0.0	0.0	14,604.4	0.0	35,089.8

AFS: available for sale
FA@FV/P&L: financial assets at fair value through profit or loss
FL@FV/P&L: financial liabilities at fair value through profit or loss
FLAC: financial liabilities measured at amortised cost
HFT: held for trading
HTM: held to maturity
L&R: loans and receivables at amortised cost, miscellaneous other financial instruments at cost
Non-FI: non-financial assets/liabilities

All amounts in TEUR								30 April 2014
		Measurement at fair value	Impairment losses	Revaluation	Recycling	Income from disposal/repurchase	Other gains/losses	Net gain/loss
AFS		–3,948.0	0.0	0.0	0.0	0.0	15.7	–3,932.3
	Thereof recognised to the income statement	0.0	0.0	0.0	0.0	0.0	15.7	15.7
	Thereof recognised in other comprehensive income	–3,948.0	0.0	0.0	0.0	0.0	0.0	–3,948.0
FA@FV/P&L		–6,319.2	0.0	0.0	0.0	0.0	4.0	–6,315.2
	Thereof fair value option	–6,912.7	0.0	0.0	0.0	0.0	4.2	–6,908.5
	Thereof HFT	593.5	0.0	0.0	0.0	0.0	–0.2	593.3
L&R		0.0	–25,220.2	2,196.2	0.0	6.1	61.7	–22,956.2
FL@FV/P&L		14,003.1	0.0	0.0	0.0	0.0	–2,676.4	11,326.7
	Thereof HFT	14,003.1	0.0	0.0	0.0	0.0	–2,676.4	11,326.7

AFS: available for sale
FA@FV/P&L: financial assets at fair value through profit or loss
FL@FV/P&L: financial liabilities at fair value through profit or loss
FLAC: financial liabilities measured at amortised cost
HFT: held for trading
HTM: held to maturity
L&R: loans and receivables at amortised cost, miscellaneous other financial instruments at cost
Non-FI: non-financial assets/liabilities

The valuation category "financial assets and financial liabilities held for trading" (HFT) includes standalone derivatives.

Information on financing costs and financing income is provided in section 5.9.

8.1.3 Hierarchy of financial instruments carried at fair value

The following section includes an analysis of the financial instruments carried at fair value. A three-level classification was developed for this analysis in accordance with the measurement hierarchy defined in IFRS 13:

> Level 1: Quoted prices for identical assets or liabilities on an active market (without any adjustments)
> Level 2: Inputs that can be derived directly (e.g. as prices) or indirectly (e.g. based on prices) for the individual assets or liabilities and cannot be classified under Level 1
> Level 3: Inputs for assets or liabilities that are not based on observable market data.

All amounts in TEUR				30 April 2015
Financial assets available for sale	**Level 1**	**Level 2**	**Level 3**	**Total**
IAS 39 investments	–	–	10,912.0	10,912.0
Miscellaneous other financial instruments	3,521.9	–	–	3,521.9
Financial assets at fair value through profit or loss				
Fair value option				
IAS 39 investments	–	–	55,155.9	55,155.9
Held for trading				
Derivatives	–	–	576.3	576.3
Financial liabilities at fair value through profit or loss				
Fair value option				
Bonds	–	–	424,986.6	424,986.6
Held for trading				
Derivatives	–	–	116,889.3	116,889.3

All amounts in TEUR				30 April 2014
Financial assets available for sale	**Level 1**	**Level 2**	**Level 3**	**Total**
IAS 39 investments	–	–	26,411.6	26,411.6
Financial assets at fair value through profit or loss				
Fair value option				
IAS 39 investments	–	–	99,521.7	99,521.7
Current securities	–	–	262,366.1	262,366.1
Held for trading				
Derivatives	–	–	5,053.0	5,053.0
Financial liabilities at fair value through profit or loss				
Held for trading				
Derivatives	–	–	111,926.2	111,926.2

The following table shows the reconciliation of the opening and closing balances of the financial instruments classified under Level 3:

	IAS 39 investments		Derivatives		Current securities		Bonds	
All amounts in TEUR	**2014/15**	**2013/14**	**2014/15**	**2013/14**	**2014/15**	**2013/14**	**2014/15**	**2013/14**
Balance on 1 May 2014	**125,933.3**	**165,913.6**	**–106,873.2**	**–102,715.1**	**262,366.1**	**0.0**	**0.0**	**0.0**
Recognised on the income statement	–51,633.8	–9,278.7	–8,729.1	14,596.6	234.0	2,366.0	–50,086.6	0.0
Recognised in other comprehensive income	3,951.1	–3,948.0	0.0	0.0	0.0	0.0	0.0	0.0
Additions	0.0	0.0	0.0	–55,339.5	0.0	260,000.1	–375,000.0	0.0
Disposals	–12,182.7	–26,753.6	–710.7	8,717.2	–262,600.1	0.0	100.0	0.0
Disposal through BUWOG spin-off	0.0	0.0	0.0	27,867.6	0.0	0.0	0.0	0.0
Balance on 30 April 2015	**66,067.9**	**125,933.3**	**–116,313.0**	**–106,873.2**	**0.0**	**262,366.1**	**–424,986.6**	**0.0**

The EUR –99.8 million recognised on the income statement includes EUR –101.1 million attributable to financial instruments that were held at the end of the reporting year. This amount is reported under other financial results.

The disposal shown under current securities represents the BUWOG convertible bond. BUWOG AG exercised its option to call the bond within nine months after the date on which its shares were listed and to redeem the bond at 101% of its nominal value (plus accrued interest).

Valuation procedures and input factors used to determine the fair value of financial instruments:

Level	Financial Instruments	Valuation method	Major input factors	Major non-observable input factors
3	IAS 39 investments	Net present value methods	Discount rate, expected principal repayments and dividends	Discount rate: 8.50% to 14.00%
3	Derivatives (interest rate swaps)	Net present value methods	Interest rate curves observable on the market, default probabilities, default rates, liability at the time of default	Credit margin: 2.00% to 4.50%
3	Derivatives (from convertible bonds)	Capital market and net present value methods	Market prices of convertible bonds, interest rate curves observable on the market, default probabilities, default rates, liability at the time of default	Credit margin: 3.82%
3	Bond (with exchange option for shares of BUWOG AG)	Option pricing models	Risk-free interest rate, default probabilities, default rates, liability at the time of default, historical volatility in price of BUWOG share, market price of BUWOG share, dividend paid by BUWOG AG	Credit margin: 3.82%, historical volatility in price of BUWOG share: 20.79%, dividend by BUWOG AG: EUR 0.69 per share

IMMOFINANZ Group calculates the fair value of derivatives by discounting the future cash flows based on a net present value method. The interest rates used to discount the future cash flows are based on an interest curve that is observable on the market. The following three parameters are required to calculate the credit value adjustment (CVA) and the debt value adjustment (DVA): the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD). The probability of default is derived from the credit default swap (CDS) spreads of the respective counterparty. Derivatives with a positive fair value represent receivables for IMMOFINANZ Group; in these cases, a CVA calculation is used to calculate the amount of the receivable. One parameter for this calculation is the probability of default for the counterparties. IMMOFINANZ Group concludes contracts with over 70 financial institutions, and observable CDS spreads are available on the market for many of them. In exceptional cases, average branch benchmarks are used as a substitute for unavailable spreads. These benchmarks represent Level 1 and 2 input factors on the fair value measurement hierarchy. Derivatives with a negative fair value represent liabilities for IMMOFINANZ Group; in these cases, a DVA calculation is used to calculate the amount of the liability and IMMOFINANZ Group's own probability of default must be determined. IMMOFINANZ Group generally concludes derivatives at the level of the property company that manages a particular property. Neither observable market CDS spreads, nor benchmarks are available for these property companies. CDS spreads are therefore used to estimate credit margins which, in turn, form the basis for deriving the probability of default. The credit margin for IMMOFINANZ Group is determined in a two-step procedure. The first step involves the calculation of an average margin based on previously concluded credit agreements and term sheets, whereby the time horizon for the applied margins equals twelve months. The second step involves obtaining indicative credit margin offers from banks and averaging these values with the margins from the credit agreements and term sheets. These offers are grouped by country and asset class. The individual property companies that have concluded financial instruments are assigned to a group based on country and asset class. The plausibility of the calculated credit margins is also verified by comparison with external market reports. This procedure results in market-conform credit margins that can be used as estimates for valuing the company's own credit risk. These input factors represent Level 3 on the IFRS 13 measurement hierarchy. The loss given default (LGD) is the relative value that would be lost on default. IMMOFINANZ Group used an ordinary market LGD to calculate the CVA and DVA. The exposure at default (EAD) represents the expected amount of the asset or liability at the time of default. The calculation of the EAD is based on a Monte Carlo simulation.

The debt value adjustment for the bond with the exchange option for shares of BUWOG AG was determined by applying the same method used for the valuation of derivatives.

Of the liabilities carried at fair value through profit or loss, the amount attributable to default risk totalled EUR 25.4 million and the change during the year equalled EUR 23.7 million.

For net present value methods, an increase in the discount rate, exit yield or credit spread leads to a reduction in fair value. In contrast, fair value is increased by a reduction in these input factors.

The valuation of default risk includes assumptions for the probability of default, loss rate and the outstanding amount at the time of expected default. An increase in the probability of default and the loss rate will reduce the fair value of a derivative with a positive outstanding amount (receivable) and reduce the liability for a derivative with a negative outstanding amount (liability). A decrease in the probability of default and the loss rate leads to the opposite effect.

The option pricing models include, among others, the volatility in the share price as an input factor. The assumption of a higher price volatility leads to an increase in the fair value of the financial instrument, while the assumption of a lower price volatility leads to a reduction in fair value.

Changes in the estimates for the input factors used to determine the fair value of the exchangeable bond for BUWOG shares can lead to a significant change in the carrying amount of the financial liability. The fair value option was used to recognise the exchangeable bond for BUWOG shares. The carrying amount equalled EUR 425.0 million as of 30 April 2014, which represents a price of 113.36%. A change of EUR +/-1 per share in the market price of the BUWOG share would lead to a change of +5.11 percentage points, respectively -4.56 percentage points in this price. A change of+/-1 percentage points in the credit margin would lead to a change of -0.97 percentage points, respectively +1.14 percentage points in the price. A change of +/-1 percentage points in the share price volatility would lead to a change of +0.28 percentage points, respectively -0.25 percentage points in the price. A change of EUR +/-0.10 per share in the dividend paid by BUWOG AG would lead to a change of +0.08 percentage points, respectively -0.02 percentage points in the price.

8.1.4 Collateral

IMMOFINANZ Group companies normally provide collateral for loans related to project financing. Financing is generally concluded at the individual project level, and each company or property is responsible for the related debt service. There are no rights of regress involving IMMOFINANZ AG. As security for the loan, the lending bank receives a package of collateral that can be used to satisfy the receivable in the event a loan is called. This package can include the following types of collateral:

› Mortgage on the land or the land and building
› Pledge of shares in the project company
› Pledge of receivables (from rental agreements, insurance contracts, property management contracts etc.)
› Pledge of bank accounts (accounts for rental payments or other project-related accounts)
› Promissory notes
› Treasury shares

The conditions, type and scope of collateral are defined on an individual basis (for each company and property) and are dependent on the project volume and the amount and term of the loan.

Investment property with a carrying amount of EUR 4,949.6 million (2013/14: EUR 5,716.4 million) was pledged as collateral for long-term financing of EUR 2,440.1 million (2013/14: EUR 2,753.9 million).

Property under construction with a carrying amount of EUR 380.9 million (2013/14: EUR 215.7 million) and inventories with a carrying amount of EUR 118.1 million (2013/14: EUR 98.0 million) also serve as collateral. The corresponding liabilities total EUR 266.9 million (2013/14: EUR 125.2 million) and EUR 110.8 million (2013/14: EUR 89.6 million).

In 2014/15 and earlier years IMMOFINANZ Group accepted liabilities or guarantees on behalf of third parties with a maximum risk of EUR 149.3 million (2013/14: EUR 247.3 million). The probability of occurrence for these contingent liabilities is linked to the fulfilment or non-fulfilment of future conditions and was considered low as of the balance sheet date.

8.2 Financial risk management

8.2.1 General information

IFRS 7 requires the disclosure of information that enables the users of financial statements to evaluate the nature and extent of risks arising from financial instruments to which the company is exposed as of the balance sheet date.

As an international corporation, IMMOFINANZ Group is exposed to various financial risks. The most important financial risks for the Group arise from possible changes in foreign exchange rates and interest rates and from the credit standing and solvency of its customers and business partners.

IMMOFINANZ Group has integrated an active risk management system into its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct influence on strategic decisions and operating processes. Internal guidelines, reporting systems and control measures have been installed throughout IMMOFINANZ Group to support the monitoring, evaluation and control of risks related to the operating business. Risk management in IMMOFINANZ Group takes place at all levels and is ultimately the responsibility of the Executive Board, which is involved in all risk-related decisions. The internal control system (ICS) has been optimised to support the early identification and monitoring of risk. A description of the ICS is provided in the management report.

In accordance with IAS 32 and IAS 39, a distinction is made between primary and derivative financial instruments.

Primary financial instruments reported under assets consist primarily of trade accounts receivable, financing receivables, loans and other receivables, real estate funds, current securities, miscellaneous other financial instruments and cash and cash equivalents. Primary financial instruments recorded under liabilities consist primarily of financial liabilities, liabilities arising from convertible bonds and trade accounts payable. Available-for-sale (AFS) financial assets, current securities and financial instruments recognised at fair value through profit or loss in accordance with IAS 39 (fair value option) are carried at fair value; all other financial assets are shown at amortised cost. Fair value is based on market prices or calculated in accordance with recognised valuation methods.

Derivative financial instruments are used to hedge the risk arising from fluctuations in foreign exchange rates and interest rates on business operations as well as the risk associated with monetary investments and financing (see section 8.2.5).

8.2.2 Default / credit risk

Credit risks arise from the possibility that the counterparty to a transaction could fail to meet the related obligations, and the Group incurs financial damages as a result. The maximum credit risk represents the amounts reported under assets on the balance sheet and the amounts attributable to these risks. Default risk is reflected in appropriate valuation adjustments.

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

The risk of default on receivables due from tenants is low because tenants are generally required to provide security deposits – cash deposits for residential properties, bank guarantees or cash deposits for commercial properties – and the credit standing of tenants is monitored on a regular basis. Individual valuation adjustments are generally recorded to receivables that are exposed to an increased risk of default (e.g. in Russia due to the difficult foreign exchange-based market situation).

The default risk associated with receivables due from banks is also considered to be low because all financing transactions are concluded with financial institutions that have excellent credit ratings. The counterparty default risk is limited by continuous monitoring, fixed investment limits and the diversification of financial institutions.

8.2.3 Liquidity risk

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

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

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

The following table shows the term structure of derivative and non-derivative financial liabilities based on the contractually defined outflow of funds. In particular, the reported amounts include current and maturing repayments for financial liabilities and net payments from derivatives.

All amounts in TEUR	Cash outflows under 1 year	Cash outflows between 1 and 5 years	Cash outflows over 5 years	Total	Carrying amount as of 30 April 2015
Liabilities from convertible bonds	530,865.5	22,202.5	0.0	553,068.0	529,173.6
Liabilities arising from the issue of bonds	209,595.0	493,837.5	0.0	703,432.5	727,220.0
Amounts due to financial institutions	222,387.7	1,932,207.3	1,225,765.4	3,380,360.4	2,857,889.8
Miscellaneous	164,997.0	28,345.5	19,268.1	212,610.6	256,748.8
Total non-derivative financial liabilities	**1,127,845.2**	**2,476,592.8**	**1,245,033.5**	**4,849,471.5**	**4,371,032.2**
Derivative financial instruments (liabilities)	20,617.8	31,933.0	1,692.7	54,243.5	116,889.3
Total derivative financial liabilities	**20,617.8**	**31,933.0**	**1,692.7**	**54,243.5**	**116,889.3**
Total	**1,148,463.0**	**2,508,525.8**	**1,246,726.2**	**4,903,715.0**	**4,487,921.5**

The cash outflows resulting from the exchangeable bond for BUWOG shares are included for years one through five because the outflow of funds before the bondholder's opportunity to exercise the put option on 11 September 2017 lies within the decision authority of IMMOFINANZ AG. The repayment of the CMBS financing (commercial mortgage-backed security) is reported under liabilities from bonds as part of cash outflows of less than one year. The refinancing by a German-Austrian bank consortium was secured as of 30 April 2015 and took effect on 12 May 2015 (see section 8.7).

Miscellaneous non-derivative financial liabilities include, among others, trade accounts payable, liabilities to joint ventures and liabilities from deposits received.

8.2.4 Foreign exchange risk

IMMOFINANZ Group is exposed to various forms of foreign exchange risk in connection with its balance sheet and cash flows: fluctuations in foreign exchange rates can influence valuation results and also have an impact on the asset position of the company.

Effects on the asset and earnings positions

IAS 21 calls for the translation of monetary assets and liabilities at the average exchange rate in effect on the balance sheet date. In this way, exchange rate fluctuations can have a direct impact on the asset position of the Group.

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

The following table shows the sensitivity of the foreign currency liabilities with financial institutions that are reported in the consolidated financial statements to exchange rate changes. The list shows the theoretical amount of the liabilities based on a change of -/+2% or -/+5% in the exchange rate compared with the rate in effect on the balance sheet date.

30 April 2015					Change in exchange rate
Amounts due to financial institutions					
All amounts in TEUR	Currency	Δ -5%	Δ -2%	Δ +2%	Δ +5%
737,435.1	USD	776,247.5	752,484.8	722,975.6	702,319.2
8,573.2	PLN	9,024.4	8,748.2	8,405.1	8,165.0
270.5	CHF	284.7	276.0	265.2	257.6

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

Derivative financial instruments are used in some cases to manage foreign exchange risk. The derivative financial instruments used by IMMOFINANZ to hedge this risk are recorded as standalone transactions and not as hedge transactions. Hedge accounting as defined in IAS 39 is not applied.

The standalone derivatives are recognised to profit or loss and reported on the income statement.

Section 8.2.5 contains a list of the market values and conditions of all derivative financial instruments purchased by IMMOFINANZ Group and held as of the balance sheet date as protection against foreign exchange risk.

Cash and cash equivalents are held in the following currencies:

All amounts in TEUR	30 April 2015	30 April 2014
EUR	234,657.9	165,505.0
USD	65,806.5	7,715.6
CHF	8,998.2	1,341.4
HUF	11,377.8	7,406.4
PLN	22,146.3	14,985.1
CZK	9,166.4	7,401.5
RON	23,206.6	13,390.5
RUB	14,365.4	17,156.3
Other	977.6	962.2
Total	**390,702.7**	**235,864.0**

8.2.5 Interest rate risk

As an international company, IMMOFINANZ Group is exposed to the risk of interest rate fluctuations on various property submarkets. Changes in interest rates can have a negative impact on Group earnings by increasing the cost of floating rate financing.

A change in interest rates will have a direct influence on financial results through its impact on floating rate financing. IMMOFINANZ Group limits the risk associated with rising interest rates – which would lead to higher interest expense and a decline in financial results – through the use of fixed interest rate financing contracts and derivative financial instruments (above all caps and swaps). These derivative financial instruments are accounted for as standalone derivatives and not as hedges. Hedge accounting as defined in IAS 39 is not applied.

The classification of financial liabilities by type of interest rate is shown in the following table:

All amounts in TEUR	30 April 2015	30 April 2014
Fixed interest financial liabilities	1,321,797.0	1,194,816.3
Floating rate financial liabilities	2,811,249.5	2,962,603.6
Total interest-bearing financial liabilities	**4,133,046.5**	**4,157,419.9**

The following table shows the market values and conditions of all derivative financial instruments that were purchased and held by IMMOFINANZ Group as of 30 April 2015 to hedge interest rate and foreign exchange risk:

	Type	Reference value as of 30 April 2015 in TEUR	Market value incl. interest in EUR	Maturity
Interest rate up to 2.00%	Interest rate swap	70,995.1	–503.4	2015/16
	Interest rate swap	77,645.0	–858.1	2016/17
	Interest rate swap	163,730.4	–3,748.2	2017/18
	Interest rate swap	152,908.4	–7,116.2	2018/19
	Interest rate swap	170,633.8	–7,114.7	2019/20
	Interest rate swap	15,240.0	–587.8	2021/22
	Interest rate swap	10,174.1	–638.7	2022/23
	Interest rate swap	50,127.1	44.7	2024/25
Number of derivatives: 51		**711,453.9**	**–20,522.4**	
Interest rate from 2.00% to 3.50%	Interest rate swap	21,586.6	–463.1	2015/16
	Collar	191,149.4	–3,217.4	2016/17
	Interest rate swap	167,254.1	–5,175.9	2016/17
	Interest rate swap	72,339.4	–4,623.8	2017/18
	Interest rate swap	29,019.0	–2,366.3	2018/19
	Interest rate swap	13,909.0	–905.5	2019/20
	Interest rate swap	5,803.0	–403.5	2020/21
	Interest rate swap	46,592.8	–4,109.0	2024/25
Number of derivatives: 18		**547,653.3**	**–21,264.5**	
Interest rate over 3.50%	Interest rate swap	20,000.0	–228.2	2015/16
	Interest rate swap	57,341.0	–6,248.2	2017/18
	Interest rate swap	1,045.6	–131.7	2018/19
Number of derivatives: 10		**78,386.6**	**–6,608.1**	
	FX forward EUR/PLN	41,095.3	531.6	2015/16
Number of derivatives: 7		**41,095.3**	**531.6**	
Total number of derivatives: 86 [1]		**1,378,589.1**	**–47,863.4**	

[1] As of the balance sheet date, 78 securities with a total negative value of EUR–48.4 million and 8 securities with a positive market value of EUR 0.6 million.

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

The market value represents the amount that the respective company would receive or be required to pay if the transaction were terminated as of the balance sheet date.

A change in the market interest rate will influence the valuation of interest rate derivatives. Net present value calculations based on the DCF method – which is also used to value derivatives – discount future cash flows with current interest rate curves to determine market value. Rising interest rates lead to a higher discount factor and to a reduction in the present value of the derivative.

Sensitivity analysis are used to illustrate the risk associated with interest rate fluctuations. They show the effects of changes in market interest rates on market values and interest payments as well as interest income and expense.

The following sensitivity analysis shows the effect of a change in the interest rate level on the market value of interest rate derivatives (interest rate swaps, caps and collars). An increase of 10 and 25 basis points is assumed (the effects of falling interest rates were not analysed due to the current very low interest rate level). The following market values include accrued interest, but exclude credit risk adjustments.

Sensitivity analysis	Interest rate scenarios		Basis points
All amounts in TEUR	**2014/15**	**+10**	**+25**
Market value based on increase in interest rate	–49,042.8	–45,529.0	–40,311.3

A further sensitivity analysis shows the influence of floating interest rates on the interest expense associated with financial liabilities. It presents the effect of an assumed average increase of 50 and 100 basis points in interest rates on the interest expense recognised in 2014/15. This analysis assumes that all other variables, in particular foreign exchange rates, remain constant. Due to the very low level of interest rates during the reporting year (e.g. 3-month EURIBOR: 0.005%, 3-month LIBOR USD: 0.279%) a sensitivity analysis was not prepared for falling interest rates during the reporting year or previous year.

Sensitivity analysis 2014/15	Interest rate scenarios		Basis points
All amounts in TEUR	**2014/15**	**+50**	**+100**
Interest expense based on increase in interest rate	200,437.4	207,196.2	216,517.1

Details on the conditions of financial liabilities are provided in section 6.14.

In addition to financial liabilities, securities and other receivables – above all financing receivables (loans granted to third parties) – can be sensitive to interest rate changes. The financing receivables generally carry fixed interest rates, and the Group is therefore exposed to no risk or only limited risk from these items.

8.2.6 Capital management

The goal of IMMOFINANZ's management is to protect the Group's short-, medium- and long-term liquidity at all times. Interest rate hedging instruments such as caps and swaps are used to manage liquidity, above all when interest rates are low. The medium-term target calls for a balanced ratio of equity and debt, respectively an LTV (loan-to- value) ratio of 50.00%.

All amounts in TEUR	30 April 2015	30 April 2014
Equity	3,699,554.1	4,217,327.8
Debt	5,148,099.0	5,170,632.9
Capital structure	**71.9%**	**81.6%**

IMMOFINANZ Group is not subject to any external minimum capital requirements.

8.3 Financial obligations

8.3.1 Contingent liabilities and guarantees

Contingent liabilities represent possible or existing obligations arising from past events, in cases where it is not probable that an outflow of resources will be required to settle the obligation. In accordance with IFRS 3, contingent liabilities are only recorded on the balance sheet if they are assumed in connection with the acquisition of a company and the fair value on the acquisition date can be measured with sufficient reliability. In subsequent years, contingent liabilities and guarantees are measured through profit or loss at the higher of the expected value determined in accordance with IAS 37 (see section 2.3.16) and the initially recognised amount less accumulated amortisation in accordance with IAS 18.

The following section presents information on the status of legal proceedings related to lawsuits filed by (former) shareholders and lawsuits related to the management contract with Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG). The reported values in dispute include, in part, identical items and can therefore not be added.

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

Since November 2008 a number of shareholders have filed claims against IMMOFINANZ AG (in short: IFAG) and IMMOEAST AG (now: IMBEA IMMOEAST Beteiligungsverwaltung GmbH, in short: IMBEA). Some of the plaintiffs are IMMOFINANZ AG shareholders, while others are shareholders of the former IMMOEAST AG, who are asserting various claims against IMMOFINANZ AG or against IMBEA as the legal successor of IMMOEAST AG. In all cases, the plaintiffs are claiming damages based on prospectus liability or other alleged inadequate capital market information. The plaintiffs' argumentation is based primarily on alleged deficiencies in the prospectuses of IMMOFINANZ AG or IMMOEAST AG. Many of the plaintiffs' claims are also based on other legal grounds, e.g. the violation of ad-hoc reporting requirements. Among others, the plaintiffs contend that the funds raised from the public offering were not used for acquisitions or the development of new real estate projects, but for the financing of IMMOFINANZ AG and IMMOEAST AG and for the purchase of shares in IMMOFINANZ AG and IMMOEAST AG. IMMOFINANZ AG and IMBEA reject these claims. Of special note are 19 class action lawsuits of Austrian origin involving between ten and 908 plaintiffs who have filed claims against IMMOFINANZ AG – largely together with IMBEA.

By the end of April 2015 a total of 811 lawsuits had been filed against IMMOFINANZ AG, (whereby IMBEA was also named in some of the cases) and 79 lawsuits only against IMMOEAST AG/IMBEA, for a total of 890 lawsuits with a value in dispute of approx. EUR 252 million. Most of the plaintiffs are covered by insurance for legal expenses or represented by AdvoFin, a company that finances such proceedings. The status of the pending proceedings is different, whereby most are still in the early stages. In many of the cases the plaintiffs have already been heard, and a more extensive hearing of evidence has only taken place in a few cases. In 74 cases, a judgment in the first instance or a final judgment was issued, each – for different reasons – in favour of IMMOFINANZ AG or IMMOEAST AG/IMBEA. A judgment in one other case is expected during the coming months. In five cases, the lawsuit IMMOFINANZ AG and/or IMBEA was upheld. IMMOFINANZ AG and IMBEA filed an appeal against these decisions in all but one case. The decisions by the Regional Appeals Court in Vienna are expected in the coming months. Some of the first-instance decisions were reversed by the Regional Appeals Court in Vienna or the Austrian Supreme Court and remanded to the first-instance court for renegotiation. In total, 323 of the proceedings have been completed to date (one legally binding judgment allowing the lawsuit, 45 legally binding judgments rejecting the lawsuits, 19 withdrawals of lawsuits, 195 agreements for withdrawal of the lawsuit under the waiver of claims and 63 settlements that did not involve any payments by IMMOFINANZ AG or IMBEA to the plaintiffs). The following table shows the status of the pending legal proceedings at the end of April 2015 after the deduction of the 323 previous concluded lawsuits from the above-mentioned 890 lawsuits that had been filed by the end of April 2015:

Pending proceedings: IFAG/IMBEA	Number of proceedings	Value in dispute in TEUR
IFAG	216	22,100.0
IMBEA	33	6,700.0
IFAG and IMBEA	318	215,600.0
Total	**567**	**244,400.0**

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

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

By the end of April 2015 Aviso Zeta AG had served IMMOFINANZ AG and/or IMBEA in most cases both companies, with third party noticed in 412 cases. Swiss Life Select Österreich GmbH has also served IMMOFINANZ AG and/or IMBEA with third party noticed in 229 cases, also in class action suits that were filed against Swiss Life Select Österreich GmbH. IMMOFINANZ AG and IMBEA joined in most of these cases.

