
IMMOFINANZ

Annual Report 2007/08

Strategic expansion of the value added chain and internalisation of management

Increase in revenues and improvement of operating results in all segments

Steady implementation of investment programme

The IMMOFINANZ Strategy

- A property group with broad-based regional and sector diversification and complete coverage of the value added chain
- Internalisation of management and new area of business with property services
- Measures to increase the value of properties and generate income through active asset management
- Successful subsidiaries allow for the development of profitable market niches and with a potential for growth businesses
- Payment of dividends in accordance with the development of cash flow
- Balanced financing structure safeguards continuation of investment programme

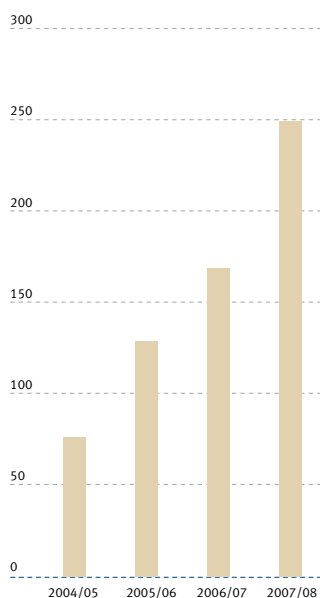
Key Data on IMMOFINANZ AG

	2007/08	Change in %	2006/07
Corporate Data			
Revenues in EUR mill.	670.8	29.3%	518.9
Results of operations (EBITDA)	301.4	31.5%	229.1
Operating profit (EBIT) in EUR mill.	514.5	-42.0%	887.7
Earnings before tax (EBT) in EUR mill.	555.3	-39.2%	913.6
Gross cash flow in EUR mill.	248.8	46.7%	169.6
Return on equity (ROE) in %	4.8%	-57.1%	11.1%
Return on capital employed (ROCE) ¹⁾ in %	3.0%	-56.5%	7.0%
Equity in EUR mill. (including minority interest)	7,877.2	20.9%	6,515.3
Equity as a % of the balance sheet total	50.6%	-1.2%	51.2%
Equity ratio in % (based on contracted investments)	38.0%	-3.1%	39.2%
Balance sheet total in EUR mill.	15,568.4	22.4%	12,721.6
Book value per share in EUR	9.47	6.5%	8.89
Net asset value per share in EUR	11.55	6.5%	10.85
Property Data			
Number of properties	3,078	16.7%	2,637
Thereof investments in other companies ²⁾	1,143	58.8%	720
Lettable space in sqm	13,384,452	18.3%	11,316,479
Thereof investments in other companies ²⁾	2,976,004	30.4%	2,282,344
Fair value of properties in EUR mill. (including contracted investments)	18,240.2	12.0%	16,281.9
Thereof investments in other companies ²⁾	1,759.2	4.2%	1,688.8
Stock Exchange Data			
Earnings per share (basic) in EUR	0.66	-35.9%	1.03
Price/earnings ratio	10.7	-7.5%	11.6
Share price at end of period in EUR	7.09	-38.4%	11.96
Number of shares in mill.	459.0	0.0%	459.0
Market capitalisation at end of period in EUR mill.	3,254.3	-40.7%	5,490.0

1) NOPAT (net operating profit after tax) in relation to capital employed.

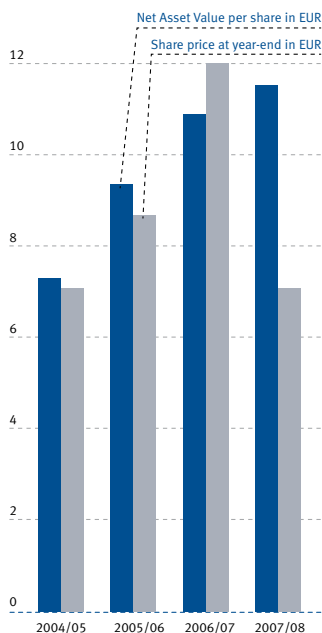
2) Investments in other companies include associates consolidated at equity and holdings recorded as financial instruments in accordance with IAS 39.

Increase of 46.7% in gross cash flow in EUR million



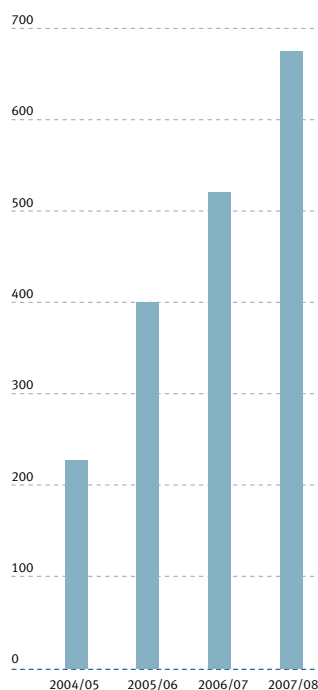
The steady continuation of the company's investment strategy and active asset management supported an increase of 46.7% in gross cash flow to EUR 248.8 million for the 2007/08 financial year.

Net asset value and share price in EUR



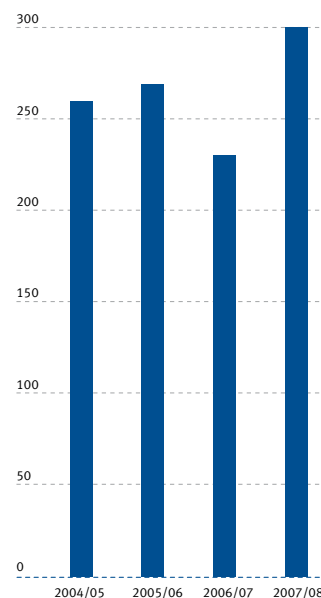
Foreign exchange effects and market developments led to in part significant fluctuations in income from the revaluation of properties, but net asset value per share rose by 6.5% to EUR 11.55 based on an unchanged number of shares. This is contrasted by a closing price of EUR 7.1 per IMMOFINANZ share as of 30 April 2008.

Increase of 29.3% in revenues in EUR million



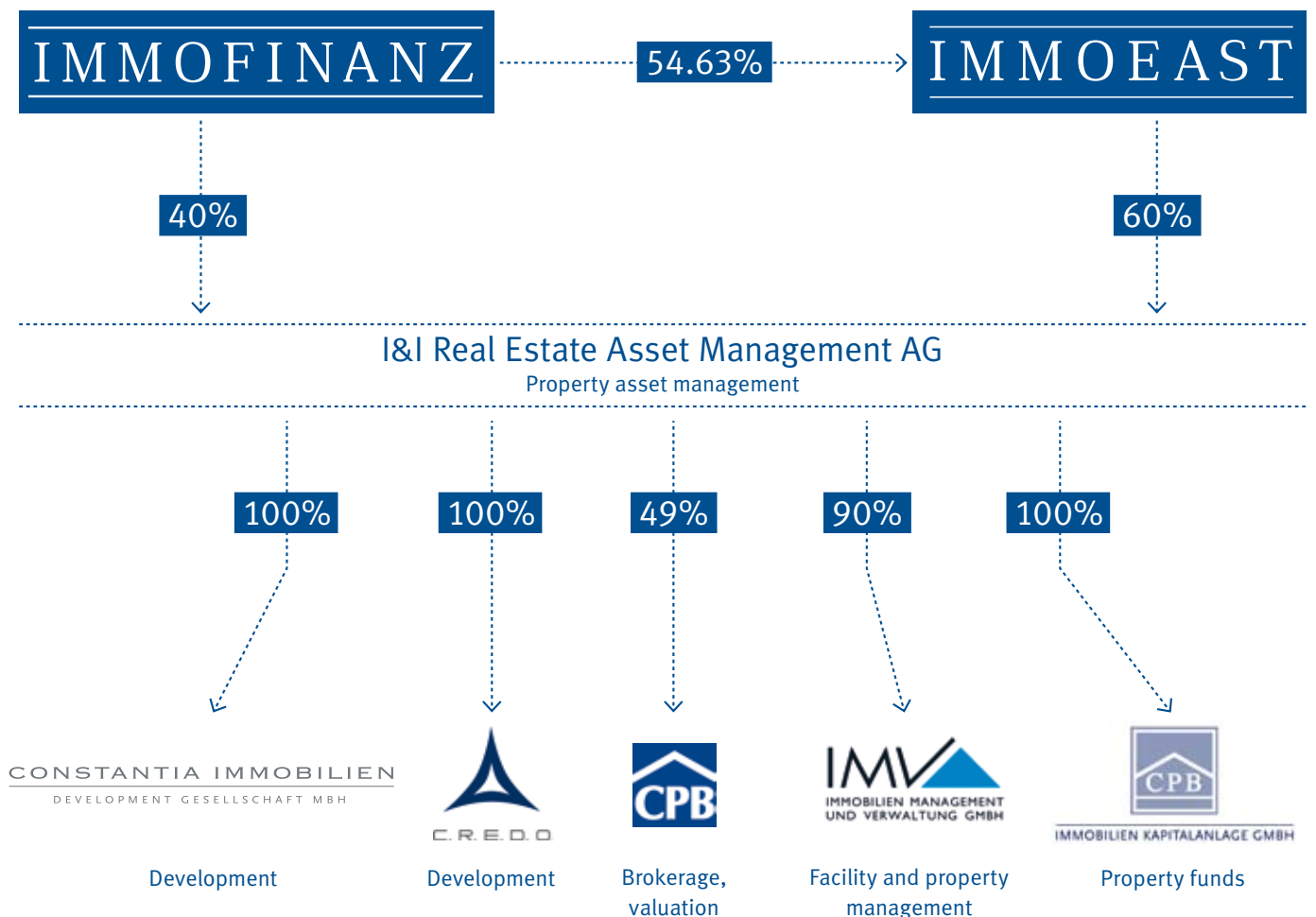
Strong growth in all sectors supported a 32.3% rise in rental income to EUR 501.3 million. In combination with the charge out of operating costs and other income, this led to an increase of 29.3% in revenues to EUR 670.8 million.

Improvement of 31.5% in results of operations (EBITDA) in EUR million



The changed operating environment triggered a 42.0% decline in EBIT to EUR 514.5 million for the reporting year, but EBITDA rose by 31.5% to EUR 301.4 million – which underscores the stable earning power of IMMOFINANZ operations. Financial results rose to EUR 40.8 million, supported by strong growth in the share of profit from associated companies.

Full Coverage of the Value Added Chain



On 30 June 2008, IMMOFINANZ and IMMOEAST acquired (with the consent of the extraordinary general meetings in July 2008) the property division of Constantia Privatbank. The related property activities and subsidiaries were demerged to form I&I Real Estate Management AG, with IMMOFINANZ holding 40% and IMMOEAST 60% of the new company. This step means that both companies now cover the entire value added chain in the property business. A detailed description of these developments can be found on page 27ff.

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D, Munich, Lenbachgärten

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Report by the Executive Board



Karl Petrikovics, Chief Executive Officer



Daniel Riedl, Member of the Executive Board

Dear Shareholders,

The 2007/08 financial year was undoubtedly a mixed one for IMMOFINANZ. Disappointments include the highly unsatisfactory performance of the share price, which, after 16 successful years on the stock exchange, was all the more surprising – certainly no less so to management than to many of our long-term shareholders.

31.5% increase in results of operations (EBITDA)

On the plus side, this was countered by the quite positive business developments made by IMMOFINANZ. The uncertainty on the international financial markets and the associated global economic downturn did not completely pass IMMOFINANZ by. However, IMMOFINANZ's strategy of diversification successfully withstood this challenge. The inherent value of the share rose by 6.5%, while the results of operations (EBITDA) and revenues increased 31.5% and 29.3% respectively.

Key strategic developments in all three segments

At the operative level, all three regional subsidiaries reached important strategic goals:

- In Austria, the BUWOG/ESG Group successfully completed its consolidation process and is now pursuing a clear expansion strategy. In the 2008/09 financial year, projects involving 640 apartments will be started, and a project in Poland has heralded the company's expansion to foreign markets.
- IMMOWEST's investments continue to focus on the German logistics market. The subsidiary Deutsche Lagerhaus now holds a portfolio containing almost one million square metres of floor space.
- IMMOEAST has seamlessly switched its investment focus from standing properties to investments in development projects. 63.3% of new investments over the reporting period were made in this segment.



Christian Thornton, Member of the Executive Board



Michael Wurzinger, Member of the Executive Board

Yet as important as these positive developments are for the future outlook of the company, the most important strategic measure was implemented after the end of the reporting period. The company's profitability is set to rise in the wake of the acquisition of Constantia Privatbank's property division and the associated internalisation of management. The acquisition of new subsidiaries, such as the property and facility management company IMV and estate agents CPB Immobilienreuehand, also mean that IMMOFINANZ has become an integrated real estate corporation with complete coverage of the entire value added chain in all sectors of the property industry.

Extending the range of services in this manner brings two distinct advantages: Integrating the newly acquired property service providers will result in great benefits concerning the management of the company's portfolio, and, at the same time, open up a number of attractive new business opportunities for IMMOFINANZ.

IMMOFINANZ's new structure places it in a unique and exceptional position amongst Europe's largest listed property companies, and we are confident that this competitive advantage will result in rising profits and ultimately an increase in the share price.

Handwritten signature of Karl Petrikovics in black ink.

Karl Petrikovics
Chief Executive Officer

Handwritten signature of Daniel Riedl in black ink.

Daniel Riedl
Member of the
Executive Board

Handwritten signature of Christian Thornton in black ink.

Christian Thornton
Member of the
Executive Board

Handwritten signature of Michael Wurzinger in black ink.

Michael Wurzinger
Member of the
Executive Board

Milestones of the 2007/08 Business Year

Capital increase by IMMOEAST subsidiary

In May 2007 the subsidiary IMMOEAST concluded the largest capital increase to date by a listed property company in Europe. New shares worth EUR 2.835 billion were issued at a subscription price of EUR 10.20 each. IMMOFINANZ participated in the capital increase, thereby retaining its majority stake

Convertible bond with a volume of EUR 750 million

In November 2007 IMMOFINANZ successfully issued a convertible bond with a volume of EUR 750 million. The issue was offered solely to institutional investors and was considerably oversubscribed. The interest rate on the bond is 1.25% p.a., the conversion price EUR 9.26. The term of the bond is ten years.

First dividend payment in the company's history

In September 2007 an overwhelming majority of shareholders at the annual general meeting of IMMOFINANZ approved the proposal of the Executive Board for the first payment of a dividend. The dividend was 33 cents per share, the payment took place in October 2007. Based on the share price at the end of the financial year, the dividend yield was 4.65%. The Executive Board indicated that dividends are also to be paid in the future whenever possible.

Expansion of the IMMOEAST investment portfolio

Property developers in which IMMOEAST holds strategic stakes have launched numerous important new projects:

- **TriGránit (IMMOEAST stake 25%)** has taken important steps to expand in Russia. Urban development projects with an investment volume of more than EUR 1 billion were agreed with the St. Petersburg city administration, a stake in the Mozaika shopping centre project was acquired in Moscow, and a 50% stake was acquired in the leading Russian developer Torgoviy Kvartal.
- **The residential developer Adama (IMMOEAST stake 33.85%)** is presently working on 33 projects with about 21,500 flats. The conditions under which funds managed by the investment banks Lehman Brothers and Morgan Stanley acquired stakes in a private placement show that the value of the IMMOEAST stake acquired in April 2007 has considerably risen.
- Furthermore, in the fourth quarter of 2007/08 a 50% stake in the **residential developer Caterata** was acquired. Caterata is currently carrying out projects encompassing 4,500 freehold flats in which EUR 600 million is being invested. The vigorously growing company will massively increase its presence throughout the region, proceeding from its current market focus of Romania. Plans call for the start of construction on seven projects between the third quarter of 2008 and the first quarter of 2009.
- In Russia a joint venture was concluded with the prominent property **developer RTM**. The first project planned is the construction of a shopping centre in St. Petersburg. Completion is slated for 2009.



Beginning in the second quarter of 2007/08 the stake in IMMOEAST was gradually increased. Starting at 50.46% at the end of July 2007, the stake rose to 54.63% by the end of the financial year. Altogether 34.7 million shares were acquired. An additional 95,000 shares were acquired by 31 July 2008 after the reporting period, the stake of IMMOFINANZ in IMMOEAST thereby increasing to 54.64%.

BUWOG has launched an accelerated strategy of expansion since the successful organisational integration of the affiliate ESG. A series of major new projects was launched, particularly in the greater region of Vienna. This includes residential facilities with rental and freehold flats



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and several terraced housing projects. In the 2008/09 financial year construction will begin on projects for a total of 640 flats as well as on the geriatric centre in the Heller factory with 270 beds, making BUWOG one of Vienna's leading developers. The first international project was also launched in Poznan (Poland).

Increase of the stake in IMMOEAST

1 BUWOG speeds up development of new residential schemes



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IMMOFINANZ continues to expand its garage business in the east. The subsidiary WIPARK has more than doubled its investment in Hungary with three new projects and a total of 984 parking places. The company now has five garages and two garage projects with a total of 1,747 parking places under construction, owning four and operating three of them. WIPARK is thus the biggest international garage operator in Hungary.

2 Considerable expansion of WIPARK in Hungary

3 Acquisition of City Box

In May 2007 an important step was taken in the development of the self-storage business (letting small segments of private storage areas). In the Netherlands 90% of the self-storage company City Box was taken over. City Box currently operates 21 facilities with approximately 69,000 sqm of storage space in the environs of the country's big cities. Within three years another ten centres are to be built, to some extent also outside the Netherlands.



4 Completion of the Lenbachgärten urban development project

Between summer of 2007 and the end of the year the four building segments of the multifunctional urban development project Lenbachgärten in Munich were handed over to their tenants. 100% of the 65,000 sqm of usable space is let to prominent international groups for the long term. Two office properties are used by the major US publishing house Condé Nast, one by the consulting giant McKinsey. The Rocco Forte hotel chain operates a five-star plus establishment with 160 rooms in Lenbachgärten. With an investment volume of EUR 228 million Lenbachgärten is the IMMOFINANZ regional holding IMMOWEST's biggest development project to date.



5 Deutsche Lagerhaus grows to nearly 1 million sqm

The logistics subsidiary Deutsche Lagerhaus systematically continued its strategy of expansion in the 2007/08 financial year. Seven properties with total usable space of 164,000 sqm were acquired, while several objects were further expanded. The company's portfolio now encompasses more than 30 properties with approx. 900,000 sqm in Germany and Switzerland. The target specified with the acquisition of Deutsche Lagerhaus of expanding the portfolio to one million sqm within three years is likely to be reached considerably faster.



The subsidiary IMMOEAST's STOP.SHOP retail park chain expanded its network in Central and Eastern Europe with the opening of 12 additional centres. By the end of the financial year 23 STOP.SHOP retail parks were in operation in four countries. The current development programme plans



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an increase to 120 locations by 2011. The total investment volume for this is EUR 1.55 billion.

6 Expansion of the STOP.SHOP retail park chain

In the 2007/08 financial year IMMOEAST sold five properties and stakes in properties for a total of EUR 250 million. The sale prices significantly exceeded the respective appraisal values. Stakes were sold in the Haabersti residential project (Tallinn) and the Olympia (Olomouc) and Palladium (Prague) shopping centres as well as the Andel Park B (Prague) and Salzburg Center (Warsaw) office properties.

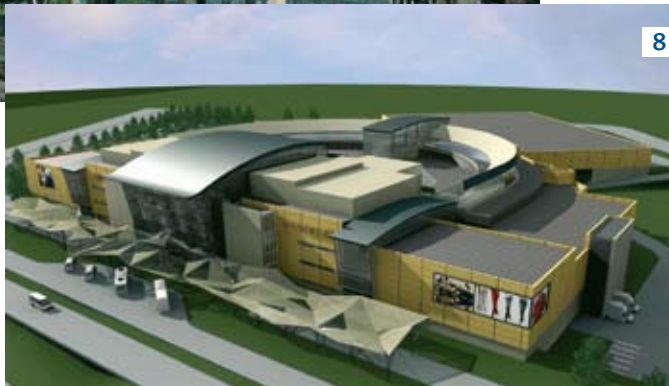
7 Realisation of profits at IMMOEAST

In July 2007 the GoodZone shopping centre project with 146,000 sqm of total usable space was acquired in Moscow. Like the considerably larger project Rostokino (241,000 sqm) there is very strong demand on the part of potential tenants and long before completion 50% of the space had already been let in advance.

8 Major shopping centres in Moscow



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Investments and Portfolio Development

- Continuation of investment programme
- Financing capability strengthened by the sale of properties and active portfolio management

Portfolio Development

After launching numerous development projects in the last few years as part of a comprehensive investment strategy, the focal point of activities in 2007/08 was placed on the implementation of these development projects. New investments were made only to a small extent and, consequently, the group's property assets increased less than in previous years.

Continued pursuit of development projects started in earlier years

During the reporting year investments of EUR 1,622.7 million were made in new acquisitions and development projects as well as the expansion and refurbishment of existing properties. As of 30 April 2008 projects with a total volume of EUR 6,890.0 million were under construction or development.

New investments included projects for a total volume of EUR 1,625.8 million. Of these 77.2% was accounted for by IMMOEAST, 6.3% by IMMOAUSTRIA and 16.5% by IMMOWEST. At the same time 32 properties and investments in property companies and 175 flats were sold for a total of EUR 432 million.

New investments total EUR 1,625.8 million

The number of new rental agreements concluded during the financial year was satisfactorily high: Adjusted rental income (i.e. based on objects owned by IMMOFINANZ during the previous financial year) rose by 5.1% over 2006/07.

Christian Thornton, member of the Executive Board of IMMOFINANZ AG

“The balanced IMMOFINANZ portfolio generates stable cash flows, and thereby also supports the continued growth of the company – even in times of turbulence on capital markets.”



The changing business climate and resulting shift in the general mood on international capital markets have had a massive influence on the operating environment for listed property companies. It has become extremely difficult to raise equity and, for this reason, internal financing through the income generated by the property portfolio is now more important than ever. In this respect, IMMOFINANZ has a very sound position.

And this position is supported by a number of factors: The major subsidiaries – BUWOG/ESG and WIPARK in the IMMOAUSTRIA segment – are typical “cash cows” just like the substantial residential property holdings of IMMOWEST and the IMMOWEST subsidiary Deutsche Lagerhaus. IMMOEAST, the largest of the three regional holding companies, can easily finance its high share of development projects from internal funds because of the capital increase carried out at the start of the 2007/08 financial year.

Investments and Ongoing Projects

IMMOEAST



Zebra Tower
(previously Rondo Jazdy Polskiej – Warsaw)
Construction began after the end of the financial year for this office building with a total of approx. 20,000 sqm of lettable space in the centre of the Polish capital. The 50% subsidiary S+B CEE is developing the property. Negotiations to let most of the space are already well advanced one year prior to completion (end of 2009). Rondo Jazdy Polskiej has benefited from the dramatic rise in the scarcity of space and the considerable hike in rents in Warsaw's central business district.

Equator (Warsaw)

In spring 2008 the first building phase was completed for the Equator office project, in which IMMOEAST holds a stake of 51%. 100% of the 20,000 sqm of usable space has been let, and the next building phase for this 125,000 sqm project has already begun.



Debowe Tarasy (Katowice)

The first building phase of this residential project located near IMMOEAST's Silesia City Center shopping centre was finished in July 2008. All 249 flats were sold prior to completion, and 50% of the 260 flats to be constructed during phase two (completion in summer 2008) have also been sold. This project will generate an approx. 35% return on investment for IMMOEAST.



Brno Business Park (Brno)

With 32,000 sqm of total usable space in one of the most important office centres of the southern Moravian city of Brno, the Brno Business Park was completed in autumn 2007. This Category A office property enjoys considerable demand and has already attracted a large number of prominent tenants.

The Gold Plaza (Baia Mare, Romania) Shopping Centre

IMMOEAST acquired 80% of the Gold Plaza shopping centre in the 150,000-resident town of Baia Mare during the first quarter of the financial year. With 43,000 sqm of usable space, the object will be completed in the fourth quarter of 2009, after which the purchase of the remaining shares will take place. At the end of the 2007/08 financial year the pre-let level totalled 30%.



Atrium Park (Budapest)

In Budapest's Pest district on Vaci Ut the 56,000 sqm Atrium Park (lettable space of 38,200 sqm) was acquired in autumn 2007 just prior to completion. Starting from a pre-let level of 40% at the time of the purchase, 86% of the first building segment was leased primarily to government offices before its completion in the first quarter of 2008.



Eurobusiness Park (Budapest)

Consisting of the Camel Park, Shark Park and Pharma Park segments, IMMOEAST's logistics flagship in Hungary with 70,000 sqm of usable space increased its occupancy rate to 86% as a result of several medium-sized new lets, thereby remaining one of the most successful logistics properties in the greater region of the Hungarian capital.

CSOB-Portfolio (Prague)

After the scheduled relocation of various divisions of CSOB, the renovation and expansion work began on the CSOB portfolio properties (seven properties with 41,000 sqm of total usable space) that were acquired in 2006 in the centre of Prague. These objects will be converted for another use at an investment volume of just under EUR 150 million. An upscale shopping centre will be built on the Na Prikope, for example, while other inner city properties will be refurbished as hotels.

Euromall Shopping Center (Pitesti)

The brand new Euromall shopping centre was also acquired in 2007 in the booming industrial and university town of Pitesti for EUR 87 million. It encompasses 120 shops and restaurants as well as a cinema and entertainment area on 32,000 sqm and is located close to the city centre. The shopping centre benefits from the large catchment area with its 480,000 inhabitants.



Expansion of the IRIDE Business Park (Bucharest)

The acquisition of a 42,000 sqm piece of land formed the basis for the comprehensive expansion of the successful IRIDE Business Park project (currently 90,000 sqm let in full to prominent companies such as Raiffeisen, Nestle and Whirlpool). Up to 170,000 sqm of office space will be built in the expansion area in several phases.



Logistics Centre in Timisoara

The first building segment of an 18,000 sqm logistics hall in Timisoara was completed with an Austrian property developer. When the logistics centre is finished it will encompass 54,000 sqm of usable space.



Global City Pipera (Bucharest)

The Pipera development project was launched in the Bucharest district of Pipera. The project will be carried out in the scope of a co-investment (IMMOEAST stake: 19%) together with the Global Emerging Property Fund, in which IMMOEAST holds a 25% stake. In autumn 2007 construction began for phase one totalling 49,000 sqm of office space and 7,700 sqm of retail space as well as 844 parking spaces. Phase two, in which 381 flats will be built, was started in March 2008. Completion of phase one is scheduled for April 2009, phase two is to be handed over in December 2009.



S-Park (Bucharest)

The S-Park office and retail property with 45,000 sqm of total usable space was acquired for EUR 101.5 million. This property has been let to renowned international groups such as ING, SAP, Goodyear, Johnson & Johnson, Heineken and Wrigley.

Completion of the Polus Center (Cluj)

The Polus Center shopping centre in the north-western city of Cluj was opened in autumn 2007. With 100,000 sqm of usable space and an investment volume of EUR 240 million, it is IMMOEAST's largest project in Romania to date and the first shopping centre of this category outside the Romanian capital. The Polus Center is let in full to Carrefour, Mango, Zara, Reebok, Adidas, Sony and others.



NordEst Logistic Park/Pantelimon Logistics Centre (Bucharest)

The 53,000 sqm logistics project Pantelimon Warehouse was acquired in the Bucharest district of Pantelimon. Completion of the first building segment (17,250 sqm) took place in July 2008 and 38% of the space is already let. Pantelimon Warehouse is a part of a large-scale cooperative venture with a renowned development firm. A total of 400,000 to 500,000 sqm of logistics space are to be built in ten locations all over Romania.



Armonia Center (Arad)

The Armonia shopping centre with 43,000 sqm of usable space was acquired in summer 2007 in the western Romanian city of Arad. The investment volume was EUR 78 million. In May 2008 the shopping centre was opened at an occupancy rate of 100%. Among its prominent tenants are leading international retailers such as Carrefour, the French building market chain Brico Store, Intersport, the perfumery chain Sephora and fashion shops such as Orsay and Lee Cooper.

Property Sales

Two properties and three stakes in property holdings were sold during the reporting year. The fair value determined by external experts was exceeded by an average of 8.5%. These transactions generated total proceeds of EUR 250 million.

- **Andel Park B (Prague):** This 23,000 sqm office property, 100% of which is let to renowned companies for the long-term, was sold to an international property fund for EUR 71.5 million. IMMOEAST had acquired the property in autumn 2005.
- **Salzburg Center (Warsaw):** In the Mokotow district IMMOEAST developed and let this office property, which was sold in April 2008. The Salzburg Center was completed in 2007.
- **Palladium shopping centre (Prague):** IMMOEAST acquired a stake in this 60,000 sqm retail and office centre project in the centre of Prague during 2000. The object had obtained a series of top international firms as tenants prior to completion, and was sold during the reporting year.
- **Olympia shopping centre (Olomouc):** The Olympia shopping centre with more than 30,000 sqm of usable space has been fully let for years and is the most important shopping centre in the region. IMMOEAST therefore realised a significant increase in value on its sale.
- **Habersti residential project (Tallinn):** This project, in which 800 flats will be built, was sold to one of the largest Finnish construction and property development groups. IMMOEAST owned a stake of 45% in the project company, which was established together with a British residential building group and a local developer.

The Chernomore shopping centre (Varna)

In the Bulgarian Black Sea port of Varna, a joint venture for the construction of a shopping centre with 58,000 sqm of lettable space was established with a leading international developer. Construction on the Chernomore project will begin in autumn 2008. Completion is planned for 2010.



Baneasa Airport Tower (Bucharest)

94% of the Baneasa Airport Tower, which has been fully owned by IMMOEAST since the end of 2007, is now let. The tenants include Hyundai, Tetra Pak and Arabesque. Total usable space is nearly 10,000 sqm.



The Novi Sad shopping centre

IMMOEAST acquired a stake in a project to develop a 31,900 sqm shopping centre in Novi Sad, the capital of the Serbian province of Vojvodina. Construction will begin in the middle of 2009. Completion is planned for the beginning of 2011.

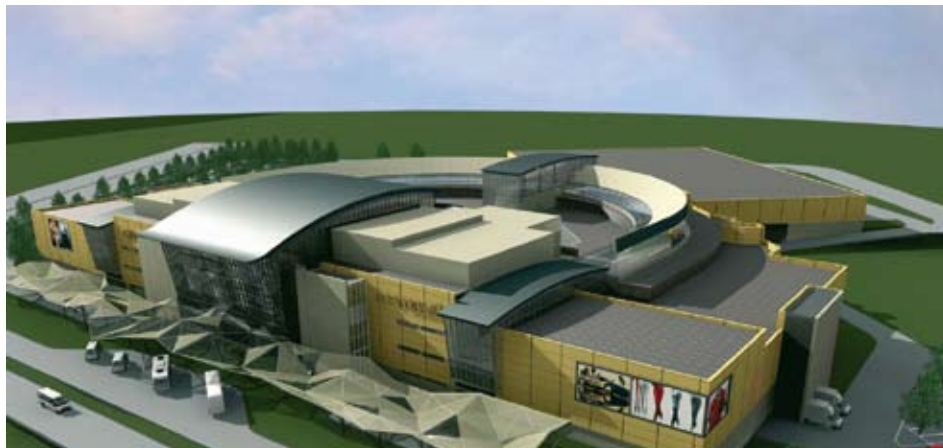


Grand Center (Zagreb)

The Grand Center, IMMOEAST's first office complex in Zagreb, has continued to develop into one of the most successful business properties in the Croatian capital. With lettable space of 15,900 sqm, the occupancy rate in the architecturally sophisticated building has increased to 97.5%.