According to the information currently available to IMMOFINANZ AG, judgments have been issued in 21 lawsuits against Swiss Life Select Österreich GmbH and in 56 lawsuits against Aviso Zeta AG. Some of these judgments were issued in favour of the respective defendant, others against. Neither Swiss Life Select Österreich GmbH nor Aviso Zeta AG has filed recourse claims against IMMOFINANZ AG or IMBEA. Most of the lawsuits against Swiss Life Select Österreich GmbH have already been concluded.

Third party notices to IFAG/IMBEA	Number of proceedings	Value in dispute in TEUR
Aviso Zeta	412	42,400.0
AWD (now: Swiss Life Select Österreich GmbH)	229	32,300.0
Total	**641**	**74,700.0**

Legal proceedings against Aviso Zeta AG

At the end of April 2015, 954 proceedings with a total value in dispute of EUR 270.7 million were still pending against Aviso Zeta AG as the dependent or intervening party. These proceedings are based on different facts and circumstances. The purchase of IMMOFINANZ/IMMOEAST shares is still the primary issue in 835 proceedings with a value in dispute of EUR 258.5 million. Moreover, 1,465 proceedings had been concluded by the end of the 2014/15 financial year (30 April 2015). In 792 of these cases, permanent suspension of the proceedings was agreed in exchange for the waiver of costs. The lawsuits were withdrawn under the waiver of claims in a further 226 cases and rejected by the court in 147 cases. Only 36 proceedings were lost from the viewpoint of Aviso Zeta AG, and settlements were reached in 258 cases. Lawsuits have been filed against Aviso Zeta AG in a further 934 cases (value in dispute: EUR 18.2 million) involving securities brokerage (in particular, Lehman Brothers products with the designation "Dragon FX Garant"). The proceedings were concluded in 782 cases: the results were positive for Aviso Zeta AG (withdrawal, rejection, settlements or permanent suspension of the proceedings) in 779 cases and the lawsuits were allowed in only three cases. Several proceedings were interrupted pending a decision by the Court of Justice of the European Union on the correctness of the prospectus publication. The Court of Justice has since remanded the proceedings to the national courts, where they were continued at the end of 2014. The court of second instance decided in favour of Aviso Zeta AG, and the proceedings are currently pending at the Austrian Supreme Court.

In a further 203 still pending proceedings, Aviso Zeta AG was served with third-party notices and joined in the proceedings. These cases deal solely with the purchase of IMMOFINANZ/IMMOEAST shares. No regress claims have been filed against Aviso Zeta AG to date.

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

At the end of 2012 Aviso Zeta AG filed lawsuits against three former members of the Executive Board of Constantia Privatbank AG for compensation for damages and declaration by judgment. The purpose of these lawsuits is to allow for the possible future filing of a recourse claim based on false advising in connection with share purchases. These legal proceedings currently involve the introduction of evidence.

Defendant's litigation Aviso Zeta AG

Aviso Zeta AG	Number of proceedings	Value in dispute in TEUR
Defendant: IMMOFINANZ/IMMOEAST	632	247,800.0
Defendant: Dragon FX Garant	118	2,600.0
Intervening party	203	10,700.0
Other	1	9,600.0
Total	**954**	**270,700.0**

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

IMMOFINANZ AG , as the accepting company, was merged with IMMOEAST AG, as the transferring company, in accordance with a merger agreement dated 21 January 2010. In connection with this merger, the former shareholders of IMMOEAST AG were granted a total of 567,363,702 shares in IMMOFINANZ AG based on an agreed exchange ratio of three IMMOFINANZ shares for each two IMMOEAST shares. Petitions were subsequently filed with the commercial court of Vienna by IMMOFINANZ shareholders and shareholders of the former IMMOEAST AG for a review of this exchange ratio pursuant to §§ 225c ff of the Austrian Stock Corporation Act. This step led to the start of court proceedings, and IMMOFINANZ AG has filed an extensive statement in response to the petitions. In accordance with legal regulations (§ 225g of the Austrian Stock Corporation Act), the commercial court of Vienna ordered an expert opinion on the exchange ratio. In April 2014 Hans Bodendorfer was appointed by the court to prepare an expert opinion that will determine whether the defined exchange ratio reflects the factual and legal situation and evaluate whether the applied valuation methods are plausible. The expert opinion is expected to be issued by the end of the year.

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

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

Other legal disputes

In March 2011 IMMOFINANZ AG filed a lawsuit against three former members of the Executive Board and members of the Supervisory Board of the former Constantia Privatbank AG that involved option transactions to the detriment of the former IMMOEAST AG. The proceedings were suspended after the first hearing in September 2011 until a final binding decision is issued in the criminal proceedings against these former Executive and Supervisory Board members. These criminal proceedings resulted in the (not yet legally binding) first-instance conviction, among others, of two of the three defendants. IMBEA was also awarded approx. EUR 7 million by this first-instance decision (not yet legally binding). In addition, Aviso Zeta was awarded approx. EUR 4 million. The proceedings pertaining to the nullity appeal are still pending with the Austrian Supreme Court, which filed a petition with the Austrian Administrative High Court for the annulment of a procedural issue. Following a decision by the Austrian Administrative High Court, the decision by the Austrian Supreme Court is expected in summer 2015.

IMMOFINANZ AG filed a further lawsuit in September 2011 to enforce claims against a former member of the Executive Board and other persons in connection with payments made to third parties without justifiable grounds on the instructions of this former board member. This case is still in the early stages and only a number of parties have been heard.

In 2013 IMMOFINANZ AG and IMBEA filed a lawsuit against a former member of the Executive Board for payment of EUR 10 million as compensation for damages. The first witnesses and parties have been heard, and the next hearing is scheduled for the end of 2015.

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

As mentioned above, the values in dispute cover in part identical content. Based on estimates for the expected outcome of these proceedings, IMMOFINANZ Group has recognised an appropriate amount of provisions for legal disputes and provisions for legal proceedings in the consolidated financial statements.

In specific East European countries, legal uncertainty could arise in connection with land ownership.

In May 2015 the shareholders O1 Group Limited and PHI Finanzbeteiligungs und Investment GmbH (an indirect wholly owned subsidiary of CA Immobilien Anlagen AG) filed a lawsuit with the Vienna Commercial Court for a declaratory judgment and the annulment of the election of Horst Populorum and Wolfgang Schischek to the Supervisory Board of IMMOFINANZ AG by the company's extraordinary general meeting on 17 April 2015. The candidates nominated by O1 and CA Immo, Tamara Gutmann and Oliver Puhl, were not elected. IMMOFINANZ AG has filed for the rejection of this lawsuit. The legal challenge is based on § 10 para. 5 of the articles of association, under which the first "year of office" for the election of a supervisory board member by an extraordinary general meeting must end with the next ordinary general meeting. However, this provision – in contrast to the arguments put forth by the plaintiff – regulates the number of years in the term of office, but does not reduce the term of office up to the next ordinary general meeting. With this legal challenge, O1/CA Immo contradict their own nominations at the extraordinary general meeting on 17 April 2015, which also covered a three-year term of office. Furthermore, O1/CA Immo assert that the female candidate was not elected. The applicable law intentionally does not define a specific quota for women. From the point of view of IMMOFINANZ AG, there are no grounds for a legal challenge in this connection.

8.3.2 Other financial obligations

The following table shows the financial obligations arising from previously contracted construction services, maintenance and other contractual obligations for the construction or acquisition of properties:

All amounts in TEUR	2014/15	2013/14
Outstanding construction costs	124,931.6	163,133.6
Contracted maintenance	2,358.1	895.3
Contractual obligations for the construction of residential properties	27,209.5	46,433.8
Contractual obligations for the construction or acquisition of properties	82,629.6	19,264.6
Total	**237,128.8**	**229,727.3**

8.4 Transactions with related parties

Related parties in the sense of IAS 24 include all joint ventures, associated companies and companies included through full consolidation. In addition to persons who have a significant influence over IMMOFINANZ Group, related parties include the members of the Executive Board and Supervisory Board of IMMOFINANZ AG and their close family members.

All transactions carried out with related parties during the reporting year reflected arm's length conditions.

The Vice-Chairman of the Supervisory Board Rudolf Fries is a partner in Eckert Fries Prokopp Rechtsanwälte GmbH, a law firm located in Baden bei Wien. This law firm charged fees of EUR 0.00 (2013/14: EUR 65,945.00) for legal advising provided to IMMOFINANZ Group companies 2014/15. The terms of these fees agreed in the previous year, above all the hourly rates, reflect standard market conditions.

As part of the remuneration for the members of the Executive Board, IMMOFINANZ AG makes payments to APK Pensionskasse AG. These payments are related to company pensions for the Executive Board members and reflect standard market conditions. Christian Böhm, a member of the Supervisory Board, is the chairman of the management board of this company. The contributions made in 2014/15 are reported in section 8.5.

Transactions between fully consolidated subsidiaries are eliminated during the consolidation and are therefore not explained in detail.

8.4.1 Joint ventures and associated companies

All amounts in TEUR	30 April 2015	30 April 2014
Relations with joint ventures		
Receivables	90,295.8	122,018.3
Thereof allowance for bad debt	–68,908.7	–71,339.7
Liabilities	18,455.1	17,992.8
Relations with associated companies		
Receivables	57,071.8	72,261.8
Thereof allowance for bad debts	–15,615.0	–10,915.5
Liabilities	2,631.8	261,457.1
Current securities	0.0	262,366.1

All amounts in TEUR	1 May 2014–30 April 2015	1 May 2013–30 April 2014
Relations with joint ventures		
Other income	0.0	404.2
Other expenses	–103.6	0.0
Interest income	10,359.4	8,477.2
Interest expense	–501.6	–115.2
Allowance for bad debt	–29,902.8	–10,374.9
Thereof negative shares of results that reduce the net investment	–24,852.4	–5,265.2
Realised and unrealised foreign exchange gains and losses	293.2	–90.7
Income taxes	3.8	1,432.5
Relations with associated companies		
Other income	1,662.7	105.2
Other expenses	–4,863.1	–2.2
Interest income	3,288.5	757.6
Interest expense	–5,912.8	–0.5
Allowance for bad debt	–4,685.4	–1,531.1
Thereof negative shares of results that reduce the net investment	–609.8	0.0
Income taxes	–10,765.2	–9,537.0

Transactions with joint ventures and associated companies are carried out at standard market prices and conditions. The financing for joint ventures is frequently arranged by IMMOFINANZ Group and its partners in a ratio that differs from the respective investments.

On 25 April 2014 BUWOG AG issued a 3.5% convertible bond with a total nominal value of EUR 260.0 million and a term extending to 25 April 2019; this issue was based on an authorisation by the annual general meeting on 7 March 2014. This convertible bond was subscribed in full by IMMOFINANZ AG based on the takeover contract dated 25 April 2014 and was recognised at fair value through profit or loss in the 2013/14 consolidated financial statements of IMMOFINANZ Group. In accordance with the issue terms, the conversion price was initially set at EUR 18.93; this price reflected a 40% premium over the arithmetic average of the XETRA closing prices for the BUWOG share on the first five trading days (28 April 2014 to 5 May 2014). The conversion right can be exercised at any time during the conversion period from 29 January 2015 to 25 April 2019. The conversion rights will be serviced by conditional capital in accordance with § 159 (2) no. 1 of the Austrian Stock Corporation Act based on an authorisation of the annual general meeting on 7 March 2014. BUWOG AG is entitled to call the entire convertible bond on or before 27 January 2015 with a minimum of 30 days' notice, with payment equalling 101% of the nominal value plus accrued interest. The issue proceeds were used by the BUWOG Group to purchase a residential property portfolio with roughly 18,000 units and approx. 1.09 million sqm of rentable space in Northern Germany. The transfer of the issue proceeds by IMMOFINANZ Group was postponed by agreement until the closing of the DGAG portfolio transaction. The agreed interest reflects ordinary market conditions, and the postponement ended in June 2014. BUWOG AG exercised its call-option to redeem the bond within nine months after the date on which its shares were listed and redeemed the bond at 101% of its nominal value (plus accrued interest).

IMMOFINANZ AG provided the BUWOG Group with support in typical administrative corporate functions – for example, information technology, taxes, group accounting and consolidation – following the spin-off. This support was dependent, above all, on the availability of physical data at IMMOFINANZ AG. The organisational structures, technical components and system requirements for the independent performance of these corporate functions by BUWOG AG were under development at that time. IMMOFINANZ AG acted as a service provider on a temporary basis and in accordance with the instructions of BUWOG's management. Service contracts were concluded to cover these services; they precisely described the scope of the work to be performed by IMMOFINANZ AG and defined normal market prices for these activities. Most of these service contracts expired on 31 December 2014, but individual service contracts were extended to 31 August 2015. A short-term service contract for use of the ERP software was in place from 5 May 2015 to 30 June 2015.

8.5 Corporate bodies

The corporate bodies of IMMOFINANZ AG are:

Executive Board
Oliver Schumy – Chief Executive Officer (appointed as of 1 March 2015; CEO as of 1 May 2015)
Eduard Zehetner – Chief Executive Officer (up to 30 April 2015)
Birgit Noggler – Chief Financial Officer
Dietmar Reindl – Chief Operating Officer

Supervisory Board
Michael Knap – Chairman
Rudolf Fries – Vice-Chairman
Christian Böhm – Member
Nick J. M. van Ommen FRICS – Member
Horst Populorum – Member (since 17 April 2015)
Wolfgang Schischek – Member (since 17 April 2015)

Members delegated by the Works Council to the Supervisory Board
The Works Council of IMMOFINANZ AG delegated the following persons to the Supervisory Board:

Nikolaus Obermair (up to 17 November 2014)
Mark Anthony Held
Philipp Obermair (since 21 November 2014)
Carmen Balazs (since 17 April 2015)

Executive Board remuneration

			30 April 2015			30 April 2014
All amounts in TEUR	**Fixed**	**Variable**	**Total**	**Fixed**	**Variable**	**Total**
Oliver Schumy	86.4	85.7	172.1	–	–	–
Eduard Zehetner	1,475.3	2,200.0	3,675.3	1,408.0	762.0	2,170.0
Birgit Noggler	508.6	157.1	665.7	453.0	180.0	633.0
Dietmar Reindl	294.1	147.6	441.7	–	–	–
Daniel Riedl FRICS	–	–	–	841.0	230.0	1,071.0
Total	**2,364.4**	**2,590.4**	**4,954.8**	**2,702.0**	**1,172.0**	**3,874.0**

The contract with Eduard Zehetner defined the variable component of his remuneration as 0.5% of the dividend before the deduction of withholding tax. As an alternative ,the Supervisory Board decided to award Mr. Zehetner a bonus of EUR 1.2 million for the successful spin-off of BUWOG in the 2013/14 financial year and a bonus of EUR 1 million for the 2014/15 financial year. The variable remuneration reported for Mr. Zehetner in 2014/15 represents the payment of variable remuneration for both financial years.

All remuneration components for the Executive Board represent short-term benefits as defined in IAS 19.

The members of the Executive Board are covered by a pension fund scheme for which the company makes annual contributions. The company has no obligations above and beyond this commitment. The contributions to pension funds on behalf of the Executive Board members (defined contribution commitments) totalled TEUR 137.6 in 2014/15 (2013/14: TEUR 149.2). The payments made on behalf of the individual Executive Board members are as follows: for Eduard Zehetner TEUR 47.6, for Oliver Schumy TEUR 10.0, for Dietmar Reindl TEUR 30.0 and for Birgit Noggler TEUR 50.0.

Contributions to the employee severance compensation fund equalled TEUR 74.5 (2013/14: TEUR 59.0).

Supervisory Board remuneration

The members of the Supervisory Board received remuneration of EUR 289,575.00 for the 2013/14 financial year based on a resolution of the 21st annual general meeting in 2014/15. The Supervisory Board remuneration is approved each year by the annual general meeting. Therefore, remuneration for the 2014/15 financial year will be the subject of voting by the 22nd annual general meeting. The remuneration for the Supervisory Board of IMMOFINANZ AG for 2013/14 was based on a fixed payment of EUR 25,125.25 plus EUR 5,000 for services performed on a committee. The remuneration for the chairman and vice-chairman of the Supervisory Board equalled twice and one and a half times this amount, respectively.

The remuneration received by the members of the Supervisory Board is shown in the following table:

All amounts in TEUR		1 May 2014– 30 April 2015		1 May 2013– 30 April 2014
	IMMOFINANZ	Other	IMMOFINANZ	Other
Michael Knap	71.9	–	60.1	2.5
Rudolf Fries	45.4	–	35.0	–
Christian Böhm	30.1	–	30.0	–
Nick van Ommen	30.1	10.0	30.0	10.0
Herbert Kofler	46.8	–	80.1	–
Vitus Eckert	35.1	–	35.0	–
Klaus Hübner	30.1	–	30.0	–
Total	**289.6**	**10.0**	**300.3**	**12.5**

The members of the Executive and Supervisory Boards hold 72,444,331 IMMOFINANZ shares (2013/14: 67,715,428 shares).

8.6 Auditor's fees

The fees charged by Deloitte Austria during the 2014/15 financial year comprise TEUR 463.2 (2013/14: TEUR 474.1) for the audit of the individual and consolidated financial statements, TEUR 238.4 (2013/14: TEUR 1,224.5) for other assurance services, TEUR 10 (2013/14: TEUR 136.6) for tax advising and TEUR 13.4 (2013/14: TEUR 0.0) for other services.

8.7 Subsequent events

On 21 April 2015 IMMOFINANZ Group signed an agreement with Bank Austria and pbb Deutsche Pfandbriefbank for a seven-year EUR 300.0 million loan. The proceeds were received on 12 May 2015. The funds will be used to refinance an Austrian portfolio of 38 properties with approx. 218,000 sqm of rentable space. The portfolio consists primarily of office and retail properties and is located mainly in Vienna.

Eight residential properties with approx. 26,000 sqm of rentable space were sold to Wiener Städtische and Sparkassen Versicherung on 1 June 2015. All of the apartment buildings are located within the Vienna beltway in the third, fourth and fifth district. In accordance with IFRS 5, the involved investment properties were classified as available for sale as of 30 April 2014. The carrying amount represented the transaction price.

The Dutch self-storage provider City Box with 23 logistics properties was sold on 30 June 2015. The sale of City Box will substantially reduce the share of the other non-core countries in IMMOFINANZ Group's standing investment portfolio to approx. 2.4%. The related assets and liabilities were classified as available for sale as of 30 April 2015. The net carrying amount represented the transaction price.

The signing for the acquisition of the *EMPARK Mokotów Business Park* in Warsaw from the previous joint venture HEPP III Luxembourg MBP SARL took place on 2 July 2015. *EMPARK* is one of the largest adjoining office locations in CEE. It comprises nine properties in the office asset class which have approx. 117,000 sqm of rentable space and are located close to the airport. This transaction, which was designed as a share deal, is subject to the approval of the Polish competition authority; the closing is expected to take place in August 2015.

The joint ventures Caterata Limited and Residea Limited were sold to the partner company on 7 July 2015. Caterata Limited and Residea Limited are active in residential property development in Poland and Romania. The transaction price was reflected in an increase in the value of the equity-accounted investments as of the balance sheet date.

IMMOFINANZ Group and the city of Moscow originally concluded an investment agreement for the construction of the *GOODZONE* shopping center. In accordance with this investment agreement, the city of Moscow is entitled to receive an investment equal to approx. 30% of the space in the completed shopping center – the so-called "city share". The *GOODZONE* was previously included in IMMOFINANZ Group's investment portfolio at the fair value of the shopping center, excluding this "city share". The contract for the acquisition of the "city share" was signed on 14 July 2015, and the (subsequent) acquisition costs of approx. EUR 50.2 million were transferred to the city of Moscow on 22 July 2015.

The contract for the sale of the associated company TriGránit Holding Ltd. was signed on 29 July 2015. TriGránit Holding and its subsidiaries are active primarily in the development and management of real estate in Central and Eastern Europe and in Russia, with a concentration on the retail and office asset classes. The decision to sell this investment was based on IMMOFINANZ Group's strategic focus, which includes the adjustment of the investment portfolio through the sale of non-strategic minority holdings. The transaction price was reflected in an increase in the value of the equity-accounted investments as of the balance sheet date.

8.8 Release of the consolidated financial statements

These consolidated financial statements were completed and signed by the Executive Board of IMMOFINANZ AG on 6 August 2015 and subsequently distributed to the Supervisory Board. The Supervisory Board is responsible for examining the consolidated financial statements and stating whether or not it approves these documents.

9. Group Companies of IMMOFINANZ AG

The following list covers the subsidiaries, joint ventures and associated companies of IMMOFINANZ AG. It was prepared in accordance with § 245a (1) of the Austrian Commercial Code in connection with § 265 (2) of the Austrian Commercial Code. This list also includes individual subsidiaries that were not fully consolidated for materiality reasons and joint ventures that were not included at equity as well as associated companies and other investments held by IMMOFINANZ Group with a share of ≥ 20.00%.

			Current financial year		Prior year	
Company	Country	Headquarters	Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
"Agroprodaja" d.o.o. Beograd	RS	Belgrade	100.00%	F	100.00%	F
"Wienerberg City" Errichtungsges.m.b.H.	AT	Vienna	100.00%	F	100.00%	F
AAX Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
ABLO Property s.r.o.	CZ	Prague	n.a.	n.a.	100.00%	F
ABSTEM Holdings Ltd.	CY	Nicosia	100.00%	F	100.00%	F
ACE 2 Sp. z o.o.	PL	Warsaw	86.00%	F	86.00%	F
Adama Holding Public Ltd	CY	Nicosia	100.00%	F	100.00%	F
Adama Luxemburg S.à.r.l	LU	Luxembourg	n.a.	n.a.	100.00%	F
Adama Management SRL	RO	Bucharest	100.00%	F	100.00%	F
Adama Management Ukraine LLC	UA	Kiev	98.71%	F	98.71%	F
Adama Romania Ltd.	CY	Nicosia	100.00%	F	100.00%	F
Adama Ukraine Ltd	CY	Nicosia	98.71%	F	98.71%	F
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Ahava Ltd.	CY	Nicosia	98.71%	F	98.71%	F
Ahava Ukraine LLC	UA	Kiev	98.71%	F	98.71%	F
AIRPORT PROPERTY DEVELOPMENT, a.s.	CZ	Prague	100.00%	F	100.00%	F
Al Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Aloli Management Services Limited	CY	Nicosia	100.00%	F	100.00%	F
Alpha Arcadia LLC	UA	Odessa	49.45%	E-JV	49.45%	E-JV
Alpha real d.o.o.	SI	Laibach	100.00%	F	100.00%	F
Anadolu Gayrimenkul Yatirimciligi ve Ticaret A.S.	TR	Istanbul	64.89%	F	64.89%	F
AO Kashirskij Dvor-Severyanin	RU	Moscow	100.00%	F	100.00%	F
Appartement im Park ErrichtungsGmbH	AT	Vienna	100.00%	F	100.00%	F
ARAGONIT s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Arbor Corporation s.r.l.	RO	Bucharest	90.00%	F	90.00%	F
ARE 5 Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
ARE 8 Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
ARMONIA CENTER ARAD S.R.L.	RO	Bucharest	100.00%	F	100.00%	F
ARO Eferding Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
ARO IBK GmbH	AT	Vienna	100.00%	F	100.00%	F
ARO Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
Arpad Center Kft.	HU	Budapest	100.00%	F	100.00%	F
ATLAS 2001 ČR s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Atom Centrum a.s.	CZ	Prague	100.00%	F	100.00%	F
Atrium Park Kft.	HU	Budapest	100.00%	F	100.00%	F
Aviso Delta GmbH	AT	Vienna	100.00%	F	100.00%	F
Aviso Zeta AG	AT	Vienna	100.00%	F	100.00%	F
BA/Energetika/, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
Banniz Ltd	CY	Nicosia	100.00%	F	100.00%	F

F = Full consolidation, E-JV = Joint venture, E-AS = Associates, NC = Not consolidated companies

			Current financial year		Prior year	
Company	Country	Headquarters	Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
Barby Holding Sàrl	LU	Luxembourg	100.00%	F	100.00%	F
Baron Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Bauteil M Errichtungsges.m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Bauteile A + B Errichtungsges.m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Bauteile C + D Errichtungsges.m.b.H.	AT	Vienna	100.00%	F	100.00%	F
BB C – Building A, k.s.	CZ	Prague	100.00%	F	100.00%	F
BB C – Building B, k.s.	CZ	Prague	100.00%	F	100.00%	F
BB C – Building GAMMA, a.s.	CZ	Prague	100.00%	F	100.00%	F
Berceni Estate Srl	RO	Bucharest	100.00%	F	n.a.	n.a.
Berga Investment Limited	CY	Nicosia	100.00%	F	100.00%	F
Bermendoca Holdings Ltd	CY	Nicosia	100.00%	F	100.00%	F
Bersan Gayrimenkul Yatirim A.S.	TR	Istanbul	n.a.	n.a.	64.89%	F
Bertie Investments Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Bertie Investments Sp. z o.o. SKA	PL	Warsaw	100.00%	F	100.00%	F
Best Construction LLC	UA	Kiev	98.71%	F	98.71%	F
Beta real d.o.o.	SI	Laibach	100.00%	F	100.00%	F
Bivake Consultants Ltd.	CY	Nicosia	100.00%	F	100.00%	F
Bloczek Ltd	CY	Nicosia	100.00%	F	100.00%	F
Blue Danube Holding Ltd.	MT	Valletta	100.00%	F	100.00%	F
Boondock Holdings Ltd	CY	Nicosia	100.00%	F	100.00%	F
Borisov Holdings Ltd.	CY	Nicosia	100.00%	F	100.00%	F
Braddock Holding Sàrl	LU	Luxembourg	100.00%	F	100.00%	F
Brno Estates a.s.	CZ	Prague	100.00%	F	100.00%	F
Bubkas Limited	CY	Nicosia	n.a.	n.a.	100.00%	F
Bucharest Corporate Center s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Bulgarian Circuses and Fun-Fair OOD	BG	Sofia	49.00%	E-AS	49.00%	E-AS
Bulreal EAD	BG	Sofia	49.00%	E-AS	49.00%	E-AS
Business Park Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Business Park West-Sofia EAD	BG	Sofia	100.00%	F	100.00%	F
BUWOG AG	AT	Vienna	48.99%	E-AS	48.99%	n.a.
BUWON, s.r.o.	SK	Bratislava	50.00%	E-JV	50.00%	E-JV
C.E. Immobilienprojekte und Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
C.E. Investicije d.o.o.	SI	Laibach	100.00%	F	100.00%	F
C.E. Management GmbH	AT	Vienna	100.00%	F	100.00%	F
C.I.M. Beteiligungen 1998 GmbH	AT	Vienna	33.00%	E-AS	33.00%	E-AS
C.I.M. Unternehmensbeteiligungs- und Anlagenvermietungs GmbH in Liqu.	AT	Vienna	33.00%	E-AS	33.00%	E-AS
C.I.M. Verwaltung und Beteiligungen 1999 GmbH	AT	Vienna	33.00%	E-AS	33.00%	E-AS
Campus Budapest Bt.	HU	Budapest	74.95%	F	74.96%	F
Capri Trade s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
capricorn CAMPUS GmbH & Co. KG	DE	Düsseldorf	100.00%	F	n.a.	n.a.
Casa Stupenda Franziusstraße GmbH & Co. KG	DE	Düsseldorf	80.00%	F	80.00%	F
Caterata Limited	CY	Nicosia	50.00%	E-JV	50.00%	E-JV
CBB-L Beta Beteiligungs GmbH in Liqu.	AT	Vienna	n.a.	n.a.	100.00%	F
CBB-L Jota Beteiligungs GmbH in Liqu.	AT	Vienna	n.a.	n.a.	100.00%	F
CBB-L Realitäten Beteiligungs GmbH inLiqu.	AT	Vienna	n.a.	n.a.	100.00%	F
CENTER INVEST BCSABA Kft.	HU	Budapest	100.00%	F	100.00%	F
CENTER INVEST DEB Kft.	HU	Budapest	100.00%	F	100.00%	F

F = Full consolidation, E-JV = Joint venture, E-AS = Associates, NC = Not consolidated companies

			Current financial year		Prior year	
Company	Country	Headquarters	Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
CENTER INVEST Gödöll Kft.	HU	Budapest	100.00%	F	100.00%	F
CENTER INVEST INTERNATIONAL Kft.	HU	Budapest	100.00%	F	100.00%	F
CENTER INVEST KESZT Kft.	HU	Budapest	100.00%	F	100.00%	F
CENTER INVEST Kft.	HU	Budapest	100.00%	F	100.00%	F
CENTER INVEST NKANIZSA Kft.	HU	Budapest	100.00%	F	100.00%	F
Central Business Center Kft.	HU	Budapest	100.00%	F	100.00%	F
Centre Investments s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Centrum Opatov a.s.	CZ	Prague	100.00%	F	100.00%	F
CEPD Kft.	HU	Budapest	100.00%	F	100.00%	F
CFE Immobilienentwicklungs GmbH	AT	Vienna	50.00%	E–JV	50.00%	E–JV
CGS Gamma Immobilien Vermietung GmbH	AT	Vienna	100.00%	F	100.00%	F
CHB Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
CHB Immobilienholding GmbH & Co. KG	DE	Frankfurt	100.00%	F	100.00%	F
Chronos Immoblien GmbH	AT	Vienna	100.00%	F	100.00%	F
City Box Exploitatie I B.V.	NL	Alkmaar	100.00%	F	100.00%	F
City Box Holding B.V.	NL	Alkmaar	100.00%	F	100.00%	F
City Box Local B.V.	NL	Alkmaar	100.00%	F	100.00%	F
City Box Properties B.V.	NL	Alkmaar	100.00%	F	100.00%	F
City Tower Vienna Errichtungs- und Vermietungs-GmbH	AT	Vienna	100.00%	F	100.00%	F
Confidential Business SRL	RO	Bucharest	25.00%	E–JV	25.00%	E–JV
Constantia Beteiligungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
CONSTANTIA Immobilienvermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Constantia Treuhand und Vermögensverwaltungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Constari Liegenschaftsvermietungsgesellschaft m.b.H. in Liqu.	AT	Vienna	100.00%	F	100.00%	F
Contips Limited	CY	Nicosia	100.00%	F	100.00%	F
Cora GS s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
COREAL ESTATE RESIDENCE INVEST SRL	RO	Bucharest	100.00%	F	n.a.	n.a.
Cortan Enterprise Sp. z o.o.	PL	Warsaw	100.00%	F	n.a.	n.a.
CPB Advisory GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB ALPHA Anlagen Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB Anlagen Leasing Gesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
CPB BETA Anlagen Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB Corporate Finance Consulting GmbH in Liqu.	AT	Vienna	100.00%	F	100.00%	F
CPB DELTA Anlagen Leasing GmbH	AT	Vienna	100.00%	E–JV	100.00%	E–JV
CPB DREI Anlagen Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB Enterprise GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB EPSILON Anlagen Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB GAMMA Anlagen Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB Gesellschaft für Unternehmensbeteiligungen m.b.H.	AT	Vienna	100.00%	F	100.00%	F
CPB Grundstücks und Mobilien Vermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB Immobilien und Mobilien Vermietungs GmbH in Liqu.	AT	Vienna	n.a.	n.a.	100.00%	F
CPB Investitionsgüter Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB JOTA Anlagen Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F

F = Full consolidation, E–JV = Joint venture, E–AS = Associates, NC = Not consolidated companies

Company	Country	Headquarters	Current financial year		Prior year	
			Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
CPB Maschinen Leasing Gesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
CPB Mobilien Leasing Gesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
CPB OMIKRON Anlagen Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB Pegai Anlagen Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB PRIMA Anlagen Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB Realitäten und Mobilien Vermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
CPB TERTIA Anlagen Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
CPBE Clearing GmbH	AT	Vienna	100.00%	F	100.00%	F
Credo Immobilien Development GmbH	AT	Vienna	100.00%	F	100.00%	F
CREDO Real Estate GmbH	AT	Vienna	100.00%	F	100.00%	F
Dalerise Limited	CY	Nicosia	100.00%	F	100.00%	F
Dapply Trading Ltd.	CY	Nicosia	100.00%	F	100.00%	F
Debowe Tarasy Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Debowe Tarasy Sp. z o.o. II sp.k.	PL	Warsaw	100.00%	F	100.00%	F
Debowe Tarasy Sp. z o.o. III sp.k.	PL	Warsaw	100.00%	F	100.00%	F
Debowe Tarasy Sp. z o.o. IV sp.k.	PL	Warsaw	100.00%	F	100.00%	F
Decima Immobilienanlagen GmbH	AT	Vienna	100.00%	F	100.00%	F
Deutsche Lagerhaus Beteiligungs GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Bönen GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Bremen I GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Düsseldorf GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Essen GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Freystadt GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Gelsenkirchen GmbH & Co KG	DE	Essen	100.00%	F	n.a.	n.a.
Deutsche Lagerhaus Groß-Gerau GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Hamm GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Lahr GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Minden GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Neuss GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Niederaula GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Niederaula II GmbH & Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Nürnberg I GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Nürnberg II GmbH & Co. KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Nürnberg-Hafen GmbH & Co. KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Oberhausen GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Poing GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Vaihingen GmbH & Co. KG	DE	Essen	100.00%	F	100.00%	F
Deutsche Lagerhaus Willich GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
DH Logistik Kft.	HU	Budapest	100.00%	F	100.00%	F
Dikare Holding Ltd.	RO	Bucharest	22.00%	Fonds	22.00%	Fonds
Dionysos Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
Duist Holdings Ltd.	CY	Nicosia	100.00%	F	100.00%	F
DUS Plaza GmbH	DE	Cologne	100.00%	F	100.00%	F
Ebulliente Holdings Ltd	CY	Nicosia	100.00%	F	100.00%	F
Efgad Europe BV	NL	Rotterdam	50.01%	E-JV	50.01%	E-JV
EFSP Immobilienentwicklung GmbH	AT	Vienna	100.00%	F	100.00%	F
EHL Immobilien GmbH	AT	Vienna	49.00%	E-AS	49.00%	E-AS
EHL Immobilien Management GmbH	AT	Vienna	49.00%	E-AS	n.a.	n.a.

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			Current financial year		Prior year	
Company	Country	Headquarters	Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
EHL Investment Consulting GmbH	AT	Vienna	49.00%	E-AS	49.00%	E-AS
EHL Real Estate Hungary Kft. „végelszámolás alatt"	HU	Budapest	n.a.	n.a.	49.00%	E-AS
EHL Real Estate Poland SP.Z O.O. w likwidacii	PL	Warsaw	49.00%	E-AS	49.00%	E-AS
EKZ Horn Beteiligungsverwaltung GmbH	AT	Vienna	80.00%	NK	80.00%	NK
Elmore Investments Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Elmore Investments Sp. z o.o. SKA	PL	Warsaw	100.00%	F	100.00%	F
Emolu Trading Ltd.	CY	Nicosia	100.00%	F	100.00%	F
ENIT Lublin Sp. z o.o.	PL	Warsaw	100.00%	F	n.a.	n.a.
Eos Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
equal Projekt GmbH	DE	Frankfurt	100.00%	F	100.00%	F
Equator Real Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Erlend Investments Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Erlend Investments Sp. z o.o. SKA	PL	Warsaw	100.00%	F	100.00%	F
ESCENDO Liegenschaftshandelsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
ESCENDO Liegenschaftshandelsgesellschaft m.b.H. & Co KG	AT	Vienna	100.00%	F	100.00%	F
E-stone Central Europe AT Holding GmbH	AT	Vienna	28.00%	NK	28.00%	NK
E-Stone Central Europe Holding B.V.	NL	Amsterdam	28.00%	NK	28.00%	NK
E-stone Metropoles AT Holding GmbH in Liqu.	AT	Vienna	100.00%	NK	100.00%	NK
E-Stone TriCapitals Holding B.V.	NL	Amsterdam	40.00%	NK	40.00%	NK
Etsu Ltd	CY	Nicosia	n.a.	n.a.	100.00%	F
EURL DU LOGISTIQUES NICE	FR	Paris	100.00%	F	100.00%	F
Euro-Businesspark Kft.	HU	Budapest	100.00%	F	100.00%	F
EXIT 100 Projektentwicklungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Eye Shop Targu Jiu s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Fawna Limited	CY	Nicosia	99.36%	F	99.36%	F
Final Management s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Flureca Trading ltd	CY	Nicosia	100.00%	F	100.00%	F
FMZ Baia Mare Imobiliara s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
FMZ Lublin Sp. z o.o.	PL	Warsaw	30.00%	E-AS	30.00%	E-AS
FMZ Sosnowiec Sp. z o.o.	PL	Warsaw	45.00%	E-AS	45.00%	E-AS
FRANKONIA Eurobau Königskinder GmbH	DE	Nettetal	50.00%	E-AS	50.00%	E-AS
Freeze 1 Development s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Frescura Investments B.V.	NL	Amsterdam	100.00%	F	100.00%	F
FUTUR-IMMOBILIEN GmbH	AT	Vienna	n.a.	n.a.	100.00%	F
GAD Real Estate SRL	RO	Bucharest	50.10%	E-JV	50.10%	E-JV
GAL Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Galeria Zamek Sp. z o.o.	PL	Lublin	100.00%	F	100.00%	F
Gangaw Investments Limited	CY	Nicosia	100.00%	F	100.00%	F
Geiselbergstraße 30–32 Immobilienbewirtschaftungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
GENA DREI Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
GENA SIEBEN Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
Gena Vier Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
Gendana Ventures Ltd.	CY	Nicosia	100.00%	F	100.00%	F
Gewerbepark Langen	DE	Langen	60.00%	NK	60.00%	NK
GF Amco Development srl	RO	Ilfov	22.00%	NK	22.00%	NK
Gila Investment SRL	RO	Bucharest	100.00%	F	100.00%	F
Global Emerging Property Fund L.P.	GB	Jersey	25.00%	Fonds	25.00%	Fonds

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Global Trust s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Globe 13 Kft.	HU	Budapest	100.00%	F	100.00%	F
Globe 3 Ingatlanfejlesztö Kft.	HU	Budapest	100.00%	F	100.00%	F
GORDON INVEST Kft.	HU	Budapest	100.00%	F	100.00%	F
Gordon Invest Netherlands B.V.	NL	Amsterdam	100.00%	F	100.00%	F
Grand Centar d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
Graviscalar Limited	CY	Nicosia	n.a.	n.a.	100.00%	F
Greenfield Logistikpark Vaihingen-Ost GmbH	DE	Düsseldorf	n.a.	n.a.	75.00%	F
Hadas Management SRL	RO	Bucharest	75.00%	E-JV	75.00%	E-JV
Haller Kert Kft.	HU	Budapest	100.00%	F	100.00%	F
Harborside Imobiliara s.r.l.	RO	Bucharest	90.00%	F	90.00%	F
HDC Investitii SRL	RO	Bucharest	100.00%	F	100.00%	F
Hekuba S.à r.l.	LU	Luxembourg	64.89%	F	64.89%	F
HEPP III Luxembourg MBP SARL	LU	Luxembourg	50.00%	E-JV	50.00%	E-JV
Herva Ltd.	CY	Nicosia	100.00%	F	100.00%	F
HL Bauprojekt GesmbH	AT	Vienna	100.00%	F	100.00%	F
HM 7 Liegenschaftsvermietungsgesellschaft m.b.H. in Liqu.	AT	Vienna	100.00%	F	100.00%	F
I&I Real Estate Asset Management GmbH	AT	Vienna	100.00%	F	100.00%	F
IA Holding 1 Kft.	HU	Budapest	100.00%	F	100.00%	F
IBK-Ipari Park Körmend Kft	HU	Budapest	100.00%	F	100.00%	F
ICS Ani Roada Gilei SRL	MD	Chisinau	99.90%	F	99.90%	F
ICS Noam Development SRL	MD	Chisinau	99.90%	F	99.90%	F
ICS Shay Development SRL	MD	Chisinau	99.90%	F	99.90%	F
IE Equuleus NL B.V.	NL	Amsterdam	100.00%	F	100.00%	F
I-E Immoeast Real Estate GmbH	AT	Vienna	100.00%	F	100.00%	F
IE Narbal NL B.V.	NL	Amsterdam	100.00%	F	100.00%	F
I-E-H Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
I-E-H Immoeast Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IM Sharon Development SRL	MD	Chisinau	99.90%	F	99.90%	F
IM TAL Development SRL	MD	Chisinau	n.a.	n.a.	50.00%	E-JV
IMAK CEE N.V.	NL	Amsterdam	100.00%	F	100.00%	F
IMAK Finance B.V.	NL	Amsterdam	100.00%	F	100.00%	F
IMBEA Immoeast Beteiligungsverwaltung GmbH	AT	Vienna	100.00%	F	100.00%	F
IMF Campus GmbH	DE	Cologne	100.00%	F	n.a.	n.a.
IMF Campus Verwaltungs GmbH	DE	Cologne	100.00%	F	n.a.	n.a.
IMF Casa Stupenda GmbH	DE	Düsseldorf	100.00%	F	100.00%	F
IMF Casa Stupenda Verwaltungs GmbH	DE	Düsseldorf	100.00%	F	100.00%	F
IMF Deutschland GmbH	DE	Essen	100.00%	F	100.00%	F
IMF Holdings LLC	US	Wilmington	n.a.	n.a.	73.33%	F
IMF INVESTMENTS 105 LP	US	Houston	n.a.	n.a.	66.00%	E-JV
IMF INVESTMENTS 111 LP	US	Houston	n.a.	n.a.	90.00%	E-JV
IMF INVESTMENTS 205 LP	US	Houston	n.a.	n.a.	66.00%	E-JV
IMF INVESTMENTS 307 LP	US	Houston	n.a.	n.a.	90.00%	E-JV
IMF Königskinder GmbH	DE	Frankfurt	100.00%	F	100.00%	F
IMF Lagerhaus GmbH	DE	Essen	100.00%	F	100.00%	F
IMF PRIMA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F

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IMF QUARTA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMF SECUNDA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMF Solo Investments LLC	US	Wilmington	n.a.	n.a.	100.00%	F
IMMOASIA Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOASIA IMMOBILIEN ANLAGEN GmbH	AT	Vienna	100.00%	F	100.00%	F
Immobilia Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOBILIA Immobilienhandels GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOBILIA Immobilienhandels GmbH & Co KG	AT	Vienna	100.00%	F	100.00%	F
Immobilia L Liegenschafts Vermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOBILIA L LIEGENSCHAFTS VERMIETUNGS GMBH & CO BISCHOFFGASSE 14/ROSASGASSE 30 KG	AT	Vienna	100.00%	NK	100.00%	NK
IMMOBILIA L LIEGENSCHAFTS VERMIETUNGS GMBH & CO VIRIOTGASSE 4 KG	AT	Vienna	100.00%	NK	100.00%	NK
IMMOEAST Acquisition & Management GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST ALLEGRO Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Immoeast Baneasa Airport Tower srl	RO	Bucharest	100.00%	F	100.00%	F
IMMOEAST Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST BULGARIA 1 EOOD	BG	Sofia	100.00%	F	100.00%	F
Immoeast Cassiopeia Financing Holding Ltd.	CY	Nicosia	100.00%	F	100.00%	F
IMMOEAST Despina I B.V.	NL	Amsterdam	100.00%	F	100.00%	F
IMMOEAST Despina II B.V.	NL	Amsterdam	100.00%	F	100.00%	F
IMMOEAST Despina III B.V.	NL	Amsterdam	100.00%	F	100.00%	F
IMMOEAST Despina IV B.V.	NL	Amsterdam	100.00%	F	100.00%	F
IMMOEAST Despina V B.V.	NL	Amsterdam	100.00%	F	100.00%	F
IMMOEAST HRE Investment dwa Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
IMMOEAST Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Iride IV Project s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
IMMOEAST Netherlands II B.V.	NL	Amsterdam	100.00%	F	100.00%	F
IMMOEAST Polonia Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Immoeast Polonia Sp. z o.o. S.k.a.	PL	Warsaw	100.00%	F	100.00%	F
IMMOEAST PRESTO Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Abdallo Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Almansor Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Almaria Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Alpha Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Amfortas Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt ANDROMACHE Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Annius Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Arbaces Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Aries Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Babekan Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Barbarina Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Beta Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Caelum Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Cassiopeia Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
Immoeast Projekt Centesimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Cepheus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F

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IMMOEAST Projekt Cherubino Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Chorebe Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt CIMAROSA Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Cinna Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Circinus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Curzio Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Cygnus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Decimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Delta Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt DESPINA Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Dorabella Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Ducentesimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Duodecimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Epsilon Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Equuleus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Eridanus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Fenena Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Gamma Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Hekuba Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Hüon Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Hydrus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Hylas Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Idamantes Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Investment jeden Sp.z o.o. w likwidacji	PL	Warsaw	n.a.	n.a.	100.00%	F
IMMOEAST Projekt Jota Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Kappa Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Lambda Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Marcellina Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt MASETTO Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Montano Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Moskau Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Narbal Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
Immoeast Projekt Nonagesimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Nonus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Octavus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
Immoeast Projekt Octogesimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Omega Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Pantheus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Polyxene Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Quadragesimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Quartus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Quindecimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Radames Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Rezia Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt ROSCHANA Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Sarastro Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Secundus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F

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IMMOEAST Projekt Semos Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Septendecimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Septimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Sexagesimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Sextus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Sita Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Tertius Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt TITANIA Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Titurel Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Trecenti Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Tredecimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Vicesimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Zerlina Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Silesia Holding Ltd.	CY	Nicosia	100.00%	F	100.00%	F
IMMOFINANZ Accounting Services Deutschland GmbH	DE	Cologne	100.00%	F	100.00%	F
IMMOFINANZ Advice GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ AG	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Aleos Anlagen Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ ALPHA Immobilien Vermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Artemis Immobilien Vermietung GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Asset- und Beteiligungsmanagement Deutschland GmbH	DE	Cologne	100.00%	F	100.00%	F
IMMOFINANZ Beta Liegenschaftsvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ BETEILIGUNGS GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Center Management Poland Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
IMMOFINANZ Center Management Romania SRL	RO	Floresti	100.00%	F	100.00%	F
IMMOFINANZ Center Management Slovak Republic, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
IMMOFINANZ Corporate Finance Consulting GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Development Services Deutschland GmbH	DE	Cologne	100.00%	F	100.00%	NK
IMMOFINANZ Enodia Realitäten Vermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Enodia Realitäten Vermietungs GmbH & Co OG	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Epsilon Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Finance BV	NL	Amsterdam	100.00%	F	100.00%	F
IMMOFINANZ Friesenquartier GmbH	DE	Cologne	94.90%	F	94.90%	F
IMMOFINANZ Friesenquartier II GmbH	DE	Cologne	94.90%	F	94.90%	F
IMMOFINANZ Friesenquartier Management GmbH	DE	Cologne	100.00%	F	100.00%	F
IMMOFINANZ Gamma Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Gesellschaft für Unternehmensbeteiligungen GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Hungária Harmadik Kft.	HU	Budapest	100.00%	F	100.00%	F
IMMOFINANZ IMMOBILIEN ANLAGEN Schweiz AG in Liq.	CH	Luterbach	100.00%	F	100.00%	F
IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Ismene Immobilien Vermietungs-Gesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F

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IMMOFINANZ JOTA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ KAPPA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ LAMBDA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Liegenschaftsverwaltungs- und Beteiligungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Metis Anlagen Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ MONTAIGNE Liegenschaftsvermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ OMEGA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ OMIKRON Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Phoenix LLC	US	Scottsdale	100.00%	F	100.00%	F
IMMOFINANZ Polska Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
IMMOFINANZ Real Estate Slovakia s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
IMMOFINANZ Residential Slovakia s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
IMMOFINANZ Services Czech Republic, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
IMMOFINANZ SERVICES HUNGARY Kft.	HU	Budapest	100.00%	F	100.00%	F
IMMOFINANZ Services Poland	PL	Warsaw	100.00%	F	100.00%	F
IMMOFINANZ Services Romania s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
IMMOFINANZ Services Slovak Republic, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
IMMOFINANZ SIGMA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ SITA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ TCT Liegenschaftsverwertungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ USA REAL ESTATE Inc. II	US	Wilmington	100.00%	F	100.00%	F
IMMOFINANZ USA, Inc.	US	Wilmington	100.00%	F	100.00%	F
IMMOFINANZ Zeta Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ zwei Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOKRON Immobilienbetriebsgesellschaft m.b.H.	AT	Vienna	80.00%	E-JV	80.00%	E-JV
ImmoPoland Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
IMMOWEST Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOWEST IMMOBILIEN ANLAGEN GMBH	AT	Vienna	100.00%	F	100.00%	F
Immowest Lux II S.à.r.l.	LU	Luxembourg	100.00%	F	100.00%	F
IMMOWEST Lux III S.à.r.l.	LU	Luxembourg	100.00%	F	100.00%	F
Immowest Lux IV S.à.r.l.	LU	Luxembourg	100.00%	F	100.00%	F
Immowest Lux V S.à.r.l.	LU	Luxembourg	100.00%	F	100.00%	F
Immowest Lux VI S.à.r.l.	LU	Luxembourg	100.00%	F	100.00%	F
Immowest Lux VII S.à.r.l.	LU	Luxembourg	100.00%	F	100.00%	F
Immowest Lux VIII Sarl	LU	Luxembourg	100.00%	F	100.00%	F
Immowest Netherland I B.V.	NL	Amsterdam	100.00%	F	100.00%	F
IMMOWEST OVERSEAS REAL ESTATE GmbH	AT	Vienna	100.00%	F	100.00%	F
Immowest Primus GmbH	DE	Frankfurt	100.00%	F	100.00%	F
IMMOWEST PROMTUS Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOWEST Storage Holding B.V.	NL	Alkmaar	100.00%	F	100.00%	F
IMMOWEST Storage Holding GmbH	AT	Vienna	100.00%	F	100.00%	F

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Infinitas ProjektentwicklungsgesmbH	AT	Vienna	100.00%	F	100.00%	F
INFRA 1 Grundstückverwaltungs-Gesellschaft m.b.H. in Liqu.	AT	Vienna	100.00%	F	100.00%	F
INTEROFFICE IRODAEPÜLET Kft.	HU	Budapest	100.00%	F	100.00%	F
IP1 Liegenschaftsverwaltungsgesellschaft m.b.H. in Liqu.	AT	Vienna	n.a.	n.a.	100.00%	F
IPOPEMA 78 Fundusz Inwestycyjny Zamkniety Aktywów Niepublicznych	PL	Warsaw	100.00%	F	100.00%	F
Irascib Holdings Ltd.	CY	Nicosia	100.00%	F	100.00%	F
IRES Slovakia s.r.o.	SK	Bratislava	100.00%	NK	100.00%	NK
IRES Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
IRIDE S.A.	RO	Bucharest	100.00%	F	100.00%	F
Itteslak Trading Ltd	CY	Nicosia	100.00%	F	100.00%	F
IWD IMMOWEST Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
J.H. Prague a.s.	CZ	Prague	100.00%	F	100.00%	F
JUNGMANNOVA ESTATES a.s.	CZ	Prague	100.00%	F	100.00%	F
Karam Enterprise Sp. z o.o.	PL	Warsaw	100.00%	F	n.a.	n.a.
Kastor Real Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Kibiq Ltd	CY	Nicosia	100.00%	F	100.00%	F
Kilyos Gayrimenkul Yatirim A.S.	TR	Istanbul	n.a.	n.a.	64.89%	F
Klio Real Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Klyos Media s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Koral Residence EOOD	BG	Sofia	100.00%	F	100.00%	F
Lagerman Properties Limited	CY	Nicosia	100.00%	F	100.00%	F
Lasianthus Ltd	CY	Nicosia	100.00%	F	100.00%	F
Lasuvu Consultants Ltd.	CY	Nicosia	100.00%	F	100.00%	F
LeasCon Anlagen Leasing und Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
LeasCon Gesellschaft für Unternehmensbeteiligungen GmbH in Liqu.	AT	Vienna	100.00%	F	100.00%	F
LeasCon Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
LeasCon Maschinen Leasing und Handels GmbH	AT	Vienna	100.00%	F	100.00%	F
LeasCon Mobilien Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
LENTIA Real (1) Hungária Kft.	HU	Budapest	100.00%	F	100.00%	F
Leretonar Ltd	CY	Nicosia	100.00%	F	100.00%	F
Leurax Consultants Ltd	CY	Nicosia	100.00%	F	100.00%	F
Leutselinge Ltd	CY	Nicosia	100.00%	F	100.00%	F
Lifestyle Logistik II s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
Lifestyle Logistik s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
Log Center Brasov s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Log Center Ploiesti s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Log Center Sibiu s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
LOG IQ Service GmbH	DE	Essen	100.00%	F	100.00%	F
LOG IQ Verwaltung GmbH	DE	Essen	100.00%	F	100.00%	F
LOG.IQ Beteiligung GmbH	DE	Essen	100.00%	F	100.00%	F
LOG.IQ Gewerbepark GmbH	DE	Essen	100.00%	F	100.00%	F
LOG.IQ GmbH & Co KG	DE	Essen	100.00%	F	100.00%	F
LOG.IQ Grefrath GmbH	DE	Essen	100.00%	F	100.00%	F
LOG.IQ Management GmbH	DE	Essen	100.00%	F	100.00%	F
LOG.IQ Rheine GmbH	DE	Mülheim a. d. Ruhr	100.00%	F	100.00%	F