GoodZone shopping centre (Moscow)

Construction on the GoodZone shopping centre in Moscow progressed considerably in 2007/08. The opening will take place in the first half of 2009. This project has 146,000 sqm of usable space. At the end of the reporting period 54% of the space was let and term sheets had been signed for another 19%.

**Luna Park (Kiev)**

In the Ukrainian capital of Kiev IMMOEAST will realise the Luna Park office project as part of a 50% stake in a joint venture acquired in autumn 2007. 85,000 sqm of usable space will be built in three phases. The first phase will begin in the first quarter of 2009. The total investment volume will reach EUR 250 million.

**Rostokino shopping centre**

The Rostokino megaproject with 241,000 sqm of usable space has already become a great success 1.5 years prior to completion, with 50% of the space pre-let by the end of the 2007/08 financial year. Negotiations with leading international retail chains are currently underway for the remaining areas.

**Tomilino logistics park (Moscow)**

In autumn 2007 construction began on the Tomilino development project near Moscow. The 53,000 sqm logistics park was completed shortly after the reporting period. The proximity to existing excellent logistics centres that have been let is an important advantage to this location, in which IMMOEAST has invested EUR 60 million. Tomilino will be completed in August of 2008 and is now fully let. The takeover by IMMOEAST is scheduled for the end of September 2008.

IMMOAUSTRIA

Simmeringer Hauptstrasse 49 office property (Vienna)

In October 2007 the major project at Simmeringer Hauptstrasse 49 was successfully completed. The 16,000 sqm of usable space, 85% of which is offices and 15% retail space, were let in full at the time of opening. The property benefits from its link to the underground network and its convenient location between the city centre and the airport.



Revitalisation at Dresdnerstrasse 108 (Vienna)

This 10,000 sqm office building was built in 1998 and is situated at an attractive and increasingly important office location. An extensive upgrade was completed in the third quarter of 2007/08, and has led to strong demand on the part of potential tenants.



Cubino / Monte Laa (Vienna)

The major Monte Laa project on the Laaerberg in Vienna's 10th district was finished upon completion of the Cubino property (53 flats). BUWOG owns a total of three residential properties with 217 flats in Monte Laa, all of which are let. The company has invested EUR 38.3 million in Monte Laa and profits from the enormous success of this entirely new part of the city, which has been built on a superstructure of the A23 motorway (southeast tangent).



The Heller residential park (Vienna)

In autumn 2007 BUWOG began building the Heller residential park in Vienna's 10th district. 250 flats are to be built here in an attractive residential location. A public private partnership (PPP model) will also provide the framework for a geriatrics centre with 270 beds. Total usable space will encompass 48,000 sqm. With an investment volume of more than EUR 100 million, it is the largest project carried out by BUWOG since its takeover by IMMOFINANZ.



SelfStorage – Dein Lagerraum

Austria's leading self-storage company, in which IMMOFINANZ holds a stake of 30%, has continued to grow. During the financial year, SelfStorage – Dein Lagerraum opened the biggest facility to date in Austria at the Gaudenzdorfer Gürtel as well as a new facility on the Hietzinger Kai. The company now has a total of eight facilities in Austria, seven of them in Vienna.

Rapid progress is also being made in Germany. At the end of the 2007/08 financial year there were nine facilities in operation, with an additional one in Switzerland. 16 new facilities are in planning or under construction. Total space is to increase to 168,000 sqm.

Schottenbastei office project (Vienna)

The thorough upgrade and expansion (three-floor loft conversion) of an attractive older building was begun at the Schottenbastei, one of Vienna's best city-centre locations. A total of 3,500 sqm of high-quality office space is to be completed by the middle of the 2008/09 financial year. Talks with potential tenants are already in advanced stages.

Successful Sales in Austria

The Attems-gasse 22 residential project (Vienna)

In Vienna's 22nd district a project with 46 flats was launched by BUWOG. Completion is planned for November 2008. The demand for these flats is high and full occupancy is largely expected upon completion.



- **Residential investment portfolio (Vienna):** In the first quarter of the reporting year, IMMOFINANZ concluded a plan for the sale of 17 residential investment properties. The excellent performance on the Vienna residential investment property market was utilised to sell a segment of the Group's residential investment portfolio at very attractive conditions. In addition to the favourable market situation, active management and the optimisation of the residential investment property's revenues contributed to a significant appreciation in the property's value, generating prices in average 16% above the fair value determined by the external experts.

- **Bräuhausgasse 37 (Vienna):** In December 2007 the office building at Bräuhausgasse 37 in Vienna's 5th district was completed. The property has 6,600 sqm of usable space and was well received by the market. 90% of the office space is now let. At the end of 2007 the Bräuhausgasse 37 property was sold at a substantial profit.

- **Residential and office investment portfolio (Vienna and provincial capitals):** In January 2008 a portfolio consisting of seven mix-used properties (three in Vienna, one each in St. Pölten, Linz, Salzburg and Graz) were sold. This transaction generated proceeds of EUR 64.2 million, which is nearly 60% more than the purchase price paid in 2002. The return on equity was 26.9% per annum.

- **BUWOG/ESG flats:** In the 2007/08 financial year BUWOG sold 175 flats with 15,146 sqm of usable space from its residential portfolio. The average price per square metre was EUR 1,653, resulting in a considerable increase above book value. These sales resulted in revenues totalling EUR 25 million.



WIPARK with three new garages

The garage operator WIPARK, a wholly owned subsidiary of IMMOFINANZ, has further expanded its activities in Hungary. In addition to the existing four large garages in Budapest, an agreement was signed for the operation of the Pollack-Mihaly-tér-Garage (409 parking places). An underground garage with 209 parking places was built near the Budapest Castle. In Pecs another garage with 285 parking places is under construction. Of the seven WIPARK garages in Hungary, five have been completed and two are under construction. Four garages with approx. 1,100 parking places are owned by WIPARK, while the company functions as operator for three other facilities.



The Obstgarten residential complex (Vienna)

BUWOG's Obstgarten residential complex in Vienna's 11th district was completed in September 2007. This particularly energy-efficient building is considered a model ecological location. All 138 flats with 11,500 sqm of total residential space are let.

The Poznan residential project (Poland)

BUWOG, a subsidiary of IMMOAUSTRIA, has committed to its first international project. In Poznan – after Warsaw one of the economically most important cities in Poland with 580,000 inhabitants – a residential project that includes 470 freehold flats and 36,907 sqm of residential space will be carried out in cooperation with a German developer. BUWOG owns a stake of 50% in this joint project, which is scheduled for completion for 2009.

IMMOWEST

Friesenquartier, Gerling headquarters (Cologne)

The completion of the architecture competition marked a decisive step in IMMOFINANZ's largest urban development project in Germany to-date, the transformation of the Gerling insurance group headquarters into a "city within a city" that will include offices, restaurants, luxury flats, a hotel, etc. The jury opted for the proposal of the renowned Cologne office Kister Scheithauer Gross (ksg).



Enlargement of residential portfolio (Berlin)

In November 2007 a residential portfolio in Berlin with 700 flats in the district of Spandau was acquired. The residential complex was completely refurbished and has an occupancy rate of 94%. IMMOFINANZ now owns a total of 2,250 flats in the German capital.



Transfer of Lenbachgärten (Munich)

In the second half of 2007 the four building segments of the Lenbachgärten urban development project in Munich were handed over. 100% of the total usable space of 65,000 sqm is leased for the long-term. The three office buildings were let to the major US publishing house Condé Nast and the consulting group McKinsey for ten years. Another building segment was let for 30 years to the Rocco Forte hotel chain, which operates The Charles luxury hotel at this location.

DUS Plaza (Düsseldorf)

IMMOFINANZ has launched the DUS Plaza development project at Düsseldorf Airport together with the developer Frankonia. The office building will have 11,000 sqm of total usable space and be finished in 2010. Part of the space was already let prior to the start of construction.



CITY BOX (Netherlands)

The IMMOWEST subsidiary City Box fully realised its three-year expansion programme during the first year and increased the existing portfolio from 14 to 21 locations with lettable space of 69,000 sqm in 2007/08. In the next few years the portfolio is to be enlarged in a second phase of expansion to include a total of 34 locations. Consequently, City Box has the best chances to become number one on the self-storage market in the Netherlands.



Deutsche Lagerhaus

The logistics subsidiary Deutsche Lagerhaus made numerous acquisitions in the 2007/08 financial year.

- In the Vaihingen district of Stuttgart, development started on a logistics centre with 47,700 sqm of usable space. The property will be built in two phases to be completed in July and October 2008, respectively. 100% of the first building phase has been let to DSV Road Holding.
- Another logistics centre was acquired in Nuremberg. This object is located near an important motorway junction and has a railway connection as well as 36,700 sqm of usable space.
- The development of a logistics centre in the city's port was also started in Nuremberg. This property will feature 32,600 sqm of usable space.
- A 21,200 sqm logistics centre was acquired in Freystadt in Bavaria. 100% of the property is let to the Michelin tyre group. Freystadt is located on one of the main Bavarian roads between Munich and Nuremberg.
- In Willich (NRW) the headquarters of the Bermes Group was acquired in the form of a sale-and-lease-back transaction. All of the 21,178 sqm property will be used by Bermes for the long-term.

These extensive investments led to the considerable growth of the Deutsche Lagerhaus portfolio. The number of properties rose from 22 to 29, with total usable space reaching 918,000 sqm at the end of the year, up from 723,000 sqm in 2006/07. 27 properties with 825,823 are located in Germany, the remainder in Switzerland. The target of reaching 1 million sqm of total usable space has therefore largely been reached. The average occupancy rate for the properties in the portfolio is 94%.

Business Model & Strategy

- Strong subsidiaries safeguard growth and diversification across all sectors
- Geographical diversification smoothes market fluctuations

Ever since its founding in 1990, diversification, long-term investment and an anti-cyclical investment strategy have formed the three pillars of IMMOFINANZ's corporate strategy. Combined with the active management of the company's property assets, they have been responsible for ensuring that the property portfolio has performed significantly above average over an extended period of time.

**Sustainable development
of the property portfolio**

IMMOFINANZ's business model has undergone significant changes since the purchase of Constantia Privatbank's property activities in the first quarter of the 2008/09 financial year. This acquisition has opened up new strategic opportunities for the company that will result in a significant increase in profitability and entry into new business areas. The impact on IMMOFINANZ's strategic position is handled in this chapter; details of the transaction can be found in a separate section on page 26ff.

**Complete value
added chain**

Diversification

Diversification is a common principle of all IMMOFINANZ investment policies.

- Geographic diversification is ensured by the three regional subsidiaries IMMOEAST, IMMOAUSTRIA and IMMOWEST. IMMOEAST is active in the booming markets of Russia and South-Eastern Europe and the maturing markets of Central Europe; IMMOAUSTRIA and IMMOWEST cover the established western markets, ensuring a balanced combination of growth, profitability and stability.
- By covering all major property sectors (housing, retail, office, logistics, garages and to a lesser extent hotels), the IMMOFINANZ portfolio is less susceptible to periodic fluctuations in individual submarkets.
- IMMOFINANZ's diversification strategy also includes different types of investments, such as the acquisition of completed properties, participation in development projects and indirect investments by means of takeovers and stakes in property enterprises.

**Regional and sector
diversification of risk**

Long-term Investment

IMMOFINANZ approaches all its investment activities from a long-term perspective. For this reason, a long-term potential for appreciation and sustainable rental income are the most important criteria governing acquisitions and development projects. This in turn results in investments being focused on prime locations and Class A properties.

**Careful selection of
objects to safeguard value**

IMMOFINANZ's long-term investment policy is however by no means a "buy and hold" strategy. Properties whose income and market value have already been optimised can then be sold within the scope of the company's active asset management policy. Numerous properties and stakes held by IMMOAUSTRIA and IMMOEAST were sold during the reporting period, resulting in significant profits.

Active Asset Management

Wide-ranging measures to improve earnings

Intensively and diligently managing the property portfolio is a decisive factor for the long-term success of IMMOFINANZ's corporate strategy. Asset management includes a wide range of measures aimed at improving tenant structures, increasing occupancy rates, appreciation by means of extensions and conversions etc.

IMMOFINANZ has a large and highly qualified team which manages over 3,000 properties held by the company. A range of property service providers (which have become subsidiaries of IMMOFINANZ and IMMOEAST as a result of the acquisition of Constantia Privatbank's property division) also play a major role in the optimal management of the property portfolio and its resulting appreciation.



Michael Wurzinger, member of the Executive Board of IMMOFINANZ AG

“With a painstaking attention to detail, enormous commitment and motivation each and every day, our asset management team ensures that IMMOFINANZ also generates above-average returns in difficult market phases.”

Two factors are decisive for the success of the company: the best investments and the sale of objects at the right time as well as the active management of the portfolio properties. Over the short-run, the key factor is whether an acquisition is made at the right point in the market cycle – over the long-term, the more important role is played by the increase in value that can be realised through measures like the optimisation of the tenant structure, occupancy and types of use as well as the expansion and modernisation of objects.

This strategy is illustrated above all by IMMOAUSTRIA, which covers the home market in Austria and represents the oldest segment of business in the group. A highly motivated and highly qualified team makes it possible for IMMOFINANZ to generate above-average results in good times as well as more difficult market phases. This day-to-day work is essential to successfully implement the strategy of a long-term property investor.

Internalisation of Management

After the reporting period, IMMOFINANZ acquired Constantia Privatbank's property activities together with its subsidiary IMMOEAST. This also included the internalisation of management, meaning that IMMOFINANZ is no longer managed externally by Constantia Privatbank, but by a joint subsidiary of IMMOFINANZ and IMMOEAST. Income from the existing management contract is therefore now distributed to IMMOFINANZ. These structural changes secure IMMOFINANZ's full independence and will result in a significant increase in profitability. A detailed description of the transaction and its impact on IMMOFINANZ can be found in the following section on page 26ff of the annual report.

Acquisition of property segment from Constantia Privatbank

Entry into the Property Services Business

By acquiring Constantia Privatbank's property activities, IMMOFINANZ has also become a provider of property services. In particular, these services include:

- Management of property funds
- Construction of buy-to-let apartments
- Property development and construction management
- Property brokerage and valuations
- Property and facility management

These business areas will be managed by a joint subsidiary of IMMOFINANZ and IMMOEAST.

Strong subsidiaries drive growth

IMMOFINANZ's operating subsidiaries play an increasingly important role in the corporation's overall diversification and growth strategies. A significant share of the company's management capacity and employees are located here. The most important operating subsidiaries are:

- **BUWOG/ESG:** Housing subsidiary with around 32,000 apartments and total floor space of 2.45 million sqm.
- **WIPARK:** One of Austria's leading garage operators with 11,656 parking spaces in Austria and Hungary
- **Deutsche Lagerhaus:** Logistics specialist with a portfolio covering more than 900,000 sqm in Germany and Switzerland
- **City Box:** Self storage company in the Netherlands with 21 properties and 69,000 sqm of floor space.

Strategic Measures

- Acquisition of the property segment from Constantia Privatbank extends value added chain
- Internalisation of management and improvement in earning power



Acquisition of the property division from Constantia Privatbank

IMMOFINANZ set the course for future developments in the first quarter of the 2008/09 financial year. Together with its subsidiary IMMOEAST, IMMOFINANZ acquired Constantia Privatbank's property division after the end of the reporting period on 30 June 2008.

This acquisition was made possible by the sale process involving Constantia Privatbank, which involved the spin-off of the property division as I&I Property Management AG (I&I) and the subsequent sale of this new company by the owners of Constantia Privatbank. This move provided IMMOEAST with the unique opportunity to internalise its management (i.e. separating from Constantia Privatbank and managing the company with its own staff), an option which had been evaluated for some time within the scope of a comprehensive expansion of business activities.

Together with IMMOEAST

**Internalisation of
management**

Karl Petrikovics, Chief Executive Officer of IMMOFINANZ AG

“The internalisation of management and the acquisition of the Constantia Privatbank property activities will allow us to realise opportunities for cost savings and also develop entirely new areas of business as an additional source of earnings.”



IMMOFINANZ set a milestone for its future development with the internalisation of management and its development into a fully integrated property company. This step expanded the company's proven concept of extensive geographical and sector diversification to include an added dimension – broadly diversified service activities. The core area of property investments will now be complemented by the wide range of property services provided by the new subsidiaries, which range from fund management to development, facility management, rentals and sales. As a result of this expansion, IMMOFINANZ now has a stronger foundation to safeguard and expand its leading position among the listed property companies in the German-speaking countries and in Central and Eastern Europe.

This strategic step will not only allow for the realisation of cost savings and subsequent direct impact on operating earnings (EBITDA) – it will also create entirely new sources of income. With this complete value added chain, IMMOFINANZ is well equipped to continue its successful growth course.

IMMOFINANZ and IMMOEAST together acquired I&I for a combined purchase price of EUR 440 million. The acquisition of the stakes was based on the relative sizes of the property portfolios, with IMMOFINANZ taking over 40% of I&I and IMMOEAST 60%. IMMOFINANZ paid a total of EUR 176 million for its stake. The purchase price included EUR 146 million for the existing management contract and EUR 30 million for Constantia Privatbank's remaining property activities and subsidiaries.

Purchase Price for Constantia Privatbank's Property Activities:

IMMOFINANZ management contract	EUR 146 million
Share of other property activities and subsidiaries	EUR 30 million
<hr/>	
IMMOEAST management contract	EUR 219 million
Share of other property activities and subsidiaries	EUR 45 million
<hr/>	
Management contract total (IMMOFINANZ Group)	EUR 365 million
Other property activities and subsidiaries	EUR 75 million

Approval by the extraordinary general meeting in July

The results of the negotiations between Constantia Privatbank and the management of IMMOFINANZ and IMMOEAST were put to extraordinary general meetings of both companies for a final decision. This measure reflected the great importance of the transaction, despite there being no legal obligation to obtain the approval of a general meeting.

This transaction will bring about a significant increase in the profitability of the entire IMMOFINANZ Group, with an estimated increase of EUR 80 million to EUR 100 million in EBITDA during the first full year after the takeover of Constantia Privatbank's property division. Earnings per IMMOFINANZ share are set to rise by EUR 0.11 to EUR 0.14 as a result of the transaction, and cash flow per IMMOFINANZ share by EUR 0.17 to EUR 0.20.

The annual general meeting held on 23 July 2008 in Vienna passed the resolution to acquire 40% of Constantia Privatbank's property division.

447 shareholders attended the extraordinary general meeting or were represented by proxy. The proposal submitted by the Executive and Supervisory Boards was passed with a majority of 98.02%, whereby 14 shareholders voted against the proposal.

Bundling of activities in I&I Real Estate Asset Management AG

The business areas and property service providers that are bundled in I&I include Constantia Privatbank's property asset management division as well as a number of powerful subsidiaries with strong earnings, in particular IMV Immobilien Management und Verwaltung GmbH, CPB Immobilien Kapitalanlage GmbH, Constantia Immobilien Development GmbH, CREDO Property AG

Acquisition of the property division
from Constantia Privatbank

and 49% of CPB Immobilien treuhand GmbH. These companies will now be integrated into the IMMOFINANZ/IMMOEAST Group and form an important pillar in IMMOFINANZ's corporate strategy. By combining own property investment activities and comprehensive property services, IMMOFINANZ (and IMMOEAST) have established an outstanding position amongst major European listed property companies.

Property asset management

I&I currently manages property portfolios worth a total of EUR 21 billion. In addition to the IMMOFINANZ and IMMOEAST property portfolios, this includes the Constantia property investment fund portfolio as well as several thousand buy-to-let apartments.

Property portfolio
of EUR 21 billion
under management

The IMMOFINANZ Group has thus become one of Europe's leading property asset managers. This line of business is to be expanded strongly in the coming years. In addition to asset management for its own investment products (see "Property funds and other property investments" below), I&I will also assume the management of portfolios held by private and institutional investors and thus offer the services formerly rendered by Constantia Privatbank's "Property Family Office" on a larger scale.

The large number of highly-qualified employees in the field of asset management and the cost benefits gained from the volume of these combined managed property assets secure the IMMOFINANZ Group an excellent starting position in this profitable business area.

Highly qualified employees
as competitive advantage

Property funds and other property investments

CPB Immobilien Kapitalanlage GmbH, which was acquired from Constantia Privatbank, manages the Constantia Property fund, an open-end property fund under Austrian law that was launched in 2004. Constantia Property achieved the best results of all Austrian property investment funds in each year of its existence. As of 30 June 2008, the fund covered a property portfolio worth EUR 149.9 million in Austria and Germany and a fund volume of EUR 142.9 million.

Property fund with the best
performance in Austria

Constantia Real Estate will serve as the starting point for a new business area. In addition to an open-end property fund focussing on Central and Eastern Europe that will be listed shortly, CPB Immobilien KAG will concentrate on property funds primarily for institutional investors. The development and management of property funds for institutional investors is to become the most important new business area for the IMMOFINANZ Group in the medium term, due to the potential for high earnings in this area.

Expansion of property fund

Extensive range of property services strengthen fund management

The strong market position of IMMOEAST in the CEE/SEE region and its long history of contacts with major global property investors lead to expectations of particularly strong growth in the area of Eastern European property funds. Furthermore, the ability of IMMOEAST to provide a comprehensive range of property services (development, letting, administration; see below) within Central and Eastern Europe represents a significant competitive advantage over other fund managers.

Expansion of activities in the area of investment apartments

Plans also call for the expansion of the former Constantia Privatbank activities in the area of investment apartments following their transfer to the IMMOFINANZ Group. This category of apartments is acquired by investors in order to generate stable, long-term and generally increasing added income through rental. IMMOFINANZ now also offers a wide range of services for investment apartments, which includes planning, financing, construction management, rental and administration.

Investment apartments are the most popular form of direct private property investment. As the market leader, Constantia Privatbank has been able to place roughly 4,000 units in this segment. The uncertainty on international financial markets and rising inflation have made investment apartments even more attractive, a development that is underscored by rising demand among investors.

Property brokerage and valuation (CPB Immobilienreuehand GmbH)

A stake of 49% in CPB Immobilienreuehand was also acquired as part of the purchase of Constantia Privatbank's property division.

Leading property broker in Austria

CPB Immobilienreuehand (68 employees) is Austria's leading property agent with the highest market share in the office and rental apartment sectors, having brokered 340,000 sqm in 2007. With subsidiaries in Prague, Warsaw, Bratislava, Budapest and Bucharest, the company has established a strong network across Central and Eastern Europe. A further subsidiary, CPB Immobilieninvest Consulting, recently began operations, specialising on the investment market and property valuations. As the exclusive Austrian partner of Savills International, CPB is represented in more than 200 cities across the globe.

750 objects with 3.5 million sqm of lettable space

Facility and property management

A further subsidiary acquired with the Constantia Privatbank's property division is IMV Immobilien Management und Verwaltung GmbH, a facility and property management firm that handles 750 properties and 3.5 million sqm of floor space, making it far and away the largest private facility and property manager in Austria. IMV is active internationally through subsidiaries in

Acquisition of the property division
from Constantia Privatbank

Germany (Berlin, Munich, Cologne), Hungary, Czech Republic, Slovakia, Poland and Romania, where it is experiencing high growth rates. IMV is distinguished by a modern and active approach to property management, experiencing great success by reducing operating costs and contributing significantly to the continual appreciation of the properties under its management. The company has 198 employees.

Although the majority of IMV's foreign activities are focused in Germany, the company's highest growth potential lies in Central Eastern and South-Eastern Europe, where the quality of facility and property management is often far below western standards. While long-term cooperation often lasting several decades is the norm for property management in mature markets, IMV has identified a large number of potential customers in this region who are looking to switch property managers.

**Current focus
on Germany**

Property development

The property division acquired from Constantia Privatbank also includes two successful property developers. Constantia Immobilien Development GmbH (CID) and CREDO Property AG work together closely and are under common management.

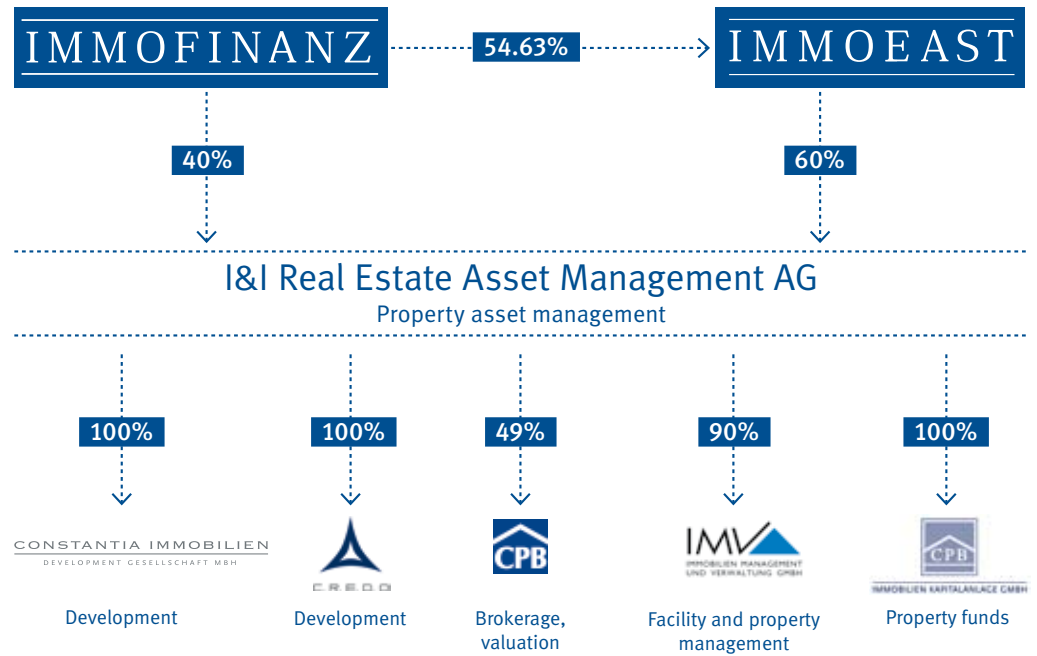
Constantia Immobilien Development is primarily active in Austria. Its business focus is on the development of buy-to-let apartments and structured property investment products as well as construction management for these projects. Around 4,000 buy-to-let apartments have been developed to date, complemented by a large number of structured property investment products. Above and beyond this, activities in Central and Eastern Europe are continually being expanded. The company is currently handling development projects worth a total of around EUR 300 million. CID has 16 employees.

CREDO is currently active in six countries in the form of its own development projects. The focus is clearly on Central and Eastern Europe, with 33 projects in Poland, Czech Republic, Hungary, Slovakia, Latvia and Germany with an investment volume of around EUR 400 million. CREDO is active across all sectors, the current focus is on the retail and housing segments. CREDO is mainly active under the name IRES on the Central and European markets.

**33 projects with a total
volume of EUR 400 million**

A further important business area for CREDO is property asset management for Irish and Dutch funds. The company has a total of 29 employees, a large portion thereof in subsidiaries in the six countries with ongoing projects.

The acquisition of the operating service companies will allow the IMMOFINANZ Group to cover the complete value added chain:



Market Environment

- Positive outlook for property markets in spite of economic slowdown
- IMMOFINANZ profits from the different stages of development in its markets

Property Market

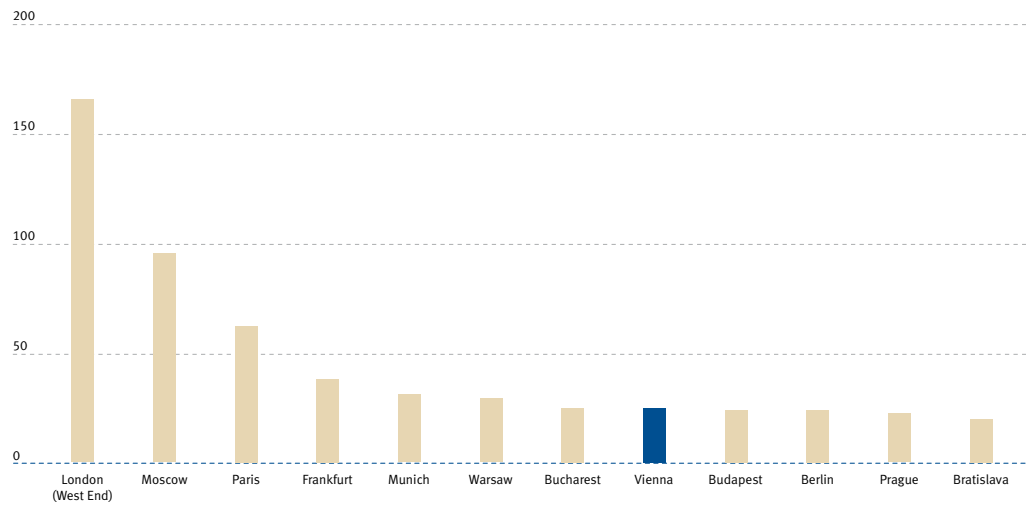
Negative effects of the financial market crisis in part offset

Overall, the market environment was positive throughout the 2007/08 financial year. Rental prices and the rental of new space rose across all major markets in which IMMOFINANZ invests, and vacancy rates have also fallen in many submarkets. These positive developments have at least partially compensated for the negative effects of the global financial crisis, which has resulted in rising yields in many property markets (which in turn leads to a decline in the value of properties).

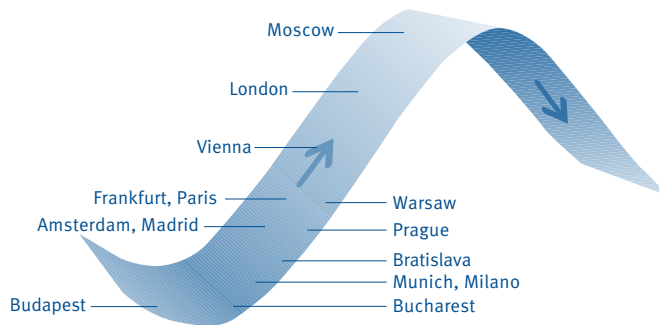
Financing shortage in Europe leads to decline in new space

The property markets did not suffer noticeably from the effects of slower economic growth and a downgraded economic outlook in the second half of 2007 and the first half of 2008; forecasts by leading market analysts regarding future developments are consequently optimistic across the board. As financing new projects has become significantly more difficult in the wake of the credit crisis, completions will also be lower than previously expected. In some submarkets, this effect will be stronger than the fall in demand resulting from the economic downturn.