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Logistic Contractor s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Lonaretia Consultants ltd	CY	Nicosia	100.00%	F	100.00%	F
Loudaumcy Investments Ltd	CY	Nicosia	100.00%	F	100.00%	F
LUB Leasing- und Unternehmensbeteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
LZB Bülach AG	CH	Bülach	100.00%	F	100.00%	F
M.O.F. Beta Immobilien AG	AT	Vienna	20.00%	Fonds	20.00%	Fonds
M.O.F. Immobilien AG	AT	Vienna	20.00%	Fonds	20.00%	Fonds
Maalkaf BV	NL	Amsterdam	100.00%	F	100.00%	F
Madeley Investments Sp. z o.o.	PL	Warsaw	n.a.	n.a.	100.00%	F
Malemso Trading Ltd	CY	Nicosia	100.00%	F	100.00%	F
Manisa Cidersan Gayrimenkul Yatirim A.S.	TR	Istanbul	n.a.	n.a.	64.89%	F
Maramando Trading & Investment Limited	CY	Nicosia	50.00%	E-JV	50.00%	E-JV
MARINA Handelsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Master Boats Vertriebs- und Ausbildungs GmbH	AT	Vienna	100.00%	F	100.00%	F
MBP I Sp. z o.o.	PL	Warsaw	50.00%	E-JV	50.00%	E-JV
MBP II Sp. z o.o.	PL	Warsaw	50.00%	E-JV	50.00%	E-JV
MBP Sweden Finance AB	SE	Stockholm	50.00%	E-JV	50.00%	E-JV
Medin-Trans LLC	UA	Kiev	98.71%	F	98.71%	F
Merav Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Merav Finance BV	NL	Rotterdam	100.00%	F	100.00%	F
Metropol Consult SRL	RO	Bucharest	100.00%	F	100.00%	F
Metropol NH Sp. z o.o.	PL	Warsaw	25.00%	E-JV	25.00%	E-JV
Mill Holding Kft.	HU	Budapest	38.90%	E-AS	38.90%	E-AS
Mollardgasse 18 Projektentwicklungs GmbH	AT	Vienna	50.00%	E-JV	50.00%	E-JV
MONESA LIMITED	CY	Nicosia	100.00%	F	100.00%	F
Monorom Construct SRL	RO	Bucharest	100.00%	F	100.00%	F
Nimbus Real Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Nona Immobilienanlagen GmbH	AT	Vienna	100.00%	F	100.00%	F
Norden Maritime Service Limited	CY	Nicosia	100.00%	F	100.00%	F
Norden Maritime SRL	RO	Bucharest	100.00%	F	100.00%	F
NP Investments a.s.	CZ	Prague	50.00%	E-JV	50.00%	E-JV
Nuptil Trading Ltd	CY	Nicosia	100.00%	F	100.00%	F
Nutu Limited	CY	Nicosia	100.00%	F	100.00%	F
OBJ Errichtungs- und Verwertungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Objurg Consultants Ltd	CY	Nicosia	100.00%	F	100.00%	F
Obrii LLC	UA	Kiev	98.71%	F	98.71%	F
OCEAN ATLANTIC DORCOL DOO	RS	Belgrade	80.00%	F	80.00%	F
Octo Immobilienanlagen GmbH	AT	Vienna	100.00%	F	100.00%	F
OFFICE CAMPUS BUDAPEST Kft.	HU	Budapest	75.00%	F	75.00%	F
OOO Berga Development	RU	Moscow	100.00%	F	100.00%	F
OOO Comcenter Podolsk	RU	Moscow	100.00%	F	n.a.	n.a.
OOO Fenix Development	RU	Moscow	100.00%	F	100.00%	F
OOO IMMO Management	RU	Moscow	100.00%	F	n.a.	n.a.
OOO IMMOconsulting	RU	Moscow	100.00%	F	100.00%	F
OOO Krona Design	RU	Moscow	100.00%	F	100.00%	F
OOO Log center Terekhovo	RU	Moscow	100.00%	F	n.a.	n.a.
OOO Real Estate Investment Management	RU	Moscow	100.00%	F	100.00%	F

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OOO Torgoviy Dom Na Khodinke	RU	Moscow	100.00%	F	100.00%	F
OPTIMA-A Kft.	HU	Budapest	100.00%	F	100.00%	F
Oscepar Consultants Ltd	CY	Nicosia	100.00%	F	100.00%	F
OSG Immobilienhandels G.m.b.H.	AT	Vienna	100.00%	F	100.00%	F
PBC Liegenschaftshandelsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
PBC Liegenschaftshandelsgesellschaft m.b.H. & Co KG	AT	Vienna	100.00%	F	100.00%	F
PBC Liegenschaftshandelsgesellschaft m.b.H. & Co Projekt "alpha" KG	AT	Vienna	100.00%	F	100.00%	F
Perlagonia 1 Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
Perlagonia 2 Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
Perlagonia NL 1 B.V.	NL	Amsterdam	100.00%	F	100.00%	F
Perlagonia NL 2 B.V.	NL	Amsterdam	100.00%	F	100.00%	F
Phelma Investments Limited	CY	Nicosia	50.10%	E-JV	50.10%	E-JV
PIO Liegenschaftsverwertungs GmbH	AT	Vienna	n.a.	n.a.	100.00%	F
Pivuak Trading Ltd.	CY	Nicosia	100.00%	F	100.00%	F
Polivalenta Building SRL	RO	Bucharest	25.00%	E-JV	25.00%	E-JV
Polluks Real Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Polus a.s.	SK	Bratislava	100.00%	F	100.00%	F
Polus Tower 2, a.s.	SK	Bratislava	100.00%	F	100.00%	F
Polus Tower 3, a.s.	SK	Bratislava	100.00%	F	100.00%	F
Polus Transilvania Companie de Investitii S.A.	RO	Floresti	100.00%	F	100.00%	F
PRAGUE OFFICE PARK I, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
PRELUDE 2000 SRL	RO	Bucharest	100.00%	F	100.00%	F
Prinz-Eugen-Straße Liegenschaftsvermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Probo Management LLC	UA	Kiev	98.71%	F	98.71%	F
ProEast Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
Progeo Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Promodo Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Property Holding LLC	UA	Kiev	98.71%	F	98.71%	F
Quixotic Trading Ltd	CY	Nicosia	100.00%	F	100.00%	F
Raski Zalijey Vile d.o.o.	HR	Porec	25.01%	E-JV	25.01%	E-JV
Real Habitation s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Rekan Estate d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
Rekramext Holdings Ltd	CY	Nicosia	100.00%	F	100.00%	F
Remsing Investments Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Remsing Investments Sp. z o.o. SKA	PL	Warsaw	100.00%	F	100.00%	F
RentCon Handels- und Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
Residea Alpha Sp. z o.o.	PL	Warsaw	n.a.	n.a.	50.00%	E-JV
Residea Limited	CY	Nicosia	50.00%	E-JV	50.00%	E-JV
REVIVA Am Spitz Liegenschafts GmbH	AT	Vienna	100.00%	F	100.00%	F
Rheinische Lagerhaus Wuppertal GmbH u. Co KG	DE	Essen	100.00%	F	100.00%	F
Riverpark Residential Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Ronit Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Roua Vest SRL	RO	Bucharest	100.00%	F	100.00%	F
Russia Development Fund L.P.	GB	Cayman Islands	50.66%	Fonds	50.66%	Fonds
S.C. Almera New Capital Investment s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Baneasa 6981 s.r.l.	RO	Bucharest	100.00%	F	100.00%	F

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S.C. Brasov Imobiliara S.R.L.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Dacian Second s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Flash Consult Invest s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. IE Baneasa Project s.r.l.	RO	Bucharest	100.00%	F	50.00%	n.a.
S.C. IMMOEAST Narbal Project s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Meteo Business Park s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Pantelimon II Development S.R.L	RO	Bucharest	100.00%	F	100.00%	F
S.C. Retail Development Invest 1 s.r.l.	RO	Baia Mare	100.00%	F	100.00%	F
S.C. S-Park Offices s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Stupul de Albine s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Union Investitii S.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Valero Invest s.r.l.	RO	Bucharest	n.a.	n.a.	100.00%	F
Sadira Ltd.	CY	Nicosia	49.45%	E-JV	49.45%	E-JV
Sapir Investitii SRL	RO	Bucharest	100.00%	F	100.00%	F
SARIUS Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
SARIUS Liegenschaftsvermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
SASINTER Kft.	HU	Budapest	100.00%	F	100.00%	F
SB Praha 4 spol.s.r.o.	CZ	Prague	100.00%	F	100.00%	F
SBE Rijeka d.o.o.	HR	Pula	50.01%	E-JV	50.01%	E-JV
SBF Development Praha spol.s.r.o.	CZ	Prague	100.00%	F	100.00%	F
SCPO s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
SCT s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
Secunda Immobilienanlagen GmbH	AT	Vienna	100.00%	F	100.00%	F
SEGESTIA Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
Sehitler Gayrimenkul Yatirim A.S.	TR	Istanbul	n.a.	n.a.	64.89%	F
Septima Immobilienanlagen GmbH	AT	Vienna	100.00%	F	100.00%	F
Severin Schreiber-Gasse 11–13 Liegenschaftsverwertungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Sexta Immobilienanlagen GmbH	AT	Vienna	100.00%	F	100.00%	F
Shaked Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Shark Park Holding Kft.	HU	Budapest	100.00%	F	100.00%	F
Shir Investment SRL	RO	Voluntari	100.00%	NK	100.00%	NK
Sigalit Ltd.	CY	Nicosia	98.71%	F	98.71%	F
Silesia Residential Holding Limited	CY	Nicosia	100.00%	F	100.00%	F
Silesia Residential Project Sp. z o.o.	PL	Katowice	100.00%	F	100.00%	F
SITUS Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
SITUS L Liegenschafts Vermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
SITUS L LIEGENSCHAFTS VERMIETUNGS GMBH & CO SEIDENGASSE 39 KG	AT	Vienna	100.00%	NK	100.00%	NK
SITUS L LIEGENSCHAFTS VERMIETUNGS GMBH & CO. KAISERSTRAßE 44–46 KG	AT	Vienna	100.00%	NK	100.00%	NK
SITUS L LIEGENSCHAFTS VERMIETUNGS GMBH & CO. NEUBAUGASSE 26 KG	AT	Vienna	100.00%	NK	100.00%	NK
Snagov Lake Rezidential SRL	RO	Bucharest	100.00%	F	100.00%	F
SPE Liegenschaftsvermietung Gesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
SPHERA BUILDING CENTER INTERNATIONAL 2003 SRL	RO	Bucharest	100.00%	F	100.00%	F
Starmaster Limited	CY	Nicosia	100.00%	F	100.00%	F
Stephanshof Liegenschaftsverwaltungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
STOP. SHOP. Tabor s.r.o.	CZ	Prague	100.00%	F	100.00%	F

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STOP. SHOP. Trebic s.r.o.	CZ	Prague	100.00%	F	100.00%	F
STOP.SHOP BCS Kft.	HU	Budapest	100.00%	F	100.00%	F
STOP.SHOP GNS Kft.	HU	Budapest	100.00%	F	100.00%	F
Stop.Shop Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
STOP.SHOP Kisvárda Kft.	HU	Budapest	100.00%	F	100.00%	F
STOP.SHOP OHÁZA Kft.	HU	Budapest	100.00%	F	100.00%	F
STOP.SHOP STARJÁN Kft.	HU	Budapest	100.00%	F	100.00%	F
STOP.SHOP TB Kft.	HU	Budapest	100.00%	F	100.00%	F
STOP.SHOP. 1 d.o.o. Beograd-Vozdovac	RS	Belgrade	100.00%	F	100.00%	F
STOP.SHOP. 10 Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
STOP.SHOP. 11 Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
STOP.SHOP. 12 Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
STOP.SHOP. 2 d.o.o. Beograd-Vozdovac	RS	Belgrade	100.00%	F	100.00%	F
STOP.SHOP. 3 d.o.o. Beograd-Vozdovac	RS	Belgrade	100.00%	F	100.00%	F
STOP.SHOP. 4 d.o.o. Beograd-Vozdovac	RS	Belgrade	100.00%	F	100.00%	F
STOP.SHOP. 4 Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
STOP.SHOP. 6 d.o.o. Beograd-Vozdovac	RS	Belgrade	100.00%	F	n.a.	n.a.
STOP.SHOP. 6 Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
STOP.SHOP. 7 d.o.o. Beograd-Vozdovac	RS	Belgrade	100.00%	F	n.a.	n.a.
STOP.SHOP. 7 Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
STOP.SHOP. 8 d.o.o. Beograd-Vozdovac	RS	Belgrade	100.00%	F	n.a.	n.a.
STOP.SHOP. 8 Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
STOP.SHOP. 9 Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
STOP.SHOP. DOLNY KUBIN s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
STOP.SHOP. Dubnica s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
STOP.SHOP. Hranice s.r.o.	CZ	Prague	100.00%	F	100.00%	F
STOP.SHOP. Kladno s.r.o.	CZ	Prague	100.00%	F	100.00%	F
STOP.SHOP. Legnica Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
STOP.SHOP. Liptovsky Mikulas s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
STOP.SHOP. Lucenec s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
STOP.SHOP. Nové Zámky s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
STOP.SHOP. POPRAD s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
STOP.SHOP. Pribram s.r.o.	CZ	Prague	100.00%	F	100.00%	F
STOP.SHOP. PUCHOV s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
STOP.SHOP. Rakovnik s.r.o.	CZ	Prague	100.00%	F	100.00%	F
STOP.SHOP. Trencin s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
STOP.SHOP. Uherske Hradiste s.r.o.	CZ	Prague	100.00%	F	100.00%	F
STOP.SHOP. Usti nad Orlici s.r.o.	CZ	Prague	100.00%	F	100.00%	F
STOP.SHOP. Zatec s.r.o.	CZ	Prague	100.00%	F	100.00%	F
STOP.SHOP. Znojmo s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Stop.Shop.5 d.o.o.	RS	Belgrade	100.00%	F	n.a.	n.a.
STOP.SHOP.Czech Republic I B.V.	NL	Amsterdam	100.00%	F	100.00%	F
STOP.SHOP.Czech Republic II B.V.	NL	Amsterdam	100.00%	F	100.00%	F
STOP.SHOP.Holding B.V.	NL	Amsterdam	100.00%	F	100.00%	F
STOP.SHOP.Hungary B.V.	NL	Amsterdam	100.00%	F	100.00%	F
STOP.SHOP.Ruzomberok s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
STOP.SHOP.Serbia B.V.	NL	Amsterdam	100.00%	F	100.00%	F
STOP.SHOP.Slovakia I B.V.	NL	Amsterdam	100.00%	F	100.00%	F

F = Full consolidation, E-JV = Joint venture, E-AS = Associates, NC = Not consolidated companies

Company	Country	Headquarters	Current financial year		Prior year	
			Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
STOP.SHOP.Slovakia II B.V.	NL	Amsterdam	100.00%	F	100.00%	F
STOP.SHOP.Slovenia B.V.	NL	Amsterdam	100.00%	F	100.00%	F
STOP.SHOP.Zvolen s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
Sunkta Ltd	CY	Nicosia	100.00%	F	100.00%	F
SYLEUS Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
SZÉPVÖLGYI BUSINESS PARK Kft.	HU	Budapest	100.00%	F	100.00%	F
Taifun Real Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Talia Real Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Tamar Imob Investitii SRL	RO	Bucharest	100.00%	F	100.00%	F
TCB Telecom Beteiligungsgesellschaft m.b.H. in Liqu.	AT	Vienna	n.a.	n.a.	100.00%	F
Termaton Enterprises Limited	CY	Nicosia	75.00%	E–JV	75.00%	E–JV
Timreal Development SRL	RO	Bucharest	100.00%	F	n.a.	n.a.
Topaz Development SRL	RO	Bucharest	100.00%	F	100.00%	F
TOV Arsenal City	UA	Kiev	99.35%	F	99.35%	F
TOV Evro-Luno-Park	UA	Kiev	50.00%	E–JV	50.00%	E–JV
TOV Vastator Ukraine	UA	Kiev	99.35%	F	99.35%	F
TradeCon Handels- und Leasing GmbH	AT	Vienna	100.00%	F	100.00%	F
TradeCon Leasing- und Unternehmensbeteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Trevima Ltd.	CY	Nicosia	100.00%	F	100.00%	F
TriGránit Centrum, a.s.	SK	Bratislava	25.00%	E–AS	25.00%	E–AS
TriGránit Holding Ltd.	CY	Nicosia	25.00%	E–AS	25.00%	E–AS
Tripont Invest s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
UKS Finance Kft.	HU	Budapest	100.00%	F	100.00%	F
UKS Liegenschaftsentwicklung GmbH	AT	Vienna	100.00%	F	100.00%	F
Utility Park West s.r.o.	CZ	Prague	31.32%	NK	31.32%	Forward Purchase
Váci út 184.Business Center Kft.	HU	Budapest	38.90%	E–AS	38.90%	E–AS
Valecorp Limited	RU	Nicosia	100.00%	F	100.00%	F
Valette Finance B.V.	NL	Amsterdam	100.00%	F	100.00%	F
Vastator Limited	CY	Nicosia	99.36%	F	99.36%	F
VCG Immobilienbesitz GmbH	AT	Vienna	100.00%	F	100.00%	F
Ventane Ltd.	CY	Nicosia	98.71%	F	98.71%	F
Ventane Ukraine LLC	UA	Kiev	98.71%	F	98.71%	F
Ventilatorul Real Estate SA	RO	Bucharest	100.00%	F	100.00%	F
Vertano Residence Sp. z o.o.	PL	Warsaw	50.00%	E–JV	50.00%	E–JV
Vertano Residence Sp. z o.o. 1 Sp.k.	PL	Warsaw	90.67%	E–JV	90.67%	E–JV
Village Management LLC	UA	Kiev	98.71%	F	98.71%	F
Visionär Beteiligungs GmbH	DE	Rodgau	32.00%	E–AS	32.00%	E–AS
Vitrust Ltd.	CY	Nicosia	100.00%	F	100.00%	F
VIV Gebäudeerrichtungs GmbH	AT	Vienna	100.00%	F	100.00%	F
VTI Varna Trade Invest OOD	BG	Sofia	50.00%	E–JV	50.00%	E–JV
W zehn Betriebs- & Service GmbH	AT	Vienna	100.00%	F	100.00%	F
Wakelin Promotions Limited	RU	Nicosia	100.00%	F	100.00%	F
Walkabout Beteiligungs GmbH	DE	Rodgau	66.67%	E–AS	66.67%	E–AS
West Gate Kft.	HU	Budapest	100.00%	F	100.00%	F
WINNIPEGIA SHELF s.r.o.	CZ	Prague	100.00%	F	100.00%	F
WIPARK Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
Wolkar Enterprise Sp. z o.o.	PL	Warsaw	100.00%	F	n.a.	n.a.
Xantium Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F

F = Full consolidation, E–JV = Joint venture, E–AS = Associates, NC = Not consolidated companies

Statement by the Executive Board

We confirm to the best of our knowledge that the consolidated financial statements of IMMOFINANZ AG provide a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report of IMMOFINANZ AG provides a true and fair view of the development and performance of the business and position of the group, together with a description of the principal risks and uncertainties faced by the group.

We confirm to the best of our knowledge that the individual financial statements provide a true and fair view of the assets, liabilities, financial position and profit or loss of IMMOFINANZ AG as required by the applicable accounting standards and that the management report provides a true and fair view of the development and performance of the business and position of the company, together with a description of the principal risks and uncertainties faced by the company.

The consolidated financial statements were completed and signed by the Executive Board of IMMOFINANZ AG on 6 August 2015 and subsequently distributed to the Supervisory Board. The Supervisory Board is responsible for examining the consolidated financial statements and stating whether or not it approves these documents.

Vienna, 6 August 2015

The Executive Board of IMMOFINANZ AG

Dr. Oliver Schumy
CEO

Mag. Birgit Noggler
CFO

Mag. Dietmar Reindl
COO

Auditor's Report

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of IMMOFINANZ AG, Vienna, for the fiscal year from 1 May 2014 to 30 April 2015. These consolidated financial statements comprise the consolidated balance sheet as of 30 April 2014, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year ended 30 April 2015 and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements and for the Accounting System

The company's management is responsible for the group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU as well as the additional requirements of § 245a of the Austrian Commercial Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and in accordance with International Standards on Auditing issued by the International Auditing (ISAs) and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of IMMOFINANZ AG, Vienna, as of 30 April 2015 and of its financial performance and its cash flows for the fiscal year from 1 May 2014 to 30 April 2015, in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Comments on the Management Report for the Group

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to section 243a UGB (Austrian Commercial Code) are appropriate. In our opinion, the consolidated management report for the Group is consistent with the consolidated financial statements. The disclosures according to section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 6 August 2015

Mag. Marieluise Krimmel
(Austrian) Certified Public Accountant

Mag. Friedrich Wiesmüllner
(Austrian) Certified Public Accountant

Deloitte Audit Wirtschaftsprüfungs GmbH

Balance Sheet as of 30 April 2015

				30 April 2015	30 April 2014
				EUR	TEUR
A.	**Non-current assets**				
	I.	**Intangible assets**			
		1. Trademarks and software		421,340.86	692
	II.	**Tangible assets**			
		1. Buildings on land owned by third parties	1,071,883.66		1,253
		2. Furniture, fixtures and office equipment	734,238.58		638
				1,806,122.24	1,891
	III.	**Financial assets**			
		1. Investments in subsidiaries	4,537,603,830.00		4,973,655
		2. Investments in associated and jointly controlled entities	702,018,847.69		702,167
		3. Treasury shares	0.00		118,161
		4. Non-current securities (rights)	4,546,711.76		8,129
				5,244,169,389.45	**5,802,112**
				5,246,396,852.55	**5,804,695**
B.	**Current assets**				
	I.	**Receivables**			
		1. Trade receivables	0.00		0
		2. Receivables from subsidiaries	1,208,358,616.42		415,259
		3. Receivables from associated and jointly controlled entities	7,993,322.73		3,215
		4. Other receivables	4,736,952.30		11,816
				1,221,088,891.45	**430,290**
	II.	**Current marketable securities**			
		1. Miscellaneous securities and shares		31,902,678.40	291,515
	III.	**Cash in bank**		**26,695,250.46**	**1,355**
				1,279,686,820.31	**723,160**
C.	**Prepaid expenses and deferred charges**			**965,308.67**	**1,140**
				6,527,048,981.53	**6,528,995**

				30 April 2015	30 April 2014
				EUR	TEUR
A.	**Equity**				
		I.	**Share capital**	**1,114,171,813.16**	**1,172,060**
		II.	**Capital reserves**		
			1. Appropriated	2,750,866,252.79	3,126,482
		III.	**Revenue reserves**		
			1. Other reserves (voluntary)	0.00	29,330
		IV.	**Reserve for treasury shares**	0.00	118,161
		V.	**Profit (loss) account**		
			Thereof profit carried forward EUR 0.00 (prior year: TEUR 10,543)	0.00	0
				3,865,038,065.95	**4,446,032**
B.	**Provisions**				
			1. Provisions for termination benefits	284,115.95	278
			2. Provisions for taxes	34,435,507.67	19,242
			3. Other provisions	20,307,280.00	31,821
				55,026,903.62	**51,341**
C.	**Liabilities**				
			1. Bonds	1,051,159,520.87	690,714
			2. Liabilities with financial institutions	35,602,313.56	186,296
			3. Prepayments received	75,184.93	0
			4. Trade liabilities	4,880,759.00	4,955
			5. Liabilities with subsidiaries	1,502,352,695.84	885,571
			6. Liabilities with associated and jointly controlled entities	1,105,755.31	261,731
			7. Other liabilities	11,807,782.45	1,496
			Thereof from taxes: EUR 11,232,810.37 (prior year: TEUR 539)		
			Thereof from social security: EUR 438,598.62 (prior year: TEUR 412)		
				2,606,984,011.96	**2,030,763**
D.	**Deferred income**			**0.00**	**859**
				6,527,048,981.53	**6,528,995**
	Contingent liabilities			89,655,690.94	284,631

Income Statement for the Financial Year from 1 May 2014 to 30 April 2015

		2014/15	2013/14
		EUR	TEUR
1. Revenues		45,710,813.76	48,811
2. Other operating income			
a) Income from the disposal of non-current assets, with the exception of financial assets	0.00		0
b) Income from the reversal of provisions	649,272.01		1,655
c) Miscellaneous	20,223,682.90		11,349
		20,872,954.91	13,004
3. Personnel expenses			
a) Salaries	–20,508,173.06		–22,257
b) Expenses for contributions to employee pension/severance fund	–409,942.24		–365
c) Expenses for pensions	–137,600.00		–149
d) Expenses for legally required social security and payroll-related duties and mandatory contributions	–4,200,562.04		–4,560
e) Other employee benefits	–445,774.81		–557
		–25,702,052.15	–27,888
4. Depreciation and amortisation		–943,054.66	–814
5. Other operating expenses			
a) Non-income based taxes	–713,860.31		–275
b) Miscellaneous	–63,719,691.16		–34,889
		–64,433,551.47	–35,164
6. Subtotal of no. 1 to 5 (operating profit)		**–24,494,889.61**	**–2,051**
7. Income from investments (Thereof from subsidiaries: EUR 30,000,000.00; prior year: TEUR 50,000)		61,318,628.04	53,743
8. Income from other securities classified as financial assets (Thereof from subsidiaries: EUR 0.00; prior year: TEUR 581)		70,175.00	651
9. Interest and similar income (Thereof from subsidiaries: EUR 12,868,816.24; prior year: TEUR 16,078)		26,006,804.50	22,430
10. Income from the disposal of financial assets		0.00	534
11. Expenses arising from financial assets			
a) Impairment losses: EUR –452,746,097.68;prior year: TEUR –174,891 (Thereof from subsidiaries: EUR –452,744,795.68; prior year: TEUR –174,891)		–453,079,882.56	–174,891
12. Interest and similar expenses (Thereof related to subsidiaries: EUR –24,092,574.97; prior year: TEUR –27,812)		–69,886,715.82	–71,270
13. Subtotal of no. 7 to 12 (financial results)		**–435,570,990.84**	**–168,802**
14. Profit/(loss) on ordinary activities		**–460,065,880.45**	**–170,852**
15. Income tax expenses		–2,768,185.51	17,619
16. Loss for the year before changes to reserves		**–462,834,065.96**	**–153,233**
17. Release of capital reserves			
a) Appropriated		433,503,794.77	891,298
18. Release of revenue reserves			
a) Other reserves (voluntary)		29,330,271.19	88,207
19. Release of reserve for treasury shares		0.00	54,483
20. Reduction in net assets due to spin-off		0.00	–891,298
21. Profit carried forward from prior year		0.00	10,543
22. Profit (loss) account		**0.00**	**0**

Notes

1. General Information

The annual financial statements of IMMOFINANZ AG as of 30 April 2015 were prepared in accordance with the provisions of the Austrian Commercial Code ("Unternehmensgesetzbuch") in the current version. The principles of correct bookkeeping as well as the general objective of providing a true and fair view of the asset, financial and earnings position were observed.

The reporting year of IMMOFINANZ AG covers the period from1 May 2014 to 30 April 2015.

In accordance with § 223 (2) of the Austrian Commercial Code, the comparable prior year data are presented in EUR 1,000.

The company elected to utilise the option provided by § 223 (4) of the Austrian Commercial Code, which permits the inclusion of additional positions when their content is not covered by a required position.

The income statement was prepared in accordance with the nature of expense method under which "total costs" are shown.

Valuation was based on the going concern principle.

2. Accounting and Valuation Principles

Intangible assets are carried at acquisition cost, less scheduled straight-line amortisation that is based on the expected useful life of the respective asset. All intangible assets held by the company were purchased.

Property, plant and equipment are carried at acquisition cost, less scheduled straight-line depreciation.

Depreciation and amortisation for the various asset additions and disposals in the reporting year are calculated beginning with the month of acquisition, respectively terminated in the month of disposal.

Financial assets are carried at cost less any necessary impairment losses. The impairment testing of shares in subsidiaries and associated and jointly controlled entities involves comparing the respective carrying amount with the equity owned plus any undisclosed reserves in the individual properties (fair value measurement based on DCF methods) or is based on standard indicators for the valuation of investments. Each subsidiary is responsible for valuing its own assets, whereby the combined results are included in the consolidated financial statements of the Group parent company, IMMOFINANZ AG. If the value of an asset increases in subsequent financial years, the previously recognised impairment loss is reversed. This process involves a write-up equal to the amount of the impairment loss, but the value of the asset is not increased above historical cost. Treasury shares are carried at acquisition cost, whereby the carrying amount is reduced through an impairment loss if there is a lasting decline in value.

Receivables are carried at their nominal amount less any necessary impairment losses. The calculation of impairment losses to Group receivables is based on the fair value of equity in the financed company. If the financial statements of a borrower show negative equity (at fair value), an appropriate impairment loss is recognised. In accordance with the option provided by § 208 (2) of the Austrian Commercial Code, potential write-ups are not recognised.

The **miscellaneous securities and shares** reported under current assets are carried at cost, which is reduced by any necessary impairment losses as required by § 207 of the Austrian Commercial Code.

Provisions are recorded at the amount of the expected use, in accordance with the principle of prudent business judgment.

Liabilities are carried at their repayment amount in keeping with the principle of conservatism.