Top rents in Europe
Spring 2008
in EUR/sqm
Source: CPB Research



Vienna office market in European comparison
Spring 2008,
Source: CPB Research



IMMOAUSTRIA (Austria)

The Vienna office market, far and away the largest Austrian office market and the only one of international significance, developed positively in all respects in 2007. New rentals reached 340,000 sqm, a new all time record. At the same time, completions fell to only 190,000 sqm, the lowest value since 2003. This has resulted in new rentals exceeding completions by an unprecedented 140,000 sqm.

Decline in the production of new space, increase in rentals

State-of-the-art properties are primarily profiting from this development and are the subject of most new leases. Older and technically inferior properties are suffering from companies' increased willingness to relocate. Vacated space is often difficult to let without comprehensive modernisation.

Average rents rose around 5% in 2007; prime rates rose by a similar amount from EUR 22 to 23/sqm. As demand is extremely high for modern properties in the city centre where the highest rents are received, and very little new space is coming onto the market in this area, prime rents should continue to rise in 2008 and beyond.

5% increase in average rents

The same applies to average rents, whereby the significant increase in the supply of space (250,000 sqm in 2008, an increase of around 30%) represents a certain unknown factor. However, one positive aspect is that new properties are generally subject to a large number of pre-rental agreements, meaning that only a portion of the total space will actually come onto the market. In general, hardly any major development projects are undertaken without being able to pre-let at least 50% of space.

High level of pre-letting on new objects

Daniel Riedl, member of the Executive Board of IMMOFINANZ AG

“The stabilising influence of our strong residential portfolio is demonstrated above all in difficult economic times.”



Residential properties form the heart of the IMMOFINANZ portfolio with roughly one-third of total space. And this is a very comforting fact, especially in times of economic uncertainty: the demand for living space is generally independent of the turbulence on international financial markets and, as a result, the high level of occupancy and development of fair value are accordingly stable. The decisive factor for this success was the transformation of the BUWOG/ESG Group into a prospering, market-oriented company within record time after the privatisation.

However, residential properties in no way represent the “defensive” component of the portfolio. The BUWOG/ESG Group has grown to become one of the leading residential property developers in Austria. The numerous condominium development projects that are currently under realisation by IMMOEAST and BUWOG in Central and Eastern Europe are among the most profitable investments in the entire group.



A, Vienna, Franzensgasse

Record top rents for prime locations

Prime rents for retail space also set new records. In the prime location of Kohlmarkt, rents of EUR 300 / sqm have already become commonplace; rates for smaller spaces can even climb as high as EUR 390 / sqm. In general, top locations such as the inner city and Mariahilferstrasse are the big winners of the current price trends. Rents in some peripheral locations are falling, if such space can be rented at all.

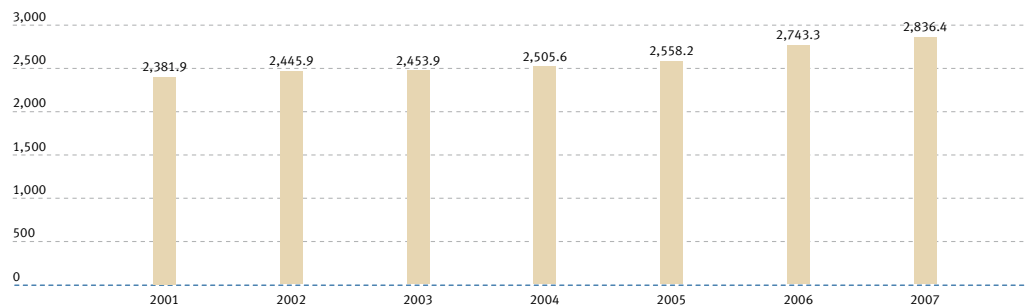
Continuing trend to higher demands on specialty shopping centres

In the retail park segment, in which IMMOFINANZ is particularly strongly represented, the trend towards higher quality continued into 2007. The classic retail park featuring basic but inexpensive properties is coming under pressure; instead, value is being increasingly placed on appealing design, comfortable parking spaces and other amenities such as covered pathways between shops.

The average size of the retail parks and consequently the number of shops is also rising. For this reason, a consolidation of the industry with fewer, but larger retail parks is expected. Rents remained largely stable in 2007 and at the beginning of 2008.

Development of prices for freehold flats in Vienna

Average and top quality in EUR/sqm



Rents in the housing market have been rising for some time, but increased by a far slower rate in 2008. According to the Austrian Federal Economic Chamber, average rents in Vienna rose by just 0.3%. Rents in the other provinces varied more noticeably, from +4.0% in Salzburg to -7.1% in Burgenland. Rising operating costs have contributed to this development, which is also exerting indirect pressure on the rents for new leases. Prices for freehold apartments, which reflect the appreciation of properties, performed far more positively. Average prices in Vienna rose by 2.6%.

An analysis by submarket shows that prime locations are continuing to develop extremely well. This applies in particular to Vienna's central districts. Conversely, increased demand has been registered for inexpensive housing, in particular properties that have already received public funding.

Sound development at top locations and high demand for affordable living space

IMMOEAST (Central, Eastern and South-Eastern Europe)

The property markets in Eastern Europe developed positively in 2007 and the first months of 2008. The markets have continued to profit from economic growth far surpassing West European levels and the associated direct investments by international corporations. The Russian market has been particularly booming in the wake of high energy prices, which have resulted in a significant current account surplus and excellent state finances. Furthermore, the strong Russian economy is also driving economic development across the entire region.

Positive development of property markets in Eastern Europe

Warsaw was without a doubt the strongest submarket in the office sector. Vacancy rates fell to new record lows, whilst rents reached record highs. Space in new properties in the central business district was seldom available for less than EUR 30 / sqm, while prime rents have reached around EUR 33 / sqm. Rents increased by between 12 to 100% year-on-year, depending on the location.



PL, Warsaw, Mokotow Business Park

The positive developments in Hungary possibly came as an even more pleasant surprise. Despite an economic downturn (GDP up just 1.3%) and high inflation (7.8%), approximately one-third more office space was leased than in 2006, and rents increased by more than 10%. Prague was the only major market in Central Europe to perform somewhat weaker. There was a noticeable decrease in new rentals and vacancy rates have risen.

However, expectations for the office market in the second half of 2008 and for 2009 should not be set too high. A significant number of projects started in 2006 and 2007 will come onto the market in this time period, thereby leading to an increase in supply. As a result, vacancy rates are expected to rise in important markets and rents in weaker locations are expected to drop.

Expansion of space through new projects

The outlook is much more positive for the retail market. Despite a large number of development projects involving shopping centres, strong demand for modern retail space should continue to ensure excellent occupancy rates and positive rental developments. An overheating of the market is expected to be purely limited to individual submarkets, if at all.



PL, Katowice, Silesia City Center

Developments in the Russian metropolises of Moscow and St. Petersburg are worthy of particular mention. Rents per square metre in Moscow have reached levels similar to Paris and London; nevertheless, supply is straining to keep up with demand by international retail chains. This is demonstrated by the two major projects involving IMMOEAST, Rostokino and GoodZone, which have been largely pre-let a long time prior to completion.



RO, Craiova, Westgate Center

The Romanian retail market is also developing rapidly. According to the international property service firm Colliers, retail space per inhabitant is set to more or less double. Nonetheless, the current very positive trend is seen as a long-term one, as the population's purchasing power, the most important retail indicator, is rising sharply (up a remarkable 40% in 2007). Significantly over 10% of new leases in 2007 were concluded with retail enterprises investing in Romania for the first time, which should counteract any fears that the retail sector in Romania may also soon overheat. As such, a significant amount of new entrants into the market are ensuring competition for new retail space.

The logistics market has also proven very attractive. A large number of logistics centres are being developed, particularly in South-Eastern Europe and Russia; however, strong demand by the booming retail sector ensures high occupancy rates nonetheless.

**Strong sales of freehold flats,
virtually no demand
for rental apartments**

The housing market is now also beginning to gain momentum. The market volume rose significantly in 2007 and similar growth is expected for 2008. Good properties currently under development are selling extremely well (rental properties are almost non-existent). In many cases, developers are able to significantly surpass target sales prices, as was the case for IMMOEAST's Francuska project in Belgrade and the Silesia Residential project in Katowice. A defining characteristic of the housing market is the almost complete lack of demand for rental apartments (aside from a few smaller niche markets such as apartments for expatriates); demand is concentrated almost exclusively on freehold flats.



SRB, Belgrade, Francuska

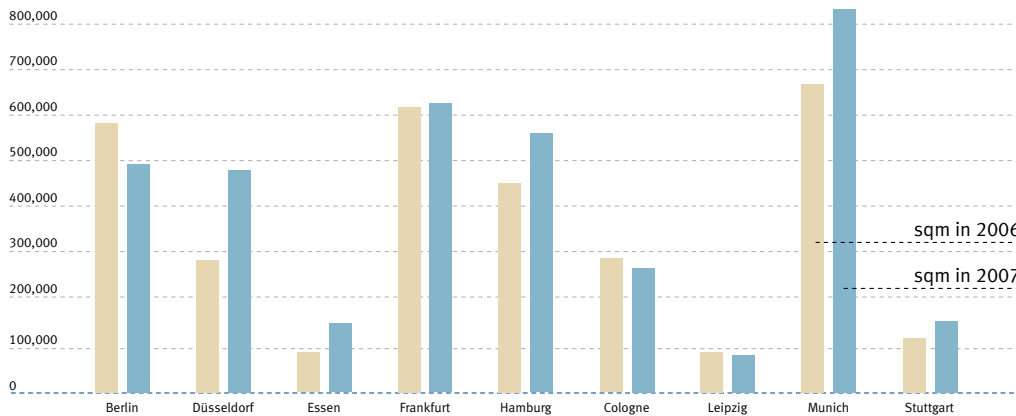
IMMOWEST (Germany, Switzerland)

In contrast to IMMOEAST, IMMOWEST does not invest diversely in a broad geographic area or a range of sectors. This regional subsidiary concentrates on specific sub-markets, whereby Germany and Switzerland account for 86.2% of the property portfolio and 54.4% of development projects. The following section therefore only concentrates on those sub-markets in which IMMOWEST is active.

Focus of IMMOWEST on Germany and Switzerland

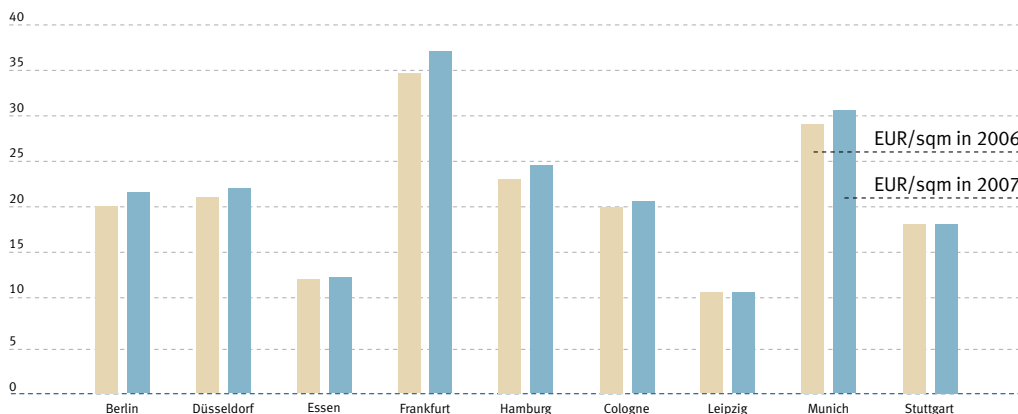
German office market

The German office market developed positively in 2007 and the first months of 2008. 3.7 million sqm were let in the nine most important office locations (Berlin, Düsseldorf, Essen, Frankfurt, Hamburg, Cologne, Leipzig, Munich and Stuttgart). Compared to 2006, this represents an increase of 14.5% and is the second best figure since the “New Economy” boom of 2000. Rents have also increased. Prime rents rose in seven of the nine top locations, on average by 4.7%. The largest increases were recorded in Berlin, Frankfurt and Hamburg. Conversely, vacancy rates declined 3.5%.



Office market in Germany New rentals

Source: Artisreal Office Market Report Germany 2008



Office market in Germany Top rents

Source: Artisreal Office Market Report Germany 2008



D, Glinde near Hamburg, Emanuel-Leutze-Strasse

Developments in Cologne, Düsseldorf and Munich, the three markets in which IMMOFINANZ is particularly active, were in line with the overall positive trend in Germany. New rentals in Düsseldorf reached a record all time high and vacancy rates fell by an impressive 7.4%, with modern space in areas such as the inner city only representing a small fraction of vacancies (11%). Rents here are also rising particularly strongly. The market in neighbouring Cologne was similarly satisfactory, with prime rents in the city centre rising to more than EUR 21 /sqm. Prime rents in Munich rose above average by 5.1%, surpassing EUR 30 /sqm.

Forecasts for 2008 are also thoroughly positive. Demand was very satisfactory in the first months of the year despite the financial crisis, and the trend towards falling vacancy rates should support rental prices. As office space currently under construction has increased by a good third on the year, and the overall economy is slowing down, it can be expected that (as is always the case during periods of slower growth) only top locations will really profit from this positive mood, particularly the inner cities.

20% increase in new rentals

German and Swiss logistics markets

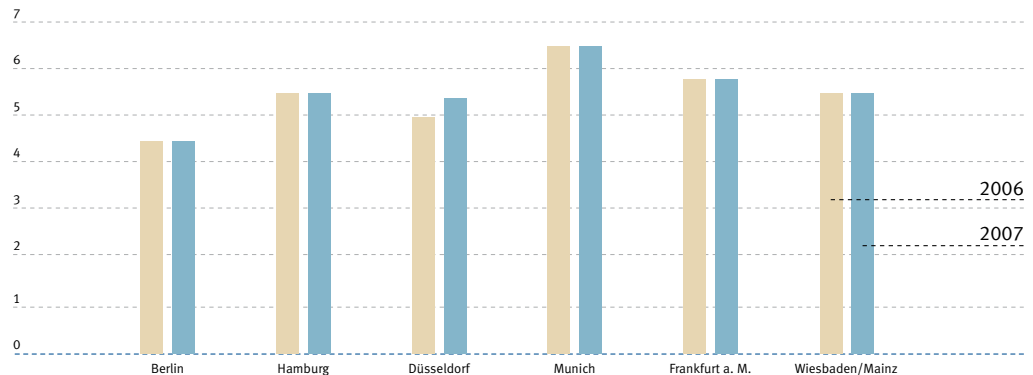
There was a significant increase in market activity in the German logistics sector in 2007. New rentals increased by 20% to 3.88 million sqm according to the property services firm Jones Lang LaSalle. This was driven by a boom in locations outside of the major conurbations (the “Big 5” of Berlin, Düsseldorf, Frankfurt, Hamburg and Munich), where new rentals increased by 53%. In particular, the Ruhr and Cologne areas recorded excellent take-up. Around 85% of new rentals involved leases of more than 5,000 sqm.



CH, Egerkingen, Riedstrasse

Rents developed stably in the major cities, as was the case in previous years. The only exception was the Düsseldorf area, where prime rents rose around 10%. Even in these prime locations, rents of around EUR 4.0 to 6.5 /sqm are exceptionally favourable in comparison to other European cities and thus unlikely to come under pressure. Furthermore, competition in terms of quantity from locations outside of the five major cities remains strong, but the price declines at these locations over the past years have come to an end. As such, the fear that falling prices in peripheral locations could put rents in the centres under pressure no longer seems founded.

Development of top rents
For warehouse space of 5,000 sqm or more, in EUR/sqm



Jones Lang LaSalle expects a slight increase in rents for the current year, citing low vacancy rates at most logistics locations and what is still a satisfactory economic cycle despite the economic slowdown. In Switzerland, traditionally a very stable logistics market, there were few changes in 2007. Vacancy rates as well as prime and average rents are at much the same level as in 2006. Stable development is also expected for 2008.

Berlin housing market

The Berlin housing market was long dominated by major transactions with international investors on the one hand and uncertainty over the future development on the other hand, both of which are no longer present in these forms.

The interest of international investors and private equity in particular has decreased, and the transaction volume has normalised as a result. The slight economic upswing the city is experiencing has led to a positive balance of migration and rising household numbers, which is reflected in the demand for apartments. Conversely, a lack of new developments and combining and demolishing apartments has resulted in falling supply. The result is an excess demand for around 18,000 apartments per year, resulting in a slight drop in vacancy rates. Average rents will remain stable or rise slightly. Over the medium term, the Tempelhof district, where a large share of IMMOFINANZ's portfolio in Berlin is located, will profit from the now finalised decision to relocate the airport. A large inner city development area will emerge here, which will have positive effects on the attractiveness of the district as a whole.



D, Berlin, Berlin Residential

Investor Relations

- Massive impact of subprime crisis on entire capital market
- IMMOFINANZ share declines 38.38% year-on-year; ten-year yield falls to 6.69% p.a.

Capital market environment

The international capital markets were characterised by dramatic transformation during 2007/08. In the first three months of the financial year, from May to July 2007, the financial markets and especially the stock exchanges recorded sound performance. In late summer, however, the extent of the US subprime crisis and its consequences were becoming increasingly obvious. To some extent drastic writedowns on mortgage loans and their derivatives brought an abrupt end to the bull market.

US subprime crisis spreads to Europe

Financial and property companies were affected at first, but the growing uncertainty on the stock markets had an increasing impact on the market's general development, and particularly after the turn of the year there were declines in share prices on a broad front. In the period from 20 December 2007 to 23 January 2008, for example, MSCI World suffered a loss of 11.6%, the Dow Jones 8.5% and EuroStoxx 17.0%.

Significant weakening on capital markets

Development on the money markets was striking as well. Despite several massive inflows of cash on the part of the US Federal Reserve as well as the European and Asian central banks, there was a drastic increase in interest rates on the money markets, from 4.01% to 4.86% for the 3-month Euribor between 30 April 2007 and 30 April 2008. This upward trend has made borrowing more difficult and more costly for property companies as well.

Property shares

European property shares were hit by the crisis earlier and harder than the stock markets as a whole. In summer 2007 there were already strong declines in share prices which continued in the first few months of 2008. Only in spring did the share prices somewhat recover.

Sharp decline in share prices

The interplay of several factors was responsible for the negative development. Although clearly a crisis in credit ratings and financial institutions, the subprime crisis was first referred to as a "property crisis". This led to considerable uncertainty among private and institutional investors. The considerably more negative stance of leading investment banks toward property shares had tangible consequences as well. Share price targets were drastically cut and "buy" recommendations withdrawn.

The thoroughly negative mood toward property shares on the financial markets was scarcely weakened by the property markets' basically positive performance.

Performance of the IMMOFINANZ share

The price of the IMMOFINANZ share declined substantially in the course of the 2007/08 financial year. During the year the share suffered a loss of 38.38%, closing as of 30 April 2008 at EUR 7.09. The share's long-term performance was tangibly affected by this, thus the ten-year yield fell to 6.69% p.a.

10-year return drops to annual rate of 6.69%

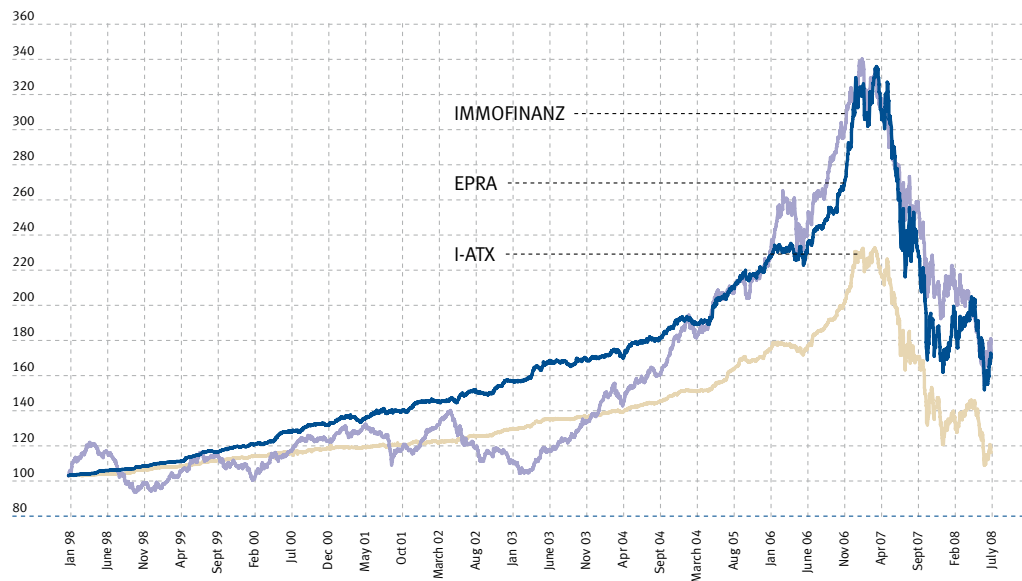
In the first three quarters there was a nearly non-stop downward trend reported, with each quarter showing a negative development in share price. On 21 January just before the end of the third quarter an annual low of EUR 5.96 was reached. In the fourth quarter the share price stabilised, with the share recovering a portion of its loss during the year.

Development of IMMOFINANZ share reflects branch indexes

The IMMOFINANZ share basically underwent a development very similar to that of the Austrian and international property share indexes. The Austrian I-ATX index (down 37.0%) as well as the most important European property share indexes, the EPRA (down 35.4%) and GPR 250 (down 33.6%) reported substantial losses during the IMMOFINANZ financial year.

As a result of the decline in share price the company's market cap also decreased during the reporting year. IMMOFINANZ was valued at EUR 3.25 billion on the stock exchange as of 30 April 2008, down from EUR 5.49 billion the year before.

Development of share price IMMOFINANZ vs. GPR-250 Europe, I-ATX from 1.1.1998 to 10.8.2008



IMMOFINANZ ranks eighth on the Vienna Stock Exchange

Strong rise in liquidity

Trading in IMMOFINANZ shares increased substantially in the 2007/08 financial year. During the reporting period 932.2 million shares were traded at a share price of EUR 7.83 billion. In terms of trading volume IMMOFINANZ was in 8th place on the Vienna Stock Exchange. Consisting of IMMOFINANZ and the subsidiary IMMOEAST, the IMMOFINANZ Group is in 4th place in this ranking.

Convertible bond

IMMOFINANZ successfully issued another convertible bond in November 2007, thus placing two major convertible bonds within one calendar year (January 2007 and November 2007). Both comprised a volume of EUR 750 million each, making them the largest convertible bonds ever placed by a European property company.

The convertible bond issued on 19 November 2007 features a coupon of 1.25%, the conversion price is EUR 9.26. The bond matures in ten years on 19 November 2017. The convertible bond was offered exclusively to institutional investors and was not only fully placed within a few hours, but even substantially oversubscribed.

The placement of the two convertible bonds raised funds of EUR 1.5 billion for IMMOFINANZ. This will provide adequate financing to support the planned growth for the next few years without difficulty.

**Convertible bond raises
EUR 1.5 billion**

First dividend payment

In October 2007 a dividend was paid for the first time in the history of IMMOFINANZ. The Executive Board proposed a payout of 33 cents per share at the annual general meeting. The motion was approved by an overwhelming majority of 99%.

First dividend payment

At the time of the payout dividend yield was 3.65%, classifying IMMOFINANZ as one of the companies on the Vienna Stock Exchange with the highest dividend yield. The dividend yield was 4.65% at the end of the reporting year with a closing price of EUR 7.09.

The Executive Board of IMMOFINANZ has announced that in the future the company will also pay dividends commensurate with business performance and the development of cash flow.

Road Shows & Exhibitions

During the 2007/08 financial year intensive contacts were made with investors. Communication particularly with institutional investors was extremely extensive. A series of road shows included meetings with investors in the most important financial centres in the world, including Sydney, Singapore, Tokyo, New York, London, Zurich, Amsterdam, Paris, Frankfurt, Stockholm, Athens, Istanbul and Munich. Information events were also organised in Stegersbach, Lech and Kitzbühel. In addition, the board members held 300 individual meetings with leading investors from all over the world.

Information about and contact with private shareholders also had a high priority. For example, IMMOFINANZ took part in the "GEWINN Trade Fair," one of the leading investor trade fairs in Europe. Furthermore, information was sent several times to shareholders in the form of the "IMMOFINANZ Newsletter." The hits on the website www.immofinanz.com also showed a substantial rise.

Analysis of the IMMOFINANZ share

At the end of the 2007/08 financial year nine investment banks published analyses on IMMOFINANZ:

- Aurel Leven
- Credit Suisse
- Deutsche Bank
- Exane
- Lehman Brothers
- Kempen & Co
- Merrill Lynch
- Raiffeisen
- UniCredit

Goldman Sachs also started coverage of the IMMOFINANZ share in 2008/09.

Total capitalisation and weighting in the ATX Prime Market

Weighted at free float as of 30.6.2008

Company	Total capitalisation in EUR mill.	Weighting in %
OMV AG	14,958.0	15.7%
Raiffeisen International Bank Holding AG	12,554.3	8.9%
Erste Bank der Österreichischen Sparkassen AG	12,534.6	13.3%
Verbundgesellschaft AG KAT. A	8,595.9	6.1%
VOESTALPINE AG	8,575.5	9.1%
Telekom Austria AG	6,338.8	6.7%
STRABAG SE	5,643.0	2.0%
Vienna Insurance Group	5,368.3	3.8%
IMMOEAST AG	4,694.4	3.3%
BOEHLER-UDDEHOLM AG	3,657.7	0.5%
EVN AG	3,597.6	1.3%
IMMOFINANZ AG	3,006.5	4.3%
Wienerberger AG	2,238.9	3.2%
UNIQA Versicherungen AG	2,166.8	0.8%
Andritz AG	2,082.6	2.2%

Performance of the IMMOFINANZ share as of 30.4.2008

Period	Performance
1 year	-38.38%
3 years	1.40% p.a.
5 years	4.62% p.a.
10 years	6.69% p.a.

Key data on the IMMOFINANZ share

	2007/08	Change in %	2006/07	2005/06
Equity as of 30.4. in EUR mill.	7,877.2	20.9%	6,515.3	3,436.9
Number of shares as of 30.4. in mill.	459.0	-	459.0	335.6
Annual high in EUR	12.20	-2.7%	12.54	8.75
Annual low in EUR	5.96	-27.8%	8.25	6.99
Price at year-end in EUR	7.09	-40.7%	11.96	8.68
Market capitalisation as of 30.4. in EUR mill.	3,254.3	-40.7%	5,490.0	2,913.4
Trading volume (financial year) in EUR mill.	7,828.1	10.3%	7,098.9	2,280
Fair value as of 30.4. in EUR mill.	18,240.2	12.0%	16,281.9	6,884
Earnings per share in EUR	0.66	-35.9%	1.03	0.99
Net asset value per share in EUR	11.55	6.5%	10.9	9.4
P/E ratio as of 30.4.	10.7	-7.5%	11.6	8.6

Information on the IMMOFINANZ share

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E-Mail	investor@immofinanz.com
Internet	www.immofinanz.com
Vienna Stock Exchange SIN	80905
Vienna Stock Exchange Ticker Symbol	IIA
Reuters	UMFI VI
Datastream	O:IMMO 866289
Bloomberg	IIA AV
ISIN	AT 0000809058
Included in the following indexes	WBI, ATX Prime, Immobilien-ATX, EPRA Europe, GPR 15, DJ EuroStoxx, DJ STOXX 600, GPR 250 Europe, GPR 250 Global, MSCI World, MSCI Europe, MSCI EMU (European Monetary Union), FTSE World Europe, FTSE Global Index

Financial Calendar

23 September 2008	15th Annual General Meeting
25 September 2008	Report on the First Quarter as of 31 July 2008
29 December 2008	Report on the First Half Year as of 31 October 2008
26 March 2009	Report on the Third Quarter as of 31 January 2009

The Financial Market Climate and Development of Fair Value

Crisis of confidence leads to increase in financing costs

The turbulence in the international financial sector also had a noticeable effect on property investment markets during 2007/08. Growing uncertainty among market participants triggered a deepening crisis of confidence that, in turn, was reflected in a significant rise in the cost of financing – both on the capital market (corporate bonds) and in financial institutions (credits).

Lower number of transactions on property markets

The steady increase in interest rates led to a substantial change in the evaluation of European property markets. Concerns over potential overheating became a significant issue, and caused institutional investors to drastically reduce their activities in the property arena. This was also reflected in a sharp decline in the volume and number of property transactions.

Higher market yields responsible for decline in revaluation results

The developments on financial and credit markets triggered a general rise in yields on the property markets. This had an appropriate negative effect on fair value and was reflected in a substantial decline in the revaluation results recorded for the IMMOFINANZ investment properties. Revaluation results totalled EUR 370.0 million in 2007/08, which represents a decline of 50.6% compared with the prior year value of EUR 749.7 million.

However, there were substantial differences in the development of yields across the regions in which IMMOFINANZ is active. These differences were accordingly reflected in a wide variance in the revaluation results recorded by IMMOAUSTRIA, IMMOEAST and IMMOWEST.

Market yields for investment properties in 2008

	Yields used for valuation	
	from	to
IMMOAUSTRIA	3.00%	9.50%
IMMOWEST	5.50%	10.25%
IMMOEAST		
Poland	5.35%	7.25%
Slovakia	6.50%	8.50%
Czech Republic	5.25%	7.75%
Hungary	6.10%	9.00%
Bulgaria	8.30%	8.50%
Croatia		7.50%
Romania	6.25%	7.50%
Slovenia		7.25%
Russia		9.00%

The Financial Market Climate and
Development of Fair Value

Market yields for development projects (excl. inventories)

	Yields used for valuation	
	from	to
IMMOAUSTRIA	7.00%	8.50%
IMMOWEST	5.75%	10.55%
IMMOEAST		
Poland	6.00%	7.50%
Slovakia	6.70%	8.25%
Czech Republic	6.00%	8.75%
Hungary		7.00%
Bosnia		10.50%
Bulgaria	8.00%	8.50%
Croatia		7.50%
Romania	6.25%	8.50%
Serbia		8.25%
Slovenia		7.00%
Russia	8.00%	10.00%
Ukraine		10.00%

Revaluation results

All amounts in TEUR	2007/08	2006/07	Change in %
IMMOAUSTRIA	293,726.9	263,116.1	11.6%
IMMOWEST	65,210.5	-6,494.9	-1,104.0%
IMMOEAST/CEE	-65,252.7	232,746.1	-128.0%
IMMOEAST/SEE	97,758.8	210,901.6	-53.6%
IMMOEAST/CIS	-21,416.0	49,447.4	-143.3%
IMMOEAST Total	11,090.1	493,095.1	-97.8%
IMMOFINANZ	370,027.5	749,716.3	-50.6%

IMMOAUSTRIA

The returns on the Austrian property market remained largely stable throughout 2007/08, with only minor fluctuations on individual submarkets. This development was contrasted by an upturn in rental prices which, in turn, had a positive effect on fair value. The increase in the value of properties that resulted from these higher rents was generally offset by the impairment charges that were triggered by rising yields. IMMOAUSTRIA, the regional holding company of IMMOFINANZ for properties in Austria, reported virtually no change in revaluation results in year-on-year comparison.

Market yields remain nearly constant in Austria

**High revaluation gains
for BUWOG**

The major exception was formed by the residential construction subsidiary BUWOG/ESG, where high gains were recorded on the revaluation of investment properties. This company profited from the stable development of value in subsidised apartments, which represent a major share of the portfolio and are hardly influenced by the volatility on financial markets. In addition, BUWOG/ESG was able to benefit from numerous measures that were implemented to improve the earning power and optimise the portfolio of investment properties. For this reason, nearly the entire revaluation results recorded by IMMOAUSTRIA were generated by the BUWOG/ESG business. The appraisals performed by external experts showed an increase of EUR 293.7 million in fair value, which represents a plus of 11.6% over the prior year.

IMMOEAST

**Higher market yields and rising
rental prices for IMMOEAST**

The financial market crisis had an exceptionally strong effect on the property markets in Central, Eastern and South-Eastern Europe. The reporting period brought a general rise in yields on the key markets for IMMOEAST, which generally ranged from 0.5 to 1.5 percentage points. In contrast, the increase in rental income had a positive influence on fair value. The rental income generated on properties owned by IMMOEAST in 2006/07 rose by an average of 6.3% during the reporting year. This effect substantially offset the impairment charges that resulted from the rise in market yields.

**Sharp decline in
revaluation results**

Revaluation results differed significantly between the three regional subsegments (Central and Eastern Europe, South-Eastern Europe and the Community of Independent States). The revaluation results for investment properties were noticeably lower than in 2006/07 across all geographical regions, but a substantial increase of EUR 97.8 million was recorded in South-Eastern Europe (Romania, Bulgaria and the successor states of the former Yugoslavia). Central and Eastern Europe (Poland, Czech Republic, Hungary and Slovakia) reported negative revaluation results of EUR -65.2 million. In Russia and Ukraine revaluation results were also negative, totalling EUR -21.4 million. IMMOEAST recorded revaluation results of EUR 11.1 million for the 2007/08 financial year, compared with EUR 493.1 million in 2006/07.

IMMOWEST

IMMOWEST recorded a fundamental improvement in revaluation results during 2007/08. This segment, which is focused on investments in Germany, recorded an impairment loss in 2006/07 as the result of unfavourable market conditions. The reporting period brought a reversal of this trend, with an increase in fair value in practically all major parts of the portfolio. Revaluation results in the IMMOWEST segment equalled EUR 65.2 million for the reporting year. Sound growth was registered by the large apartment portfolio in Berlin (2,250 apartments) as well as the subsidiaries Deutsche Lagerhaus and City Box.

**Positive trend reversal
in Germany**

Valuation by external experts

IMMOFINANZ prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). In preparation for financial reporting, the portfolio properties are valued on a regular basis by independent experts - a process that is also recommended by the European Public Real Estate Association (EPRA). International Valuation Standards (IVS) form the basis for this valuation, in accordance with the recommendations issued by the EPRA. Investment properties are valued using the discounted cash flow method, specifically in the form of the term and reversion model. Development projects are measured using the full discounted cash flow approach.

The application of these methods generally leads to fluctuations that are caused by changes in the level of market rents, market yields and estimations for the future development of the market. Due to the size of the property portfolio, the results of these regular property valuations have a stronger effect on the balance sheet and income statement over the short-term than other indicators that are used to evaluate the company's earnings position (e.g. increases or decreases in rental income or operating costs).

The fair values of the properties in the IMMOFINANZ portfolio are determined by external experts at the middle and the end of the financial year. An internal valuation is performed on the basis of these same criteria at the end of the first and third quarters of each financial year. Colliers, an international property service provider and one of the leading property companies in the world, is responsible for the appraisal of properties in all three IMMOFINANZ segments. Atisreal also prepares expert opinions for selected objects in the IMMOWEST segment, while the IMMOAUSTRIA properties are valued by the Colliers International Group or a committee that is comprised of three court-certified property experts.

Corporate Governance

Corporate Governance Report for the 2007/08 Financial Year

Responsible corporate management and control

The Austrian Corporate Governance Code was first published by the Austrian Working Group for Corporate Governance in October 2002. It is based on the provisions of Austrian corporate law, securities law and capital markets law as well as recommendations by the European Commission regarding the duties of the supervisory board and the remuneration of directors, and the OECD Principles of Corporate Governance. The code aims to establish responsible guidelines for corporate management and control with a view towards the long-term creation of value that reflects the rights and obligations of all parties concerned and their relations to one another. In this way the code works to ensure the highest possible level of transparency and strengthen the confidence of investors and companies in Austria as a financial centre. The full code can be accessed at www.immofinanz.com and www.corporate-governance.at.

The Executive Board and Supervisory Board of IMMOFINANZ AG have accepted the Austrian Code of Corporate Governance and voluntarily agreed to comply with its provisions.

Code as a guideline

IMMOFINANZ AG pursues a strategy of sustainable and long-term appreciation of the company. The foundations required to meet this goal are good corporate governance, a prompt and detailed communication policy and the continual development of efficient management controls. The Austrian Corporate Governance Code represents an important framework for managing and monitoring the company.

Compliance with Austrian Corporate Governance Code

Overview of deviations from the code including explanations

IMMOFINANZ AG adhered to all rules of the Austrian Corporate Governance Code in the 2007/08 financial year, although some rules were not applicable to the specific situation concerning the existing management contract with Constantia Privatbank Aktiengesellschaft. A separate staff unit was established that is responsible for internal auditing and reports directly to the Executive Board. As a result, there are no longer any deviations from the “Comply or Explain” rules (C rules).

Rules 38 and 57

An age limit is neither prescribed for members of the Executive Board nor of the Supervisory Board in either the company’s statutes or articles of association. The Supervisory Board does not believe that an age limit is wise and has therefore spoken out against one.

Internal auditing staff unit

The internal auditing staff unit reports directly to the Executive Board, which communicates accordingly with the Supervisory Board and reports on planning and the most significant results of controlling measures.

Risk management

The risk management system is monitored centrally by the Executive Board and also by the responsible departments and organisational units. Furthermore, the documentation, evaluation and reporting of identified risks is carried out by the risk management department. The controlling department plays a supporting role with regard to providing information on existing and imminent risks.

The management letter and report on the efficiency of the company's risk management system by the annual auditor is presented to the members of the Supervisory Board and discussed by the Audit Committee and Supervisory Board.

**Monitoring by
Executive Board**

Shareholder structure

IMMOFINANZ AG has issued approximately 459 million shares. As of 31 July 2008, 8.6% of these shares were held by the Fries Familien-Privatstiftung and Dr. Rudolf Fries Familien-Privatstiftung. The remaining 91.4% represent free float. Constantia Privatbank holds the six registered shares in IMMOFINANZ. Each of these shares grants the right to appoint one member of the Supervisory Board, although this option has not been exercised to date. All members of the Supervisory Board were elected by the company's annual general meeting.

**91.4% of the IMMOFINANZ
shares in free float**

Equal treatment of all shareholders

There is no upper limit to shareholders' voting rights and no shares carry preferential voting rights. The principle of "one share, one vote" is thus in effect. The Austrian Takeover Act guarantees that in the case of a takeover bid (mandatory bid), each shareholder will receive the same price for his/her shares. Above and beyond this, IMMOFINANZ strives to provide its shareholders with the best possible support when attending shareholders' meetings and exercising their rights to debate and vote.

One share – one vote

Executive Board

The IMMOFINANZ Executive Board consisted of Karl Petrikovics (CEO) and Norbert Gertner. The duties of the Executive Board are regulated by the articles of association and rules of procedure, with all issues being discussed by the board members at regular meetings.

**Remuneration of
Executive Board based on
management contract**

The Executive Board received no remuneration from IMMOFINANZ AG over the reporting period, with remuneration instead coming from Constantia Privatbank Aktiengesellschaft AG on the basis of the existing management contract. The management contract and the fees paid by the company are covered in detail in the annual report.

Four Supervisory Board members, thereof three independent

Supervisory Board

The Supervisory Board consisted of four members during the reporting period, all of whom were elected by the Annual General Meeting. None of the members are in any way affiliated either privately or commercially with the company or the Executive Board in such a way as to constitute a conflict of interest. The Supervisory Board defined the guidelines for independence outlined in Appendix 1 of the Austrian Code of Corporate Governance as the criteria for determining the independence of board members. Based on these criteria, all but one member of the board have declared themselves free of conflicts of interest. Helmut Schwager has declared a conflict of interest based on his function as a member of the board of Constantia Privatbank Aktiengesellschaft. There are no direct contracts, in particular consulting contracts, between IMMOFINANZ and the members of the Supervisory Board and there are no cross-representations.

Members of the Supervisory Board

	Member since	End of current term of office
Helmut Schwager	4 April 1990	AGM 2011
Michael Kaufmann	25 September 1997	AGM 2011
Klaus Hübner	28 September 2006	AGM 2011
Guido Schmidt-Chiari	23 September 1998	AGM 2011

Information on the other mandates held by members of the Supervisory Board in listed companies can be found on the company's homepage at www.immofinanz.com.

Remuneration for Supervisory Board determined by annual general meeting

The remuneration for the members of the Supervisory Board is determined by the annual general meeting and payable after the end of the financial year. The remuneration approved by the annual general meeting is distributed at the discretion of the entire Supervisory Board. In the past, the chairman received double the amount of ordinary board members and the vice-chairman 1.5-times the amount of ordinary board members, which was distributed on a pro rata temporis basis.

Audit Committee for financial management

Supervisory Board committees

The Supervisory Board has established an audit committee, which is responsible for evaluating the annual financial statements and recommendation for the distribution of profits as well as the consolidated financial statements and group management report in preparation for the full Supervisory Board. It is also responsible for submitting a recommendation to the Supervisory Board for the nomination of an auditor, and monitoring the efficiency and effectiveness of risk management and the internal auditing unit. In accordance with the requirements of the Austrian Corporate Governance Code, a financial expert is a member of the Audit Committee. The Audit Committee is composed of Helmut Schwager, Klaus Hübner and Guido Schmidt-Chiari.

The sections of the articles of association governing the appointment of committees and their decision-making authority are published on the IMMOFINANZ homepage.

The Presidium of the Supervisory Board, which consists of the chairman and vice-chairman, has the authority to approve transactions in urgent cases. The full Supervisory Board must immediately be informed of any such approvals.

Directors' Dealings

Current information on the purchase and sale of IMMOFINANZ shares by the members of the Executive Board and the Supervisory Board is accessible from http://www.immofinanz.com/02ir/directors_dealings.htm by means of a link to the Austrian Financial Market Authority.

Transparency through IFRS

IMMOFINANZ adheres to the provisions of International Financial Reporting Standards (IFRS) for accounting and financial reporting. These standards ensure a high degree of objectivity and integrity. Financial data is developed and presented to portray the underlying business as correctly as possible in order to preserve and expand investors' confidence in the company by means of transparent management and clear financial reporting.

**Clear financial reporting
to promote trust**

Monitoring adherence to the Austrian Corporate Governance Code

Compliance with the provisions of the Austrian Corporate Governance Code in 2007/08 was monitored by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft on the basis of the provisions of the International Federation of Accountants for the review of annual financial statements.

Review by KPMG

The audit for the 2007/08 financial year provided no grounds for objection.

Summary of the evaluation of compliance with the Austrian Corporate Governance Code during the 2007/08 Business Year

We have evaluated compliance with the Austrian Corporate Governance Code by the Executive Board and Supervisory Board of IMMOFINANZ AG, Vienna, as presented in the public statement made by the Executive Board. The Executive Board and Supervisory Board of the company are responsible for compliance with the individual regulations as well as public reporting. Our responsibility is to issue a report on compliance with the regulations of the code based on our evaluation.

We conducted our evaluation in accordance with the rules issued by the International Federation of Accountants (IFAC) for activities related to the review of annual financial statements (ISRE 2400). These principles require that we plan and perform the evaluation to obtain reasonable assurance about whether the statement by the Executive Board on compliance with the Corporate Governance Code is free of material misstatements. The evaluation basically includes interviews with the responsible persons as well as an examination, on a test basis, of compliance with the Austrian Corporate Governance Code. We performed our evaluation based on the questionnaire issued by the Austrian Working Group for Corporate Governance.

Our evaluation we did not reveal any facts that conflict with the statement issued by the Executive Board on compliance with the provisions of the Austrian Corporate Governance Code. Our responsibility and liability as auditors of the annual financial statements are determined by the provisions of § 275 Par. 2 of the Austrian Commercial Code.

Vienna, 22 August 2008

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Yann-Georg Hansa
Certified Public Accountants

Günther Hirschböck
Certified Public Accountants

Report of the Supervisory Board



The cooperation between the Executive Board and the Supervisory Board during the reporting year was characterised by open and extensive discussions on the development of business and the general economic environment as well as the company's strategy and perspectives. The Supervisory Board and the Executive Board met regularly to examine the business and financial position, investment plans, market situation and risk management of IMMOFINANZ AG and its subsidiaries.

Monitoring of management and consultation on fundamental decisions

During the reporting year the Supervisory Board carried out the duties required by law and the articles of association, and provided support for the Executive Board on decisions of fundamental importance in accordance with the principles of good corporate governance. The Executive Board informed the Supervisory Board of the position of the company as well as individual transactions and measures through regular, timely and comprehensive reports. All proposed acquisitions and sales were presented to the Supervisory Board for approval.

Meetings and resolutions

The Supervisory Board held five meetings during the 2007/08 financial year; with the exception of Mr. Kaufmann, all members attended more than half of the meetings. Resolutions were also passed in writing, as provided for by the articles of association and rules of procedure in urgent cases. In order to facilitate the transfer of information on current events and strategic issues, the Executive Board supplied up-to-date information on major transactions and maintained regular contact with the members of the Supervisory Board between the meetings.

The major topics covered at the meetings of the Supervisory Board included the general development of business and the capital structure of the company, the active management and optimisation of the portfolio as well as the effects of the change in rental yields and the market environment on the value of the properties. The Supervisory Board requested and received regular reports on the economic and structural changes in the target markets of IMMOFINANZ and its subsidiaries in addition to information on the development of financial and capital markets, and repeatedly evaluated the resulting opportunities and risks with the Executive Board. The Executive Board and Supervisory Board intend to continue their comprehensive evaluation of the long-term potential of the company and the resulting strategic opportunities during the coming year.

The Audit Committee met twice during the reporting year, specifically to discuss the annual financial statements, the consolidated financial statements and the management report for 2006/07. Before issuing a recommendation for the election of an auditor for the 2007/08 financial year, the Audit Committee and the full Supervisory Board approved and carried out a new tender for this work. The audit of the financial statements was evaluated on the basis of quality criteria, which led to a reduction in the fees for the audit of the annual and consolidated financial statements.

The annual financial statements and management report of IMMOFINANZ AG as well as the consolidated financial statements and group management report for 2007/08 in accordance with IFRS were audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft and awarded an unqualified opinion. The Audit Committee discussed the documentation for the financial statements as well as the recommendation for the distribution of profit and the audit reports in detail with the auditor and presented this information to the Supervisory Board. The Supervisory Board evaluated this data and agreed with the results of the audit. The Supervisory Board accepted the annual financial statements, which are therefore considered approved in accordance with § 125 (2) of the Austrian Stock Corporation Act. The members of the Supervisory Board also declared their agreement with the recommendation of the Executive Board for the use of retained earnings. The annual report by the internal audit department did not identify any risks which, in the absence of controls, could have a material effect on the continued existence or development of business in the company. Consequently, there were no grounds for objections.

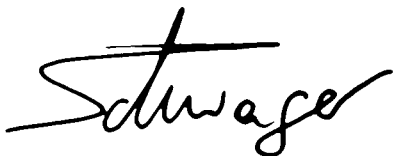
Annual and consolidated financial statements for 2007/08

The current financial crisis and its impact on the property market represent a significant challenge for the company and its shareholders. The successful development of IMMOFINANZ AG is unfortunately not reflected in the share price at this time. Based on the accomplishments of the past months and years, the Supervisory Board believes the company is well equipped to master these challenges and make the best possible use of the available opportunities. The Supervisory Board views the recent annual general meeting approval of the decision to acquire the property segment of Constantia Privatbank Aktiengesellschaft as an important strategic and economic step for the future.

Outlook

In conclusion, the Supervisory Board would like to thank the management and employees for their personal commitment and the shareholders of IMMOFINANZ AG for their continued confidence.

Vienna, 22 August 2008



Helmut Schwager
Chairman of the Supervisory Board

After the Reporting Period

- Acquisition of the property division of Constantia Privatbank expands value-added chain



IMMOAUSTRIA

Mixed-use portfolio in Vienna and Graz

In June 2008 IMMOAUSTRIA acquired a portfolio of first-rate properties in the best city-centre locations. Of the six properties five are located in Vienna and one in Graz. The portfolio also includes two buildings in Vienna's first district and a property on Austria's most important shopping mile, Mariahilfer Strasse. The portfolio's total usable space is 22,031 sqm, the overall purchase price approx. EUR 50 million.

**22,031 sqm of
first-class lettable space
for EUR 50 million**

IMMOWEST

Prime properties in major German city centres

IMMOWEST acquired a portfolio with three first-rate properties in the German metropolises of Hamburg, Frankfurt and Nuremberg. All three properties are in absolute top locations in the respective city (Hamburg: Mönckebergstrasse; Frankfurt / Main: Rossmarkt; Nuremberg: Hauptmarkt). The total lettable space of the portfolio is 18,300 sqm, the investment volume approx. EUR 64 million.

**Three objects with 18,300 sqm
of lettable space**

Saint Isidore logistics centre (Nice / Monaco)

IMMOWEST acquired a modern property with 17,500 sqm of lettable space in the Saint Isidore logistics centre between Nice and Monaco. Saint Isidore is the central shipping area for goods for the cities on the Cote d'Azur. The goods are generally only delivered by small lorries; the reloading from large into smaller lorries takes place in Saint Isidore.

IMMOEAST

Russia Development Fund LP

The Russia Development Fund LP (RDF) will invest in stakes in property development companies and purchase objects in Russia and other CIS countries. The target volume of the fund is EUR 450 million. In addition to the largest stakeholder IMMOEAST, the European Bank for Reconstruction and Development (EBRD) and a fund from the leading investment company Aberdeen Asset Management are some of the founding partners of the fund.

**Planned fund volume:
EUR 450 million**

Everest Cold Storage (RO, Bucharest)

In May 2008 a commitment to invest in the Everest Cold Storage project was made. The modern cold storage facility in Bucharest is to be realised in three phases and encompasses approx. 14,000 sqm of cold storage space and 1,060 sqm of office space. The construction period for phase one is planned for October 2008 until June 2009. The overall project is to be completed by October 2010. IMMOEAST owns 60% of the shares.

Acquisition of the property division of Constantia Privatbank / internalisation of management

After the reporting period 40% of the real estate division of Constantia Privatbank was acquired. The subsidiary IMMOEAST acquired 60%. All information concerning this transaction is available on pages 26 to 32.

Segment Reporting

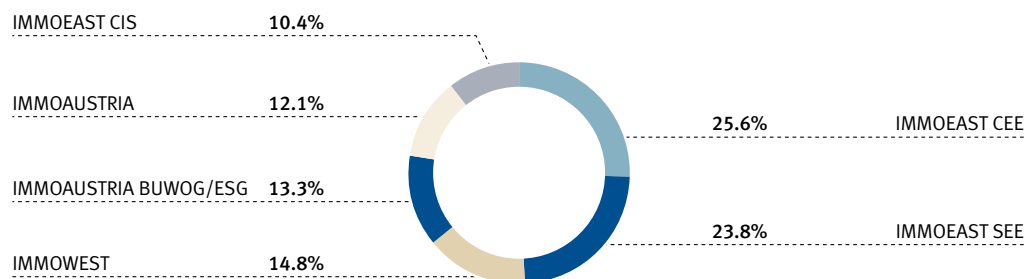
In addition to the segment information in the management report (page 68ff) and in the notes to the consolidated financial statements (page 98ff), the following is an overview of the most important developments in the operations of the three segments, IMMOAUSTRIA, IMMOEAST and IMMOWEST.

Overview of segment weighting

As of 30.4.2008	IMMOAUSTRIA	IMMOEAST	IMMOWEST	IMMOFINANZ
Number of objects	1,605	497	976	3,078
Total lettable space in sqm	4,357,188	6,721,084	2,306,680	13,384,952
Share of total lettable space in %	32.6%	50.2%	17.2%	100.0%
Occupancy rate %	95.5%	93.2%	94.9%	94.4%
Direct investments in EUR mill.	101.8	1,255.3	268.8	1,625.8
Share of direct investments in %	6.3%	77.2%	16.5%	100.0%
Fair value (incl. contracted investments) in EUR mill.	4,642.9	10,900.80	2,695.5	18,240.2
Proportion of fair value in %	25.4%	59.8%	14.8%	100.0%

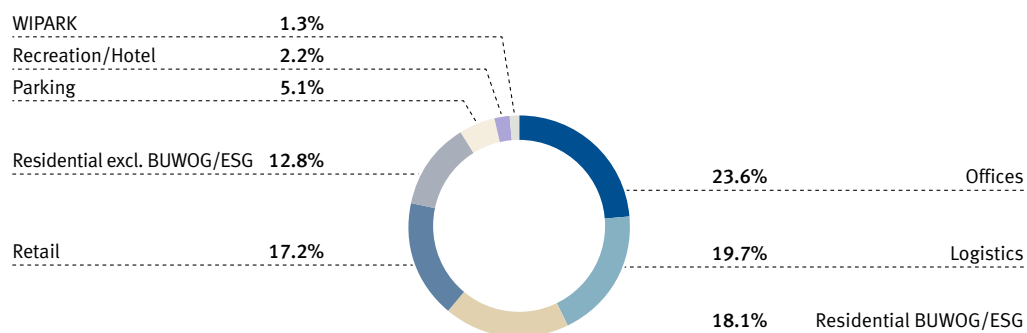
IMMOFINANZ Distribution of fair value

As of 30.4.2008



IMMOFINANZ Sectoral distribution of lettable space

as a % of total lettable space
As of 30.4.2008



**3,078 properties
with 13,384,952 sqm of
lettable space**

The portfolio of IMMOFINANZ includes 3,078 objects with lettable space totaling 13,384,952 sqm as of 30 April 2008. Since its successful expansion, the weighting of the portfolio has shifted to the IMMOEAST segment, which accounts for 50.2% of the lettable space. 32.6% of the remainder is distributed to IMMOAUSTRIA and 17.2% to the IMMOWEST segment, which invests in Germany and Switzerland. Of the investment volume of EUR 1,625.6 million in the 2007/08 financial year, 77.2% is attributed to the IMMOEAST segment, 16.5% to IMMOWEST and just 6.3% to IMMOAUSTRIA.

The structure of rental income shows a proportion of more than one-third for the office and logistics/retail segments, respectively. Accounting for 21.8% of the total rental income at IMMOFINANZ, rental income from the residential segment is generated largely in Austria, parking revenues as well.

Balanced structure of rental income

IMMOAUSTRIA Segment

Overview of IMMOAUSTRIA Properties¹⁾²⁾

	2007/08
Residential properties	
Number of objects	1,353
Total lettable space in sqm	3,054,552
Retail properties	
Number of objects	149
Total lettable space in sqm	365,693
Office properties	
Number of objects	49
Total lettable space in sqm	616,386
WIPARK/garages owned	
Number of objects	15
Total lettable space in sqm	181,362
Recreation/hotel properties	
Number of objects	4
Total lettable space in sqm	64,571
Logistics properties	
Number of objects	35
Total lettable space in sqm	74,624
Total number of objects IMMOAUSTRIA	1,605
Total lettable space in sqm IMMOAUSTRIA	4,357,188

1) incl. parking spaces (rounded).

2) The objects are grouped according to their primary use.

Economic environment and segment orientation

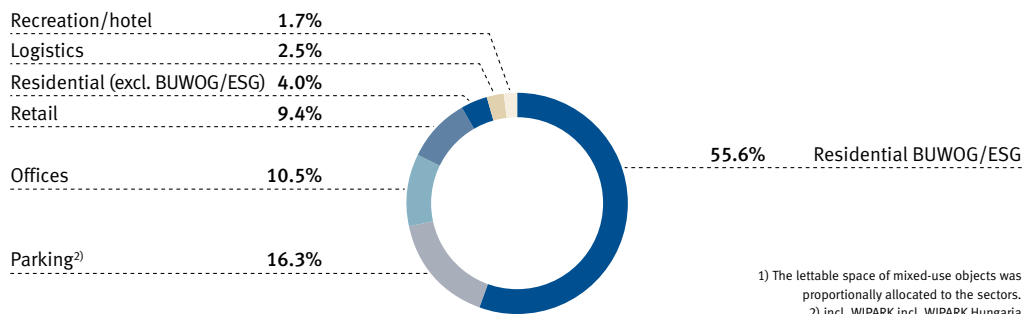
Despite the fact that the IMMOAUSTRIA segment owns property in each of Austria's nine provinces, with 45.6% of the lettable space the unequivocal focus is on the capital Vienna, which is the country's only internationally relevant market, particularly for office space. BUWOG/ESG's residential portfolio constitutes the sectoral focus with a share of 55.6%. In addition to the retail storage sector with the subsidiary SelfStorage – Dein Lagerraum, of growing importance is the logistics sector, where a lucrative niche has been developed in Austria, Germany and Switzerland; for practical reasons the international business of this subsidiary is also included in the IMMOAUSTRIA segment.

Focus on Vienna and the residential sector

Due to IMMOAUSTRIA's portfolio structure the segment's sensitivity to economic cycles is categorised as low and is generally restricted to the office segment with the usual time lag. The high proportion of residential space constitutes a stabilising factor with steady cash flow, which was successfully augmented in the reporting year due to active portfolio management and the current price performance. In 2007, as well, the Austrian economy showed stronger development than the

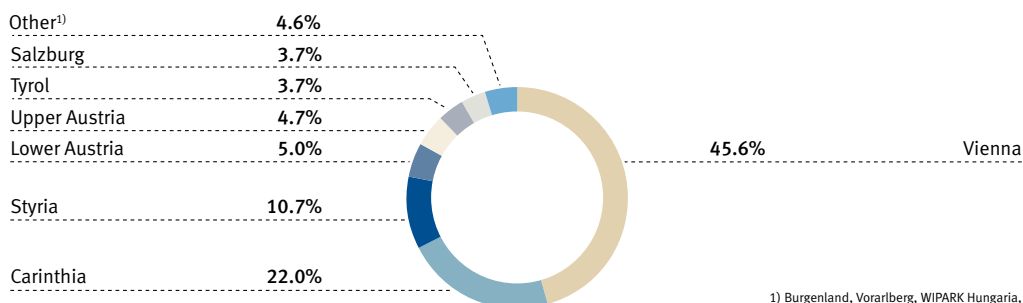
Euro zone average of 2.7% with a real increase in GDP of 3.1%. This development was supported once again by a solid export business, which continued the success of the last few years despite a strong euro and high commodity prices.

IMMOAUSTRIA
Sectoral distribution
of lettable space¹⁾
as a % of total lettable space
As of 30.4.2008



1) The lettable space of mixed-use objects was proportionally allocated to the sectors.
2) incl. WIPARK incl. WIPARK Hungaria

IMMOAUSTRIA
Regional distribution
of lettable space
as a % of total lettable space
As of 30.4.2008



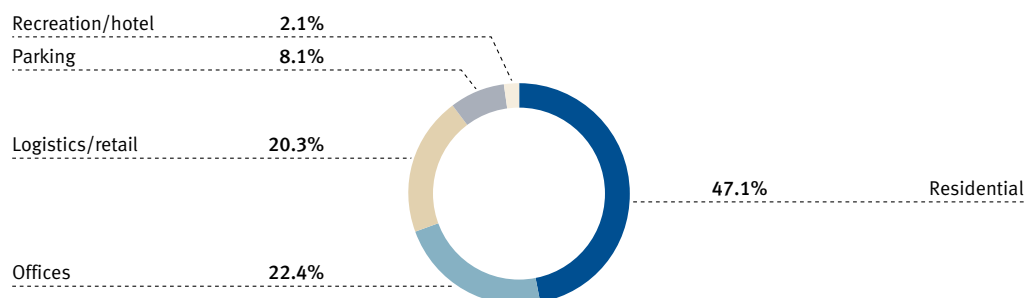
1) Burgenland, Vorarlberg, WIPARK Hungaria, Self-storage international, Kempinski Switzerland

Business development – IMMOAUSTRIA segment

Key data on the IMMOAUSTRIA segment

	2007/08	2006/07	Change in %
Revenues in TEUR	294,183.1	289,788.2	1.5%
Thereof rental income in TEUR	213,696.7	202,592.3	5.5%
Results of operations (EBITDA) in TEUR	120,891.1	151,566.1	-20.2 %
Operating profit (EBIT) in TEUR	404,162.4	393,219.3	2.8%
Cash EBIT in TEUR	117,012.6	150,648.3	-22.3%
Cash EBIT margin in %	39.8%	52.0%	-23.5%
Segment assets in TEUR	6,683,640.7	5,438,700.8	22.9%
Segment liabilities in TEUR	4,925,402.1	4,234,702.5	16.3%
Lettable space as a % of the total portfolio	32.6%	39.5%	-17.4%
Fair value of properties			
incl. contracted investments in EUR mill.	4,642.9	4,468.8	3.9%
Fair value as a % of the total portfolio	25.4%	27.4%	-7.3%

As a whole, the IMMOAUSTRIA segment boosted rental income by 5.5% to EUR 213.7 million in the 2007/08 financial year. Increases were generated in every secondary segment including the recreation/hotel sector. In the residential business sales-related declines were more than balanced out by new projects, generating a total increase of 4%. Growth rates were more conspicuous in the office segment at 8.5% and in parking at 11.5%. Due to lower year-on-year inventory sales and a slightly lower-than-average rise in operating costs charged to tenants and other revenues, at EUR 294.2 million revenues rose just 1.5%. A 20.2% decline in EBITDA to EUR 120.9 million was reported as a result of higher expenses and lower other operating income. An increase in re-valuation results of 11.6% to EUR 293.7 million as well as lower depreciation and amortisation led to an increase in EBIT of 2.8% to EUR 404.2 million. After an adjustment for non-cash items, cash EBIT equalled EUR 117 million (2006/07: EUR 150.7 million) and represents a decline of 52.0% to 39.8% in the cash EBIT margin with nearly constant revenues.



IMMOAUSTRIA
Structure of rental income
for 2007/08
by secondary segment
in %

IMMOEAST Segment

Overview of IMMOEAST Properties¹⁾²⁾

	2007/08
Residential properties	
Number of objects	99
Total lettable space in sqm	1,098,882
Retail properties	
Number of objects	164
Total lettable space in sqm	2,248,511
Office properties	
Number of objects	170
Total lettable space in sqm	2,160,004
Recreation/hotel properties	
Number of objects	2
Total lettable space in sqm	90,273
Logistics properties	
Number of objects	62
Total lettable space in sqm	1,123,414
Total number of objects IMMOEAST	497
Total lettable space in sqm IMMOEAST	6,721,084

1) incl. parking spaces (rounded).