All **foreign currency** transactions are translated at the average exchange rate in effect on the date of the transaction. The measurement of foreign currency receivables and liabilities as of the balance sheet date is based on the applicable average exchange rate in effect on that date in keeping with the principle of conservatism. Any resulting exchange rate losses are recognised to profit or loss for the financial year.

The fair value of **derivatives** is calculated by discounting the future cash flows based on a net present value method. The interest rates used to discount the future cash flows are based on an interest curve that is observable on the market. The following three parameters are required to calculate the credit value adjustment (CVA) and the debt value adjustment (DVA): the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD). The probability of default is derived from the credit default swap (CDS) spreads of the respective counterparty, whereby credit margins are used to develop the company's own probability of default. A standard market LGD forms the basis for determining the loss given default. The exposure at default (EAD) represents the expected amount of the asset or liability at the time of default. The calculation of the EAD is based on a Monte Carlo simulation.

3. Notes to the Balance Sheet

Assets

Non-current assets

The development of **non-current assets** is shown on the attached schedule.

The following useful lives are used to calculate scheduled straight-line depreciation and amortisation for non-current assets:

	Useful life in years
Other intangible assets	3–10
Property, plant and equipment	2–10

The **investments in subsidiaries and associated and jointly controlled entities** are described below:

The most important changes to the investments in subsidiaries involve subsidies from the first second parent company (EUR 10,680,000.00), the contribution of participation rights in RentCon Handels- und Leasing GmbH (EUR 7,078,334.05) and the write-off of the wholly owned subsidiary IMBEA IMMOEAST Beteiligungsverwaltung GmbH (EUR 452,744,795.68).

IMMOFINANZ Group holds the following shares in BUWOG AG:

Shareholding company	Number of shares	Investment (in %)
IMMOFINANZ AG	45,383,166	45.56%
IMBEA IMMOEAST Beteiligungsverwaltung GmbH	3,418,046	3.43%
IMMOFINANZ Group	**48,801,212**	**48.99%**

As of 30 April 2015, the company held shares in **BUWOG AG** with a total value of EUR 701,168,847.69 (2013/14: TEUR 701,317), which are reported under non-current assets.

De-domination agreement
In connection with the spin-off of the BUWOG operating segment in 2013/14, IMMOFINANZ AG and BUWOG AG concluded a de-domination agreement that establishes limitations on voting rights for the BUWOG shares held by IMMOFINANZ Group. The de-domination agreement also limits the number of supervisory members who can be appointed by IMMOFINANZ AG in order to prevent majority decisions by these appointees, even if there is a change in the number of members on the supervisory board. As of 30 April 2015 the supervisory board of BUWOG AG had six members. IMMOFINANZ AG originally exercised its voting rights to elect Eduard Zehetner and Vitus Eckert to this body. Eduard Zehetner resigned from the supervisory board as of 30 April 2015 and was succeeded on 1 May 2015 by Oliver Schumy. IMMOFINANZ AG exercised its voting rights to elect Oliver Schumy to the supervisory board at the annual general meeting of BUWOG AG on 14 October 2014. At the annual general meeting of BUWOG AG on 8 June 2015, the number of supervisory board members defined by the articles of association was increased to six, and Stavros Efremidis was

elected as the sixth member without the votes of IMMOFINANZ AG. Furthermore, IMMOFINANZ AG is obliged not to exercise its voting rights in the annual general meeting of BUWOG AG, among others in the following cases: resolutions on the release of the executive board or other supervisory board members from liability, resolutions on the dismissal of another supervisory board member or resolutions on management issues that are presented by the executive board or supervisory board to the annual general meeting for voting. The de-domination agreement can only be cancelled by IMMOFINANZ AG or BUWOG AG for important reasons. The term of the de-domination agreement ends on 29 April 2020; if IMMOFINANZ AG does not raise any objections, this term will be extended automatically. Compliance with the de-domination agreement can be required by shareholders of BUWOG AG who alone or together represent 5% of share capital or by any member of the executive board of BUWOG AG. The potential sanctions defined by the de-domination agreement lead to the assumption that IMMOFINANZ Group can no longer exercise a controlling influence over the significant activities of the BUWOG Group in spite of its 48.99% investment.

Non-current securities consist primarily of shares in the Vienna Stock Exchange with a value of EUR 1,000,699.26 (2013/14: TEUR 1,001) as well as participation rights of EUR 0.00 (2013/14: TEUR 7,078) in RentCon Handels- u. Leasing GmbH. Bonds with a nominal value of EUR 3,500,000.00 were purchased for a market price of EUR 3,497,314.50 in 2014/15 and subsequently written down by EUR 1,302.00.

As of 30 April 2015 the company held treasury shares with a value of EUR 0.00 (2013/14: TEUR 118,161), which were recorded under non-current assets. The 44,534,312 treasury shares held on 30 April 2014 were withdrawn on 27 March 2015 after the repayment of the loan that was secured with treasury shares – see the notes under liabilities. IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, held 80,561,936 IMMOFINANZ shares as of 30 April 2015. Aviso Zeta AG, a wholly owned subsidiary of IMBEA IMMOEAST Beteiligungsverwaltung GmbH, holds six shares. In total, member companies of the IMMOFINANZ Group held 7.51% of the share capital of IMMOFINANZ AG as treasury shares on 30 April 2015 (2013/14:10%).

Authorisation of the Executive Board to purchase treasury shares

The annual general meeting of IMMOFINANZ AG on 30 September 2014 authorised the Executive Board, with the consent of the Supervisory Board, to repurchase the company's shares in accordance with § 65 (1) no. 8 and (1b) of the Austrian Stock Corporation Act at an amount equalling up to 10% of share capital. This authorisation is valid for a period of 30 months beginning on the date the resolution was passed. The shares may be purchased in one or more transactions over the stock exchange or over the counter with repeated utilisation of the 10% limit, also with the exclusion of the proportional subscription rights of shareholders.

Authorisation of the Executive Board to sell treasury shares

The annual general meeting of IMMOFINANZ AG on 30 September 2014 authorised the Executive Board, with the consent of the Supervisory Board, to sell treasury shares in another manner than over the stock exchange or through a public offering in accordance with § 65 (1b) of the Austrian Stock Corporation Act. These shares may be sold or used for any legal purpose, whereby the proportional purchase rights of shareholders are excluded (exclusion of subscription rights). This authorisation is valid for a period of five years beginning on the date the resolution was passed.

Repayment of financing with treasury shares

The financing transactions with treasury shares were repaid during the reporting year. In this connection, the company repurchased 101,605,741 treasury shares on 27 March 2015. These shares represented a proportional share of EUR 105,485,388.09, or 9.47%, of the company's share capital as of 30 April 2015.

Of the total shares repurchased, 57,071,429 were transferred back to IMBEA IMMOEAST Beteiligungsverwaltung GmbH in accordance with the financing arrangement concluded between IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsverwaltung GmbH. These shares were originally held by IMBEA IMMOEAST Beteiligungsverwaltung GmbH.

Withdrawal of treasury shares in 2014/15

IMMOFINANZ AG withdrew 11,224,687 treasury shares on 17 December 201 based on an authorisation of the annual general meeting on 30 September 2014 in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act. The withdrawn shares were repurchased during the share buyback programme 2012/13 and – after the intragroup sale to IMBEA IMMOEAST Beteiligungsverwaltung GmbH – were transferred to the company for withdrawal through a distribution in kind. This withdrawal reduced the company's share capital by EUR 11,653,283.10 through a simplified capital decrease (§ 192 (3) of the Austrian Stock Corporation Act).

A further 44,534,312 treasury shares were withdrawn on 27 March 2015 – following their repurchase in connection with the repayment of financing transactions – which represent a proportional share of EUR 46,234,781.01 in the company's share capital. The withdrawn shares were repurchased in part during the share buyback programmes in 2010/11 and 2012/13. This withdrawal reduced the company's share capital by EUR 46,234,781.01 through a simplified capital decrease (§ 192 (3) of the Austrian Stock Corporation Act). Share capital now totals EUR 1,114,171,813.16 and is divided into 1,073,193,688 zero par value shares.

In accordance with § 240 (3) of the Austrian Commercial Code, treasury shares held directly by the company or by an entity controlled by the company are as follows:

Date	Number of shares	Circumstances and authorisation	Proportional amount of share capital 30 April 2015 in EUR	Proportional amount of share capital 30 April 2015 in %	Purchase/sale price in EUR
Aug. 2010	55,005,409	Closing of the agreements with Constantia Packaging B.V. on the "IBAG bond" (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	57,105,699.52	5.13%	151,264,874.75 (internal settlement)
Sept. 2010	2,066,020	Settlement of Aviso Zeta banking business (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	2,144,907.56	0.19%	5,594,782.16
Dec. 2010	6	Acquisition of Aviso Zeta (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	6.23	0.00%	1.00
Nov. 2010– Mar. 2011	47,350,248	Share buyback programme 2010–2011 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	49,158,238.87	4.41%	145,755,598.48
Oct. 2012	–11,526,415	Withdrawal of treasury shares (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	–11,966,532.08	–1.07%	n.a.
Oct. 2012– Feb. 2013	20,000,000	Share buyback programme 2012/13 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	20,763,666.91	1.86%	62,361,443.45
Jan. 2013	–101,605,741	Sale of financing with treasury shares (§ 65 (1b) of the Austrian Stock Corporation Act)	–105,485,388.09	–9.47%	150,000,000.00 (total financing)
Oct. 2014	–64,834	Servicing of CB 2018	–67,309.58	–0.01%	142,634.80
Dec. 2014	–11,224,687	Withdrawal of treasury shares (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	–11,653,283.10	–1.05%	n.a.
Dec. 2014– Mar. 2015	10,167,053	Share buyback programme 2014/15 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	10,555,265.10	0.95%	23,014,581.67
Mar. 2015	101,605,741	Repurchase of treasury shares used for financing (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	105,485,388.09	9.47%	150,000,000.00 (total financing)
Mar. 2015	–44,534,312	Withdrawal of treasury shares (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	–46,234,781.01	–4.15%	n.a.
Apr. 2015– (ongoing)	13,323,454	Share buyback programme 2015 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	13,832,188.04	1.24%	37,238,886.08
IMMOFINANZ Group Total: April 2015	**80,561,942**		**83,638,066.45**	**7.51%**	**n.a.**

Current assets

Receivables

The following table shows the classification of receivables by remaining term:

Amounts in EUR	30 April 2015	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Trade receivables	0.00	0.00	0.00	0.00
Receivables from subsidiaries	1,208,358,616.42	975,793,911.69	220,092,351.89	12,472,352.84
Receivables from associated and jointly controlled entities	7,993,322.73	7,993,322.73	0.00	0.00
Other receivables and assets	4,736,952.30	4,736,952.30	0.00	0.00
Total	**1,221,088,891.45**	**988,524,186.72**	**220,092,351.89**	**12,472,352.84**

Amounts in EUR	30 April 2014	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Trade receivables	265.00	265.00	0.00	0.00
Receivables from subsidiaries	415,258,534.05	240,587,910.81	174,670,623.24	0.00
Receivables from associated and jointly controlled entities	3,214,638.81	3,214,638.81	0.00	0.00
Other receivables and assets	11,816,039.12	11,816,039.12	0.00	0.00
Total	**430,289,476.98**	**255,618,853.74**	**174,670,623.24**	**0.00**

Receivables from subsidiaries and associated and jointly controlled entities are classified as current when a specific payment term was not defined. However, these receivables are only collected if permitted by the liquidity situation of the respective creditor.

The following table shows the receivables due from subsidiaries:

	30 April 2015 EUR	30 April 2014 TEUR
Receivables from direct loans	1,122,861,442.81	309,177
Impairment charges to receivables from direct loans	-64,692,160.87	-26,718
Receivables from trust loans due to IMMOFINANZ Corporate Finance Consulting GmbH	68,350,639.28	97,265
Impairment charges to receivables from trust loans	-31,813,675.46	-48,184
Trade receivables	101,931,427.10	45,654
Impairment charges to trade receivables	-690,661.58	-9
Receivables from tax charges	11,915,695.40	37,198
Miscellaneous	495,909.74	877
Total receivables from subsidiaries	**1,208,358,616.42**	**415,259**

The method used to estimate the impairment losses is described in the section on accounting and valuation principles.

The value of selected properties held by subsidiaries of IMMOFINANZ AG increased during 2014/15 and earlier years and could have resulted in write-ups of EUR 9,960,493.81 (2013/14: TEUR 13.780) to receivables that were previously reduced through impairment losses. These write-ups would have led to an increase in income taxes, but were not recorded because Austrian tax law does not require the recognition of these value increases.

Other receivables consist primarily of the following: EUR 0.00 (2013/14: TEUR 6,450) due from the taxation authorities, receivables of EUR 330,147.45 (2013/14: TEUR 694) from insurance commissions and cash collateral for derivative financial instruments with Deutsche Bank Aktiengesellschaft totalling EUR 3,750,716.67 (2013/14: TEUR 3,750).

Miscellaneous securities and shares

This position comprises 224 shares of the 2017 convertible bond with a nominal value of EUR 22,400,000.00 (2013/14: TEUR 22,400) and 1,562,000 shares of the 2018 convertible bond with a nominal value of EUR 6,435,440.00 (2013/14: TEUR 6,435).

Based on an authorisation of the annual general meeting on 7 March 2014 and prior to the spin-off on 25 April 2014, BUWOG AG issued a 3.5% convertible bond with a total nominal value of EUR 260.0 million and a term extending to 25 April 2019. This convertible bond was subscribed in full by IMMOFINANZ AG based on the takeover contract dated 25 April 2014. In accordance with the issue terms, the conversion price was initially set at EUR 18.93; this price reflected a 40% premium over the arithmetic average of the XETRA closing prices for the BUWOG AG share on the first five trading days (28 April 2014 to 5 May 2014).

BUWOG AG was entitled to call the convertible bond at 101% of the nominal value plus accrued interest at any time up to 27 January 2015 based on a notice period of at least 30 days.

BUWOG AG exercised this right and repaid 101% of the nominal value plus accrued interest to IMMOFINANZ AG in January 2015.

Cash in bank

This item consists chiefly of deposits with UniCredit Bank Austria AG, Vienna, RAIFFEISEN BANK INTERNATIONAL AG, Vienna, ERSTE GROUP BANK AG, Vienna, Deutsche Bank Aktiengesellschaft, Vienna, Sberbank Europe AG, Vienna, and Liechtensteiner Landesbank (Österreich) AG, Vienna.

Prepaid expenses

This position includes miscellaneous fees paid in 2014/15 that relate to the following financial year, e.g. amounts due to the Austrian Financial Market Authority as well as insurance, flights, maintenance and licenses.

Equity and Liabilities

Equity

Share capital totals EUR 1,114,171,813.16 (2013/14: TEUR 1,172,060) and is classified as follows:

	Number of shares 30 April 2015	Share capital in EUR 30 April 2015	Number of shares 30 April 2014	Share capital in EUR 30 April 2014
Bearer shares	1,073,193,688	1,114,171,813.16	1,128,952,687	1,172,059,877.28
Total	**1,073,193,688**	**1,114,171,813.16**	**1,128,952,687**	**1,172,059,877.28**

Equity comprised the following as of 30 April 2015 and 30 April 2014:

Amounts in EUR	30 April 2015	30 April 2014
Share capital	1,114,171,813.16	1,172,059,877.28
Capital reserves		
1) Appropriated	2,750,866,252.79	3,126,481,365.31
Revenue reserves		
1) Other reserves (voluntary)	0.00	29,330,271.19
Reserve for treasury shares	0.00	118,160,888.74
Profit (loss) account	0.00	0.00
Total	**3,865,038,065.95**	**4,446,032,402.52**

Capital and revenue reserves

The reserves in the separate financial statements of IMMOFINANZ AG, which were prepared in accordance with the Austrian Commercial Code, comprise the following: appropriated capital reserves from capital increases pursuant to § 229 (2) no. 1 of the Austrian Commercial Code and from the merger of IMMOEAST AG with IMMOFINANZ AG. The change in the appropriated capital reserves resulted primarily from the withdrawal of treasury shares from a distribution in kind of EUR 11,653,283.10 by IMBEA IMMOEAST Beteiliungsverwaltung GmbH to IMMOFINANZ AG in December 2014 and treasury shares of EUR 46,234,781.01 held in March 2015. Revenue reserves of EUR 29,330,271.19 and appropriated capital reserves of EUR 433,503,794.77 (2013/14: TEUR 891,298) were released to cover the balance sheet loss.

Provisions

The provision for termination benefits (EUR 284,115.95; 2013/14: TEUR 278) was calculated in accordance with actuarial principles, whereby the parameters included a discount rate of 1.4% (2013/14: 3%) and a retirement age of 62 years for men.

Other provisions consist primarily of the following: accruals of EUR 34.4 million (2013/14: EUR 19.2 million) for taxes, EUR 1.0 million (2013/14: EUR 4.0 million) of legal, tax advising and auditing fees, EUR 0.5 million (2013/14: EUR 0.9 million) for appraisals, EUR 5.0 million (2013/14: EUR 6.7 million) of employee-related items and EUR 5.6 million (2013/14: EUR 7.8 million) of derivatives.

Liabilities

Convertible bonds

As of 30 April 2015 IMMOFINANZ AG had two convertible bonds with a total nominal value of EUR 558.7 million outstanding.

The following table shows the terms of the convertible bond liabilities as of 30 April 2015 based on the carrying amount:

Amounts in TEUR	Carrying amount 30 April 2015	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	Carrying amount 30 April 2014	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Convertible bond 2007–17	53,040.5	243.0	52,797.5	0.0	68,078.3	68,078.3	0.0	0.0
Convertible bond 2011–18	518,096.6	518,096.6	0.0	0.0	518,298.9	3,178.9	515,120.0	0.0
Total	**571,137.1**	**518,339.6**	**52,797.5**	**0.0**	**586,377.2**	**71,257.2**	**515,120.0**	**0.0**

Convertible bond 2007–2017, ISIN XS0332046043 (CB 2017)

The conversion rights for the 2017 convertible bond issued by IMMOFINANZ AG were amended as of 16 October 2014 based on the dividend approved by BUWOG AG. One certificate of the 2017 convertible bond (nominal value: EUR 100,000.0 per certificate) currently entitles the bondholder to conversion into 12,547.05 IMMOFINANZ shares (no change) and 660.95 BUWOG shares (previously: 627.35).

The registration period for the premature repayment of the convertible bond 2007-2017 ended on 19 November 2014. The holders of 137 certificates from this convertible bond filed for repayment, and EUR 13.7 million plus accrued interest were redeemed from available funds. The nominal amount remaining after the redemption of the registered certificates totalled EUR 43.8 million and will be redeemed on 19 November 2017 (maturity date) if there are no conversions into the company's shares before that date. IMMOFINANZ AG holds repurchased CB 2017 certificates with a total nominal value of EUR 22.4 million which have not yet been withdrawn.

Convertible bond 2011–2018, ISIN XS0592528870 (CB 2018)

Based on the dividend approved by BUWOG AG, the conversion rights for the 2018 convertible bond issued by IMMOFINANZ AG were amended as of 15 October 2014. One certificate of the 2018 convertible bond (nominal value: EUR 4.12 per certificate) currently entitles the bondholder to conversion into 1.1573 IMMOFINANZ shares (no change) and 0.0606 BUWOG shares (previously: 0.0579).

The conversion of 2018 convertible bond certificates by one bondholder during the second quarter of 2014/15 was serviced by IMMOFINANZ AG from treasury shares (and shares of BUWOG AG). As of 30 April 2015, the 2018 convertible bond had an outstanding nominal value of EUR 514.9 million with a put option for bondholders on 8 March 2016. The development of the IMMOFINANZ share price and the BUWOG share price has been positive – with closing prices that equalled EUR 2.68 and EUR 18.09, respectively on 30 April 2015 – and the convertible bond 2018 was therefore in the money at the end of the 2014/15 financial year. IMMOFINANZ AG holds repurchased CB 2018 certificates with a total nominal value of EUR 6.4 million which have not yet been withdrawn.

Exchangeable bond

On 11 September 2014 IMMOFINANZ AG placed an exchangeable bond for shares of BUWOG AG. The bond has a volume of EUR 375.0 million, a coupon of 1.5% per year and is backed by approx. 23.1 million BUWOG shares. IMMOFINANZ AG is entitled to deliver BUWOG shares or a cash settlement in the event of exchange. The exchangeable bond was issued and will be redeemed at 100% of the nominal value. The term of the instrument ends on 11 September 2019, whereby the bondholders have a put option on 11 September 2017. The exchange price originally equalled EUR 17.03, but was adjusted to EUR 16.26 to reflect the EUR 0.69 dividend per share approved by the annual general meeting of BUWOG AG on 14 October 2014.

In connection with the issue of the exchangeable bond for shares of BUWOG AG, BNP Paribas, J.P. Morgan and Morgan Stanley – which served as joint bookrunners for this issue – concluded securities lending agreements for up to 12,000,000 BUWOG shares. A total of 2,258,428 BUWOG AG shares had been loaned as of 30 April 2015.

The exchangeable bond is included under liabilities from bonds at a carrying amount of EUR 375.7 million. It is classified as current because of the possibility that the bondholders could exercise their exchange right within 12 months after the balance sheet date.

IMMOFINANZ AG converted TEUR 100 of the exchangeable bond in March 2015 and serviced this conversion from its holding in BUWOG shares. The nominal amount outstanding as of 30 April 2015 totalled EUR 374.9 million.

Corporate bond

This position also includes a corporate bond with a total nominal value of EUR 100.0 million (2013/14: EUR 100.0 million), a term of five years and a coupon of 5.25%, which was issued in July 2012.

Exercise of conversion rights and issue of new shares in 2014/15

Conversion rights for 56,022 CB 2018 convertible bonds with a total nominal value of EUR 230,810.64 were exercised in 2014/15. The conversions were serviced with shares of IMMOFINANZ AG (and shares of BUWOG AG).

Authorisation to issue new convertible bonds

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

The following table shows the composition of liabilities by remaining term:

Amounts in EUR	30 April 2015	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Bonds	1,051,159,520.87	898,362,017.70	152,797,503.17	0.00
Liabilities with financial institutions	35,602,313.56	10,385,477.16	3,000,000.00	22,216,836.40
Prepayments received	75,184.93	75,184.93	0.00	0.00
Trade liabilities	4,880,759.00	4,880,759.00	0.00	0.00
Liabilities with subsidiaries	1,502,352,695.84	1,375,850,629.63	85,876,350.97	40,625,715.24
Liabilities with associated and jointly controlled entities	1,105,755.31	1,105,755.31	0.00	0.00
Other liabilities	11,807,782.45	11,807,782.45	0.00	0.00
Total	**2,606,984,011.96**	**2,302,467,606.18**	**241,673,854.14**	**62,842,551.64**

Amounts in EUR	30 April 2014	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Bonds	690,713,812.59	75,593,854.67	615,119,957.92	0.00
Liabilities with financial institutions	186,295,988.08	150,779,091.18	2,600,000.00	32,916,896.90
Trade liabilities	4,954,507.84	4,954,507.84	0.00	0.00
Liabilities with subsidiaries	885,571,333.23	665,057,504.86	220,513,828.37	0.00
Liabilities with associated and jointly controlled entities	261,731,002.15	261,731,002.15	0.00	0.00
Other liabilities	1,496,438.92	1,496,438.92	0.00	0.00
Total	**2,030,763,082.81**	**1,159,612,399.62**	**838,233,786.29**	**32,916,896.90**

Liabilities with subsidiaries are classified as current in cases where a specific payment term was not defined.

Financing with treasury shares

In the 2012/13 financial year IMMOFINANZ Group sold and transferred 101,605,741 treasury shares to financial institutions for financing purposes and received EUR 150.0 million of financing in exchange. This transaction did not result in the derecognition of the involved treasury shares because of the repurchase rights, but led to the recognition of the proceeds as a financial liability. This financing was repaid in March 2015 and IMMOFINANZ Group again obtained disposal rights over the 101,605,741 treasury shares. A total of 55,758,999 treasury shares were withdrawn during the reporting year. As of 30 April 2015 IMMOFINANZ Group held 80,561,942 treasury shares.

The financial liability of EUR 150.0 million was repaid on 27 March 2015 together with accrued interest, and the treasury shares deposited as collateral were repurchased by the company on that date.

Liabilities with subsidiaries consist entirely of other liabilities, above all loans of EUR 982,076,169.60 (2013/14: TEUR 380,604) granted by subsidiaries and other liabilities of EUR 519,991,457.40 (2013/14: TEUR 504,655), related to an outstanding subsidy granted to IMMOEAST Beteiligungs GmbH by the second-tier parent company.

Liabilities with associated and jointly controlled entities consist chiefly of the postponed payment of EUR 0.00 (2013/14: EUR 260 million) relating to the 2019 convertible bond issued by BUWOG AG and interest expense of EUR 1,072,054.79 (2013/14: TEUR 150) for this postponement.

On 25 April 2014 BUWOG AG issued a EUR 260.0 million convertible bond with a 3.5% nominal interest rate and a term ending in 2019. This convertible bond was subscribed in full by IMMOFINANZ Group. The issue proceeds were used by the BUWOG Group to purchase a residential property portfolio with roughly 18,000 units and approx. 1.09 million sqm of rentable space in Northern Germany. The transfer of the issue proceeds by IMMOFINANZ Group was postponed until the closing of the DGAG portfolio transaction; the related interest reflected ordinary market conditions. The agreement over the postponement ended in June 2014. This convertible bond was redeemed in full by BUWOG AG in January 2015.

Other liabilities consist chiefly of a liability totalling EUR 11,232,810.37 to the taxation authorities (2013/14: tax receivable of TEUR 6,450), which is due primarily after the balance sheet date.

Guarantees

IMMOFINANZ AG has issued comfort letters on behalf of individual subsidiaries to guarantee their solvency. These comfort letters confirm that the involved companies will be able to meet their payment obligations at any time and oblige IMMOFINANZ AG to ensure that sufficient funds will be available to meet all liabilities at maturity. Furthermore, IMMOFINANZ AG is obliged to undertake all other necessary measures required by the applicable insolvency laws. IMMOFINANZ AG is also required to subordinate all liabilities that represent debt from the viewpoint of the involved company and must take a secondary position to all other creditors who are not shareholders of the involved companies or are subordinated in another manner.

The company has provided guarantees or pledges of EUR 7,619,929.94 (2013/14: TEUR 84,525) to financial institutions on behalf of (former) subsidiaries. In addition, IMMOFINANZ AG has accepted liabilities of EUR 82,035,761.00 (2013/14: TEUR 106) to third parties on behalf of subsidiaries and a guarantee of EUR 0.00 (2013/14: EUR 200.0 million) to BerlinHyp AG on behalf of an associate.

Financial instruments

IMMOFINANZ AG concluded contracts for the following derivative financial instruments to hedge interest rate risk:

Type	Contract partner	Currency	Nominal value	Term	Net Present Value 30 April 2015
Swap	Deutsche Bank AG	EUR	159,794,155.68	31 July 2013–6 October 2016	–4,842,747.53
Swap	Deutsche Bank AG	EUR	39,378,482.92	31 July 2013–6 October 2016	–771,233.10
Included in other provisions					**–5,613,980.63**

Both derivatives were terminated in July 2015.

4. Notes to the Income Statement

Revenues

Revenues consist of management fees charged out to the Group companies as well as insurance commissions.

IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsverwaltung GmbH (operations of the former IMMOEAST AG) are executive holding companies that provide management services to subsidiaries in Austria and other countries. The performance-based allocation of costs between the two companies is based on third-party settlement conditions. In 2014/15 IMMOFINANZ AG invoiced EUR 35,331,097.11 (2013/14: accrual of TEUR 41,262) to IMBEA IMMOEAST Beteiligungsverwaltung GmbH for costs carried by IMMOFINANZ AG that are economically attributable to IMBEA IMMOEAST Beteiligungsverwaltung GmbH. An invoice of EUR 4,819,604.26 was also issued for subsequent charges related to 2013/14.

Other operating income

The major components of miscellaneous operating income include reversals o EUR 649,272.01 (2013/14: TEUR 1,655) to other provisions, income of EUR 17,188,532.73 (2013/14: TEUR 10,124) from the reversal of valuation allowances, income of EUR 2,318,373.03 (2013/14: TEUR 854) from expenses charged out and foreign exchange gains of EUR 21,231.79 (2013/14: TEUR 345).

Personnel expenses

Personnel expenses amounted to EUR 25,702,052.15 for the reporting year (2013/14: TEUR 27,888).

Other operating expenses

Impairment losses to and the derecognition of receivables totalled EUR 36,489,688.02 in 2014/15 (2013/14: TEUR 2,793).

Other major components of this position are legal, auditing and consulting fees of EUR 4,469,216.48 (2013/14: TEUR 13,737), appraisal fees of EUR 1,033,184.67 (2013/14: TEUR 1,564), bookkeeping costs of EUR 330,030.82 (2013/14: TEUR 862), rental and leasing expenses of EUR 2,456,858.04 (2013/14: TEUR 2,373) and mileage and travel expenses of EUR 1,451,811.09 (2013/14: TEUR 1,914).

In accordance with § 237 no. 14 last sentence of the Austrian Commercial Code, the company refers to the consolidated financial statements which are available under www.IMMOFINANZ.com/en/investor-relations/financial-reports/.

The remuneration for the members of the Supervisory Board is approved during the current financial year for the previous financial year and subsequently distributed. The members of the Supervisory Board received remuneration of EUR 289,575.00 for the 2013/14 financial year (2013/14: TEUR 300).

Income from investments in subsidiaries

This position includes a dividend of EUR 30,000,000.00 (2013/14: TEUR 0) from IMMOWEST IMMOBILIEN ANLAGEN GMBH and the 2014 dividend of EUR 31,318,628.04 (2013/14: TEUR 0) from BUWOG AG.

Interest and similar income

The major components of interest and similar income are interest of EUR 1,891,587.73 (2013/14: TEUR 2,346) from trustee loans granted by IMMOFINANZ Corporate Finance Consulting GmbH, interest of EUR 10,977,228.51 (2013/14: TEUR 13,732) on Group receivables and interest of EUR 9,162,865.02 (2013/14: TEUR 150) on the BUWOG convertible bond 2019.

Expenses arising from financial investments

Impairment charges of EUR 452,744,795.68 were recognised to shares in IMBEA IMMOEAST Beteiligungsverwaltung GmbH during the reporting year (2013/14: TEUR 174,891). Additional information is provided in the notes to the balance sheet.

Interest and similar expenses

This position includes interest expense of EUR 24,092,574.97 (2013/14: TEUR 27,648) on Group receivables and interest expense of EUR 32,522,651.55 (2013/14: TEUR 32,102) on the convertible bonds.

Income tax expenses

This position includes the following items:

Amounts in EUR	2014/15	2013/14
Corporate income tax	–385,000.00	–321,812.50
Corporate income tax, prior years	–262,927.50	0.00
Reversal of provision for corporate income taxes	418,392.00	0.00
Income tax expense (Group taxation), other periods	–14,063,049.76	–9,039,016.80
Income tax expense (Group taxation)	10,497,549.26	36,492,224.12
Income tax credits (Group taxation), other periods	7,516,556.25	0.00
Addition to provision for negative tax charges to group members	–6,489,705.76	–9,513,282.91
Training bonus	0.00	953.34
Total	**–2,768,185.51**	**17,619,065.25**

Tax income for the reporting year includes EUR 2,552,429.99 of effects related to prior periods, which reflect the final corporate tax assessments for the members of the tax group for 2011 through 2014. These effects did not have a material influence on the financial statements.

In 2014/15 the company did not elect to use the option provided by § 198 (10) of the Austrian Commercial Code, which permits the recognition of deferred tax assets on temporary differences arising from the financial statements prepared in accordance with Austrian commercial law and the respective tax bases.

Deferred tax assets totalled TEUR 679 as of 30 April 2015 (2013/14: TEUR 303).

A provision was recognised in 2013/14 for the final settlement of surplus losses assigned by the BUWOG companies to the corporate tax group (head of the group: IMMOFINANZ AG). This provision was adjusted during the reporting year.

5. Other Information

Information on size pursuant to § 221 of the Austrian Commercial Code

The company is classified as a large corporation based on the criteria defined in § 221 (1) of the Austrian Commercial Code.

Information on Group taxation pursuant to § 9 of the Austrian Corporate Income Tax Act

In accordance with a group application filed on 29 April 2005, the company has served as the head of a corporate group as defined in § 9 of the Austrian Corporate Income Tax Act since the 2005 tax assessment year. This corporate group has been expanded several times.

The company is the head of a corporate group as defined in § 9 of the Austrian Corporate Income Tax Act. The company and the members of the tax group concluded an agreement for the settlement of taxes, which was amended in 2011/12. In accordance with the amended agreement, each member of the Group with positive results must pay a tax charge equal to 25% of the assessment base to the head of the group. Any losses by members of the group are registered and can be offset in full against taxable profit recorded by the respective member in subsequent years. Consequently, there are no payments by the head of the group to members.

A provision of EUR 6,489,705.76 was recognised during the reporting year for negative taxable results generated and used by the members of the IMMOFINANZ tax group. The provision for negative tax charges to group members totalled EUR 16,002,988.57 as of 30 April 2015.

A provision of EUR 11.84 million was not recognised for negative taxable results generated and used by members of the IMMOFINANZ tax group because IMMOFINANZ does not expect any related tax liability in the future.

In previous years, members of the group were required to pay a tax charge to the head of the group when taxable results were positive. A taxable loss by a group member resulted in the payment of a tax credit by the head of the group to the member, whereby a corporate income tax rate of 12.5% was applied in both cases.

Related party transactions in the sense of § 237 no. 8b of the Austrian Commercial Code

All transactions with related companies and persons during the reporting year took place at arm's length.

Risk Management

General information

As an international corporation, IMMOFINANZ Group is exposed to various financial risks. The most important financial risks for the Group arise from possible changes in foreign exchange rates and interest rates and from the credit standing and solvency of its customers and business partners.

IMMOFINANZ Group has integrated an active risk management system into its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct influence on strategic decisions and operating processes. Internal guidelines, reporting systems and control measures have been installed throughout IMMOFINANZ Group to support the monitoring, evaluation and control of risks related to the operating business. Risk management in IMMOFINANZ Group takes place at all levels and is ultimately the responsibility of the Executive Board, which is involved in all risk-related decisions. The internal control system (ICS) has been optimised to support the early identification and monitoring of risk. A description of the ICS is provided in the management report.

Primary financial instruments reported under assets consist primarily of trade accounts receivable, financing receivables, loans and other receivables, real estate funds, current securities, miscellaneous other financial instruments and cash and cash equivalents. Primary financial instruments recorded under liabilities consist primarily of financial liabilities, liabilities arising from convertible bonds and trade accounts payable. The other financial assets and financial liabilities are carried at amortised cost. Fair value is based on market prices or calculated in accordance with recognised valuation methods.

Financial risk management

Default / credit risk

Default and credit risks arise from the possibility that the counterparty to a transaction could fail to meet the related obligations, and the Group incurs financial damages as a result. The maximum credit risk represents the amounts reported under assets on the balance sheet and the amounts attributable to these risks. Default risk is reflected in appropriate valuation adjustments.

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

The risk of default on receivables due from tenants is low because tenants are generally required to provide security deposits – cash deposits for residential properties, bank guarantees or cash deposits for commercial properties – and the credit standing of tenants is monitored on a regular basis.

The default risk associated with receivables due from banks is also considered to be low because all financing transactions are concluded with financial institutions that have excellent credit ratings. The counterparty default risk is limited by continuous monitoring, fixed investment limits and the diversification of financial institutions.

Liquidity risk

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

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

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

The company's liquidity is not endangered by the negative working capital as of 30 April 2015. Liquidity is monitored by revolving monthly forecasts and protected by appropriate measures. In addition, the current liability from the EUR 374.9 million exchangeable bond is backed by approx. 23.1 million BUWOG AG shares, which are reported under financial assets.

Foreign exchange risk

IMMOFINANZ Group is exposed to various forms of foreign exchange risk in connection with its balance sheet and cash flows: fluctuations in foreign exchange rates can influence valuation results and also have an impact on the asset position of the company.

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

Derivative financial instruments are used in some cases to manage foreign exchange risk. The derivative financial instruments used by IMMOFINANZ to hedge this risk are recorded as standalone transactions and not as hedge transactions. Hedge accounting as defined in IAS 39 is not applied.

The standalone derivatives are recognised to profit or loss and reported on the income statement.

Interest rate risk

As an international company, IMMOFINANZ Group is exposed to the risk of interest rate fluctuations on various property submarkets. Changes in interest rates can have a negative impact on Group earnings by increasing the cost of floating rate financing.

A change in interest rates will have a direct influence on financial results through its impact on floating rate financing. IMMOFINANZ Group limits the risk associated with rising interest rates – which would lead to higher interest expense and a decline in financial results – through the use of fixed interest rate financing contracts and derivative financial instruments (above all caps and swaps). These derivative financial instruments are accounted for as standalone derivatives and not as hedges.

The market value represents the amount that the respective company would receive or be required to pay if the transaction were settled as of the balance sheet date.

A change in the market interest rate will influence the valuation of interest rate derivatives. Net present value calculations based on the DCF method – which is also used to value derivatives – discount future cash flows with current interest rate curves to determine the market value. Rising interest rates lead to a higher discount factor and to a reduction in the present value of the derivative.

In addition to financial liabilities, securities and other receivables – above all financing receivables (loans granted to third parties) – can be sensitive to interest rate changes. The financing receivables generally carry fixed interest rates, and the Group is therefore exposed to no risk or only limited risk from these items.

Capital management

The goal of IMMOFINANZ's management is to protect the Group's short-, medium- and long-term liquidity at all times. Interest rate hedging instruments such as caps and swaps are used to manage liquidity, above all when interest rates are low. The medium-term target calls for a balanced ratio of equity and debt, respectively an LTV (loan-to- value) ratio of 50.00%.

The company is not subject to any external minimum capital requirements. There were no changes in IMMOFINANZ Group's capital management during the reporting year.

Legal proceedings

This section presents information on the status of legal proceedings related to lawsuits filed by (former) shareholders and lawsuits related to the management contract with Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG). The reported values in dispute include, in part, identical items and can therefore not be added.

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

Since November 2008 a number of shareholders have filed claims against IMMOFINANZ AG (in short: IFAG) and IMMOEAST AG (now: IMBEA IMMOEAST Beteiligungsverwaltung GmbH, in short: IMBEA). Some of the plaintiffs are IMMOFINANZ AG shareholders, while others are shareholders of the former IMMOEAST AG, who are asserting various claims against IMMOFINANZ AG or against IMBEA as the legal successor of IMMOEAST AG. In all cases, the plaintiffs are claiming damages based on prospectus liability or other alleged inadequate capital market information. The plaintiffs' argumentation is based primarily on alleged deficiencies in the prospectuses of IMMOFINANZ AG or IMMOEAST AG. Many of the plaintiffs' claims are also based on other legal grounds, e.g. the violation of ad-hoc reporting requirements. Among others, the plaintiffs contend that the funds raised from the public offering were not used for acquisitions or the development of new real estate projects, but for the financing of IMMOFINANZ AG and IMMOEAST AG and for the purchase of shares in IMMOFINANZ AG and IMMOEAST AG. IMMOFINANZ AG and IMBEA reject these claims. Of special note are 19 class action lawsuits of Austrian origin involving between ten and 908 plaintiffs who have filed claims against IMMOFINANZ AG – largely together with IMBEA.

By the end of April 2015 a total of 811 lawsuits had been filed against IMMOFINANZ AG, (whereby IMBEA was also named in some of the cases) and 79 lawsuits only against IMMOEAST AG/IMBEA, for a total of 890 lawsuits with a value in dispute of approx. EUR 252 million. Most of the plaintiffs are covered by insurance for legal expenses or represented by AdvoFin, a company that finances such proceedings. The status of the pending proceedings is different, whereby most are still in the early stages. In many of the cases the plaintiffs have already been heard, and a more extensive hearing of evidence has only taken place in a few cases. In 74 cases, a judgment in the first instance or a final judgment was issued, each – for different reasons – in favour of IMMOFINANZ AG or IMMOEAST AG/IMBEA. A judgment in one other case is expected during the coming months. In five cases, the lawsuit IMMOFINANZ AG and/or IMBEA was upheld. IMMOFINANZ AG and IMBEA filed an appeal against these decisions in all but one case. The decisions by the Regional Appeals Court in Vienna are expected in the coming months. Some of the first-instance decisions were reversed by the Regional Appeals Court in Vienna or the Austrian Supreme Court and remanded to the first-instance court for renegotiation. In total, 323 of the proceedings have been completed to date (one legally binding judgment allowing the lawsuit, 45 legally binding judgments rejecting the lawsuits, 19 withdrawals of lawsuits, 195 agreements for withdrawal of the lawsuit under the waiver of claims and 63 settlements that did not involve any payments by IMMOFINANZ AG or IMBEA to the plaintiffs). The following table shows the status of the pending legal proceedings at the end of April 2015 after the deduction of the 323 previous concluded lawsuits from the above-mentioned 890 lawsuits that had been filed by the end of April 2015:

Pending proceedings: IFAG/IMBEA	Number of proceedings	Value in dispute in TEUR
IFAG	216	22,100.0
IMBEA	33	6,700.0
IFAG and IMBEA	318	215,600.0
Total	**567**	**244,400.0**

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

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

By the end of April 2015 Aviso Zeta AG had served IMMOFINANZ AG and/or IMBEA in most cases both companies, with third party noticed in 412 cases. Swiss Life Select Österreich GmbH has also served IMMOFINANZ AG and/or IMBEA with third party noticed in 229 cases, also in class action suits that were filed against Swiss Life Select Österreich GmbH. IMMOFINANZ AG and IMBEA joined in most of these cases.

According to the information currently available to IMMOFINANZ AG, judgments have been issued in 21 lawsuits against Swiss Life Select Österreich GmbH and in 56 lawsuits against Aviso Zeta AG. Some of these judgments were issued in favour of the respective defendant, others against. Neither Swiss Life Select Österreich GmbH nor Aviso Zeta AG has filed recourse claims against IMMOFINANZ AG or IMBEA. Most of the lawsuits against Swiss Life Select Österreich GmbH have already been concluded.

Third party notices to IFAG/IMBEA	Number of proceedings	Value in dispute in TEUR
Aviso Zeta	412	42,400.0
AWD (now: Swiss Life Select Österreich GmbH)	229	32,300.0
Total	**641**	**74,700.0**

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

IMMOFINANZ AG, as the accepting company, was merged with IMMOEAST AG, as the transferring company, in accordance with a merger agreement dated 21 January 2010. In connection with this merger, the former shareholders of IMMOEAST AG were granted a total of 567,363,702 shares in IMMOFINANZ AG based on an agreed exchange ratio of three IMMOFINANZ shares for each two IMMOEAST shares. Petitions were subsequently filed with the commercial court of Vienna by IMMOFINANZ shareholders and shareholders of the former IMMOEAST AG for a review of this exchange ratio pursuant to §§ 225c ff of the Austrian Stock Corporation Act. This step led to the start of court proceedings, and IMMOFINANZ AG has filed an extensive statement in response to the petitions. In accordance with legal regulations (§ 225g of the Austrian Stock Corporation Act), the commercial court of Vienna ordered an expert opinion on the exchange ratio. In April 2014 Hans Bodendorfer was appointed by the court to prepare an expert opinion that will determine whether the defined exchange ratio reflects the factual and legal situation and evaluate whether the applied valuation methods are plausible. The expert opinion is expected to be issued by the end of the year.

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

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

Other legal disputes

In March 2011 IMMOFINANZ AG filed a lawsuit against three former members of the Executive Board and members of the Supervisory Board of the former Constantia Privatbank AG that involved option transactions to the detriment of the former IMMOEAST AG. The proceedings were suspended after the first hearing in September 2011 until a final binding decision is issued in the criminal proceedings against these former Executive and Supervisory Board members. These criminal proceedings resulted in the (not yet legally binding) first-instance conviction, among others, of two of the three defendants. IMBEA was also awarded approx. EUR 7 million by this first-instance decision (not yet legally binding). In addition, Aviso Zeta was awarded approx. EUR 4 million. The proceedings pertaining to the nullity appeal are still pending with the Austrian Supreme Court, which filed a petition with the Austrian Administrative High Court for the annulment of a procedural issue. Following a decision by the Austrian Administrative High Court, the decision by the Austrian Supreme Court is expected in summer 2015.

IMMOFINANZ AG filed a further lawsuit in September 2011 to enforce claims against a former member of the Executive Board and other persons in connection with payments made to third parties without justifiable grounds on the instructions of this former board member. This case is still in the early stages and only a number of parties have been heard.

In 2013 IMMOFINANZ AG and IMBEA filed a lawsuit against a former member of the Executive Board for payment of EUR 10 million as compensation for damages. The first witnesses and parties have been heard, and the next hearing is scheduled for the end of 2015.

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

As mentioned above, the values in dispute cover in part identical content. Based on estimates for the expected outcome of these proceedings, IMMOFINANZ Group has recognised an appropriate amount of provisions for legal disputes and provisions for legal proceedings in the consolidated financial statements.

In specific East European countries, legal uncertainty could arise in connection with land ownership.

In May 2015 the shareholders O1 Group Limited and PHI Finanzbeteiligungs und Investment GmbH (an indirect wholly owned subsidiary of CA Immobilien Anlagen AG) filed a lawsuit with the Vienna Commercial Court for a declaratory judgment and the annulment of the election of Horst Populorum and Wolfgang Schischek to the Supervisory Board of IMMOFINANZ AG by the company's extraordinary general meeting on 17 April 2015. The candidates nominated by O1 and CA Immo, Tamara Gutmann and Oliver Puhl, were not elected. IMMOFINANZ AG has filed for the rejection of this lawsuit. The legal challenge is based on § 10 para. 5 of the articles of association, under which the first "year of office" for the election of a supervisory board member by an extraordinary general meeting must end with the next ordinary general meeting. However, this provision – in contrast to the arguments put forth by the plaintiff – regulates the number of years in the term of office, but does not reduce the term of office up to the next ordinary general meeting. With this legal challenge, O1/CA Immo contradict their own nominations at the extraordinary general meeting on 17 April 2015, which also covered a three-year term of office. Furthermore, O1/CA Immo assert that the female candidate was not elected. The applicable law intentionally does not define a specific quota for women. From the point of view of IMMOFINANZ AG, there are no grounds for a legal challenge in this connection.

Investments in subsidiaries and **associated and jointly controlled entities**

Shares in subsidiaries and associated and jointly controlled entities comprise the following:

Company	Balance sheet date	Share owned	Equity as of 30 April 2015		Profit / loss for the year	
IMBEA IMMOEAST Beteiligungsverwaltung GmbH, Vienna	30 April 2014	100%	3,496,414,222.00	EUR	12,755,235.95	EUR
IMMOWEST Immobilien Anlagen GmbH, Vienna	30 April 2014	100%	200,080,633.08	EUR	–733,648.07	EUR
BUWOG AG, Vienna	30 April 2014	45.56%	1,356,473,214.46	EUR	–1,196,224.42	EUR
EHL Immobilien GmbH, Vienna	31 December 2014	49%	1,780,157.59	EUR	1,659,157.59	EUR

Average number of employees

	Balance on 30 April 2015	Balace on 30 April 2014
Salaried employees	260	260
Total	**260**	**260**

Obligations arising from the use of tangible assets not shown on the balance sheet

	30 April 2015	30 April 2014
	EUR	TEUR
Obligations for the next financial year	2,297,969.03	2,334
Obligations for the next five financial years	2,772,543.45	4,657

Corporate bodies

The corporate bodies of IMMOFINANZ AG are:

Executive Board

Oliver Schumy – Chief Executive Officer (appointed as of 1 March 2015; CEO as of 1 May 2015)
Eduard Zehetner – Chief Executive Officer (up to 30 April 2015)
Birgit Noggler – Chief Financial Officer
Dietmar Reindl – Chief Operating Officer

The members of the Executive Board received remuneration of EUR 4.95 million in 2014/15 (2013/14: EUR 3.9 million). Contributions of TEUR 74.5 (2013/14: TEUR 59.3) were made to the employee severance compensation fund and TEUR 137.6 (2013/14: TEUR 149.2) to the pension fund. The variable remuneration for 2014/15 totalled EUR 2.59 million.

The contract with Eduard Zehetner defined the variable component of his remuneration as 0.5% of the dividend before the deduction of withholding tax. As an alternative ,the Supervisory Board decided to award Mr. Zehetner a bonus of EUR 1.2 million for the successful spin-off of BUWOG in the 2013/14 financial year and a bonus of EUR 1 million for the 2014/15 financial year. The variable remuneration reported for Mr. Zehetner in 2014/15 represents the payment of variable remuneration for both financial years.

Supervisory Board

Michael Knap – Chairman
Rudolf Fries – Vice-Chairman
Christian Böhm – Member
Nick J. M. van Ommen FRICS– Member
Horst Populorum – Member (since 17 April 2015)
Wolfgang Schischek – Member (since 17 April 2015)

Members delegated by the Works Council to the Supervisory Board
The Works Council of IMMOFINANZ AG delegated the following persons to the Supervisory Board:

Nikolaus Obermair (up to 17 November 2014)
Mark Anthony Held
Philipp Obermair (since 21 November 2014)
Carmen Balazs (since 17 April 2015)

Vienna, 6 August 2015

The Executive Board of IMMOFINANZ AG

Dr. Oliver Schumy
CEO

Mag. Birgit Noggler
CFO

Mag. Dietmar Reindl
COO

Development of Non-current Assets in acc. with § 226 (1) of the Austrian Commercial Code

Amounts in EUR	Acquisition or production cost Balance on 1 May 2014	Additions	Disposals	Reclassification	Balance on 30 April 2015
1. Trademarks and software	1,378,478.18	91,991.00	0.00	0.00	1,470,469.18
Intangible assets	**1,378,478.18**	**91,991.00**	**0.00**	**0.00**	**1,470,469.18**
1. Buildings on land owned by third parties	1,762,050.50	0.00	0.00	0.00	1,762,050.50
2. Furniture, fixtures and office equipment	1,521,017.53	495,568.72	292,287.00	0.00	1,724,299.25
Tangible assets	**3,283,068.03**	**495,568.72**	**292,287.00**	**0.00**	**3,486,349.75**
1. Investments in subsidiaries	5,530,629,580.21	10,680,000.00	1,065,000.00	7,078,334.05	5,547,322,914.26
2. Investments in associated and jointly controlled entities	702,167,201.66	0.00	148,353.97	0.00	702,018,847.69
Non-current securities (rights)	8,129,033.31	3,497,314.50	0.00	–7,078,334.05	4,548,013.76
Thereof subsidiaries	7,078,334.05	0.00	0.00	–7,078,334.05	0.00
4. Treasury shares	118,160,888.74	142,634.80	118,303,523.54	0.00	0.00
Financial assets	**6,359,086,703.92**	**14,319,949.30**	**119,516,877.51**	**0.00**	**6,253,889,775.71**
Total non-current assets	**6,363,748,250.13**	**14,907,509.02**	**119,809,164.51**	**0.00**	**6,258,846,594.64**

Amounts in EUR	Accumulated depreciation	Carrying amount 30 April 2015	30 April 2014	Impairment losses current year	Revaluations current year
1. Trademarks and software	1,049,128.32	421,340.86	691,769.59	362,419.73	0.00
Intangible assets	**1,049,128.32**	**421,340.86**	**691,769.59**	**362,419.73**	**0.00**
1. Buildings on land owned by third parties	690,166.84	1,071,883.66	1,253,047.01	181,163.35	0.00
2. Furniture, fixtures and office equipment	990,060.67	734,238.58	638,141.44	399,471.58	0.00
Tangible assets	**1,680,227.51**	**1,806,122.24**	**1,891,188.45**	**580,634.93**	**0.00**
1. Investments in subsidiaries	1,009,719,084.26	4,537,603,830.00	4,973,655,291.63	452,744,795.68	0.00
2. Investments in associated and jointly controlled entities	0.00	702,018,847.69	702,167,201.66	0.00	0.00
Non-current securities (rights)	1,302.00	4,546,711.76	8,129,033.31	1,302.00	0.00
Thereof subsidiaries	0.00	0.00	7,078,334.05	0.00	0.00
4. Treasury shares	0.00	0.00	118,160,888.74	0.00	0.00
Financial assets	**1,009,720,386.26**	**5,244,169,389.45**	**5,802,112,415.34**	**452,746,097.68**	**0.00**
Total non-current assets	**1,012,449,742.09**	**5,246,396,852.55**	**5,804,695,373.38**	**453,689,152.34**	**0.00**

Management Report for the 2014/15 Financial Year

A. General information

IMMOFINANZ AG is the largest listed property company in Austria. The company headquarters are located at A-1100 Vienna, Wienerbergstrasse 11. IMMOFINANZ AG (in the following, IMMOFINANZ) is the parent company of IMMOFINANZ Group whose business activities cover the development, acquisition, rental and best possible commercial utilisation of properties to optimise asset management. IMMOFINANZ is listed in the ATX index (ISIN AT 0000809058) of the Vienna Stock Exchange and is also traded on the Warsaw Stock Exchange. As of 30 April 2014, the company had 1,073,193,688 zero par value, voting shares outstanding. Market capitalisation amounted to approx. EUR 2.87 billion at the end of the 2014/15 financial year based on a closing price of EUR 2.678. IMMOFINANZ shares are held primarily in free float. Reports received by the company indicate that the Fries Group (FRIES Familien-Privatstiftung, Dr. Rudolf FRIES Familien-Privatstiftung and members of the Fries family) directly and indirectly held over 6% of the shares (6.5% of the shares) as of 30 April 2015. In accordance with an announcement on 28 April 2015, O1 Group Limited and PHI Finanzbeteiligungs und Investment GmbH, a wholly owned indirect subsidiary of CA Immobilien Anlagen Aktiengesellschaft, held a total of 61,133,364 IMMOFINANZ shares directly or based on reciprocal allocation pursuant to § 92 no. 7 of the Austrian Stock Exchange Act; this investment represents approx. 5.7% of the share capital of IMMOFINANZ AG.

B. Business activities

On IMMOFINANZ Group

IMMOFINANZ Group is a commercial real estate company with a focus on Europe. Since its founding in 1990, the company has compiled a high-quality portfolio that currently covers more than 470 properties with a combined carrying amount of approx. EUR 6.7 billion. The business activities of IMMOFINANZ Group are focused on the retail, office and logistics segments in eight regional core markets: Austria, Germany, Czech Republic, Slovakia, Hungary, Romania, Poland and Russia.

The core business includes the management and development of properties in the company's core markets. The goal is the creation of a diversified, risk-optimised and sustainable standing investment portfolio.

IMMOFINANZ shares are traded on the stock exchanges in Vienna (leading ATX index) and Warsaw.

C. Development of business

Asset position

The assets held by IMMOFINANZ consist primarily of financial assets, receivables due from subsidiaries and marketable securities. The balance sheet total declined by EUR 1,945,976.89 to EUR 6,527,048,981.53 as of 30 April 2015. This change resulted primarily from the write-off of the shares in IMBEA IMMOEAST Beteiligungsverwaltung GmbH and, as a contrary effect, the issue of the exchangeable bond. The equity ratio equalled 59.22% (2013/14: 68.10%).

Earnings position

Results for 2014/15 show a loss of EUR 462,834,065.96 (2013/14: TEUR -153,233). This loss resulted chiefly from the recognition of impairment losses to shares in subsidiaries.