2) The objects are grouped according to their primarily use.

High economic growth

Economic environment and segment orientation

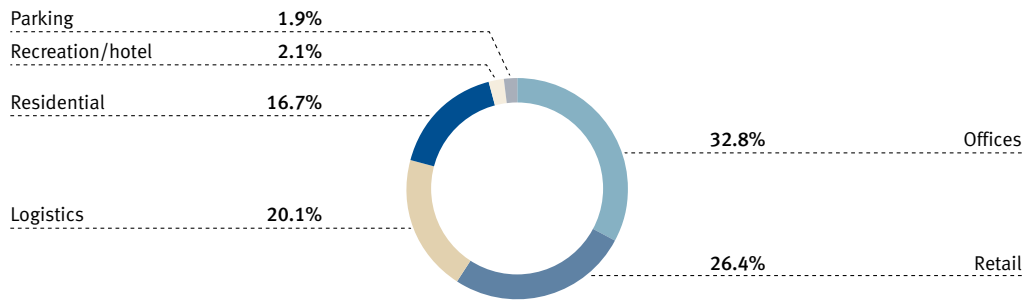
Compared to the economic growth in the West European countries of the EU-15, which according to Eurostat reported average growth of 2.7%, the Central, East and South-East European economies continued the prosperous development of previous years. While the Czech Republic and Poland reported growth rates of 6.5% and Slovakia 10.4%, Hungary is the only country in this region which reported a year-on-year decline to 1.3%. Slovenia (+6.1%), Croatia (+5.6%), Serbia (+7.5%), Bulgaria (+6.2%) and Romania (+6.0%) also continued the performance of previous years. Russia and Ukraine are clearly above the comparable Western European figure, at 8.1% and 7.6%, respectively.

77.2% of the total investments of IMMOFINANZ

With a volume of EUR 1,255.3 million, the IMMOEAST segment was the focus of investment for IMMOFINANZ in the 2007/08 financial year as well. Particularly in Romania, Russia, Bulgaria, Poland and the Czech Republic numerous development projects and investment plans were realised or continued on schedule. The sectoral focal points were logistics and retail objects, each with a share of slightly more than 25%. Residential space and office objects each account for 20% of the new investments.

IMMOEAST Sectoral distribution of lettable space¹⁾

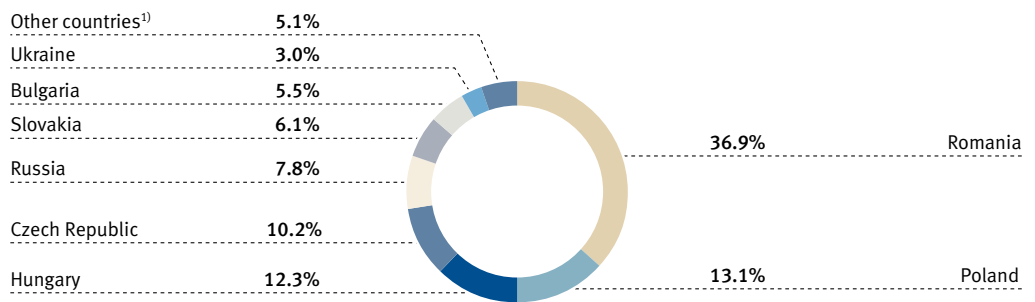
as a % of total lettable space
As of 30.4.2008



¹⁾ The lettable space of mixed-use objects was proportionally allocated to the sectors.

IMMOEAST Regional distribution of lettable space

as a % of total lettable space
As of 30.4.2008



¹⁾ Croatia, Slovenia, Serbia, Bosnia, Moldavia, Latvia, Lithuania

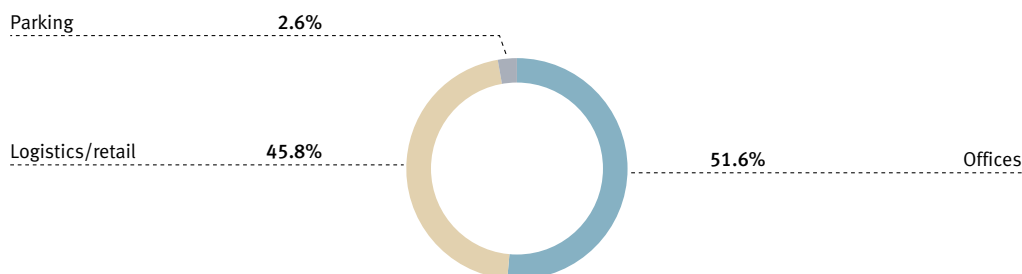
Business development – IMMOEAST segment

Key data on the IMMOEAST segment

	2007/08	2006/07	Change in %
Revenues in TEUR	297,213.3	192,920.4	54.1%
Thereof rental income in TEUR	220,708.4	146,151.2	51.0%
Results of operations (EBITDA) in TEUR	144,953.2	92,009.9	57.5%
Operating profit (EBIT) in TEUR	15,010.7	541,288.7	-97.2%
Cash EBIT in TEUR	135,342.4	73,932.0	83.1%
Cash EBIT margin in %	45.5%	38.3%	18.8%
Segment assets in TEUR	10,425,333.6	6,728,193.7	55.0%
Segment liabilities in TEUR	2,539,583.4	1,805,107.9	40.7%
Lettable space as a % of the total portfolio	50.2%	43.2%	16.2%
Fair value of properties			
incl. contracted investments in EUR mill	10,900.8	9,019.2	20.9%
Fair value as a % of the total portfolio	59.8%	55.4%	7.9%

The IMMOEAST segment boosted its revenues by 54.1% to EUR 297.2 million in the 2007/08 financial year. The rental income generated by the segment was 51% above the level of the previous year at EUR 220.7 million, with significant increases in revenues achieved in all relevant sectors. Due to the disproportionately low growth in operating costs and higher other operating income EBITDA improved 57.5% to EUR 145.0 million. Due to the revaluation result of EUR 11.1 million, down from EUR 493.1 million the year before, a decline in EBIT of 97.2% to EUR 15.0 million was reported. After an adjustment for non-cash items, cash EBIT also showed considerable improvement – plus 83.1% to EUR 135.3 million, resulting in a cash EBIT margin of 45.5%, up from 38.3% the year before.

Increase in revenues and EBITDA, valuation-related decline in EBIT



**IMMOEAST
Structure of rental income
2007/08**

by secondary segment
in %

IMMOWEST Segment

Overview of IMMOWEST Properties¹⁾²⁾

	2007/08
Residential properties	
Number of objects	274
Total lettable space in sqm	437,469
Retail properties	
Number of objects	66
Total lettable space in sqm	111,438
Office properties	
Number of objects	228
Total lettable space in sqm	526,859
WIPARK/garages owned	
Number of objects	0
Total lettable space in sqm	0
Recreation/hotel properties	
Number of objects	47
Total lettable space in sqm	67,950
Logistics properties	
Number of objects	361
Total lettable space in sqm	1,162,965
Total number of objects IMMOWEST	976
Total lettable space in sqm IMMOWEST	2,306,680

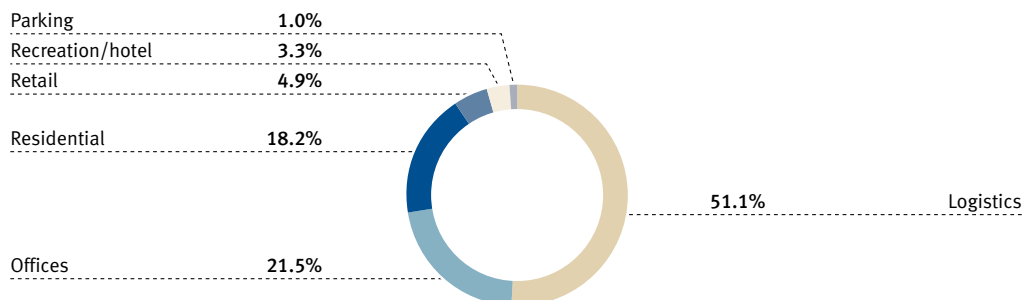
1) incl. parking spaces (rounded).

2) The objects are grouped according to their primary use.

Economic environment and segment orientation

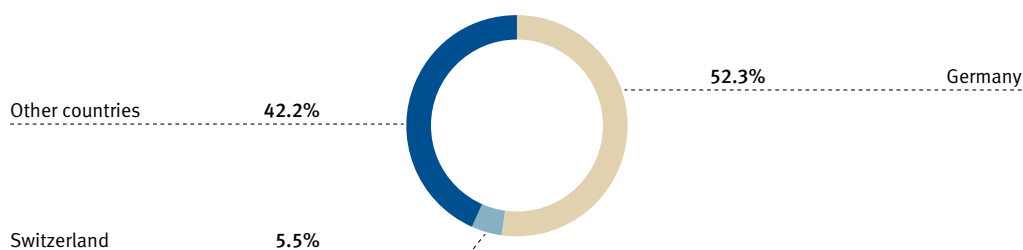
The IMMOWEST segment primarily includes IMMOFINANZ's activities in Germany and Switzerland. With GDP growth of 2.5% and 3.3% both economies were on par with the European average; Germany in particular appears to have temporarily overcome its structural economic problems. The IMMOWEST portfolio is characterised by a comparatively high proportion of logistics space, which is attributed to the successful performance of the subsidiary Deutsche Lagerhaus. At 18.2% the share of residential space in the overall portfolio also has a stabilising effect. Office space accounts for 21.5%, retail for 4.9%. All total, the proportion of lettable space owned by IMMOWEST was increased by 17.8% to 2,306,680 sqm during the reporting year.

IMMOWEST
Sectoral distribution
of lettable space¹⁾
as a % of total lettable space
As of 30.4.2008



1) The lettable space of mixed-use objects was proportionally allocated to the sectors.

Segment Reporting



IMMOWEST
Regional distribution
of lettable space
as a % of total lettable space
As of 30.4.208

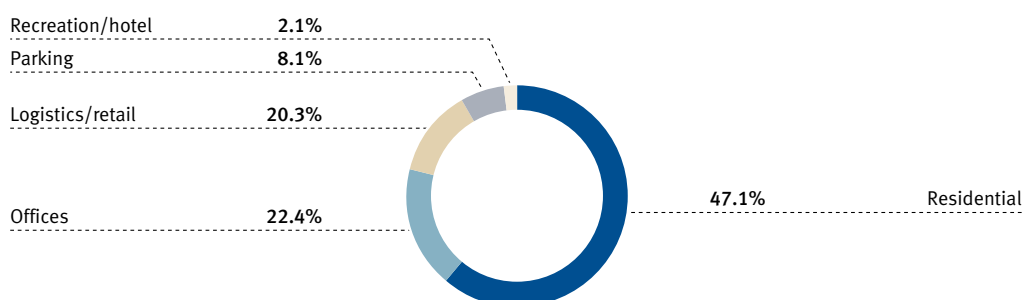
Business development – IMMOEAST segment

Key data on the IMMOWEST segment

	2007/08	2006/07	Change in %
Revenues in TEUR	79,434.9	36,174.4	119.6%
Thereof rental income in TEUR	66,896.5	30,179.3	121.7%
Results of operations (EBITDA) in TEUR	45,804.4	10,215.5	348.4%
Operating profit (EBIT) in TEUR	104,709.4	-21,223.5	-
Cash EBIT in TEUR	33,072.1	3,915.6	744.6%
Cash EBIT margin in %	41.6%	10.8%	285.2%
Segment assets in TEUR	2,010,902.8	1,669,469.7	20.5%
Segment liabilities in TEUR	1,239,667.6	1,055,588.4	17.4%
Lettable space as a % of the total portfolio	17.2%	17.3%	-0.6%
Fair value of properties			
incl. contracted investments in EUR mill.	2,296.5	2,794.0	-17.8%
Fair value as a % of the total portfolio	14.8%	17.2%	-10.6%

The IMMOWEST segment increased its revenues 119.6% to EUR 79.4 million in the 2007/08 financial year. At EUR 66.9 million the rental income reported was 121.7% above the level of the previous year. The increase was strongest in the logistics sector, which accounts 61.4% of the segment's revenues with rental income of EUR 41.1 million. Due to the disproportionately low growth of operating expenses and despite even lower other operating income, EBITDA improved 348.4% to EUR 45.8 million. Revaluation results for the reporting year improved from minus EUR 12.0 million to plus EUR 65.2 million. As a consequence, EBIT rose to EUR 104.7 million after negative EUR 21.2 million the year before. After an adjustment for non-cash items, cash EBIT of EUR 33.1 million was generated after EUR 3.9 million the year before, accompanied by an improvement in the cash EBIT margin from 10.8% to 41.6%.

Marked increase in revenues and profit



IMMOWEST
Structure of rental income
2007/08
by secondary segment
in %

Analysis of Results

A. General information

Three regional segments IMMOFINANZ AG serves as the holding company for IMMOAUSTRIA, IMMOEAST and IMMOWEST, the three segments of the IMMOFINANZ Group. The primary activity of the company is the acquisition and management of investments in other enterprises.

IMMOAUSTRIA The strategic development of IMMOAUSTRIA is influenced by two trends: portfolio optimisation and the realisation of appreciation through the sale of properties as well as an increased focus on the expansion of the housing construction subsidiary BUWOG.

IMMOWEST The IMMOWEST segment has shifted its focus increasingly to the German market and is continuing to pursue its selective growth strategy. The focal point of activities is formed by the logistics subsidiary Deutsche Lagerhaus, which is expanding existing objects and also acquiring new locations.

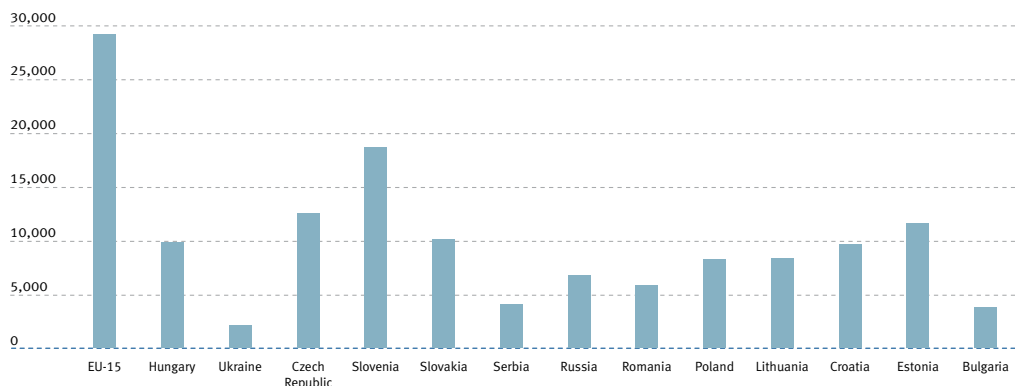
IMMOEAST IMMOEAST is diversified through two different types of segments: the segmentation based on region comprises CEE (Hungary, Czech Republic, Poland, Slovakia and Estonia), SEE (Romania, Bulgaria, Serbia, Croatia, Bosnia and Slovenia) and CIS (Russia and Ukraine), while the segmentation based on sector reflects the various uses or categories of properties such as offices, logistics, commercial and residential. IMMOEAST does not manage car parks and parking spaces as a separate area of business because the revenues generated by these activities are generally related to the rental of offices or logistics properties.

The company's most important activity is the acquisition and management of investments in other enterprises. Therefore, the development of business in these investments and the earnings they generate are of significant importance for an evaluation of IMMOFINANZ. For this reason, additional details on the development of business and the results of the group are provided in the following sections in accordance with § 267 (3) of the Austrian Commercial Code and in connection with § 251 (3) of the Austrian Commercial Code. The same applies to the description of events that occurred after the balance sheet date as well as the use of financial instruments and the resulting risks.

B. The economic environment

Strong GDP growth in Central, Eastern and South-Eastern Europe

The development of revenues and earnings at IMMOFINANZ is influenced not only by changes in the property portfolio, but also by economic trends in the countries where the group's subsidiaries are active. The effects of economic fluctuations on the demand for space in the individual sectors of the property market differ widely. However, the development of real GDP represents a viable indicator for the evaluation of demand. In comparison with economic growth in the West European EU-15 countries – which recorded an average growth of 2.7% in 2007 according to Eurostat – the economies in Central, Eastern and South-Eastern Europe continued the extremely robust growth recorded in previous years. The Czech Republic and Poland reported growth of 6.5% and Slovakia 10.4% for 2007, while Hungary was the only country in this region to register a year-on-year decline (-1.3%). The prior year results were also matched in Slovenia (+6.1%), Croatia (+5.6%), Serbia (+7.5%), Bulgaria (+6.2%) and Romania (+6.0%). Russia and Ukraine also clearly outpaced the West European average with increases of 8.1% and 7.6%, respectively. The following comparison of per capita GDP underscores the future growth potential inherent in these markets.



GDP per capita
2007, in EUR

In addition to the risks associated with general economic developments, IMMOFINANZ – as an international corporation – is also exposed to various financial risks. The major financial risks for the group are related to possible changes in foreign exchange rates, interest rates and share prices as well as the credit standing and solvency of the customers and business partners of IMMOFINANZ. An extensive discussion of risk management is provided in section G of this management report and in the notes to the consolidated financial statements.

Information on risk management on page 86ff.

C. Financial and non-financial performance indicators (§ 267 (2) 2 of the Austrian Commercial Code)

IMMOFINANZ recorded sound development during the 2007/08 financial year. Consolidated revenues totalled EUR 670.8 million, which represents an increase of 29.3% over 2006/07. EBITDA rose from EUR 229.1 million to EUR 301.4 million.

Successful operations

Revaluation results fell by 50.6% year-on-year to EUR 370.0 million. Net profit for the period totalled EUR 375.0 million as of 30 April 2008. Gross cash flow increased 46.7% to EUR 248.8 million, which represents a cash EBIT margin of 35.5%.

Low revaluation profits have negative impact on results

The number of properties owned directly or indirectly by IMMOFINANZ increased from 2,637 to 3,078 during the reporting year, raising the lettable space in the portfolio by 18.3% to over 13.4 million sqm.

IMMOFINANZ had no research and development expenditures during the reporting year (§ 267 (3) 3 of the Austrian Commercial Code).

During the 2007/08 financial year, IMMOFINANZ employed a total workforce of 708 in various subsidiaries.

D. Investments made during the 2007/08 financial year

The consolidation range expanded from 463 to 617 companies in 2007/08. The major investments made during the reporting year are described in the following section.

IMMOAUSTRIA Segment

Acquisitions and market entry of BUWOG in CEE

In 2007/08 the consolidation range of IMMOAUSTRIA was increased by the acquisition of 100% of the shares in Stephanshof Liegenschaftsverwaltungsgesellschaft mbH and VIV Gebäudeerrichtungs GmbH and 50% of the shares in “Heller Fabrik” Liegenschaftsverwertungs GmbH as well as the purchase of a 50% stake in Frankonia Eurobau Buwog Bielniki Sp. z o. o. through BUWOG CEE GmbH. The acquisition of this Polish company represents the first foreign project for BUWOG. It involves a residential complex with 470 condominium apartments in Posen, which is under construction with a German developer and is scheduled for completion in 2009.

Stephanshof Liegenschaftsverwaltungsgesellschaft mbH and VIV Gebäudeerrichtungs GmbH were fully consolidated by IMMOFINANZ as of 1 August 2007 and 31 October 2007, respectively.

The 50% stake in Frankonia Eurobau Buwog Bielniki Sp. z o. o. was acquired as of 6 March 2008.

IMMOWEST Segment

A 50% stake in FRANKONIA Eurobau DUS Plaza GmbH was acquired as of 20 September 2007.

Growth of the City Box Group

During the third quarter of 2007/08 IMMOFINANZ purchased 90.01% of the shares in three further companies of the City Box Group through City BOX Holding BV, a subsidiary in which it holds a stake of 90.01%. The remaining shares are held by management, which also includes the founders of the company. City Box is one of the leading firms in the branch and operates 14 self-storage depots near major cities in the Netherlands. City Box plans to open ten additional centres over the coming years, also in close proximity to large cities in this country.

IMMOEAST Segment / regional subsegment CEE (Central and Eastern Europe)

Growth of the STOP.SHOP. network

The expansion of the STOP.SHOP. retail park chain continued during 2007/08. Development work on six facilities in the Czech Republic began on 16 July 2007; three development projects in Slovakia and six development projects in Poland were also started during the reporting year. The development projects in Lucenec and Zvolen, which were started in Slovakia during 2006/07, were completed at the end of March 2008 and IMMOEAST subsequently acquired the remaining shares in these two companies. The development project in Ruzomberok, which was also started during the past year, is scheduled for completion in autumn 2008. Two STOP.SHOP. projects in Hungary were completed during 2007/08, and the holdings in these companies were raised to 100% as of 31 January 2008 and 15 February 2008.

Logistics project in Slovakia

Project companies for the construction of the Rakoluby logistics centre were founded on 29 August 2007 and 6 December 2007. This facility will be built in two phases: work on the first phase should be completed during autumn 2008 and the second phase in summer 2009. This object is located north of Bratislava, Slovakia, and will have nearly 50,000 sqm of lettable space. The Rakoluby centre represents the next step in the steady expansion of the IMMOEAST logistics portfolio.

In addition to the above-mentioned project in Slovakia, development also started on a logistics centre in the Czech Republic during the fourth quarter of the reporting year. Final Management s.r.o., in which IMMOEAST holds a stake of 70%, is developing five properties with net logistics space of roughly 153,000 sqm in the Czech city of Plzen. These objects are scheduled for completion in two phases during 2009.

Logistics centre in the Czech Republic

IMMOEAST acquired 100% of the shares in the Polish Taifun Real Sp. z o.o. as of 31 July 2007. This transaction expanded the group's portfolio to include the Taifun Office Building in Warsaw, which has approx. 9,000 sqm of lettable space.

The Salzburg Center, a fully occupied office property in Warsaw, was sold to SEB Global Property, a German mutual property fund, at the end of April 2008.

IMMOEAST acquired 100% of the shares in Atrium Park Kft. as of 31 October 2007. This transaction transferred another prime office building to the portfolio in Hungary.

The office segment in the Czech Republic was expanded during the first quarter of 2007/08 with the completion of the fourth section of the BB Centrum complex in Prague and the acquisition of 100% of the shares in BB Centrum Gamma a.s. This object has more than 30,000 sqm and is fully let for the next 10 years.

Expansion of the office segment in the Czech Republic

The 50% IMMOEAST subsidiary S+B CEE Beteiligungsverwaltungs GmbH acquired the remaining 50% stake in AB Štetková a.s., which is located in Prague. This transaction also transferred the Štetková office building in full to S+B CEE Beteiligungsverwaltungs GmbH, which plans to demolish the current building and construct a new facility at this site. The new building will have more than double the volume of lettable space and is scheduled for completion in 2011.

Akvamarin Beta s.r.o. was sold to SEB Immobilien-Investment GmbH in March 2008. This transaction also represented the sale of the Andel Park B office property in Prague.

Activities in the residential segment were expanded in August and December 2007 through the following acquisitions: A 50% stake was acquired in Vertano Residence Sp. z o.o. as of 1 August 2007. IMMOEAST also acquired 89.89% of Vertano Residence Sp. z o.o. 1 Sp.k., which plans to construct a residential complex in Lodz, Poland. As of 21 December 2007 50% of the shares were acquired in Residea Ltd., which owns five Polish project companies. These joint venture are developing a total of 504 housing units with more than 32,000 sqm of lettable space in two projects that will be started during June and October 2008.

Development of the residential sector

IMMOEAST Segment / regional subsegment CIS (Community of Independent States)

IMMOEAST acquired a 50% stake in the TOV Evro-Luno-Park in Kiev, Ukraine, as of 5 March 2008. This company is developing an office building with approx. 85,000 sqm of lettable space, which will be completed in three phases. Planning is currently in progress for the first phase, with construction expected to begin during the first quarter of 2009. The investment volume for this project will total approx. EUR 250 million.

Office project in Poland

**Shopping centres
in Moscow**

In the retail sector, IMMOEAST purchased a 75% stake in the GoodZone property during July 2007. This project involves the construction of a shopping centre with approx. 146,000 sqm of lettable space, which will stand out with its unconventional design and represent one of the largest facilities of its kind in Moscow. Completion is planned for mid-2009.

**Logistics centre
near St. Petersburg**

The logistics portfolio in the CIS segment was also enlarged during the reporting year. In April 2008 IMMOEAST purchased 100% of the shares in Dalerise Ltd. and thereby also 100% of Valecorp Ltd., which owns a fully occupied logistics centre in Shushary, a suburb of St. Petersburg, Russia.

In addition, IMMOEAST has been financing the construction of the Tomilino logistics park in the southeast of Moscow, Russia, since autumn 2007. This object will have approx. 52,000 sqm and should be completed in late summer 2008.

IMMOEAST Segment / regional subsegment SEE (South-Eastern Europe)

**Shopping centres in
Varna and Sofia**

In the retail segment, IMMOEAST acquired 50% of the shares in VTI Varna Trade Invest OOD as of 24 July 2007. This company is developing the Varna Shopping Center in Bulgaria with more than 54,000 sqm of lettable space. The opening is scheduled to take place during the third quarter of 2010. IMMOEAST also purchased a 49% stake in the Bulgarian Bulreal EAD during the reporting year. This company owns investments in two firms that operate a multi-purpose market in Sofia, Bulgaria, with approx. 79,000 sqm of lettable space.

**Two retail properties
in Romania**

As of 18 July 2007 IMMOEAST purchased a 75% stake in the Romanian S.C. Red Project one s.r.l. This transaction increased the group's portfolio to include the Arad Retail Park, which has approx. 42,000 sqm of retail space and was completed in June 2008. IMMOEAST also acquired a 75% stake in S.C. Red Project Two s.r.l. during the reporting year. This company is developing the Baia Mare Retail Park in Romania, a specialty mall that includes a shopping gallery. After completion, IMMOEAST intends to purchase the remaining 25% of the shares.

**Hotel and office
project in Romania**

In addition to these two projects, IMMOEAST also acquired 75% of the Harborside Hotel in Romania during 2007/08. This project involves the development of a complex with approx. 15,600 sqm of retail space and a hotel tower with approx. 12,100 sqm, both of which should be completed during the third quarter of 2009.

IMMOEAST acquired the remaining 85% of the shares in Polus Transilvania Companie de Investitii S.A. during the reporting year. This company owns a shopping centre in the northwest of Romania with approx. 60,000 sqm of net lettable space and a current occupancy rate of 98.5%.

Stake in Caterata

In the residential segment, a 50% stake was purchased in Caterata Ltd during the third quarter. This company plans to develop roughly 4,500 apartments in Romania, Poland and Latvia as part of a joint venture.

As of 24 January 2008 IMMOEAST acquired several projects from the Longbridge Development Group. This portfolio includes four residential projects with approx. 300,000 sqm of lettable space, two commercial objects with approx. 90,000 sqm and an office building with approx. 30,000 sqm.

[Takeover of Longbridge Group projects](#)

IMMOEAST enlarged its portfolio in the office segment during 2007/08 through the acquisition of 100% of the S-Park Business Center. This property is a first-class office building in Bucharest, which has more than 34,000 sqm of lettable space.

[S-Park Business Center in Bucharest](#)

As of 22 June 2007 IMMOEAST acquired 100% of the shares in Real Habitation s.r.l., which plans to construct a number of office buildings in Bucharest. The first step will involve the extension of the existing Iride Business Park to include an additional 63,000 sqm.

[Planned office developments in Bucharest](#)

As of 2 May 2007 IMMOEAST expanded its logistics portfolio in the SEE segment with the acquisition of 100% of the shares in S.C. Dacian Second s.r.l. This company is constructing a logistics centre in Pantelimon near Bucharest, Romania, with approx. 53,000 sqm of space.

[Logistics centre in Bulgaria](#)

IMMOEAST acquired a diversified portfolio from Yapi ve Kredi Bankasi (YKB), a major Turkish bank, together with two partners in mid-2007 and thereby entered the emerging property market in Turkey. This property portfolio comprises 425 objects.

[Indirect market entry in Turkey](#)

E. Analysis of revenues and earnings for the 2007/08 financial year

The following table presents summarised data from the IMMOFINANZ income statement as of 30 April 2008 and 30 April 2007 in accordance with the fair value model defined by IAS 40.33:

Income statement – summary

All amounts in TEUR	2007/08	2006/07	Change in %
All amounts in TEUR	670,831.3	518,883.0	29.3%
Revaluation of properties	370,027.5	749,716.3	-50.6%
Operating profit (EBIT)	514,450.6	887,694.4	-42.0%
Financial results	40,813.6	25,875.1	57.7%
Earnings before tax (EBT)	555,264.2	913,569.5	-39.2%
Income taxes	-180,226.4	-188,701.8	-4.5%
Net profit for the period	375,037.8	724,867.7	-48.3%
Earnings per share in EUR	0.66	1.03	-35.9%

Revenues

IMMOFINANZ recorded revenues of TEUR 670,831.3 for 2007/08. In comparison with the prior year, this represents an increase of TEUR 151,948.3 or 29.3%. The rental income included in revenues rose by TEUR 122,378.8 or 32.3% to TEUR 501,301.6.

Development of revenues and rental income by primary segment

All amounts in TEUR	Rental income				Revenues			
	2007/08	2006/07	Change	in %	2007/08	2006/07	Change	in %
IMMOAUSTRIA	213,696.7	202,592.3	11,104.4	5.5%	294,183.1	289,788.2	4,394.8	1.5%
IMMOEAST	220,708.4	146,151.2	74,557.2	51.0%	297,213.3	192,920.4	104,292.9	54.1%
IMMOWEST	66,896.5	30,179.3	36,717.2	121.7%	79,434.9	36,174.4	43,260.5	119.6%
Consolidation	0.0	0.0	0.0	0.0%	0.0	0.0	0.0	0.0%
Total	501,301.6	378,922.8	122,378.8	32.3%	670,831.3	518,883.0	151,948.3	29.3%

IMMOEAST becomes strongest segment

IMMOAUSTRIA recorded TEUR 213,696.7 of rental income and TEUR 294,183.1 of revenues for the reporting year, and for the first time was not the strongest driver for revenues in the IMMOFINANZ Group. IMMOEAST surpassed the two other segments with rental income of TEUR 220,708.4 and revenues of TEUR 297,213.3. IMMOWEST registered an increase of 119.6% in revenues to TEUR 79,434.9 (11.8% of group revenues).

The development of revenues in the IMMOEAST segment was supported by the acquisition of several properties in 2006/07, which made a full 12-month contribution to rental income for the first time during the reporting year. The focal point of the portfolio is formed primarily by office, logistics and commercial properties.

Higher rental income at IMMOAUSTRIA

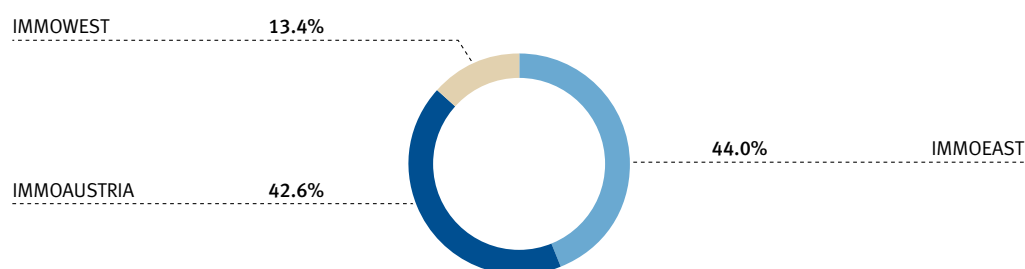
Revenues in the IMMOAUSTRIA segment remained constant at the prior year level with a plus of 1.5%. Rental income rose by 5.5%, primarily as the result of organic growth.

Strong growth at IMMOWEST

The increase in revenues in the IMMOWEST segment was driven above all by the office, logistics and commercial sectors. The strongest growth was recorded by City Box and Deutsche Lagerhaus in the logistics and commercial area as well as the Friesen and Andreas quarter in the office sector.

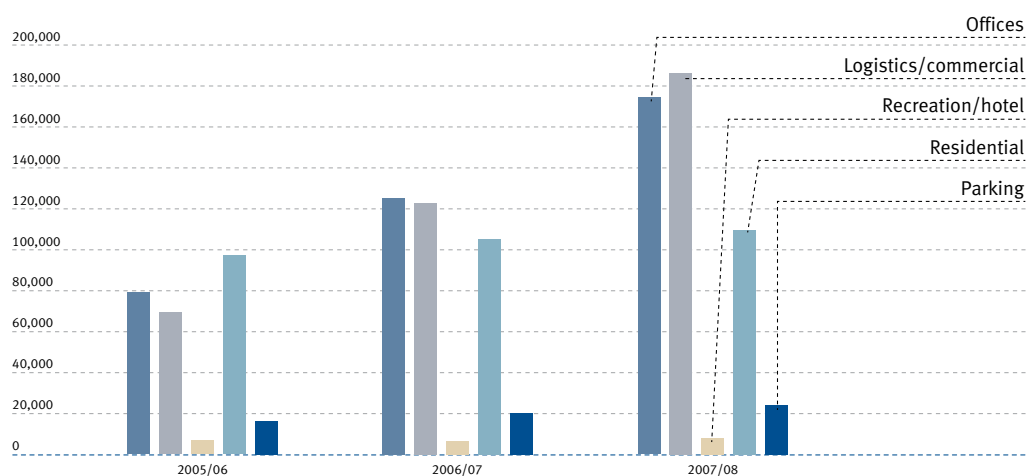
The rental income generated by properties that were part of the IMMOFINANZ portfolio in 2006/07 rose by 5.07% year-on-year.

Structure of rental income 2007/08 by primary segment in %



Structure of rental income by segment

All amounts in TEUR	2007/08	2006/07	Change	in %
Offices	173,693.5	124,944.8	48,748.7	39.0%
Logistics/commercial	185,451.1	122,410.3	63,040.8	51.5%
Recreation/hotel	8,657.1	6,880.9	1,776.2	25.8%
Residential	109,307.7	104,985.9	4,321.7	4.1%
Parking	24,192.2	19,700.9	4,491.3	22.8%
Rental income	501,301.6	378,922.8	122,378.8	32.3%
Sale of inventories	7,177.0	10,116.3	-2,939.4	-29.1%
Operating costs charged to tenants	144,293.0	114,861.9	29,431.1	25.6%
Other revenues	18,059.7	14,982.0	3,077.8	20.5%
Total	670,831.3	518,883.0	151,948.3	29.3%



Structure of rental income by secondary segment in %

An analysis of the secondary segments shows that growth was concentrated in the office and logistics/commercial areas. The revenues generated by logistics and commercial properties rose by TEUR 63,040.8 or 51.5% in 2007/08. Revenues from the rental of office space increased TEUR 48,748.7 or 39.0%. The residential sector, the third largest secondary segment for IMMO-FINANZ, recorded a plus of 4.1% in revenues and was responsible for 21.8% of group revenues for the reporting year. The relatively low revenue growth in the residential segment was influenced by the already high level of occupancy in the BUWOG/ESG properties (IMMOAUSTRIA segment), which formed the major part of revenues for this secondary segment.

Considerable increase in office, logistics and retail revenues

Revaluation results

Revaluation results include all increases and decreases in the value of investment properties. In comparison with the previous year, revaluation results fell 50.6% to TEUR 370,027.5.

Currency effects and market development reduce revaluation result at IMMOEAST

The decline in revaluation results originated primarily in the IMMOEAST segment and resulted from two major factors: the value of the Euro declined in relation to the Czech Krone, Slovakian Krone and Polish Zloty during the reporting year and this change in foreign exchange rates led to an impairment charge, even though the value of numerous properties exceeded the comparable prior year value in Euro. In addition, the effects of the US credit crisis on the property markets in Central and Eastern Europe were manifested in a noticeable decline in the number of individual property transactions as well as a lower transaction volume. In contrast to the past years, a yield expansion was noted throughout Central and Eastern Europe. Whereas the yields used for property valuation ranged from 5.25% to 6.5% in the previous year, the comparable figures for 2007/08 were 25 to 150 basis points lower.

Revaluation results by segment

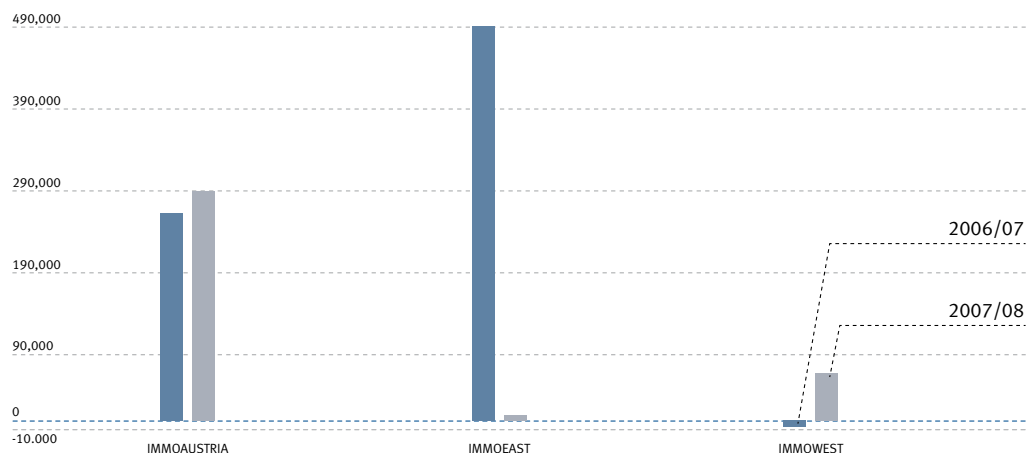
All amounts in TEUR	2007/08	Revaluation results		
		2006/07	Change	in %
IMMOAUSTRIA	293,726.9	263,116.1	30,610.8	11.6%
IMMOEAST	11,090.1	493,095.1	-482,005.0	-97.8%
IMMOWEST	65,210.5	-6,494.9	71,705.4	-
Total	370,027.5	749,716.3	-379,688.8	-50.6%

Higher revaluation result at IMMOAUSTRIA and IMMOWEST

Revaluation results in the IMMOAUSTRIA segment totalled TEUR 293,726.9 for the reporting year, which represents an increase of 11.6% over 2006/07. These results were recorded above all in the BUWOG/ESG portfolio. In the IMMOEAST segment revaluation results fell by TEUR 482,005.0 or 97.8% due to the unfavourable development of exchange rates and the effects of the yield expansion. The IMMOWEST segment reported a sound increase in revaluation results, which rose by TEUR 71,705.4 over the prior year. This increase was related primarily to the City Box, Deutsche Lagerhaus and Friesen and Andreas Quarter properties that were completed during the reporting year.

A detailed presentation of revaluation results is provided in under point 3.1 of the notes to the consolidated financial statements.

Revaluation results by primary segment in TEUR



Other operating income

Other operating income totalled TEUR 126,999.5 for 2007/08, which reflects an increase of 25.2% over the prior year (2006/07: TEUR 101,461.5). Income from the disposal of investment properties was responsible for 46.5% of this position in 2006/07, but declined to 16.4% for the reporting year. In contrast, income from deconsolidations rose from TEUR 4,630.3 in 2006/07 to TEUR 27,008.9. The sales concluded during 2007/08 included the Salzburg Center in Warsaw (Salzburg Center Development S.A.) and the Andel Park B in Prague (Akvamarin Beta s.r.o.).

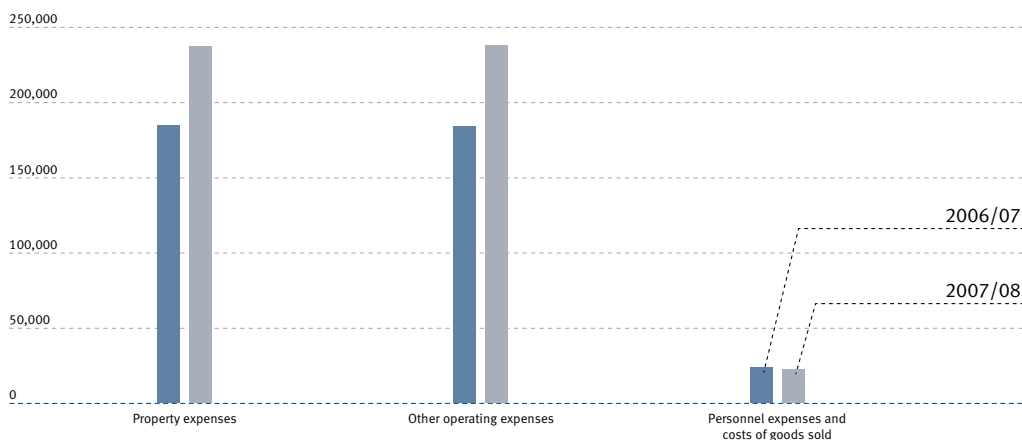
Income from the reversal of negative goodwill equalled TEUR 37,341.8 in 2007/08 (2006/07: TEUR 5,489.5). Of this amount, EUR 27,099.8 resulted from an increase in the stake owned in IMMOEAST AG. Income from the reversal of provisions totalled TEUR 13,152.9 for the reporting year (2006/07: TEUR 3,357.5) and represented 10.4% of other operating income. This amount includes TEUR 8,840.2 from a provision created in 2006/07 for transaction costs associated with the capital increase, which was not utilised in full.

Depreciation and amortisation

This position is comprised primarily of impairment charges to goodwill, which result chiefly from the discounting of deferred taxes that is not permitted under IFRS, as well as the depreciation of tangible assets. Depreciation and amortisation rose by TEUR 65,809.1 or 72.2% to TEUR 156,974.4 in 2007/08 (2006/07: TEUR 91,165.3). This development resulted largely from an increase in impairment charges to goodwill, which rose to TEUR 139,441.9. These write-downs were required primarily to reflect insufficient undisclosed reserves (IAS 16) or insufficient revaluation results. In cases where goodwill had been assigned to a property that was written down, this goodwill was also reduced.

72.2% increase in depreciation and amortisation

The impairment charge recognised to the goodwill in Berga Investment Limited was related to insufficient undisclosed reserves in the GoodZone development project, one of the largest shopping centres in Moscow, Russia. The impairment charge recognised to goodwill in Wakelin Promotions Limited and Brno Estates a.s. was based on a decline in the revaluation results for the Golden Babylon I and Brno Business Park I&II. Detailed information on the impairment testing of goodwill is provided under point 3.2.1.3 of the notes to the consolidated financial statements.



Operating expenses in TEUR

28.3% increase in property-related expenses**Expenses related to properties**

Expenses related to properties consist for the most part of operating costs and other directly allocated expenses. These expenses rose by 28.3% to TEUR 236,274.4 in 2007/08, which is slightly less than the growth in rental income (+29.3%).

Other operating expenses

Other operating expenses are comprised of administrative charges, consulting fees, taxes on property and legal transactions as well as commissions and advertising expenses. These expenses rose by 29.5% to TEUR 237,146.8 in 2007/08.

Considerable increase in legal and consulting fees

Legal, auditing and consulting expenses increased TEUR 10,983.4 or 68.9%. This development was triggered above all by higher fees for legal and tax consulting services, which were required to meet the rapidly changing legal framework in the IMMOEAST markets. The increase in the number of managed companies from 463 to 617 was also reflected in higher auditing expenses. These expenses can be expected to increase further over the coming years.

Taxes and duties increased 40.8% to TEUR 9,368.6, primarily as a result of building taxes charged in numerous Central and East European countries.

Higher costs for advertising and expert appraisals

Advertising expenses rose sharply by 117.8% to TEUR 13,529.9. The major component of these costs was related to activities in the investor relations area, which were expanded during the reporting year to meet the needs of investors for increased information. The cost of expert opinions also rose by a substantial TEUR 8,281.5 to TEUR 11,947.2 following an increase in the frequency of expert opinions, since all IMMOEAST properties are now valued twice each year by external experts. In subsequent periods, the expenses for property valuation will decline by roughly 30% for objects owned by IMMOFINANZ during the 2007/08 financial year.

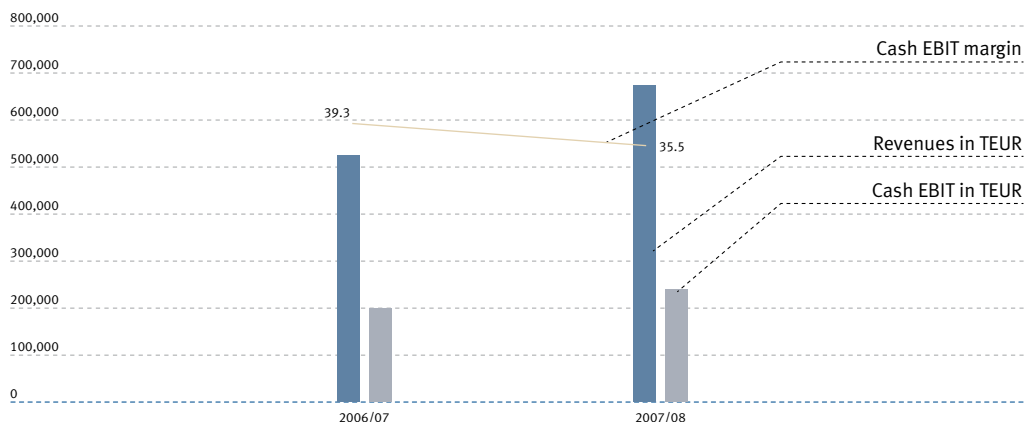
Results of operations (EBITDA and cash EBIT margin)

The completion of properties in the IMMOEAST segment as well as cost reductions and improved asset management supported a 31.5% increase in EBITDA from TEUR 229,143.4 to TEUR 301,397.5.

Comparison of EBIT and revaluation results by segment

All amounts in TEUR	EBITDA				Revaluation results			
	2007/08	2006/07	Change	in %	2007/08	2006/07	Share in % 2007	Share in % 2008
IMMOAUSTRIA	120,897.1	151,566.1	-30,675.0	-20.2%	293,726.9	263,116.1	243.0%	173.6%
IMMOEAST	144,953.2	92,009.9	52,943.3	57.5%	11,090.1	493,095.1	7.7%	535.9%
IMMOWEST	45,804.4	10,215.5	33,588.9	348.4%	65,210.5	-6,494.9	142.4%	-63.6%
Consolidation	-10,251.2	-24,648.1	14,396.9	-58.4%	0.0	0.0	0.0%	0.0%
Total	301,397.5	229,143.4	72,254.1	31.5%	370,027.5	749,716.3	122.8%	327.2%

IMMOFINANZ uses the cash EBIT margin to evaluate the cash earnings generated by its business activities. This calculation is not based on a detailed cash flow statement, but compares the cash components of operating profit (EBIT) to total earnings.



Development of
Cash EBIT margin
in %

The cash EBIT margin declined from 39.3% to 35.5% during the reporting year. An analysis of the individual segments shows an increase in the cash EBIT margin for IMMOEAST and IMMOWEST as well as a decline for IMMOAUSTRIA.

Cash EBIT

All amounts in TEUR	IMMOAUSTRIA		IMMOEAST		IMMOWEST	
	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07
Operating profit (EBIT)	404,162.4	393,219.3	15,010.7	541,288.7	104,709.4	-21,223.5
Revaluation of properties	-293,726.9	-263,116.1	-11,090.1	-493,095.1	-65,210.5	6,494.9
Reversal of negative goodwill	-1,872.6	0.0	-427.4	-5,015.2	-7,944.5	-474.4
Depreciation and amortisation	10,455.6	21,462.9	141,032.6	43,816.3	6,305.5	24,944.1
Income taxes paid	-2,005.9	-917.8	-9,021.9	-13,062.8	-4,787.7	-5,825.6
Cash EBIT	117,012.6	150,648.3	135,342.4	73,932.0	33,072.2	3,915.6
Revenues	294,183.0	289,788.2	297,213.3	192,920.4	79,434.9	36,174.4
Cash EBIT margin	39.8%	52.0%	45.5%	38.3%	41.6%	10.8%

(continued) All amounts TEUR	Other and consolidation		IMMOFINANZ Group	
	2007/08	2006/07	2007/08	2006/07
Operating profit (EBIT)	-9,431.9	-25,590.1	514,450.6	887,694.4
Revaluation of properties	0.0	0.0	-370,027.5	-749,716.3
Reversal of negative goodwill	27,097.3	0.0	-37,341.8	-5,489.5
Depreciation and amortisation	-819.3	942.0	156,974.4	91,165.3
Income taxes paid	-1,930.9	-3.4	-26,051.7	-19,809.6
Cash EBIT	-39,281.9	-24,651.6	238,004.0	203,844.3
Revenues	0.0	0.0	670,831.3	518,883.0
Cash EBIT margin	0.0%	0.0%	35.5%	39.3%

57.7% improvement in financial results

Financial results

IMMOFINANZ recorded an improvement in financial results from TEUR 25,875.1 in 2006/07 to TEUR 40,813.6 for the reporting year. This growth resulted, among others, from an increase in interest income as well as higher income generated by associated companies in the IMMOWEST segment. Changes in foreign exchange rates in the individual segments had an impact of TEUR 22,111.7 (2006/07: TEUR 32,591.8) on financial results. The development of financial results was also influenced by the measurement of financial instruments at fair value through profit or loss and revaluations of TEUR 21,526.9 (2006/07 17,852.7) in the IMMOWEST and IMMOWEST segments as well as distributions of TEUR 55,519.6 (2006/07: 41,922.8) that were recorded for the most part in the IMMOWEST segment.

Financial results by segment

All amounts in TEUR	2007/08	2006/07	Change	in %
IMMOAUSTRIA	-139,921.1	-113,502.5	-26,418.6	23.3%
IMMOWEST	250,986.5	104,163.5	146,823.0	141.0%
IMMOAUSTRIA	23,179.2	48,669.8	-25,490.6	-52.4%
Consolidation	-93,431.0	-13,455.7	-79,975.2	594.4%
Total	40,813.6	25,875.1	14,938.6	57.7%

The above table shows that financial results – with the exception of foreign exchange effects – are generated to a limited extent in the operating segments and realised primarily at the holding company level.

Income taxes

This item includes income tax expense as well as provisions for deferred taxes.

Actual tax rate of 4.7%

Income tax expense for the group declined from TEUR -188,701.8 in the prior year to TEUR -180,226.4 for 2007/08, but the group tax rate rose from 20.7% to 32.5%. The group tax rate reflects the various tax rates applicable in the countries in which IMMOFINANZ is active, and is dependent on the earnings generated in each country as well as estimates for the ability to utilise tax loss carryforwards. If the calculation of the group tax rate were based solely on the actual income taxes of TEUR -26,051.7 paid for the reporting year, the tax rate would equal 4.7%.

Financial position

The following table shows a summarised cash flow statement for the IMMOFINANZ Group as of 30 April 2008 and 30 April 2007:

Cash flow statement – summary

All amounts in TEUR	2007/08	2006/07	Change in %
Earnings before tax (EBT)	555,264.2	913,569.5	-39.2%
Revaluation of properties / depreciation and amortisation	-187,739.3	-667,380.4	-71.9%
Gain/(loss) on the sale of non-current assets	-53,590.4	-61,623.5	-13.0%
Income taxes paid	-26,051.7	-19,809.6	31.5%
Other non-cash income/(expenses)	-6,715.8	23,480.5	-128.6%
Gross cash flow	248,798.8	169,631.9	46.7%
Cash flow from operating activities	313,159.4	-35,756.3	-
Cash flow from investing activities	-2,047,948.6	-1,924,423.1	6.4%
Cash flow from financing activities	1,437,459.7	3,038,797.0	-52.7%
Differences arising from foreign currency translation	-100,469.2	44,942.5	-323.6%
Change in cash and cash equivalents	-397,798.7	1,123,560.1	-135.4%
Cash and cash equivalents at the beginning of the period	1,657,052.0	533,491.9	210.6%
Cash and cash equivalents at the end of the period	1,259,253.3	1,657,052.0	-24.0%
Change in cash and cash equivalents	-397,798.7	1,123,560.1	-135.4%

Gross cash flow

Gross cash flow shows the strength of a company's operational earnings. However, the completion of development projects and ongoing measures to reduce costs have made this indicator less important than earnings data for an accurate evaluation of performance. The significant increase of 46.7% in gross cash flow clearly underscores the efficiency of the measures implemented by management.

Increase of 46.7%

Cash flow from operating activities

Cash flow from operating activities is based on gross cash flow, and includes the changes in the various components of working capital. The positive development of this indicator in 2007/08 was supported by an increase in other liabilities, in particular other financial liabilities and the related interest expense.

**Growth to
EUR 313.2 mill.**

Cash flow from investing activities

Cash flow from investing activities clearly reflects the expansion strategy of IMMOFINANZ, with an increase of 6.4% from TEUR 1,924,423.1 in 2006/07 to TEUR 2,047,948.6 in 2007/08. The most important positions were the acquisition of property companies for TEUR 832,995.6, the purchase of investment properties for a total of TEUR 795,328.6 and the acquisition of financial assets for TEUR 547,269.2.

6.4% increase

Cash flow from financing activities

Cash flow from financing activities is comprised primarily of net proceeds from the IMMOEAST capital increase (TEUR 1,328,321.8) as well as the increase in and repayment of financial liabilities, including the TEUR 750,000.0 convertible bond that was issued in November 2007.

Financing

Slight decline in equity ratio to 50.6%

IMMOFINANZ currently has an equity ratio of 50.6% and gearing of 59.3%. This standing is based in part on the capital increase that was carried out during the previous financial year.

Information on the conditions of financial liabilities is provided in the notes to the consolidated financial statements.

Asset position

The following table presents a condensed balance sheet as of 30 April 2008 and 30 April 2007:

Balance sheet as of 30 April 2008 – summary

All amounts in TEUR	30 April 2008	30 April 2007	Change in %
Investment property	9,636,190.4	8,221,528.8	17.2%
Property under construction	849,490.9	400,502.6	112.1%
Other non-current assets	2,753,657.7	1,698,641.7	62.1%
Non-current assets	13,239,339.1	10,320,673.1	28.3%
Current assets	2,329,060.7	2,400,970.1	-3.0%
ASSETS	15,568,399.8	12,721,643.2	22.4%
Equity	7,877,211.1	6,515,334.3	20.9%
Financial liabilities	5,464,402.3	4,314,372.6	26.7%
Other non-current liabilities	1,257,845.7	1,131,710.5	11.1%
Non-current liabilities	6,722,248.0	5,446,083.1	23.4%
Current liabilities	968,940.7	760,225.8	27.5%
EQUITY AND LIABILITIES	15,568,399.8	12,721,643.2	22.4%

Non-current assets

28.3% increase to EUR 13.2 million

Non-current assets increased TEUR 2,918,666.0 or 28.3% to TEUR 13,239,339.1 in 2007/08. This growth was driven primarily by the steady pursuit of the IMMOFINANZ expansion strategy. Investment activities were concentrated on the portfolio properties and development projects. In addition, the group strengthened its focus on the purchase of strategic investments in development companies such as Adama Holding Public Ltd. in order to improve the diversification of risk and, at the same time, gain access to new projects.

Current assets

Current assets declined by TEUR 71,909.3 to TEUR 2,329,060.7.

F. Information on equity (§ 243a (1) of the Austrian Commercial Code)

The share capital of IMMOFINANZ totalled EUR 476,527,653.59 (2006/07: TEUR 476,527.7) as of 30 April 2008 and is divided into 459,001,443 (2006/07: 459,001,443) zero par value shares.

The classification of shares as of 30 April 2008 is as follows:

All amounts in TEUR	Share capital		Share capital	
	Number of shares 30 April 2008	EUR 30 April 2008	Number of shares 30 April 2007	EUR 30 April 2007
Registered shares	6	6.23	6	6.23
Bearer shares	459,001,437	476,527,647.36	459,001,437	476,527,647.36
Total	459,001,443	476,527,653.59	459,001,443	476,527,653.59

The registered shares may only be transferred with the approval of the company. Each bearer share carries the right to nominate one member to the Supervisory Board.

The annual general meeting on 27 September 2007 authorised the Executive Board, contingent upon the approval of the Supervisory Board, to issue convertible bonds, within a period of five years beginning on the date this resolution was passed. These convertible bonds will carry exchange or subscription rights for up to 151,060,596 shares of bearer common stock and have a proportional share of up to EUR 156,828,594.90 in share capital. The convertible bonds may also be issued in multiple segments, with or without the exclusion of subscription rights. Furthermore, the Executive Board is authorised, contingent upon the approval of the Supervisory Board, to determine all other conditions for the issue and conversion of the convertible bonds. This annual general meeting also authorised a conditional increase of up to EUR 156,828,594.90 in share capital through the issue of up to 151,060,596 shares of new bearer stock to grant conversion or subscription rights to the subscribers of the convertible bonds.

Authorisation to issue convertible bonds

A total of 7,500 convertible bonds with a nominal value of EUR 100,000.00 each were issued on 19 November 2007. The interest rate for the bonds was set at 1.25% per year, and the term will end on 19 November 2017. Each convertible bond with a nominal value of EUR 100,000.00 carries subscription rights to 10,799 shares of new bearer common stock in IMMOFINANZ. The bondholders may exercise their conversion rights at any time between 2 January 2008 and 9 November 2017 by signing a statement of conversion. Furthermore, the bondholders have the right to put their entire holdings of convertible bonds or individual bond certificates prematurely between 19 November 2012 and 19 November 2014, in keeping with a notice period of at least 10 days. The company is entitled to call the bonds in full but not in part at any time on or after 3 December 2014 in keeping with a minimum notice period of 30 days and a maximum notice period of 90 days when the price of the IMMOFINANZ share exceeds 130% of the applicable conversion price on at least 20 trading days within a period of at least 30 trading days, which do not end less than five trading days before the call announcement.

Issue of EUR 750 million convertible bond; 2007-2017

The annual general meeting on 28 September 2006 authorised the Executive Board to issue convertible bonds with a total nominal value of up to EUR 750,000,000.00 within a period of five years, contingent upon approval by the Supervisory Board. These convertible bonds will carry exchange or subscription rights for up to 55,940,125 shares of bearer common stock and have a proportional share of up to EUR 58,076,106.11 in share capital. The subscription rights of shareholders

were excluded. This authorisation also allows the Executive Board to carry out a conditional increase of up to EUR 58,076,106.11 in share capital through the issue of up to 55,940,125 shares of new bearer common stock to grant conversion or subscription rights to the holders of the convertible bonds.

**Convertible bond issue
2007–2014, EUR 750 mill.**

In accordance with this authorisation, 7,500 convertible bonds with a nominal value of EUR 100,000.00 each were issued on 19 January 2007. The interest rate was set at 2.75% per year and the term of the bonds will end on 20 January 2014. Each convertible bond with a nominal value of EUR 100,000.00 carries subscription rights to 6,811.9891 shares of new bearer common stock in IMMOFINANZ. The bondholders may exercise their conversion rights at any time between 1 March 2007 and 9 January 2014 by signing a statement of conversion. Furthermore, the bondholders have the right to put their entire holdings of convertible bonds or individual bond certificates prematurely on 19 January 2012 in keeping with a notice period of at least 10 days. The company is entitled to call the bonds in full but not in part at any time on or after 19 January 2011 in keeping with a minimum notice period of 30 days and a maximum notice period of 90 days when the price of the IMMOFINANZ share exceeds 130% of the applicable conversion price on at least 20 trading days within a period of at least 30 trading days, which do not end less than five trading days before the call announcement.

**Convertible bond issue
2001–2008, EUR 100 mill.**

The extraordinary annual general meeting on 18 June 2001 authorised the Executive Board to issue up to 150,000 interest-bearing bearer convertible bonds with a nominal value of EUR 1,000.00 each at an issue price of 98% within a period of four years. These convertible bonds may be exchanged for shares in the company, in observance of the legal subscription rights of shareholders. The holders of the convertible bonds received the irrevocable right to exchange the securities at the end of their term for bearer shares in the company, which carry dividend rights beginning with the financial year in which the bonds are converted; each bond is convertible into 150 shares.

A total of 100,000 convertible bonds with a nominal value of EUR 1,000.00 each were issued on 31 August 2001 based on this resolution. These convertible bonds carry an interest rate of 4% per year. In accordance with a resolution of the Executive Board on 30 January 2007 and a resolution of the Supervisory Board on 31 January 2007, 15 March 2007 was designated as an additional conversion date. The conversion of 74,050 convertible bonds on 15 March 2007 resulted in the allocation of 11,480,447 new shares to the former bondholders.

Contingent capital increase

In order to guarantee bondholders the irrevocable right to exchange these securities for shares in the company, the extraordinary general meeting on 18 June 2001 also authorised a conditional increase in share capital from EUR 116,152,213.26 by up to EUR 23,359,125.27 through the issue of up to 22,500,000 shares of bearer stock with zero par value and dividend rights beginning with the financial year in which the bonds are converted.

**Approval for a share
buyback programme**

On 27 September 2007 the Executive Board was authorised to repurchase the company's shares up to 10% of share capital in accordance with § 65 (1) 8 of the Austrian Stock Corporation Act. This authorization is valid for a period of 18 months beginning on the date this resolution was passed. The Executive Board was also authorised, contingent upon the approval of the Supervisory Board, to approve the sale of treasury shares in another manner than over the stock exchange or through a public offer when this sale serves as return compensation for the transfer of a property or investment in a property to the company or a subsidiary or the shares are used to exchange the convertible bonds. The annual general meeting also authorised the Executive Board to withdraw the treasury shares, contingent upon the approval of the Supervisory Board but without a further resolution of the annual general meeting.