Financial position

Cash and cash equivalents rose by TEUR 25,340 year-on-year (2013/14: TEUR -109,893). Net cash flow from operating activities amounted to TEUR 27,208 (2013/14: TEUR 280,787). Net cash flow from investing totalled TEUR 56,420 (2013/14: TEUR 11,541). Net cash flow from financing activities equalled TEUR -58,287 (2013/14: TEUR -402,221) and was based, above all, on the purchase of a bond, the repayment of financing with treasury shares and the payment of liabilities due to subsidiaries.

Non-financial performance indicators

The number of standing investments indirectly owned by IMMOFINANZ fell from 363 to 330 during the reporting year. This decline resulted from the sale of properties and the initial application of IFRS 10 and IFRS 11. These transactions reduced the rentable space in the standing investment portfolio from 3,825 million sqm to 3,279 million sqm.

Net cash flow from operating activities	in TEUR	Prior year in TEUR
Loss for the year	–462,834	–153,233
Depreciation and amortisation	943	814
Impairment charges to financial assets	452,746	174,891
Loss/gain on the disposal of financial assets	1,065	0
Change in valuation adjustments to receivables	22,274	–11,815
Non-cash interest income and expenses	13,121	19,718
Change in receivables	–28,107	233,275
Change in liabilities	24,997	–14,066
Change in provisions	3,686	30,385
Change in prepaid expenses and deferred charges	–684	818
Operating cash flow	**27,208**	**280,787**
Net cash flow from investing activities		
Investments in intangible assets and property, plant and equipment	–588	–608
Investments in financial assets	–14,177	–81,532
Loans receivable	71,185	58,723
Repurchase of convertible bonds	260,000	0
Investments in convertible bonds	–260,000	0
Proceeds from the disposal of property, plant and equipment	0	29
Proceeds from the disposal of financial assets	0	34,929
Total	**56,420**	**11,541**
Net cash flow from financing activities		
Increase/decrease in borrowings from financial institutions and bonds	209,924	–120,333
Repurchase of convertible bonds	43	93,454
Loans payable	–268,254	–212,680
Dividends	0	–162,663
Total	**–58,287**	**–402,221**
Cash change in cash and cash equivalents	**25,340**	**–109,893**
Change in cash and cash equivalents		
Balance at the beginning of the period	1,355	111,248
Balance at the end of the period	26,695	1,355
Total	**25,340**	**–109,893**

D. Significant events after the end of the reporting year

The contract for the sale of the associated company TriGránit Holding Ltd. was signed on 29 July 2015. TriGránit Holding and its subsidiaries are active primarily in the development and management of real estate in Central and Eastern Europe and in Russia, with a concentration on the retail and office asset classes. The decision to sell this investment was based on IMMOFINANZ Group strategic focus, which includes the adjustment of the investment portfolio through the sale of non-strategic minority holdings. The transaction price was reflected in an increase in the value of the equity-accounted investments as of the balance sheet date.

E. Information on capital

The share capital of IMMOFINANZ AG totalled EUR 1,114,171,813.16 as of 30 April 2015 (30 April 2014: EUR 1,172,059,877.28). It is divided into 1,073,193,688 (30 April 2014: 1,128,952,687 zero par value bearer shares, each of which represents a proportional share of EUR 1.04 (rounded) in share capital.

All IMMOFINANZ shares are bearer shares that entitle the holders to participate in the annual general meeting and to exercise voting rights and other shareholder rights in accordance with applicable legal regulations. Each bearer share is entitled to one vote.

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

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

The development of the number of shares in 2014/15 is explained in the following table:

	Number of shares	Difference	Explanation
30 Apr. 14	1,128,952,687		
December 14	1,117,728,000	11,224,687	Withdrawal of treasury shares
March 15	1,073,193,688	44,534,312	Withdrawal of treasury shares
30 Apr. 15	**1,073,193,688**		

Convertible bonds

Convertible bond 2007–2017, ISIN XS0332046043 (CB 2017)

The conversion rights for the 2017 convertible bond issued by IMMOFINANZ AG were amended as of 16 October 2014 based on the dividend approved by BUWOG AG. One certificate of the 2017 convertible bond (nominal value: EUR 100,000.0 per certificate) currently entitles the bondholder to conversion into 12,547.05 IMMOFINANZ shares (no change) and 660.95 BUWOG shares (previously: 627.35).

The registration period for the premature repayment of the convertible bond 2007–2017 ended on 19 November 2014. The holders of 137 certificates from this convertible bond filed for repayment, and EUR 13.7 million plus accrued interest were redeemed from available funds. The nominal amount remaining after the redemption of the registered certificates totalled EUR 43.8 million and will be redeemed on 19 November 2017 (maturity date) if there are no conversions into the company's shares before that date. IMMOFINANZ AG holds repurchased CB 2017 certificates with a total nominal value of EUR 22.4 million which have not yet been withdrawn.

Convertible bond 2011–2018, ISIN XS0592528870 (CB 2018)

Based on the dividend approved by BUWOG AG, the conversion rights for the 2018 convertible bond issued by IMMOFINANZ AG were amended as of 15 October 2014. One certificate of the 2018 convertible bond (nominal value: EUR 4.12 per certificate) currently entitles the bondholder to conversion into 1.1573 IMMOFINANZ shares (no change) and 0.0606 BUWOG shares (previously: 0.0579).

The conversion of 2018 convertible bond certificates by one bondholder during the second quarter of 2014/15 was serviced by IMMOFINANZ AG from treasury shares (and shares of BUWOG AG). As of 30 April 2015, the 2018 convertible bond had an outstanding nominal value of EUR 514.9 million with a put option for bondholders on 8 March 2016. The development of the IMMOFINANZ share price and the BUWOG share price has been positive – with closing prices that equalled EUR 2.68 and EUR 18.09, respectively on 30 April 2015 – and the convertible bond 2018 was therefore in the money at the end of the 2014/15 financial year. IMMOFINANZ AG holds repurchased CB 2018 certificates with a total nominal value of EUR 6.4 million which have not yet been withdrawn.

Exercise of conversion rights and issue of new shares in 2014/15

Conversion rights for 56,022 CB 2018 convertible bonds with a total nominal value of EUR 230,810.64 were exercised in 2014/15. The conversions were serviced with shares of IMMOFINANZ AG (and shares of BUWOG AG).

The nominal value of the convertible bonds developed as follows in 2014/15:

	ISIN	Nominal value as of 30 April 2014 in TEUR	Conversions 2014/15 in TEUR	Redemptions 2014/15 in TEUR	Nominal value as of 30 April 2015 in TEUR
CB 2017	XS0332046043	57,500.0	0.0	-13,700.0	43,800.0
CB 2018	XS0592528870	515,120.0	-230.8	0.0	514,889.1
Total		**572,620.0**			**558,689.1**

Authorisation to issue new convertible bonds

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

Treasury shares

Purchase and withdrawal of treasury shares in financial years prior to 2014/15

Purchase of treasury shares in 2010/11 based on agreements for the "IBAG Bond" and Aviso Zeta

IMBEA IMMOEAST Beteiligungsverwaltung GmbH a wholly owned subsidiary of IMMOFINANZ AG, purchased 55,005,409 IMMOFINANZ shares on 23 August 2010 at the closing price of EUR 2.75 per share in connection with the closing of the agreements between IMMOFINANZ Group and Constantia Packaging B.V. on the so-called "IBAG Bond" (EUR 512 million). In addition, IMBEA IMMOEAST Beteiligungsverwaltung GmbH purchased 2,066,020 IMMOFINANZ shares from Aviso Zeta AG (now a wholly owned subsidiary of IMMOFINANZ AG) on 29 September 2010 at the closing price of EUR 2.708 per share.

The 57,071,429 IMMOFINANZ shares purchased by IMBEA IMMOEAST Beteiligungsverwaltung GmbH represent a proportional share of EUR 59,250,607.08, or 5.32%, of share capital as of 30 April 2015.

The purchase of the shares previously held by Aviso Zeta AG by IMBEA IMMOEAST Beteiligungsverwatung GmbH in December 2010 also included the indirect purchase of six bearer shares (formerly registered shares) of IMMOFINANZ AG. These six IMMOFINANZ shares represent a proportional amount of EUR 6.23 in share capital.

All of the above purchases were based on the statutory provision for the prevention of damages as defined in § 65 (1) no. 1 of the Austrian Stock Corporation Act.

Share buyback programme 2010/11

IMMOFINANZ AG repurchased 47,350,248 shares as part of the 2010/11 share buyback programme (total purchase price: EUR 145,755,598.48; proportional share of share capital: EUR 49,158,238.87, i.e. 4.41% of share capital as of 30 April 2015).

Share buyback programme 2012/13

IMMOFINANZ AG repurchased 20,000,000 shares as part of the 2012/13 share buyback programme (total purchase price: EUR 62,361,443.45; proportional share of share capital: EUR 20,763,666.91, i.e. 1.86% of share capital as of 30 April 2015).

Authorisations of the annual general meeting relating to treasury shares

Authorisation of the Executive Board to purchase treasury shares

The annual general meeting of IMMOFINANZ AG on 30 September 2014 authorised the Executive Board, with the consent of the Supervisory Board, to repurchase the company's shares in accordance with § 65 (1) no. 8 and (1b) of the Austrian Stock Corporation Act at an amount equalling up to 10% of share capital. This authorisation is valid for a period of 30 months beginning on the date the resolution was passed. The shares may be purchased in one or more transactions over the stock exchange or over the counter with repeated utilisation of the 10% limit, also with the exclusion of the proportional subscription rights of shareholders.

Authorisation of the Executive Board to sell treasury shares

The annual general meeting of IMMOFINANZ AG on 30 September 2014 authorised the Executive Board, with the consent of the Supervisory Board, to sell treasury shares in another manner than over the stock exchange or through a public offering in accordance with § 65 (1b) of the Austrian Stock Corporation Act. These shares may be sold or used for any legal purpose, whereby the proportional purchase rights of shareholders are excluded (exclusion of subscription rights). This authorisation is valid for a period of five years beginning on the date the resolution was passed.

Repayment of financing with treasury shares

The financing transactions with treasury shares were repaid during the reporting year. In this connection, the company repurchased 101,605,741 treasury shares on 27 March 2015. These shares represented a proportional share of EUR 105,485,388.09, or 9.47%, of the company's share capital as of 30 April 2015.

Of the total shares repurchased, 57,071,429 were transferred back to IMBEA IMMOEAST Beteiligungsverwaltung GmbH in accordance with the financing arrangement concluded between IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsverwaltung GmbH. These shares were originally held by IMBEA IMMOEAST Beteiligungsverwaltung GmbH.

Withdrawal of treasury shares in 2014/15

IMMOFINANZ AG withdrew 11,224,687 treasury shares on 17 December 2014 based on an authorisation of the annual general meeting on 30 September 2014 in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act. The withdrawn shares were repurchased during the share buyback programme 2012/13 and – after the intragroup sale to IMBEA IMMOEAST Beteiligungsverwaltung GmbH – were transferred to the company for withdrawal through a distribution in kind. This withdrawal reduced the company's share capital by EUR 11,653,283.10 through a simplified capital decrease (§ 192 (3) of the Austrian Stock Corporation Act).

A further 44,534,312 treasury shares were withdrawn on 27 March 2015 – following their repurchase in connection with the repayment of financing transactions – which represent a proportional share of EUR 46,234,781.01 in the company's share capital. The withdrawn shares were repurchased in part during the share buyback programmes in 2010/11 and 2012/13. This withdrawal reduced the company's share capital by EUR 46,234,781.01 through a simplified capital decrease (§ 192 (3) of the Austrian Stock Corporation Act). Share capital now totals EUR 1,114,171,813.16 and is divided into 1,073,193,688 zero par value shares.

Share buyback programme 2014–2015

The share buyback programme 2014/15 involved the repurchase of 10,167,053 IMMOFINANZ shares. This programme was based on the authorisation of the Executive Board by the annual general meeting of IMMOFINANZ AG on 30 September 2014 in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act. It was carried out between 23 December 2014 and 6 March 2015. The shares were purchased from IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, at an average price of EUR 2.26 per share. The total purchase price amounted to EUR 23,014,581.16. These shares represented a proportional amount of EUR 10,555,265.10, or 0.95%, of the share capital of IMMOFINANZ AG as of 30 April 2015.

Share buyback programme 2015

A further share buyback programme was started on 1 April 2015. It is based on the authorisation of the Executive Board by the annual general meeting of IMMOFINANZ AG on 30 September 2014 in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act. A total of 13,323,454 IMMOFINANZ shares were repurchased from IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, for a total price of EUR 37,238,886.08 during the reporting year and up to 30 April 2015. These shares represented a proportional amount of EUR 13,832,188.04, or 1.24%, of the share capital of IMMOFINANZ AG as of 30 April 2015.

The development of treasury shares is shown in the following table:

Date	Number of shares	Circumstances and authorisation	Proportional amount of share capital 30 April 2015 in EUR	Proportional amount of share capital 30 April 2015 in %	Purchase/sale price in EUR
Aug. 2010	55,005,409	Closing of the agreements with Constantia Packaging B.V. on the "IBAG bond" (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	57,105,699.52	5.13%	151,264,874.75 (internal settlement)
Sept. 2010	2,066,020	Settlement of Aviso Zeta banking business (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	2,144,907.56	0.19%	5,594,782.16
Dec. 2010	6	Acquisition of Aviso Zeta (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	6.23	0.00%	1.00
Nov. 2010– Mar. 2011	47,350,248	Share buyback programme 2010–2011 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	49,158,238.87	4.41%	145,755,598.48
Oct. 2012	–11,526,415	Withdrawal of treasury shares (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	–11,966,532.08	–1.07%	n.a.
Oct. 2012– Feb. 2013	20,000,000	Share buyback programme 2012/13 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	20,763,666.91	1.86%	62,361,443.45
Jan. 2013	–101,605,741	Sale of financing with treasury shares (§ 65 (1b) of the Austrian Stock Corporation Act)	–105,485,388.09	–9.47%	150,000,000.00 (total financing)
Oct. 2014	–64,834	Servicing of CB 2018	–67,309.58	–0.01%	142,634.80
Dec. 2014	–11,224,687	Withdrawal of treasury shares (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	–11,653,283.10	–1.05%	n.a.
Dec. 2014– Mar. 2015	10,167,053	Share buyback programme 2014/15 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	10,555,265.10	0.95%	23,014,581.67
Mar. 2015	101,605,741	Repurchase of treasury shares used for financing (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	105,485,388.09	9.47%	150,000,000.00 (total financing)
Mar. 2015	–44,534,312	Withdrawal of treasury shares (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	–46,234,781.01	–4.15%	n.a.
Apr. 2015– (ongoing)	13,323,454	Share buyback programme 2015 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	13,832,188.04	1.24%	37,238,886.08
IMMOFINANZ Group Total: April 2015	**80,561,942**		**83,638,066.45**	**7.51%**	**n.a.**

As of 30 April 2015 IMBEA IMMOEAST Beteiligungsverwaltung GmbH (a wholly owned subsidiary of IMMOFINANZ AG) was the owner under civil law of 80,561,936 treasury shares. Six of these shares are held by Aviso Zeta AG, which is also a wholly owned subsidiary of IMMOFINANZ AG. These 80,561,942 shares represented a proportional amount of EUR 83,638,066.45, or 7.51%, of the company's share capital as of 30 April 2015.

Authorised capital

The annual general meeting on 30 September 2014 authorised the Executive Board, with the consent of the Supervisory Board, pursuant to § 169 of the Austrian Stock Corporation Act to increase the company's share capital by up to EUR 234,411,975.04 through the issue of up to 225,790,537 new shares in exchange for cash or contributions in kind. This authorised capital may also be issued under the exclusion of subscription rights (i) in connection with a capital increase in exchange for cash contributions of up to 10% of the company's share capital on the utilisation date; and (ii) for contributions in kind, to service a greenshoe option or for the settlement of peak amounts. The authorisation is valid up to 22 January 2020. The authorised capital issued under the exclusion of subscription rights may not exceed 20% of the company's share capital on the issue date. This limit also includes any new shares to be delivered in connection with a convertible bond that was issued during the term of the authorised capital under the exclusion of subscription rights.

Change of Control

Convertible bonds

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

Corporate bond 2017

In July 2012 IMMOFINANZ AG issued a 5.25% 2012–2017 partial debenture (corporate bond 2017, ISIN AT0000A0VDP8) with a total volume of EUR 100.0 million. This bond has a five-year term extending from 3 July 2012 to 2 July 2017. If there is a change of control and this change significantly impairs the ability of IMMOFINANZ AG to meet its obligations under the terms of the debenture, the bondholders are entitled to put their partial debentures to the company and to demand immediate repayment of the nominal amount plus accrued interest up to the repayment date.

Exchangeable bond 2019

The issue terms of the exchangeable bond 2019 entitle the bondholders to put some or all of the securities not yet converted or redeemed in the event of a change of control. In such case, IMMOFINANZ AG must redeem the tendered securities at the nominal value plus accrued interest as of the respective date or may exercise the option to provide BUWOG shares instead of a cash payment. Details on these provisions are provided in the terms of issue for the exchangeable bond 2019.

Executive Board and Supervisory Board

The employment agreements with the members of the Executive Board contain a change of control clause that may lead to the cancellation of a contract.

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

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

There are no other significant agreements which enter into force, change or terminate in the event of a change of control in the company following a takeover bid.

Amendments to the articles of association, board appointments and dismissals

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

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

Significant holdings

Stock exchange voting rights reports and directors' dealings reports indicate that FRIES Familien-Privatstiftung, Dr. Rudolf FRIES Familien-Privatstiftung and members of the Fries family (together the "Fries Group") hold a total of 69,781,813 IMMOFINANZ shares, representing an investment of 6.5%, directly and through their holdings.

In accordance with a report on 28 April 2015, O1 Group Limited and PHI Finanzbeteiligungs und Investment GmbH, a wholly owned indirect subsidiary of CA Immobilien Anlagen Aktiengesellschaft, hold a total of 61,133,364 IMMOFINANZ shares directly or based on reciprocal allocation as defined in § 92 no. 7 of the Austrian Stock Corporation Act. These shares represent approx. 5.7% of the share capital of IMMOFINANZ AG.

F. Research and development

IMMOFINANZ does not incur any expenses for research and development.

G. Branch offices

IMMOFINANZ has no branch offices.

H. Financial instruments and risk reporting

Risk management

As an international property investor and developer, IMMOFINANZ Group is exposed to a variety of opportunities and risks in connection with its business activities. A continuous risk management process ensures the timely identification of developments that could endanger the realisation of strategic and operating goals and also allows for the inclusion of important information in decision-making processes. The goal is the management, development and cycle-optimised sale of commercial properties in the retail, office and logistics asset classes. Eight core countries form the geographical focus of these activities: Austria, Germany, Poland, Czech Republic, Slovakia, Romania, Hungary and Russia.

IMMOFINANZ Group has integrated an active risk management system into its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct impact on strategic decisions and operating processes. Internal guidelines, reporting systems and control measures have been installed throughout IMMOFINANZ Group to support the monitoring, evaluation and control of risks related to the operating business. Risk management in IMMOFINANZ Group takes place at all levels and is ultimately the responsibility of the Executive Board, which is involved in all risk-related decisions. In addition, the internal control system (ICS) was further optimised to support the early identification and monitoring of risk.

The most significant risk factors can be summarised under strategic, financial and market/property-specific risks. The most important financial risks arise from (re)financing, changes in foreign exchange rates and interest rates and the credit standing and solvency of customers and business partners. Detailed information on financial risks is provided in the notes.

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

Strategic risks

Concentration risk

Concentration risk is understood to mean the accumulation of similar risks that contradict the principle of risk diversification. IMMOFINANZ Group consciously reduces these risks through the sector and regional diversification of the property portfolio. In addition to this sector and regional diversification, IMMOFINANZ Group also works to achieve a diversified tenant structure. Consequently, IMMOFINANZ Group has a very balanced and diversified tenant mix.

The regional distribution of the portfolio shifted more towards Eastern Europe after the spin-off of BUWOG AG at the end of April 2014, and Russia is now the largest single market for IMMOFINANZ Group. The Russian market is associated with a number of specific concentration risks: on the one hand, IMMOFINANZ Group has a single investment, the *Golden Babylon Rostokino* shopping center in Moscow, which represents more than 15% of the total standing investment portfolio based on fair value; on the other hand, the investments in Russia are concentrated in the Moscow retail market, which comprises 27% of the Group's standing investment portfolio.

Capital market and financing risk

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

IMMOFINANZ Group has issued a compliance guideline to ensure the fulfilment of all capital market regulations. The measures implemented in this connection include the following: the development of a compliance organisation; the definition of authorisations and duties for the compliance officer; the implementation of permanent and, where necessary, temporary classified units as well as blackout periods and trading prohibitions for persons assigned to these units.

The evaluation of opportunities to optimise or further reduce operating costs is a focal point of implementation and continuous improvement. Internal procurement guidelines for the operating business, above all in the area of property services, construction and facility management, form an important part of this cost reduction and optimisation potential.

In order to receive or continue the use of funds obtained through loan agreements, IMMOFINANZ Group must meet certain obligations – so-called financial covenants. The Group continuously monitors compliance with these covenants and remains in close contact with the lending institutions. If these obligations are not met, the lender is entitled to cancel the loan agreement under certain circumstances.

Market risk and property-specific risks

Branch and market risk

IMMOFINANZ Group is invested primarily in three commercial asset classes at the present time. In addition to the specific risks associated with each of these asset classes, the Group as a whole is exposed to risk factors that are dependent on economic growth and macroeconomic trends.

These risks are based on the microeconomic, macroeconomic and political development of the countries where IMMOFINANZ Group is active and on developments on the global financial and investment markets. These factors can have a significant effect on the market value of real estate (risk of changes in value) and on earnings, development plans and investment and sales activities.

IMMOFINANZ Group's business model include the acquisition and sale of standing investments and development projects. A standstill on individual transaction markets (transaction risk) could lead to a halt or delay in planned portfolio optimisation or adjustments. However, recent transaction volumes confirm the recovery of the real estate market in Europe. CBRE reports a 35.2% year-on-year increase in the volume of commercial transactions in Europe to EUR 223.4 billion in 2014. Properties with a combined value of EUR 7.57 billion were bought and sold in the CEE countries, excl. Russia, during that year (plus 25.1% versus 2013). The yields in Western and Eastern Europe remain at a low level. The general risk appetite has increased, and investors looking for more profitable alternatives are increasingly turning to higher-yield asset classes like logistics and retail.

Rental and default risk

There is a high correlation between the risk associated with rentals and the general economic climate in the individual countries. Growing economic weakness can lead to lower demand by tenants for space and/or to the non-extension of rental contracts and an increase in vacancies.

The competitive situation can also influence rentals. A high volume of newly produced space that is not absorbed by the market can lead to increased pressure on rental prices as well as the non-extension of rental contracts and the relocation of tenants to new buildings. In addition, the reduction of rents or higher financial incentives to achieve contract extensions can lead to a decline in earnings.

A like-for-like analysis of rental income (i.e. after an adjustment for acquisitions, sales and completions) shows a year-on-year decline of 10.0% to EUR 387.2 million in 2014/15. This development resulted, above all, from the current situation in Russia, where IMMOFINANZ has granted temporary rental reductions to the tenants in its Moscow shopping centers. The adjusted rental income generated in Russia declined temporarily by EUR 36.3 million year-on-year to EUR 127.2 million in 2014/15. In addition, a high volume of newly completed office space in Prague and Warsaw led to increased vacancies in a number of office properties.

In order to minimise inflation risk, IMMOFINANZ Group includes index clauses in its standard rental contracts.

Rental transactions also expose IMMOFINANZ Group to a default risk. Group guidelines require credit evaluations for future tenants and the payment of security deposits. However, delayed rental payments by individual tenants cannot be excluded. This was the case in Russia, above all during 2014/15. All outstanding receivables are valued on a quarterly basis.

IMMOFINANZ Group made an offer to the tenants in its Moscow shopping centers in December 2014 to fix the exchange rates applied to rental payments for a three-month period. This offer covered the tenants who had not previously concluded an individual agreement and was contingent upon payment of all outstanding amounts. As there has still been no change in the economic situation, rental reductions were extended for a further limited period of time and the exchange rates were fixed again under certain conditions.

Real estate development risks

Real estate development projects involve risks that can lead to schedule and construction cost overruns as well as risks related to rentals. Examples of these risks are delays in the procedures required to obtain zoning and construction permits or loans, problems with general contractors or subcontractors, construction defects and a lack of demand for rental space due to prevailing market conditions or unexpected events. Delays during the construction or initial rental phase can also have a negative effect on rental income.

IMMOFINANZ Group minimises these risks by accompanying projects with regular cost and schedule controls and variance analyses.

Property valuation risk

A change in macroeconomic conditions or certain property-specific factors can lead to a risk of substantial fluctuations in the value of the property portfolio. Declines in the market value of properties can have a negative influence on Group earnings and equity. Many of the factors that can have a negative effect on earnings are beyond the influence of IMMOFINANZ Group.

The 2014/15 financial year brought a revaluation of investment properties adjusted for foreign exchange effects amounting to EUR -312.3 million. This revaluation included EUR -197.0 million in the Russian portfolio and resulted, above all, from a temporary reduction in rental income and an increase in the discount rates used for valuation. Other changes in value involved a number of office properties in Eastern Europe and resulted from property-specific factors. In Poland, the high pace of new construction in recent years has had a negative influence on the general market situation and led to an increase in vacancies.

Market cycles and fluctuations as well as concentration risks can be partially offset by the sector and regional diversification of the property portfolio. In order to allow for timely reaction to changes in the market environment, detailed market studies are prepared on a regular basis and analysed in connection with reports by recognised real estate experts. All market changes are included in the portfolio analysis and have an important influence on investment, sales and project plans and thereby also on the Group's medium-term planning. IMMOFINANZ Group follows a strategy to identify all risks before the acquisition of properties and to evaluate these risks in connection with legal, tax, economic, technical and social factors.

Other Risks

Legal risks

As an international company, IMMOFINANZ Group is exposed to a variety of legal risks. Included here are risks related to the purchase or sale of property and risks arising from legal disputes with tenants or joint venture and development partners. The Group's legal transactions are generally accompanied by corporate legal department and are supported by external experts where necessary.

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

Environmental risks

IMMOFINANZ Group is exposed to environmental risks as well as the risks associated with various types of disasters. Natural disasters and extreme weather conditions, such as earthquakes, floods, storms and hail, can result in severe damage to completed properties and properties under construction. Severe damages can also result from man-made disasters such as nuclear accidents.

In order to provide protection against the major damages arising from these risks, IMMOFINANZ Group arranges for insurance at the corporate level (various liability insurance policies) or at the development project or standing investment level. The insurance policies for standing investments provide full or partial coverage for destruction or damage to buildings or parts of buildings, for damages to third parties (liability) and for the possible loss of rents (optional). Construction insurance (construction all-risk, CAR) generally covers these areas for properties or parts of properties under construction; the insurance against a possible loss of profit (advanced loss of profit, ALOP) is optional.

IMMOFINANZ Group regularly evaluates the scope of its insurance coverage based on risk, cost and availability. However, there is still a possibility that this insurance does not cover certain risks in full or in part. In 2014/15 IMMOFINANZ Group was not confronted with any material damage events arising from environmental risks or from inadequate or non-existent insurance coverage.

Tax risks
As an international real estate company, IMMOFINANZ Group is subject to numerous national tax systems that undergo continuous changes, for example with respect to taxes on property, revenue and/or income. These changes can lead to unscheduled tax effects and therefore represent a risk for earnings. Appropriate provisions have been recognised for the identified risks arising from tax audits, proceedings by fiscal court or extrajudicial proceedings.

BUWOG investment
Following the spin-off of the majority investment and the successful listing of the BUWOG residential property subsidiary at the end of the 2013/14 financial year, IMMOFINANZ Group holds a 49% investment in this company. The BUWOG share traded in the Prime Segment of the Vienna Stock Exchange as of 30 April 2015. BUWOG is also exposed to various risks in connection with its activities as a real estate investor and developer, whereby financial, market and property-specific risks represent the major risk factors.