Non-current liabilities

Non-current liabilities rose by TEUR 1,276,164.9 to TEUR 6,772,248.0, which represents a plus of 23.4%. This increase resulted primarily from liabilities assumed in connection with the acquisition of companies.

Current liabilities

Current liabilities rose by 27.5% from TEUR 760,225.8 to TEUR 968,940.7, among others due to an increase in current financial liabilities. This development was based on the reclassification of borrowings due for repayment within the next 12 months from non-current to current liabilities.

Increase in short-term financial liabilities

Net asset value

The following table provides an overview of the components of net asset value:

Net asset value

All amounts in TEUR	30 April 2008		30 April 2007	
Equity before minority interest	4,348,229.7		4,081,659.5	
Goodwill	-326,335.4		-199,684.5	
Deferred tax assets	-59,740.7		-84,631.7	
Deferred tax liabilities	1,135,913.2	5,098,066.8	912,506.1	4,709,849.4
Property under construction (carrying value)	849,490.9		400,502.6	
Property under construction fair value)	1,213,624.3	364,133.4	744,068.4	343,565.8
Inventories (carrying value)	338,046.5		139,572.7	
Inventories (fair value)	426,347.2	88,300.7	209,630.0	70,057.3
Residual value of forward purchase contracts and investments carried at cost		67,616.4		41,144.9
Property held for sale (carrying value)	0.0		11,500.0	
Property held for sale (fair value)	0.0	0.0	11,500.0	0.0
Shares in associated companies (carrying value)	531,498.9		373,213.6	
Shares in associated companies (fair value)	536,054.4	4,555.5	438,847.3	65,633.7
Minority interests		-322,586.3		-249,271.0
Net asset value	5,300,086.5		4,980,980.1	
Number of shares (in 1,000)	459,001.4		459,001.4	
Net asset value per share (in EUR)	11.55		10.85	

Net asset value per share rose by 6.4% from EUR 10.85 in the prior year to EUR 11.55 for 2007/08. This figure includes the valuation of all development projects, inventories and investments in other companies that are not carried at fair value.

6.5% increase in net asset value to EUR 11.55 per share

The calculation of net asset value is based on Best Practices Policy Recommendation 6.3 of the European Public Real Estate Association (EPRA).

Triple net asset value (NNNAV) was also calculated because IMMOEAST holds inventories that will inevitably result in tax effects when they are sold, even after the utilisation of opportunities for the reduction of taxes. The calculation of NNNAV is based on the assumption that the full gain on sale will be taxed at the current tax rate.

Triple net asset value

All amounts in TEUR	30 April 2008	30 April 2007
Net asset value (NAV)	5,300,086.5	4,980,980.1
Deferred taxes (present value)	-14,940.5	-8,554.0
Triple net asset value (NNNAV)	5,285,146.0	4,972,426.1
Number of shares (in 1,000)	459,001.4	459,001.4
Triple net asset value per share (in EUR)	11.51	10.83

G. Financial instruments and risk management (§ 267 (3) 4 of the Austrian Commercial Code)

Active, systematic risk management

As an international corporation, IMMOFINANZ is exposed to various financial risks. The most important financial risks for the group are associated with possible changes in foreign exchange rates, interest rates and stock prices as well as the creditworthiness and liquidity of customers and business partners. The goal of IMMOFINANZ is to actively control these risks through systematic risk management.

In accordance with IAS 32 and IAS 39, a distinction is made between primary and derivative financial instruments.

Financial instruments

Primary financial instruments include investments in other companies that are reported under financial assets as well as securities and similar rights, loans granted, trade accounts receivable, available-for-sale securities and deposits with financial institutions. Available-for-sale financial assets are carried at fair value; all other financial assets are shown at amortised cost. The determination of fair value is based on market prices or calculated in accordance with recognised valuation methods. Primary financial instruments recorded under liabilities are comprised primarily of financial liabilities and trade accounts payable, which are shown at amortised cost.

Derivative financial instruments are used to hedge the risk associated with fluctuations in foreign exchange rates and interest rates arising from business operations as well as risk associated with monetary investments and financing.

Default/credit risk

Credit risk (default risk) is understood to represent the risk that one party to a financial instrument may cause the other party to incur a financial loss by failing to meet a financial obligation. In accordance with IFRS 7.36, an entity must disclose – for each class of financial instrument – information on the maximum exposure to credit risk as of the balance sheet date without taking account of any collateral held or other enhancements and also provide a description of collateral received and any credit enhancements as well as information on the carrying value of the financial assets

Disclosure in accordance with IFRS 7.36

whose contract terms were amended and which would have been classified as past due or impaired under the previous contract terms. In accordance with IFRS 7.B9, the amounts offset in keeping with IAS 32.42 ff. and impairment charges as defined in IAS 39 should be deducted from the gross carrying value of financial assets. The remaining amount represents the maximum credit risk. Collateral held in security and other credit enhancements are not included in this calculation, but only disclosed separately (IFRS 7.36(b)).

Credit risks arise from the possibility that the counterparty to a transaction fails to meet his/her obligations, and the group incurs financial damages as a result. The maximum credit risk for assets is represented by the amounts shown on the balance sheet. The risk of default associated with financial assets is reflected in impairment charges. The risk of default for IMMOFINANZ is low because the credit standing of customers is reviewed on a regular basis, and no single tenant is responsible for more than 5% of total outstanding receivables.

No more than 5% of total receivables attributed to one tenant

The risk associated with financial receivables is reflected in an appropriate adjustment to the discount rate.

The volume of primary financing instruments held by the group is shown on the balance sheet, whereby the value of financial assets represents the maximum risk of default. The risk of default associated with other primary financing instruments and derivative financial instruments is also low because all financing transactions are concluded with financial institutions that have excellent credit ratings.

The most important instrument for the management and control of default risk is the diversification of the property portfolio and the selection of a suitable tenant structure for each property. The risk of default on receivables due from tenants is low because tenants are generally required to provide collateral (for residential properties: cash deposits; for commercial properties: bank guarantees or cash deposits) and the credit standing of tenants is monitored on a regular basis.

Collateral reduces risk of loss

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate due to a change in market prices. There are three types of market risk: foreign exchange risk, interest rate risk and other price risks.

Foreign exchange risk

IMMOFINANZ is exposed to foreign exchange risk in two forms: fluctuations in foreign exchange rates can influence the results of valuations, and also have an impact on the asset position of the company.

The results from companies located outside the Euro zone, which are included using full or proportionate consolidation, are translated based on the functional currency of the local company in accordance with the modified current rate method. The expert opinions on properties are prepared in Euros and fluctuations in exchange rates will influence the results from the revaluation of properties.

Impact on revaluation result

An increase in foreign exchange rates compared to the Euro will lead to higher Euro amounts in the fair values of investment properties than the amounts reflected in the expert opinions from the prior year. When the latest value is compared with the unchanged amount from a prior year expert

opinion in Euro, the translation of the prior year Euro amount back into the functional currency (local currency) leads to a lower value – because of the higher exchange rate – and therefore to a write-down. If the value in the expert opinion rises, this foreign exchange effect reduces the upward potential for the valuation of the property; if the value in the expert opinion is lower, this effect increases the write-down.

A decrease in foreign exchange rates compared to the Euro will lead to lower Euro amounts in the fair values of investment properties than the amounts reflected in the expert opinions from the prior year. When the latest value is compared with the unchanged amount from a prior year expert opinion in Euro, the translation of the prior year Euro amount back into the functional currency (local currency) leads to a higher value – because of the higher exchange rate – and therefore to a revaluation. If the value in the expert opinion rises, this foreign exchange effect increases the upward potential for the valuation of the property; if the value in the expert opinion is lower, this effect decreases the write-down.

Currency effects on financial position

IAS 21 calls for the translation of monetary assets and liabilities at the average exchange rate in effect on the balance sheet date as well as the recognition of any gains or losses to the income statement. For this reason, fluctuations in exchange rates can have a direct impact on the asset position of the group.

The risk of devaluation associated with cash balances in foreign currencies is offset by the rapid conversion of these funds into the Euro or through investments in these currencies. In addition, the low USD cash balances are used for investments in USD to which the group is committed.

Another management instrument to minimise foreign exchange risk is the restrictive use of foreign currency credits in Europe. In this region, the risk arising from adverse foreign exchange effects is outweighed by the advantages of low interest rates.

Reduction of the currency risk for rents

In order to limit the foreign exchange risk associated with rental income, contractual agreements with tenants in countries where the functional currency is not the Euro generally call for the payment of rents in Euro or link the rental payments to the Euro exchange rate on particular dates.

Derivative financial instruments are also used to manage foreign exchange risk. The derivative financial instruments used by IMMOFINANZ to hedge foreign exchange risk are recorded as independent transactions and not as hedge transactions. Hedge accounting as defined in IAS 39.85 – IAS 39.102 is not applied because the requirements of these regulations are not met.

Derivative financial instruments are stated at market value. Derivatives with a positive market value are included under the balance sheet position “other financial instruments”. Derivatives with a negative market value are shown under “other liabilities”.

Any changes in this market value are recognised as income or expenses under financial results.

The following table shows the market values and conditions of the derivative financial instruments that were purchased to hedge foreign exchange risk.

Analysis of Results

Company	Derivative	Currency	Beginning	End	Financial institution	Fixed interest/exchange rate	Reference interest rate	Hedge	Currency	Reference value 30.4.2008 in TEUR	Market value 30.4.2008 in TEUR
IMMOWEST											
Rheinische Lagerhaus GmbH	FX	CHF/EUR	01.12.2002	31.03.2009	Dr. Koehne GmbH & Co KG	1.54	n.a.	Foreign currency (CHF)	CHF	10,423.2	-336.5
Rheinische Lagerhaus GmbH	FX	CHF/EUR	09.05.2007	30.03.2009	Bayerische Hypo- und Vereinsbank AG	1.5992	n.a.	Foreign currency (CHF)	CHF	7,028.4	25.0
Rheinische Lagerhaus GmbH	FX	CHF/EUR	09.05.2007	30.03.2009	Bayerische Hypo- und Vereinsbank AG	1.5992	n.a.	Foreign currency (CHF)	CHF	4,740.8	16.8
Rheinische Lagerhaus GmbH	FX	CHF/EUR	09.05.2007	30.03.2009	Bayerische Hypo- und Vereinsbank AG	1.5992	n.a.	Foreign currency (CHF)	CHF	3,235.8	11.5
IMMOEAST											
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.06.2008	Aareal Bank AG	1.3477	n.a.	Foreign currency (USD)	USD	2,126.1	203.7
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.09.2008	Aareal Bank AG	1.3507	n.a.	Foreign currency (USD)	USD	1,975.8	177.4
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.12.2008	Aareal Bank AG	1.3539	n.a.	Foreign currency (USD)	USD	1,808.1	152.3
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	31.03.2009	Aareal Bank AG	1.3571	n.a.	Foreign currency (USD)	USD	1,581.9	125.1
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.06.2009	Aareal Bank AG	1.3602	n.a.	Foreign currency (USD)	USD	1,482.8	110.7
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.09.2009	Aareal Bank AG	1.3633	n.a.	Foreign currency (USD)	USD	939.3	66.6
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.12.2009	Aareal Bank AG	1.3668	n.a.	Foreign currency (USD)	USD	643.6	43.4
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	31.03.2010	Aareal Bank AG	1.3708	n.a.	Foreign currency (USD)	USD	570.1	36.5
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.06.2010	Aareal Bank AG	1.3744	n.a.	Foreign currency (USD)	USD	567.7	34.7
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.09.2010	Aareal Bank AG	1.3779	n.a.	Foreign currency (USD)	USD	567.7	33.2
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.12.2010	Aareal Bank AG	1.3814	n.a.	Foreign currency (USD)	USD	378.5	21.2

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

The market value represents the amount that the relevant company would receive or be required to pay if the transaction were terminated as of the balance sheet date. The market values do not reflect the proportionate consolidation of the company in the consolidated financial statements.

Interest rate risk

As an international company, IMMOFINANZ is exposed to the risk of interest rate fluctuations on various property sub-markets. Changes in interest rates can influence the earnings recorded by the group through higher interest costs for existing variable rate financing, and can also have a reflex effect on the valuation of properties and the fair value of financial instruments.

Impact on financing costs and property valuation

Changes in interest rates have a direct influence on the financial results recorded by the group in that they increase the cost of variable rate financing. IMMOFINANZ manages the risk associated with rising interest rates, which would lead to an increase in interest expense and a decline in financial results, through the use of derivative financial instruments. The derivative financial instruments used by IMMOFINANZ to hedge interest rate risk are recorded as independent transactions and not as hedge transactions. Any changes in market value are recognised as income or expenses under financial results. In addition, the group has concluded financing contracts that carry fixed interest rates.

Use of derivative financial instruments

The following table shows the market values and conditions of the derivative financial instruments that were purchased to hedge interest rate risk and were held by the group as of the balance sheet date.

Company	Derivative	Currency	Beginning	End	Financial institutions	Fixed interest/ exchange rate	Reference interest rate	Hedge	Currency	Reference value as of 30.4.2008 in TEUR	Market value as of 30.4.2008 in TEUR
IMMOAUSTRIA											
BUWOG Bauen und Wohnen Gesellschaft mbH	SWAP	EUR	14.07.2005	31.12.2014	Bank Austria Creditanstalt AG	3.26%	6M-EURIBOR	Interest rate	EUR	6,667.0	381.3
BUWOG Bauen und Wohnen Gesellschaft mbH	SWAP	EUR	30.09.2005	30.09.2015	Bank Austria Creditanstalt AG	3.37%	6M-EURIBOR	Interest rate	EUR	3,922.0	222.7
BUWOG Bauen und Wohnen Gesellschaft mbH	SWAP	EUR	30.09.2005	30.09.2015	Bank Austria Creditanstalt AG	3.22%	6M-EURIBOR	Interest rate	EUR	2,966.0	153.4
SelfStorage-Dein Lager LagervermietungsgesmbH	CAP	EUR	27.10.2004	27.10.2009	ERSTE BANK DER OESTERR. SPARKASSEN AG	3.26%	3M-EURIBOR	Interest rate	EUR	6,000.0	78.3
SelfStorage-Dein Lager LagervermietungsgesmbH	Floor	EUR	30.06.2003	30.06.2008	ERSTE BANK DER OESTERR. SPARKASSEN AG	1.99%	3M-EURIBOR	Interest rate	EUR	6,500.0	0.0
SelfStorage-Dein Lager LagervermietungsgesmbH	CAP	EUR	30.06.2003	30.06.2008	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.50%	3M-EURIBOR	Interest rate	EUR	6,500.0	2.5
SelfStorage-Dein Lager LagervermietungsgesmbH	SWAP	EUR	31.01.2008	31.01.2016	ERSTE BANK DER OESTERR. SPARKASSEN AG	3.49%	3M-EURIBOR	Interest rate	EUR	3,000.0	-9.6
"Wienerberg City" Errichtungsges.m.b.H.	SWAP	EUR	30.09.2003	30.09.2008	Bank Austria Creditanstalt AG	3.57%	3M-EURIBOR	Interest rate	EUR	35,512.3	209.2
"Wienerberg City" Errichtungsges.m.b.H.	SWAP	EUR	31.10.2003	31.10.2010	Bank Austria Creditanstalt AG	3.99%	3M-EURIBOR	Interest rate	EUR	41,234.6	354.6
Bauteile A+B Errichtungsges.m.b.H.	CAP	EUR	17.07.2006	15.07.2011	Raiffeisen Zentralbank Österreich AG	4.50%	6M-EURIBOR	Interest rate	EUR	49,266.7	-13.3
Bauteile A+B Errichtungsges.m.b.H.	CAP	EUR	17.07.2006	15.07.2011	Raiffeisen Zentralbank Österreich AG	4.50%	6M-EURIBOR	Interest rate	EUR	4,024.2	-1.1
Bauteile C+D Errichtungsges.m.b.H.	CAP	EUR	17.07.2006	15.07.2011	Raiffeisen Zentralbank Österreich AG	4.50%	6M-EURIBOR	Interest rate	EUR	32,940.8	-8.9
IMMOFINANZ AG	SWAP	EUR	15.11.2005	16.11.2009	Bank Austria Creditanstalt AG	3M-EURIBOR	3,38%	Interest rate	EUR	100,000.0	-2,760.6
IMMOFINANZ AG	CAP	EUR	30.06.2006	30.06.2011	Raiffeisen Zentralbank Österreich AG	4.75%	6M-EURIBOR	Interest rate	EUR	50,000.0	-155.9
IMMOFINANZ AG	CAP	EUR	15.09.2006	16.05.2011	WestLB AG, Düsseldorf	4.50%	3M-EURIBOR	Interest rate	EUR	100,000.0	200.8
IMMOFINANZ AG	CAP	EUR	27.09.2006	16.05.2011	Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate	EUR	100,000.0	180.9
IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	20.08.2006	23.05.2011	Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate	EUR	17,785.6	-13.0
IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	20.08.2006	20.05.2011	Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate	EUR	9,953.6	-7.3
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	CAP	EUR	29.09.2006	31.03.2011	Constantia Privatbank Aktiengesellschaft	5.00%	3M-EURIBOR	Interest rate	EUR	23,555.7	35.3
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	CAP	EUR	06.08.2007	04.01.2010	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	988.3	-0.7
ESG Beteiligungs GmbH	CAP	EUR	31.07.2006	31.07.2011	Oberbank AG, Linz	4.50%	3M-EURIBOR	Interest rate	EUR	38,000.0	243.0

Analysis of Results

Company	Derivative	Currency	Beginning	End	Financial institutions	Fixed interest/exchange rate	Reference interest rate	Hedge	Currency	Reference value as of 30.4.2008 in TEUR	Market value as of 30.4.2008 in TEUR
IMF Immobilienholding Gesellschaft m.b.H.	CAP	EUR	20.09.2006	20.09.2011	Raiffeisen Landesbank Oberösterreich Aktiengesellschaft	4.50%	3M-EURIBOR	Interest rate	EUR	263,000.0	478.2
IMF Immobilienholding Gesellschaft m.b.H.	CAP	EUR	31.07.2006	31.07.2011	Oberbank AG, Linz	4.50%	3M-EURIBOR	Interest rate	EUR	50,000.0	319.6
IMMOFINANZ ALPHA Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	20.08.2006	23.05.2011	Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate	EUR	9,905.3	-7.2
IMMOFINANZ ALPHA Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	20.08.2006	23.05.2011	Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate	EUR	3,937.4	-1.5
IMMOFINANZ ALPHA Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	23.08.2007	31.10.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	4,072.7	-22.2
Immofinanz TCT Liegenschaftsverwaltungs GmbH	CAP	EUR	01.09.2006	01.09.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	3,009.0	-3.8
Immofinanz TCT Liegenschaftsverwaltungs GmbH	CAP	EUR	01.09.2006	01.09.2011	Bank Austria Creditanstalt AG	4.50%	6M-EURIBOR	Interest rate	EUR	1,215.0	-2.9
Immofinanz TCT Liegenschaftsverwaltungs GmbH	CAP	EUR	01.09.2006	01.09.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	2,357.7	-3.4
Immofinanz TCT Liegenschaftsverwaltungs GmbH	CAP	EUR	01.09.2006	01.09.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	2,725.0	-4.4
Immofinanz TCT Liegenschaftsverwaltungs GmbH	CAP	EUR	01.09.2006	01.09.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	3,700.0	-6.0
Immofinanz TCT Liegenschaftsverwaltungs GmbH	CAP	EUR	01.09.2006	01.09.2011	Bank Austria Creditanstalt AG	4.50%	6M-EURIBOR	Interest rate	EUR	413.1	-1.0
RentCon Handels- und Leasing GmbH	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	2,930.4	-0.3
RentCon Handels- und Leasing GmbH	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	9,628.5	-1.1
FUTUR-IMMOBILIEN GmbH	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	3,001.8	-1.7
ARO Immobilien GmbH	CAP	EUR	31.08.2006	31.08.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	8,442.8	-8.2
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H & Co Fischhof 3 KEG	CAP	EUR	16.10.2006	17.10.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	4,028.7	-1.5
F&I Liegenschaftsvermietungs GmbH	CAP	EUR	06.08.2007	06.08.2012	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	10,138.0	-84.6
IMMOFINANZ GAMMA Liegenschafts- u. Mobilienverm. GmbH	CAP	EUR	23.08.2007	31.10.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	4,072.7	-22.2
SPE Liegenschaftsvermietung Gesellschaft m.b.H	CAP	EUR	23.08.2007	31.10.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	4,072.7	-22.2
City Parkgaragen Betriebsgesellschaft m.b.H.	CAP	EUR	06.08.2007	06.08.2012	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	8,725.8	-65.5
WIPARK Garagen AG	CAP	EUR	06.08.2007	06.08.2012	Bank Austria Creditanstalt AG	4.75%	12M-EURIBOR	Interest rate	EUR	50,199.4	-291.5
WIPARK Garagen AG	CAP	EUR	30.04.2008	06.08.2012	Bank Austria Creditanstalt AG	4.75%	12M-EURIBOR	Interest rate	EUR	5,976.7	-28.6
IMMOWEST											
IMMOWEST PROMTUS Holding GmbH	CAP	EUR	06.02.2006	31.03.2017	Lehman Brothers Special Financing Inc.	3.45%	6M-EURIBOR	Interest rate	EUR	55,414.1	2,380.1

Company	Derivative	Currency	Beginning	End	Financial institutions	Fixed interest/ exchange rate	Reference interest rate	Hedge	Currency	Reference value as of 30.4.2008 in TEUR	Market value as of 30.4.2008 in TEUR
Rheinische Lagerhaus GmbH	SWAP	EUR	31.12.2007	29.12.2017	EUROHYPO AG	4.62%	3M-EURIBOR	Interest rate	EUR	5,524.9	-79.9
Rheinische Lagerhaus GmbH	SWAP	EUR	31.12.2007	29.12.2017	EUROHYPO AG	4.62%	3M-EURIBOR	Interest rate	EUR	4,256.0	-61.4
Rheinische Lagerhaus Rheine GmbH	SWAP	CHF/EUR	01.07.1998	01.07.2008	SEB AG	3.65%	12M-BBA Interest Rate	Interest rate	CHF	6,300.0	-3.5
Rhein Park GmbH	SWAP	EUR	30.06.2008	29.06.2018	EUROHYPO AG	4.62%	3M-EURIBOR	Interest rate	EUR	1,551.3	-22.2
Deutsche Lagerhaus GmbH u. Co KG	SWAP	CHF/EUR	16.02.2006	30.06.2009	Bankhaus Lampe KG, Düsseldorf	6M-CHF-Libor	5,10%	Interest rate	CHF	17,000.0	-148.6
Deutsche Lagerhaus GmbH u. Co KG	SWAP	CHF/EUR	16.02.2006	30.12.2008	Bankhaus Lampe KG, Düsseldorf	6M-CHF-Libor	4,15%	Interest rate	CHF	7,000.0	-43.1
Deutsche Lagerhaus elfte Objekt GmbH u. Co. KG	SWAP	EUR	31.08.2007	31.08.2017	EUROHYPO AG	4.78%	3M-EURIBOR	Interest rate	EUR	10,302.9	-267.0
Deutsche Lagerhaus Poing GmbH u. Co. KG	SWAP	EUR	31.08.2007	31.08.2017	EUROHYPO AG	4.78%	3M-EURIBOR	Interest rate	EUR	15,405.3	-399.3
Deutsche Lagerhaus fünfzehnte Objekt GmbH u. Co. KG	SWAP	EUR	31.08.2007	31.08.2017	EUROHYPO AG	4.78%	3M-EURIBOR	Interest rate	EUR	16,190.3	-419.6
Deutsche Lagerhaus sechzehnte Objekt GmbH u. Co. KG	SWAP	EUR	31.08.2007	31.08.2017	EUROHYPO AG	4.78%	3M-EURIBOR	Interest rate	EUR	8,144.2	-211.1
Deutsche Lagerhaus siebzehnte Objekt GmbH u. Co. KG	SWAP	EUR	01.10.2007	29.09.2017	EUROHYPO AG	4.73%	3M-EURIBOR	Interest rate	EUR	6,533.5	-151.0
Deutsche Lagerhaus Willich GmbH u. Co KG	SWAP	EUR	31.12.2007	29.12.2017	EUROHYPO AG	4.65%	3M-EURIBOR	Interest rate	EUR	10,925.8	-183.7
Logistikpark Lahr GmbH & Co. KG	SWAP	EUR	02.01.2008	31.12.2011	IKB International Société Anonyme	4.65%	3M-EURIBOR	Interest rate	EUR	18,196.8	-212.0
City Box Holdings B.V.	CAP	EUR	01.10.2004	01.08.2009	Goldman Sachs Capital Markets LP	4.00%	1M-EURIBOR	Interest rate	EUR	12,187.5	102.5
IMMOEAST											
Atom Centrum a.s.	CAP	EUR	31.03.2006	31.03.2011	HVB Bank Czech Republic a.s.	4.00%	3M-EURIBOR	Interest rate	EUR	13,832.2	195.7
IRIDE S.A.	CAP	EUR	07.08.2006	28.07.2011	Raiffeisen Zentralbank Österreich AG	5.00%	3M-EURIBOR	Interest rate	EUR	42,649.5	81.5
Globe 13 Kft.	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	5.00%	3M-EURIBOR	Interest rate	EUR	16,530.0	-46.3
Lentia Real (1) Kft.	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	5.00%	3M-EURIBOR	Interest rate	EUR	8,690.0	-25.1
Szepvölgyi Businesspark Kft.	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	5.00%	3M-EURIBOR	Interest rate	EUR	9,300.0	-26.7
Arpad Center Kft.	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	5.00%	3M-EURIBOR	Interest rate	EUR	5,132.0	-14.3
MBP I Sp. z o.o.	SWAP	EUR	30.11.2006	30.12.2010	Aareal Bank AG	3.83%	3M-EURIBOR	Interest rate	EUR	141,661.7	1,895.8
Delta Park A.S.	CAP	EUR	27.07.2007	27.04.2010	Raiffeisen Zentralbank Österreich AG	4.75%	6M-EURIBOR	Interest rate	EUR	12,725.0	-47.0
Office Campus Budapest Kft.	CAP	EUR	29.06.2007	29.06.2012	Raiffeisen Zentralbank Österreich AG	4.75%	3M-EURIBOR	Interest rate	EUR	12,752.5	-102.4
ARE 8 Sp. z o.o.	CAP	EUR	23.08.2007	30.06.2010	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	6,695.8	-9.1
AI Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	1,397.8	-5.9
OI Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	5,292.7	-22.5

Analysis of Results

Company	Derivative	Currency	Beginning	End	Financial institutions	Fixed interest/exchange rate	Reference interest rate	Hedge	Currency	Reference value as of 30.4.2008 in TEUR	Market value as of 30.4.2008 in TEUR
Atlantis Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	8,103.8	-34.0
ARE 5 Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	2,975.3	-13.0
Secure Bud Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	8,085.0	-35.2
ARE 4 Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	8,675.4	-37.5
Central Bud Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	8,415.9	-36.8
Omega Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	2,797.2	-12.0
C.E.P.D. Kft.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	23,757.5	-101.8
Passat Real Sp. z o.o.	CAP	EUR	06.08.2007	06.08.2012	Bank Austria Creditanstalt AG	4.75%	6M-EURIBOR	Interest rate	EUR	13,600.0	-129.6
Polus a.s.	SWAP	EUR	31.10.2007	31.07.2012	Hypo Real Estate Bank International AG	4.57%	3M-EURIBOR	Interest rate	EUR	133,987.5	-829.7
Cora G.S. S.R.L.	SWAP	EUR	20.09.2007	15.07.2011	Hypo Real Estate Bank International AG	4.40%	3M-EURIBOR	Interest rate	EUR	19,670.0	-60.1
IMMOEAST AG	CAP	EUR	30.08.2007	30.07.2010	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	11,855.0	33.5
IMMOEAST AG	CAP	EUR	30.08.2007	31.05.2011	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	13,821.0	53.9
IMMOEAST AG	CAP	EUR	30.08.2007	19.03.2013	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	5,127.6	38.8
IMMOEAST AG	CAP	EUR	14.08.2007	14.08.2012	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	100,000.0	610.3
Taifun Real Sp. z o.o.	CAP	EUR	06.08.2007	06.08.2012	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	7,659.0	-51.3
Diamant Real s.r.o.	CAP	EUR	14.08.2007	14.08.2012	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	40,000.0	-322.3
Blizzard Real Sp. z o.o.	CAP	EUR	06.08.2007	06.08.2012	Bank Austria Creditanstalt AG	4.75%	12M-EURIBOR	Interest rate	EUR	15,000.0	-180.5
PBT Invest s.r.l.	CAP	EUR	10.07.2007	30.06.2012	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	7,700.0	-162.9
FMZ TM s.r.l.	CAP	EUR	02.08.2007	30.06.2009	Investkredit Bank AG	4.30%	3M-EURIBOR	Interest rate	EUR	2,209.3	3.4
SBACARO s.r.l.	CAP	EUR	04.01.2008	30.06.2010	Investkredit Bank AG	5.00%	3M-EURIBOR	Interest rate	EUR	8,189.6	20.7
SBACARO s.r.l.	CAP	EUR	02.08.2007	30.06.2009	Investkredit Bank AG	4.30%	3M-EURIBOR	Interest rate	EUR	3,548.2	5.4
SAM FMZ s.r.l.	CAP	EUR	04.01.2008	30.06.2010	Investkredit Bank AG	5.00%	3M-EURIBOR	Interest rate	EUR	2,372.3	6.0
Xantium Sp. z o.o.	SWAP	EUR	13.02.2008	12.02.2010	Landesbank Hessen-Thüringen	3.71%	3M-EURIBOR	Interest rate	EUR	56,058.9	634.3
IO-1 Building Sp. z o.o.	SWAP	EUR	13.02.2008	12.02.2010	Landesbank Hessen-Thüringen	3.71%	3M-EURIBOR	Interest rate	EUR	45,000.0	509.2
Nowe Centrum Sp. z o.o.	SWAP	EUR	19.03.2008	12.02.2010	Landesbank Hessen-Thüringen	4.03%	3M-EURIBOR	Interest rate	EUR	168,117.1	970.0
Globe 3 Ingatlanfejlesztő Kft.	SWAP	CHF/EUR	31.12.2007	30.06.2013	ERSTE BANK DER OESTERR. SPARKASSEN AG	1.19 x 3M-CHF-Libor	3M-EURIBOR	Interest rate	EUR	3,194.9	69.6

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

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Increase in financing costs

Liquidity risk

The events on international financial markets during the past year have led to a steady increase in financing costs. This can have an impact above all in the development area because it has become more difficult to obtain attractive financing for projects under construction.

H. Subsequent events

Acquisitions

Austria

Acquisition of the property division of Constantia Privatbank

On 30 June 2008 it was announced that IMMOFINANZ had successfully concluded negotiations with the owners of Constantia Privatbank Aktiengesellschaft for the acquisition of the property segment of Constantia Privatbank Aktiengesellschaft by IMMOEAST AG and IMMOFINANZ.