IMMOFINANZ AG issued an exchangeable bond for shares of BUWOG AG on 11 September 2014. The bond has a volume of EUR 375.0 million, a term ending on 11 September 2019, a coupon of 1.5% per year and an original exchange price of EUR 17.03. The exchange price was adjusted to EUR 16.26 as of 15 October 2014 following the payment of a EUR 0.60 dividend by BUWOG AG.The share and exchangeable bond are exposed to market price risks.

Legal proceedings

This section presents information on the status of legal proceedings related to lawsuits filed by (former) shareholders and lawsuits related to the management contract with Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG). The reported values in dispute include, in part, identical items and can therefore not be added.

Legal proceedings by shareholders against IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsverwaltung GmbH
Since November 2008 a number of shareholders have filed claims against IMMOFINANZ AG (in short: IFAG) and IMMOEAST AG (now: IMBEA IMMOEAST Beteiligungsverwaltung GmbH, in short: IMBEA). Some of the plaintiffs are IMMOFINANZ AG shareholders, while others are shareholders of the former IMMOEAST AG, who are asserting various claims against IMMOFINANZ AG or against IMBEA as the legal successor of IMMOEAST AG. In all cases, the plaintiffs are claiming damages based on prospectus liability or other alleged inadequate capital market information. The plaintiffs' argumentation is based primarily on alleged deficiencies in the prospectuses of IMMOFINANZ AG or IMMOEAST AG. Many of the plaintiffs' claims are also based on other legal grounds, e.g. the violation of ad-hoc reporting requirements. Among others, the plaintiffs contend that the funds raised from the public offering were not used for acquisitions or the development of new real estate projects, but for the financing of IMMOFINANZ AG and IMMOEAST AG and for the purchase of shares in IMMOFINANZ AG and IMMOEAST AG. IMMOFINANZ AG and IMBEA reject these claims. Of special note are 19 class action lawsuits of Austrian origin involving between ten and 908 plaintiffs who have filed claims against IMMOFINANZ AG – largely together with IMBEA.

By the end of April 2015 a total of 811 lawsuits had been filed against IMMOFINANZ AG, (whereby IMBEA was also named in some of the cases) and 79 lawsuits only against IMMOEAST AG/IMBEA, for a total of 890 lawsuits with a value in dispute of approx. EUR 252 million. Most of the plaintiffs are covered by insurance for legal expenses or represented by AdvoFin, a company that finances such proceedings. The status of the pending proceedings is different, whereby most are still in the early stages. In many of the cases the plaintiffs have already been heard, and a more extensive hearing of evidence has only taken place in a few cases. In 74 cases, a judgment in the first instance or a final judgment was issued, each – for different reasons – in favour of IMMOFINANZ AG or IMMOEAST AG/IMBEA. A judgment in one other case is expected during the coming months. In five cases, the lawsuit IMMOFINANZ AG and/or IMBEA was upheld. IMMOFINANZ AG and IMBEA filed an appeal against these decisions in all but one case. The decisions by the Regional Appeals Court in Vienna are expected in the coming months. Some of the first-instance decisions were reversed by the Regional Appeals Court in Vienna or the Austrian Supreme Court and remanded to the first-instance court for renegotiation. In total, 323 of the proceedings have been completed to date (one legally binding judgment allowing the lawsuit, 45 legally binding judgments rejecting the lawsuits, 19 withdrawals of lawsuits, 195 agreements for withdrawal of the lawsuit under the waiver of claims and 63 settlements that did not involve any payments by IMMOFINANZ AG or IMBEA to the plaintiffs). The following table shows the status of the pending legal proceedings at the end of April 2015 after the deduction of the 323 previous concluded lawsuits from the above-mentioned 890 lawsuits that had been filed by the end of April 2015:

Pending proceedings: IFAG/IMBEA	Number of proceedings	Value in dispute in MEUR
IFAG	216	22.1
IMBEA	33	6.7
IFAG and IMBEA	318	215.6
Total	**567**	**244.4**

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

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

By the end of April 2015 Aviso Zeta AG had served IMMOFINANZ AG and/or IMBEA in most cases both companies, with third party noticed in 412 cases. Swiss Life Select Österreich GmbH has also served IMMOFINANZ AG and/or IMBEA with third party noticed in 229 cases, also in class action suits that were filed against Swiss Life Select Österreich GmbH. IMMOFINANZ AG and IMBEA joined in most of these cases.

According to the information currently available to IMMOFINANZ AG, judgments have been issued in 21 lawsuits against Swiss Life Select Österreich GmbH and in 56 lawsuits against Aviso Zeta AG. Some of these judgments were issued in favour of the respective defendant, others against. Neither Swiss Life Select Österreich GmbH nor Aviso Zeta AG has filed recourse claims against IMMOFINANZ AG or IMBEA. Most of the lawsuits against Swiss Life Select Österreich GmbH have already been concluded.

Third party notices to IFAG/IMBEA	Number of proceedings	Value in dispute in MEUR
Aviso Zeta	412	42.4
AWD (now: Swiss Life Select Österreich GmbH)	229	32.3
Total	**641**	**74.7**

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

IMMOFINANZ AG, as the accepting company, was merged with IMMOEAST AG, as the transferring company, in accordance with a merger agreement dated 21 January 2010. In connection with this merger, the former shareholders of IMMOEAST AG were granted a total of 567,363,702 shares in IMMOFINANZ AG based on an agreed exchange ratio of three IMMOFINANZ shares for each two IMMOEAST shares. Petitions were subsequently filed with the commercial court of Vienna by IMMOFINANZ shareholders and shareholders of the former IMMOEAST AG for a review of this exchange ratio pursuant to §§ 225c ff of the Austrian Stock Corporation Act. This step led to the start of court proceedings, and IMMOFINANZ AG has filed an extensive statement in response to the petitions. In accordance with legal regulations (§ 225g of the Austrian Stock Corporation Act), the commercial court of Vienna ordered an expert opinion on the exchange ratio. In April 2014 Hans Bodendorfer was appointed by the court to prepare an expert opinion that will determine whether the defined exchange ratio reflects the factual and legal situation and evaluate whether the applied valuation methods are plausible. The expert opinion is expected to be issued by the end of the year.

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

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

Other legal disputes

In March 2011 IMMOFINANZ AG filed a lawsuit against three former members of the Executive Board and members of the Supervisory Board of the former Constantia Privatbank AG that involved option transactions to the detriment of the former IMMOEAST AG. The proceedings were suspended after the first hearing in September 2011 until a final binding decision is issued in the criminal proceedings against these former Executive and Supervisory Board members. These criminal proceedings resulted in the (not yet legally binding) first-instance conviction, among others, of two of the three defendants. IMBEA was also awarded approx. EUR 7 million by this first-instance decision (not yet legally binding). In addition, Aviso Zeta was awarded approx. EUR 4 million. The proceedings pertaining to the nullity appeal are still pending with the Austrian Supreme Court, which filed a petition with the Austrian Administrative High Court for the annulment of a procedural issue. Following a decision by the Austrian Administrative High Court, the decision by the Austrian Supreme Court is expected in summer 2015.

IMMOFINANZ AG filed a further lawsuit in September 2011 to enforce claims against a former member of the Executive Board and other persons in connection with payments made to third parties without justifiable grounds on the instructions of this former board member. This case is still in the early stages and only a number of parties have been heard.

In 2013 IMMOFINANZ AG and IMBEA filed a lawsuit against a former member of the Executive Board for payment of EUR 10 million as compensation for damages. The first witnesses and parties have been heard, and the next hearing is scheduled for the end of 2015.

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

As mentioned above, the values in dispute cover in part identical content. Based on estimates for the expected outcome of these proceedings, IMMOFINANZ Group has recognised an appropriate amount of provisions for legal disputes and provisions for legal proceedings in the consolidated financial statements.

In specific East European countries, legal uncertainty could arise in connection with land ownership.

Information on the guarantees provided by the company can be found in the notes.

In May 2015 the shareholders O1 Group Limited and PHI Finanzbeteiligungs und Investment GmbH (an indirect wholly owned subsidiary of CA Immobilien Anlagen AG) filed a lawsuit with the Vienna Commercial Court for a declaratory judgment and the annulment of the election of Horst Populorum and Wolfgang Schischek to the Supervisory Board of IMMOFINANZ AG by the company's extraordinary general meeting on 17 April 2015. The candidates nominated by O1 and CA Immo, Tamara Gutmann and Oliver Puhl, were not elected. IMMOFINANZ AG has filed for the rejection of this lawsuit. The legal challenge is based on § 10 para. 5 of the articles of association, under which the first "year of office" for the election of a supervisory board member by an extraordinary general meeting must end with the next ordinary general meeting. However, this provision – in contrast to the arguments put forth by the plaintiff – regulates the number of years in the term of office, but does not reduce the term of office up to the next ordinary general meeting. With this legal challenge, O1/CA Immo contradict their own nominations at the extraordinary general meeting on 17 April 2015, which also covered a three-year term of office. Furthermore, O1/CA Immo assert that the female candidate was not elected. The applicable law intentionally does not define a specific quota for women. From the point of view of IMMOFINANZ AG, there are no grounds for a legal challenge in this connection.

Internal Control System

As a multinational company, IMMOFINANZ Group relies on the framework developed by the Committee of Sponsoring Organisation of the Treadway Commission (COSO) for the development of its Internal Control System (ICS). This framework consists of five components: control environment, risk assessment, control activities, information and communication, and monitoring.

The ICS comprises a wide range of coordinated methods and measures to protect assets and to ensure the accuracy and reliability of data for accounting and financial reporting. The ICS is also intended to support compliance with the corporate policies defined by the

Executive Board. Its goals are to meet internal and external regulatory requirements and to ensure that corporate processes and controls remain efficient.

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

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

The ICS in corporate accounting and financial reporting guarantees accuracy, security and efficiency and also ensures the correct, complete and timely preparation of all necessary information. The key features of the ICS in IMMOFINANZ Group's accounting processes are the appropriate segregation of duties, the application of the four-eyes principle in all order and invoice release procedures, compliance with internal guidelines (e.g. IMMOFINANZ Group's IFRS accounting manual), the review of accounting data by Group controlling for correctness, plausibility and completeness, the integration of preventive and informative controls in processes as well as the automation of key controls through specific system settings in the Navision financial accounting software and Hyperion consolidation software.

The implementation of new guidelines and control measures is preceded by coordination with all involved departments and supported by information events. Progress and opportunities for improvement are subsequently reported to the Executive Board. The monthly internal report includes a comparison of budget and actual data as well as a variance analysis, which allows for the early identification of risks and the timely implementation of countermeasures.

Compliance with internal controls is monitored by the internal audit department as part of its auditing activities. The internal audit department is responsible for audits throughout the entire Group. It reports to the Executive Board, but the organisational responsibility lies with Chief Financial Officer Birgit Noggler. The corresponding corporate organisational guidelines apply to all auditing activities.

The internal audit department independently and regularly reviews operating processes and business transactions based on an annual audit plan that is approved by the Supervisory Board. The priorities for this schedule are defined on the basis of risk criteria and organisational goals. These reviews focus primarily on compliance, the internal control systems and opportunities to improve efficiency.

The results of the audits are reported to the Executive Board of IMMOFINANZ AG on a regular basis and to the Supervisory Board twice each year. As part of an annual report, the internal audit department gives an account of its performance during the audit year and presents a summary of all significant audit areas and results.

I. Outlook

Following the spin-off of BUWOG, IMMOFINANZ Group has successfully established a position as a commercial real estate company with a focus on Central and Eastern Europe. Our activities in 2015/16 will concentrate on strengthening the standing investments through the further streamlining of the portfolio structure and value-creating growth.

Our robust balance sheet and available liquidity form a solid foundation for the continued utilisation of suitable investment opportunities in the retail and office sectors of our core markets. These opportunities can represent the acquisition of standing investments as well as development projects with a focus on Austria, Germany and Poland. With this growth, we are also targeting a more balanced geographical distribution of our portfolio between Western and Eastern Europe

Our plans for the management of the standing investments include an improvement in operating performance, an increase in occupancy and the further optimisation of the offering for our tenants. We expect generally stable rents in our core markets on a like-for-like basis, with the exception of Russia.

The deterioration of the economic environment in Russia has led to a notable decline in valuation results and the rental income from our Moscow shopping centers. However, we are well prepared to deal with this situation. We have granted temporary rental reductions to provide short-term financial relief for our tenants and, at the same time, hold the occupancy in our shopping centers at the highest possible level. The Ruble has strengthened and the Russian financial market has stabilised in recent months, but lasting recovery is still not in sight. The forecasts for future economic developments in Russia are therefore connected with substantial uncertainty. From the current point of view, we assume it will be necessary to continue the temporary rental reductions and fixed exchange rates for the tenants in our Moscow shopping centers at least through the end of this year.

The current economic situation in Russia is also the reason for the Executive Board's decision not to recommend a dividend for the 2014/15 financial year to the annual general meeting. However, IMMOFINANZ repurchased shares for approx. EUR 102 million, i.e. approx. EUR 0.10 per share, in connection with the 2014/15 and 2015 share buyback programmes.

This outlook reflects the Executive Board's assessments as of 6 August 2015 and does not include the effects of possible acquisitions, sales or other structural changes during the 2015/16 financial year. Forward-looking statements are subject to identified as well unidentified risks and uncertainties, which could cause actual results to differ from the statements made here.

Vienna, 6 August 2015

The Executive Board of IMMOFINANZ AG

Dr. Oliver Schumy
CEO

Mag. Birgit Noggler
CFO

Mag. Dietmar Reindl
COO

Auditor’s Report

Report on the Financial Statements

We have audited the accompanying financial Statements, including the accounting System of IMMOFINANZ AG, Vienna, for the fiscal year from 1 May 2014 to 30 April 2015. These financial Statements comprise the balance sheet as of 30 April 2015, the income Statement for the fiscal year ended 30 April 2015 and the notes.

Managements Responsibility for the Financial Statements and for the Accounting System

The company's management is responsible for the accounting System and for the preparation and fair presentation of these financial Statements in accordance with Austrian Generally Accepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on these financial Statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing, Those Standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance whether the financial Statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial Statements comply with legal requirements and give a true and fair view of the financial position of IMMOFINANZ AG, Vienna, as of 30 April 2015 and of its financial Performance for the fiscal year from 1 May 2014 to 30 April 2015 in accordance with Austrian Generally Accepted Accounting Principles.

Comments on the Management Report

Pursuant to statutory provisions, the management report is to be audited as to whether it is consistent with the financial Statements and as to whether the other disclosures are not misleading with respect to the Company's Position. The auditor's report also has to contain a Statement as to whether the management report is consistent with the financial Statements and whether the disclosures pursuant to section 243a ugb (Austrian Commercial Code) are appropriate. In our opinion, the management report is consistent with the financial Statements. The disclosures pursuant to section 243a ugb (Austrian Commercial Code) are appropriate.

Vienna, 6 August 2015

Marieluise Krimmel	**Mag. Friedrich Wiesmüllner**
(Austrian) Certified Public Accountant	(Austrian) Certified Public Accountant

Deloitte Audit Wirtschaftsprüfungs GmbH

Glossary

Ad-hoc announcement	Corporate announcements that could influence the share price. These announcements are published by stock corporations in the form of ad-hoc press releases as required by 48d of the Austrian Stock Corporation Act and are designed to ensure that all market participants are provided with the same information
ADR programme	An American Depositary Receipt is a share certificate issued by an American depository bank, which represents a certain number of shares in a foreign company and is traded independently on the US capital market
Annualised rents	Projection of rental income for a specific period to total rental income for the year
Asset class	Classification categories for real estate based on the use of the property. IMMOFINANZ Group differentiates between the office, retail, logistics and other assets classes
Asset management	Asset management covers the administration, rental and maintenance of standing investments
ATX	Austria Traded Index, the leading index of the Vienna Stock Exchange
ATX Five	A price index comprising the five ATX shares with the highest weighting
ATX Prime	The shares traded in the Prime Market segment of the Vienna Stock Exchange
Benchmark	A comparative analysis, e.g. of companies or shares
bp	Basis point; a unit equal to one hundredth of a percentage point
BREEAM	The BRE Environmental Assessment Method is a certification method for buildings that concentrates on ecological aspects
CAPEX	Abbreviation for capital expenditure; capitalisable investments in real estate or other fixed assets
Carrying amount	The value of an asset or a liability as reported on the balance sheet
Cash flow	This indicator represents the inflows and outflows of cash and cash equivalents during a reporting period
CEE	Central and Eastern Europe
Center Management	Coordination office for shopping centers that provides services for tenants and owners' representatives
CIS	Commonwealth of Independent States
Closing price	The final trading price for a security at the end of a specific period
Commercial Code	The commercial (legal) code applicable to companies in Austria
Compliance rules	Compliance rules are issued to ensure conformity with legal, regulatory and voluntary regulations
Contingent liability	An obligation whose existence or amount is uncertain on the balance sheet date
Convertible bond	A financial instrument that creates a financial liability for the issuing company and gives the holder the right to convert the bond into a fixed number of common shares in the company
Corporate bond	An interest-bearing security issued by a company
Corporate governance	Corporate governance is the general term for a variety of policies and practices (e.g. management and control) in companies or other organisations
Cost model	A method to account for investment properties, which is based on the respective acquisition or production cost less accumulated depreciation (also see fair value model and IAS 40)
Coupon	A certificate that entitles the holder to receive dividends or interest
Coverage	The observation of a company and its share by analysts
Cross currency swap	A derivative for the exchange of interest and principle payments in different currencies
DAX	German share index; originally Deutsche Aktienindex
Debt Service Coverage Ratio	An indicator that compares income to interest and principle payments
De-domination agreement	IMMOFINANZ relinquished the entrepreneurial management of BUWOG AG with the spin-off and concluded a de-domination agreement for this purpose. This contract limits the exercise of voting rights from the BUWOG shares by IMMOFINANZ and protects the independence of the BUWOG Group

Defendant's litigation	Under this type of lawsuit, a person is sued by another party
Deferred taxes	A balance sheet position resulting from the valuation differences on taxes between the financial statements prepared under IFRS and the financial statements prepared for tax purposes
Development project (property)	A property built or developed by the company
Discount rate	The interest rate used to discount future cash flows; also see discounted cash flow method
Discounted cash flow method	See section 2.3.2 of the notes to the consolidated financial statements on page 124
Diversification	Distribution of real estate investments over various types of use and geographical regions in order to minimise risk
Dividend	A distribution of profit by the company to its shareholders
DNGB	German Sustainable Building Council (Deutsche Gesellschaft für nachhaltiges Bauen)
Dow Jones Industrial Index	US stock index
Earnings per share (EPS)	Net profit for the period divided by the weighted number of shares outstanding
EBIT	Earnings before interest and tax
EBT	Earnings before tax
ECB	European Central Bank
EIU (Economist Intelligence Unit)	An independent service provider that prepares country and branch analyses
EPRA	European Public Real Estate Association; the association of listed real estate companies in Europe
EPRA Best Practice Policy Recommendations	Recommendations made by the EPRA to increase transparency
EPRA earnings per share in EUR	Earnings per share calculated in accordance with EPRA Best Practices Recommendations is derived from Group net profit (attributable to the shareholders of IMMOFINANZ AG), which is adjusted for the following: the revaluation of properties, the results of property sales, impairment charges to goodwill and the earnings effects of purchase price adjustments as well as the fair value measurement of financial instruments and the related deferred taxes. The resulting adjusted net profit is then divided by the weighted number of shares outstanding
EPRA earnings per share in EUR after company-specific adjustments	EPRA earnings per share in EUR after company-specific adjustments is derived from EPRA earnings per share and is adjusted for factors specific to IMMOFINANZ AG: for example, foreign exchange gains and losses, fair value measurement of the exchangeable bond for BUWOG shares and the subsequent adjustment of the purchase price allocation for the investment in BUWOG AG (including deferred taxes)
EPRA/NAREIT Developed Europe Index	EPRA stock index category
EPRA/NAREIT Emerging Europe Index	EPRA stock index category
EPRA net asset value (NAV) per share in EUR	Net asset value calculation according to EPRA Best Practices Recommendation: Equity (attributable to the shareholders of IMMOFINANZ AG) is adjusted by the undisclosed reserves in real estate inventories (including deferred taxes), the fair value of derivative financial instruments (including deferred taxes), goodwill resulting from deferred taxes and deferred taxes on investment properties. The adjusted equity is then divided by the number of shares (excluding treasury shares)
EPRA net initial yield (NIY) in %	The calculation of the net initial yield (NIY) according to the EPRA Best Practices Recommendations is based on annual net rental income less non-recoverable property operating expenses and divided by the fair value of the property
EPRA "topped-up" net initial yield (NIY) in %	The EPRA "topped-up" net initial yield (NIY) is derived from the EPRA NIY by adjusting the latter for rental income from accrued incentives for the conclusion or extension of rental agreements (e.g. for rent-free periods)
EPRA triple net asset value (NNNAV) per share in EUR	Triple NAV calculation according to EPRA Best Practices Recommendations: NNNAV is derived from EPRA NAV and adjusted by the fair value of derivative financial instruments, financial liabilities and deferred taxes
Equity	The amount of a company's assets that remains after the deduction of liabilities
Equity consolidation (equity method)	A method to account for the carrying amount of certain investments in the consolidated financial statements of the parent company that holds voting capital in another company. See the explanation in section 2.1.3 of the notes on pages 121–122.

Euro Stoxx 50	Stock index of the 50 largest listed companies in Europe
EuroStat	Statistical office of the European Union
EV	Enterprise value, i.e. the value of a company
Exchangeable bond	In contrast to a convertible bond (see below), an exchangeable bond does not entitle the bondholder to exchange the instrument for shares of the issuing company but for shares of another company
Fair value	The amount for which an asset could be exchanged or a liability settled between knowledgeable, willing and independent business partners
Fair value method	IAS/IFRS approach for the valuation of assets (including real estate); it is based on the actual price that could be realised on the market
FFO	Funds from Operations; financial indicator that is used to evaluate profitability of a company, above all in the real estate sector
Free float	The shares held by a large number of investors that are readily available on the market
FRICS	Fellow of the Royal Institution of Chartered Surveyors; the title held by the members of a British association of real estate experts (see MRICS)
Full consolidation	A consolidation method under which the assets and liabilities of a subsidiary are included in the consolidated financial statements at 100%
FX effects	Foreign exchange effects; all financial effects resulting from exchange rate differences
Gearing	An indicator that measures the ratio of a company's debt to its equity (financial liabilities less cash and cash equivalents divided by equity)
Gross return on a property	Annual gross return on a property, based on its carrying amount
HfT	Held for Trading; HfT means the respective securities are held for trading purposes
HtM	Held to Maturity; HtM means the respective securities will be held until they mature
IAS	International Accounting Standards
IAS 40	The International Accounting Standard that regulates the accounting treatment and valuation of investment properties; it includes an option that allows companies to choose between the fair value model and the cost model (see also Fair value method and Cost model)
IATX	Branch index for property stocks in the ATX
ICS	Internal Control System
IFRIC	International Financial Reporting Interpretations Committee; subgroup of the International Accounting Standards Committee Foundation (IASCF) that deals with the interpretation of IFRSs and IASs
IFRS	International Financial Reporting Standards
Interest Coverage Ratio	Indicator that shows the ratio of a company's earnings to its interest payments
Investment property	See section 6.1 of the notes to the consolidated financial statements
ISIN	International Security Identification Number
IVA	Austrian Shareholder Association (Österreichischer Interessenverband für Anleger)
Joint venture	A joint arrangement where the partner companies with joint control rights also share rights to the net assets of the joint arrangement
Key account management	Coordination office for cross-border management and efficiency improvement in the provision of services for major international tenants and the long-term expansion of business relationships with these companies
LEED	Leadership in Energy and Environment Design is a certification method for office buildings that is focused on ecological aspects
Like-for-like analysis	Change in rental income or property valuation adjusted for new acquisitions, completions and sales during the respective period
L&R	Loans and receivables
Market capitalisation	Market value of a stock corporation (share price x number of shares outstanding)
Market value	See fair value
MRICS	Member of the Royal Institution of Chartered Surveyors; the title held by members of a British association of real estate experts (see FRICS)
NAV	See EPRA net asset value and the calculation on page 84
Net profit	Profit or loss recorded by a company during a specific period

NNNAV	See EPRA triple net asset value and the calculation on page 85
NOI	Net Operating Income; the cash flows directly allocated to a particular property, which also form the basis for valuation
Nominal value	Repayment amount of a liability
ÖGNI	Austrian Sustainable Building Council (Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft)
Operating expenses	Costs that normally arise in connection with the use of a property (e.g. building management); these costs are charged to the tenants
Operating segment	A component of a corporation
Participation right	An investment form that carries the right to receive a share of the company's net profit
Property management	Coordination office for the administration, management and monitoring of properties
Property portfolio	All property assets held by a company
Property valuation	The determination of the value of properties by external experts. The IMMOFINANZ Group's property portfolio will be valued by external appraisers as of 30 April and 31 October
Proportionate consolidation	A consolidation method under which the assets and liabilities of a joint venture are included in the consolidated financial statements based on the percentage of ownership ("proportional share")
Return	An indicator that shows the relationship between the income from an investment and the amount of the investment
Risk management	Active measures to provide protection against risks
Scope of consolidation	Term for the companies to be included in the consolidated financial statements
SEE	South-Eastern Europe
Share capital	The total nominal value of the shares issued by a company
Share performance	The development of a share price during a specific period
Share price	The price at which a share trades on the stock exchange
Spin-off	Spin-off of 51% of the shares in the former residential property subsidiary BUWOG AG by IMMOFINANZ AG at the end of April 2014
Standing investment	Investment property that is held to generate rental income
Trade	The purchase and sale of properties
Turnover rate	The frequency with which properties are developed, bought and sold
USGBC	US Green Building Council; a non-profit organisation dedicated to promoting sustainable construction
Value date	The date on which funds are credited to an account and interest payments begin
Value in dispute	An expression used in legal proceedings that refers to the monetary value of the disputed object
Volatility	The variation in a value (e.g. a property market or the price of a stock) over time
Voting rights	The right to vote on motions at the annual general meeting
Weighted average interest rate	The average interest rate on liabilities, weighted by the volume of the respective instruments
Withholding tax	Also called capital yields tax; a tax on income from investments

Imprint
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Photos
APA Fotoservice, Capricorn/Henn, IMMOFINANZ Group, k25 Neue Medien. Neue Werbung., Mikolaj Katus, Marcin Kantoch, Matthias Silveri

Concept and Design
k25 Neue Medien. Neue Werbung.

Printing
Trendmarketing

PEFC/06-39-257

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Key Data on the IMMOFINANZ Share

Established	April 1990
Listing	Wiener Börse, Warschauer Börse
Segment	ATX, WIG
ISIN	AT0000809058
Ticker symbol Vienna Stock Exchange	IIA
Ticker symbol Warsaw Stock Exchange	IIA
Reuters	IMFI VI
Bloomberg	IIA AV
Datastream	O: IMMO 866289
ISIN ADR programme	US45253U2015
Specialist	Raiffeisen Centrobank AG
Included in the following indexes (selection)	ATX, ATX five, ATX Prime, Immobilien-ATX, NTX, WBI, EMEA Real Estate Index, World Real Estate Index, EPRA Emerging Europe Index, EURO STOXX Real Estate EUR, STOXX 600 Optimised Real Estate Index EUR Price, STOXX EUROPE 600 Real Estate EUR, WIG
Number of shares	1.073.193.688
Financial year	1 May to 30 April

Financial calendar2015/16

17 September 2015	Report on the first quarter
1 December 2015	Annual general meeting
17 December 2015	Report on the first half-year
17 March 2016	Report on the third quarter

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