In an extraordinary general meeting of IMMOFINANZ AG on 23 July 2008, the shareholders approved a proposal by the Executive Board and Supervisory Board to acquire the property activities of Constantia Privatbank Aktiengesellschaft together with IMMOEAST AG.

In an extraordinary general meeting of IMMOEAST AG on 25 July 2008, the shareholders approved a proposal by the Executive Board and Supervisory Board to acquire the property activities of Constantia Privatbank Aktiengesellschaft together with IMMOFINANZ.

This transaction will take the following form: Constantia Privatbank will spin off all its property activities as well as subsidiaries that are active in the property branch into a new company, I&I Real Estate Asset Management AG (I&I). IMMOEAST AG and IMMOFINANZ will subsequently acquire I&I and manage this company as a subsidiary.

IMMOAUSTRIA Segment

IMMOFINANZ acquired the property at Prinz-Eugen-Strasse 8-10 for TEUR 50,039.3 after the balance sheet date.

IMMOEAST Segment

As of 23 July 2008 IMMOEAST acquired 100% of the shares in Haller Kert Kft., which completed construction of the Haller Gardens office property in the centre of Budapest, Hungary, near this acquisition date. The property is a modern category A office building in the Pest section of the city, with seven stories and roughly 34,000 sqm of lettable space. The investment totalled EUR 75.8 million.

I. Outlook (§ 267 (3) 2 of the Austrian Commercial Code)

The IMMOFINANZ Group recorded sound operating development during the reporting year, and forecasts call for a continuation of growth during 2008/09. The operating environment in the group's home market of Austria should remain stable during the coming year. Additionally, the demand for rental space and the level of rental prices in Germany are expected to follow an upward trend. Selective investments in niche areas such as urban development projects and special logistics promise steady high demand as well as stable returns. In Central and Eastern Europe, strong economic growth should provide a solid foundation for continued high growth rates.

**Continued success
in operations**

However, it is impossible to overlook the fact that the changing market climate, rising yields and the increasing difficulty of obtaining financing will present a range of challenges in the future. IMMOFINANZ intends to meet these challenges with the strategic optimisation of its portfolio, the realisation of the potential inherent in existing properties and selective growth through the identification of first-class investment opportunities.

**Challenging market
environment**

Statement by the Executive Board

The members of the Executive Board hereby confirm to the best of their knowledge that the consolidated financial statements of the IMMOFINANZ Group as of 30 April 2008, which were prepared in accordance with International Financial Reporting Standards (IFRS), provide a true and fair view of the financial position and financial performance of all companies included in the consolidation.

Moreover, the group management report as of 30 April 2008 provides a true and fair view of the financial position and financial performance of the IMMOFINANZ Group. It also portrays important events of the financial year as well as the effects of these events on the consolidated financial statements, and describes the principal risks and uncertainties of the financial year.

Vienna, 22 August 2008

The Executive Board

Karl Petrikovics
Chairman

Daniel Riedl
Member

Christian Thornton
Member

Michael Wurzinger
Member

Consolidated Financial Statements of IMMOFINANZ AG

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IMMOFINANZ AG
Consolidated Income Statement
 with comparison to prior year data

All amounts in TEUR	Notes	2007/08	2006/07
Revenues	3.1.1	670,831.3	518,883.0
Other operating income	3.9.1	126,999.5	101,461.5
Expenses related to properties	3.1.3	-236,274.4	-184,232.1
Other operating expenses	3.9.2	-237,146.8	-183,177.5
Personnel expenses	3.9.3	-17,361.8	-14,405.0
Cost of goods sold	3.1.11	-5,650.3	-9,386.5
Results of operations (EBITDA)		301,397.5	229,143.4
Revaluation of properties	3.1.2.1	370,027.5	749,716.3
Depreciation and amortisation	3.2.1.3	-156,974.4	-91,165.3
Operating profit (EBIT)		514,450.6	887,694.4
Net financing costs		-175,103.0	-135,671.6
Income/(loss) on financial instruments		175,583.7	161,459.1
Share of profit/(loss) from associated companies		40,332.9	87.6
Financial results	3.3.1	40,813.6	25,875.1
Earnings before tax (EBT)		555,264.2	913,569.5
Income taxes	3.5.1	-180,226.4	-188,701.8
Net profit for the period		375,037.8	724,867.7
Due to equity holders of the parent company		304,864.7	457,579.9
Due to minority interests		70,173.1	267,287.8
Basic earnings per share in EUR	3.6.1	0.66	1.03
Diluted earnings per share in EUR	3.6.1	0.62	1.00

The following notes to the financial statements form an integral part of this consolidated income statement.

IMMOFINANZ AG

Consolidated Balance Sheet as of 30 April 2008

with comparison to prior year data

All amounts in TEUR	Notes	30 April 2008	30 April 2007
Investment property	3.1.4	9,636,190.4	8,221,528.8
Property under construction	3.1.5	849,490.9	400,502.6
Other tangible assets	3.9.4	23,182.0	26,935.2
Intangible assets	3.2.1 / 3.9.5	330,796.4	205,434.7
Shares in associated companies	3.4	531,498.9	373,213.6
Other financial instruments	3.3.3	1,169,418.4	806,617.8
Receivables and other assets	3.3.5	639,021.4	201,808.7
Deferred tax assets	3.5.2	59,740.7	84,631.7
Non-current assets		13,239,339.1	10,320,673.1
Receivables and other assets	3.3.5	731,760.9	592,845.4
Property held for sale	3.1.6	0.0	11,500.0
Inventories	3.1.10	338,046.5	139,572.7
Financial instruments	3.3.6	502,675.2	657,036.0
Cash and cash equivalents	3.3.7	756,578.1	1,000,016.0
Current assets		2,329,060.7	2,400,970.1
ASSETS		15,568,399.8	12,721,643.2
Share capital		476,527.7	476,527.7
Reserves		2,415,451.5	2,330,751.7
Revaluation reserve		109,364.0	108,688.1
Retained earnings and consolidated profit		1,346,405.9	1,158,377.9
Currency translation adjustment		480.6	7,314.1
		4,348,229.7	4,081,659.5
Minority interests		3,528,981.4	2,433,674.8
Equity	3.6	7,877,211.1	6,515,334.3
Long-term financial liabilities	3.3.8	5,464,402.3	4,314,372.6
Trade accounts payable	3.3.9	7,135.4	3,472.7
Provisions	3.9.6	2,709.3	6,148.1
Other liabilities	3.3.10	112,087.8	209,583.6
Deferred tax liabilities	3.5.2	1,135,913.2	912,506.1
Non-current liabilities		6,722,248.0	5,446,083.1
Short-term financial liabilities	3.3.8	464,502.6	396,957.1
Trade accounts payable	3.3.9	78,353.0	131,549.4
Provisions	3.9.6	68,360.5	35,008.2
Other liabilities	3.3.10	357,724.6	196,711.1
Current liabilities		968,940.7	760,225.8
EQUITY AND LIABILITIES		15,568,399.8	12,721,643.2

The following notes to the financial statements form an integral part of this consolidated balance sheet.

IMMOFINANZ AG

Statement of Changes in Equity

All amounts in TEUR	Share capital	Capital reserves	Revaluation reserve	Retained earnings	Currency translation adjustment	Minority interests	Total
Balance on 30 April 2006	348,456.6	1,465,543.4	87,693.1	700,119.6	1,533.2	833,508.0	3,436,853.9
Fair value reserve	0.0	0.0	0.0	3,770.5	0.0	3,008.4	6,778.9
Deferred tax assets/							
liabilities recognised directly in equity	0.0	0.0	0.0	-974.2	0.0	-755.7	-1,729.9
Realisation of unrealised losses	0.0	0.0	0.0	-2,768.3	0.0	0.5	-2,767.8
Realisation of deferred tax assets/							
liabilities recognised directly in equity	0.0	0.0	0.0	686.7	0.0	0.0	686.7
Change in shareholders' equity of associates	0.0	0.0	0.0	22.8	61.0	0.0	83.8
Currency translation adjustment	0.0	0.0	0.0	-59.1	5,719.9	14,141.7	19,802.5
Net income recognised directly in equity	0.0	0.0	0.0	678.4	5,780.9	16,394.9	22,854.2
Net profit as of 30 April 2007				457,579.9		267,287.8	724,867.7
Total recognised income and expense for the period	0.0	0.0	0.0	458,258.3	5,780.9	283,682.7	747,721.9
Capital increase	116,152.2	806,859.8	0.0	0.0	0.0	1,363,152.4	2,286,164.4
Cost of capital increase	0.0	-48,858.6	0.0	0.0	0.0	-59,207.0	-108,065.6
Equity from conversion of							
convertible bond 2001	11,918.9	62,131.2	0.0	0.0	0.0	0.0	74,050.1
Equity component of convertible bond 2007	0.0	45,075.9	0.0	0.0	0.0	0.0	45,075.9
Dividends	0.0	0.0	0.0	0.0	0.0	-4,279.3	-4,279.3
Change in consolidation method	0.0	0.0	20,995.0	0.0	0.0	1.3	20,996.3
Structural changes /							
addition to consolidation range	0.0	0.0	0.0	0.0	0.0	16,915.1	16,915.1
Deconsolidations	0.0	0.0	0.0	0.0	0.0	-98.5	-98.5
Balance on 30 April 2007	476,527.7	2,330,751.7	108,688.1	1,158,377.9	7,314.1	2,433,674.8	6,515,334.3
Fair value reserve	0.0	0.0	0.0	5,286.1	0.0	7,797.0	13,083.1
Deferred tax assets/							
liabilities recognised directly in equity	0.0	0.0	0.0	-1,825.3	0.0	-1,958.2	-3,783.5
Realisation of unrealised losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Realisation of deferred tax assets/							
liabilities recognised directly in equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in shareholders' equity of associates	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency translation adjustment	0.0	0.0	0.0	659.3	-3,106.1	4,786.8	2,340.0
Net income recognised directly in equity	0.0	0.0	0.0	4,120.1	-3,106.1	10,625.6	11,639.6
Net profit as of 30 April 2008				304,864.7		70,173.1	375,037.8
Total recognised income and expense for the period	0.0	0.0	0.0	308,984.8	-3,106.1	80,798.7	386,677.4
Capital increase	0.0	0.0	0.0	0.0	0.0	1,404,467.0	1,404,467.0
Cost of capital increase	0.0	0.0	0.0	0.0	0.0	-58,161.1	-58,161.1
Dividends	0.0	0.0	0.0	-151,470.5	0.0	-3,126.6	-154,597.1
Structural changes	0.0	0.0	669.3	30,600.2	4,135.8	-219,590.0	-184,184.7
Change in consolidation method /							
addition to consolidation range	0.0	0.0	6.6	-86.5	-5,736.0	-108,336.1	-114,152.0
Deconsolidations	0.0	0.0	0.0	0.0	-2,127.2	-745.3	-2,872.5
Equity component of convertible bond	0.0	84,699.8	0.0	0.0	0.0	0.0	84,699.8
Balance on 30 April 2008	476,527.7	2,415,451.5	109,364.0	1,346,405.9	480.6	3,528,981.4	7,877,211.1

The following notes to the consolidated financial statements form an integral part of this statement of changes in equity.

IMMOFINANZ AG

Consolidated Cash Flow Statement

with comparison to prior year data

All amounts in TEUR	2007/08	2006/07
Earnings before tax	555,264.2	913,569.5
Revaluation/impairment/reversal of negative goodwill	-187,739.3	-667,380.4
Share of profit/(loss) from associated companies	-40,332.9	-87.5
Gain/(loss) on the sale of non-current assets	-53,590.4	-61,623.5
Gain/(loss) on the change in investments	-27,053.1	-4,909.8
Temporary changes in the fair value of financial instruments	-143,134.4	-146,801.7
Income taxes paid	-26,051.7	-19,809.6
Net financing costs	178,152.2	133,194.4
Other non-cash income/(expenses)	-6,715.8	23,480.5
Gross cash flow	248,798.8	169,631.9
Receivables and other assets	-29,137.8	-55,531.5
Trade accounts payable	-89,183.0	6,336.1
Provisions (excl. tax provisions)	14,018.5	-2,063.7
Other liabilities	168,662.9	-154,129.1
Cash flow from operating activities	313,159.4	-35,756.3
Acquisition of property	-795,328.6	-694,894.3
Acquisition of property companies less cash and cash equivalents (TEUR 39,509.7; 2006/07: TEUR 56,683.3)	-832,995.6	-834,529.6
Acquisition of other tangible assets	-1,185.8	-8,885.9
Acquisition of intangible assets	-1,176.6	0.0
Acquisition of financial instruments	-547,269.2	-771,311.0
Granting of financing	-474,036.4	0.0
Proceeds from the sale of property companies less cash and cash equivalents	115,032.9	-385.5
Proceeds from the sale of non-current assets	211,019.7	188,777.7
Proceeds from the sale of financial instruments	154,674.8	69,697.4
Interest income from financial instruments	123,316.2	127,108.1
Cash flow from investing activities	-2,047,948.6	-1,924,423.1
Cash inflows from long-term financing	1,406,875.8	1,549,801.4
Cash inflows from capital increases	1,328,321.8	2,178,098.8
Cash inflows from changes in investments	-306,005.2	31,319.7
Cash inflows from short-term financing	-266,439.1	-196,011.1
Cash outflows for short-term financing	0.0	-183,952.9
Repayment of long-term debt	-384,440.1	-207,208.6
Interest expense	-186,190.3	-129,015.9
Dividends paid	-154,663.2	-4,234.4
Cash flow from financing activities	1,437,459.7	3,038,797.0
Differences arising from foreign currency translation	-100,469.2	44,942.5
Change in cash and cash equivalents	-397,798.7	1,123,560.1
Cash and cash equivalents at the beginning of the period	1,657,052.0	533,491.9
Cash and cash equivalents at the end of the period	1,259,253.3	1,657,052.0
Change in cash and cash equivalents	-397,798.7	1,123,560.1

The following notes to the consolidated financial statements form an integral part of this cash flow statement.

IMMOFINANZ AG

Segment Reporting

Segmentation by Region

All amounts in TEUR	IMMOAUSTRIA		IMMOEAST	
	2007/08	2006/07	2007/08	2006/07
Offices	47,956.8	44,189.8	113,852.0	74,054.4
Logistics/commercial	43,334.0	41,540.4	101,060.4	68,544.1
Recreation/hotel	4,523.0	4,571.0	0.0	0.0
Residential	100,632.2	96,819.3	33.7	55.4
Parking	17,250.7	15,471.8	5,762.3	3,497.3
Rental income	213,696.7	202,592.3	220,708.4	146,151.2
Sale of inventories	1,179.9	9,292.1	5,804.2	818.2
Operating costs charged to tenants	68,372.8	66,208.4	64,065.8	43,033.7
Other revenues	10,933.7	11,695.4	6,634.9	2,917.3
Revenues	294,183.1	289,788.2	297,213.3	192,920.4
Other operating income	38,665.0	45,328.3	52,188.1	45,724.6
Expenses related to properties	-136,167.3	-119,728.7	-78,763.5	-54,272.7
Other operating expenses	-60,391.4	-43,290.2	-120,907.5	-91,116.9
Personnel expenses	-13,959.6	-12,871.8	-677.2	-427.3
Cost of goods sold	-1,438.7	-7,659.7	-4,100.0	-818.2
Results of operations (EBITDA)	120,891.1	151,566.1	144,953.2	92,009.9
Revaluation of properties	293,726.9	263,116.1	11,090.1	493,095.1
Depreciation and amortisation	-10,455.6	-21,462.9	-141,032.6	-43,816.3
Operating profit (EBIT)	404,162.4	393,219.3	15,010.7	541,288.7
Interest and similar income	87,060.4	41,508.8	178,133.5	56,573.2
Interest and similar expenses	-234,471.2	-152,518.9	-76,445.4	-42,441.5
Income/(loss) on financial instruments	7,489.7	-1,879.4	108,965.6	89,331.2
Share of profit/(loss) from associated companies	0.0	-613.0	40,332.9	700.6
Financial results	-139,921.1	-113,502.5	250,986.5	104,163.5
Earnings before tax (EBT)	264,241.3	279,716.8	265,997.2	645,452.2
Thereof share of profit/(loss) from joint ventures	2,561.7	3,181.2	-26,528.0	102,030.3
Thereof share of profit/(loss) from companies consolidated at equity	0.0	-613.0	40,332.9	700.6
Income taxes	-79,100.7	-79,178.5	-98,651.6	-109,269.1
Net profit for the period	185,140.6	200,538.3	167,345.6	536,183.1
Segment assets	6,683,640.7	5,438,700.8	10,425,333.6	6,728,193.7
Thereof property	4,275,815.0	3,964,159.3	4,366,603.5	3,501,914.5
Thereof property under construction	62,762.6	106,825.9	687,442.0	242,772.6
Thereof in investments included at equity	744.8	744.8	530,754.1	372,468.8
Segment liabilities	4,925,402.1	4,234,702.5	2,539,583.4	1,805,107.9
Segment investments	101,789.6	167,264.8	1,255,271.6	1,480,861.7
Thereof property	39,401.4	106,802.0	460,894.5	1,211,942.0
Thereof property under construction	59,858.7	52,197.6	794,377.1	267,753.1

Segment Reporting

IMMOWEST		Other and Group eliminations		IMMOFINANZ Group	
2007/08	2006/07	2007/08	2006/07	2007/08	2006/07
11,884.7	6,700.6	0.0	0.0	173,693.5	124,944.8
41,056.7	12,325.8	0.0	0.0	185,451.1	122,410.3
4,134.1	2,309.9	0.0	0.0	8,657.1	6,880.9
8,641.8	8,111.2	0.0	0.0	109,307.7	104,985.9
1,179.2	731.8	0.0	0.0	24,192.2	19,700.9
66,896.5	30,179.3	0.0	0.0	501,301.6	378,922.8
192.9	6.0	0.0	0.0	7,177.0	10,116.3
11,854.4	5,619.8	0.0	0.0	144,293.0	114,861.9
491.1	369.3	0.0	0.0	18,059.7	14,982.0
79,434.9	36,174.4	0.0	0.0	670,831.3	518,883.0
17,791.5	20,211.1	18,354.9	-9,802.5	126,999.5	101,461.5
-21,343.6	-10,230.7	0.0	0.0	-236,274.4	-184,232.1
-23,917.4	-34,034.7	-31,930.5	-14,735.7	-237,146.8	-183,177.5
-2,725.0	-996.0	0.0	-109.9	-17,361.8	-14,405.0
-3,436.0	-908.6	3,324.4	0.0	-5,650.3	-9,386.5
45,804.4	10,215.5	-10,251.2	-24,648.1	301,397.5	229,143.4
65,210.5	-6,494.9	0.0	0.0	370,027.5	749,716.3
-6,305.5	-24,944.1	819.3	-942.0	-156,974.4	-91,165.3
104,709.4	-21,223.5	-9,431.9	-25,590.1	514,450.6	887,694.4
10,271.3	6,546.7	-168,198.2	-49,317.2	107,267.0	55,311.5
-44,419.0	-22,693.0	72,965.6	26,670.3	-282,370.0	-190,983.1
57,326.9	64,816.1	1,801.6	9,191.2	175,583.7	161,459.1
0.0	0.0	0.0	0.0	40,332.9	87.6
23,179.2	48,669.8	-93,431.0	-13,455.7	40,813.6	25,875.1
127,888.6	27,446.3	-102,862.9	-39,045.7	555,264.2	913,569.5
30,363.4	9,986.8	-1,204.9	6,408.7	5,192.2	121,607.0
0.0	0.0	0.0	0.0	40,332.9	87.6
-20,103.5	-4,512.4	17,629.4	4,258.2	-180,226.4	-188,701.8
107,785.1	22,933.9	-85,233.4	-34,787.6	375,037.8	724,867.7
2,010,902.8	1,669,469.7	-3,551,477.3	-1,114,721.0	15,568,399.8	12,721,643.2
993,771.9	806,359.1	0.0	-50,904.1	9,636,190.4	8,221,528.8
99,286.3	0.0	0.0	50,904.1	849,490.9	400,502.6
0.0	0.0	0.0	0.0	531,498.9	373,213.6
1,239,667.6	1,055,588.4	-1,013,464.4	-889,089.9	7,691,188.7	6,206,308.9
268,710.6	450,867.6	0.0	52.6	1,625,771.8	2,099,046.7
194,352.6	356,079.1	0.0	0.0	694,648.5	1,674,823.1
73,803.6	91,004.9	0.0	0.0	928,039.4	410,955.6

IMMOFINANZ AG

Consolidated Cash Flow Statement

with comparison to prior year data

All amounts in TEUR	IMMOAUSTRIA		IMMOEAST		IMMOWEST	
	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07
Operating profit (EBIT)	404,162.4	393,219.3	15,010.7	541,288.7	104,709.4	-21,223.5
Revaluation of properties	-293,726.9	-263,116.1	-11,090.1	-493,095.1	-65,210.5	6,494.9
Reversal of negative goodwill	-1,872.6	0.0	-427.4	-5,015.2	-7,944.5	-474.4
Depreciation and amortisation	10,455.6	21,462.9	141,032.6	43,816.3	6,305.5	24,944.1
Income taxes paid	-2,005.9	-917.8	-9,021.9	-13,062.8	-4,787.7	-5,825.6
Cash EBIT	117,012.6	150,648.3	135,342.4	73,932.0	33,072.1	3,915.6
Revenues	294,183.0	289,788.2	297,213.3	192,920.4	79,434.9	36,174.4
Cash EBIT margin	39.8%	52.0%	45.5%	38.3%	41.6%	10.8%

Segment Reporting

(continued)	Other and Group eliminations		IMMOFINANZ Group	
	2007/08	2006/07	2007/08	2006/07
All amounts in TEUR				
Operating profit (EBIT)	-9,431.9	-25,590.1	514,450.6	887,694.4
Revaluation of properties	0.0	0.0	-370,027.5	-749,716.3
Reversal of negative goodwill	-27,097.3	0.0	-37,341.8	-5,489.5
Depreciation and amortisation	-819.3	942.0	156,974.4	91,165.3
Income taxes paid	-10,236.2	-3.4	-26,051.7	-19,809.6
Cash EBIT	-47,584.7	-24,651.6	238,004.0	203,844.3
Revenues	0.0	0.0	670,831.3	518,883.0
Cash EBIT margin	0.0%	0.0%	35.5%	39.3%

1. General Principles

1.1 Introduction

IAS 1.126 (a) **IMMOFINANZ AG** (hereafter IMMOFINANZ) is the largest listed property company in Austria. The company headquarters are located at Bankgasse 2, 1010 Vienna. The business activities of the IMMOFINANZ Group include the acquisition, rental and best possible commercial utilisation of properties to optimise asset management.

IAS 1.46

The IMMOFINANZ share is listed in the Prime Market Segment of the Vienna Stock Exchange. The number of shareholders totals approximately 100,000.

The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) that were valid as of the balance sheet date. IFRS include the new IFRS issued by the International Accounting Standards Board (IASB) and International Accounting Standards (IAS) as well as the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and Standing Interpretations Committee (SIC).

IAS-reg. 1606/2002

These consolidated financial statements are based on Regulation (EU) Nr. 1606/2002 of the European Parliament and the European Union for the application of international accounting standards (IAS regulation 1606/2002), which require capital market-oriented companies in the European Union to prepare and publish their consolidated financial statements for business years that begin on or after 1 January 2005 in accordance with International Financial Reporting Standards. Art. 3 Par. 1 of IAS regulation 1606/2002 requires the application of those standards, which were adopted into the body of law of the European Union through the procedure set forth in Art 6 Par. 2 of IAS regulation 1606/2002. The International Financial Reporting Standards adopted by the European Union take effect immediately in the member states of the European Union and do not require separate implementation into national law. Valid standards in the sense of European Union law cover all International Financial Reporting Standards published in the relevant country language. § 245a Par. 1 of the Austrian Commercial Code in the version published in Austrian federal gazette BGBl. I 161/2004 provides for an exemption from the obligation to prepare consolidated financial statements in accordance with the provisions of Austrian commercial law (§§ 247 ff of the Austrian Commercial Code) if a company is required to prepare consolidated financial statements in accordance with International Financial Reporting Standards as defined in Art. 4 Par. 1 of IAS regulation 1606/2002. The consolidated financial statements prepared in previous years by IMMOFINANZ in accordance with International Financial Reporting Standards were based on the option provided by § 245a Par. 1 of the Austrian Commercial Code, in the version published in Austrian federal gazette BGBl. I 1999/49. This option releases a company from the obligation to prepare consolidated financial statements pursuant to Austrian commercial law if the company prepares consolidated financial statements in accordance with international accounting standards.

IAS 8.11 (b) The IASB framework does not represent an integral part of IFRS and, for this reason, was not adopted into the body of law of the European Union. However, IAS 8.11 (b) calls for the application of the definitions and recognition criteria for assets, liabilities, expenses and income that are anchored in the framework to provide interpretations and fill gaps. In keeping with Point 2.1.5 of the (legally nonbinding) commentary on certain sections of IAS regulation 1606/2002 of the EU, the framework forms a “basis for the formation of judgments on the solution of accounting problems”. For this reason and because of the express reference in IAS 8.11 (b), the framework was applied without limitation when the consolidated financial statements of IMMOFINANZ were prepared.

IAS 1.14 in connection with IFRS 3

The annual financial statements of all Austrian and foreign companies included in the consolidated financial statements, either through full or proportionate consolidation, were converted to IFRS. In the case of business combinations as defined in IFRS 3, the financial statements were revalued, and audited or reviewed by independent certified public accountants in agreement with International Standards on Auditing (ISA) and the International Standards on Review Engagements (ISRE). The accounting and valuation principles used by all companies included in the consolidated financial statements were standardised and adjusted to conform to the options elected by IMMOFINANZ.

IAS 27.26 In accordance with IAS 27.26, the balance sheet date for the consolidated financial statements is the same as the

balance sheet date of the parent company. The annual financial statements of all companies included in the consolidation were prepared on the same balance sheet date as the consolidated financial statements.

The principle of fair presentation was observed in preparing the consolidated financial statements. The financial position and financial performance as well as cash inflows and cash outflows of the company provide a true and fair view of the actual situation and events in all material respects.

The structure of the notes to the consolidated financial statements was changed from the previous format to reflect the suggestions of shareholders, investors and analysts. This new structure allows the reader to quickly obtain an overview of the most important subject areas in these statements, while also providing information at the previous level of detail.

The consolidated financial statements are presented in thousand Euro (“TEUR”, rounded). The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates. IAS 1.46 (d), (e)

1.2 Statement of compliance with IFRS

The consolidated financial statements prepared by IMMOFINANZ reflect the full scope of International Financial Reporting Standards in their current version, to the extent that these IFRS were adopted by the European Union into the European Union body of law in accordance with Art. 6 Par. 2 of IAS regulation 1606/2002 through the special unification procedure. In the opinion of IMMOFINANZ, this does not represent any limitation of the compliance with IFRS that is required by IAS 1.14. IAS 1.14

1.3 Overview of applied standards and interpretations

Given the large number of new standards and the generally permitted early application of these standards, the following table provides an overview of the regulations applied by IMMOFINANZ in preparing the consolidated financial statements as of 30 April 2008.

Standard	Application	Standard	Application	Interpretation	Application
IFRS 1	n.a.	IAS 21 (revised 2003)	as of 2004/05	IAS 41	n.a.
IAS 1	up to 2003/04	IAS 21 (revised 2005)	as of 2006/07	SIC-7 to IAS 21	n.a.
IAS 1 (revised 2003)	as of 2004/05	IAS 22 ²⁾	up to 2003/04	SIC-10 to IAS 20	n.a.
IAS 1 version IFRS 7	as of 2006/07	IAS 23	as of 2000/01	SIC-12 to IAS 27	as of 2005/06
IFRS 2	n.a.	IAS 24	up to 2003/04	IFRIC adjustment to SIC-12	as of 2005/06
IAS 2	n.a.	IAS 24 (revised 2003)	as of 2004/05	SIC-13 to IAS 31	n.a.
IAS 2 (revised 2003)	as of 2004/05	IAS 26	n.a.	SIC-15 to IAS 17	as of 2000/01
IFRS 3	as of 2004/05	IAS 27	up to 2003/04	SIC-21 to IAS 12	n.a.
IFRS 4	n.a.	IAS 27 (revised 2003)	as of 2004/05	SIC-25 to IAS 12	n.a.
IFRS 5	as of 2005/06	IAS 28	up to 2003/04	SIC-27 to IAS 1/17/18	as of 2000/01
IFRS 6	n.a.	IAS 28 (revised 2003)	as of 2004/05	SIC-29 to IAS 1	n.a.
IFRS 7	as of 2006/07	IAS 29	n.a.	SIC-31 to IAS 18	n.a.
IFRS 8	as of 2006/07	IAS 30	n.a.	SIC-32 to IAS 38	n.a.
IAS 7	as of 2000/01	IAS 31	up to 2003/04	IFRIC 1	n.a.
IAS 8	up to 2003/04	IAS 31 (revised 2003)	as of 2004/05	IFRIC 2	n.a.
IAS 8 (revised 2003)	as of 2004/05	IAS 32	up to 2003/04	IFRIC 3	n.a.
IAS 10	up to 2003/04	IAS 32 (revised 2003)	as of 2004/05	IFRIC 4	n.a.
IAS 10 (revised 2003)	as of 2004/05	IAS 33	up to 2003/04	IFRIC 5	n.a.
IAS 11	n.a.	IAS 33 (revised 2003)	as of 2004/05	IFRIC 6	n.a.
IAS 12	as of 2000/01	IAS 34	as of 2003/04	IFRIC 7	n.a.
IAS 14	n.a.	IAS 35	n.a.	IFRIC 8	n.a.
IAS 15 ¹⁾	n.a.	IAS 36	up to 2003/04	IFRIC 9	n.a.
IAS 16	up to 2004/05	IAS 36 (revised 2004)	as of 2004/05	IFRIC 10	n.a.
IAS 16 (revised 2003)	as of 2005/06	IAS 37	as of 2000/01	IFRIC 11	n.a.

Standard	Application	Standard	Application
IAS 17	up to 2003/04	IAS 38	up to 2003/04
IAS 17 (revised 2003)	as of 2004/05	IAS 38 (revised 2004)	as of 2004/05
IAS 18	as of 2000/01	IAS 39	up to 2003/04
IAS 19	as of 2000/01	IAS 39 (revised 2003) ³⁾	as of 2004/05
IAS 20	as of 2000/01	IAS 40	as of 2000/01
IAS 21	up to 2003/04	IAS 40 (revised 2003)	as of 2004/05

1) IAS 15 was cancelled without replacement.
2) IAS 22 was replaced by IFRS 3.
3) in the 2006 version.
n.a. = not applicable

1.4 Early application of accounting standards

IFRS 8 Operating segments

IFRS 8.1

The IASB issued IFRS 8 Operating Segments, which is part of a joint project with the US Financial Accounting Standards Board (FASB) to reduce the differences between IFRS and US-GAAP. IFRS 8 replaces IAS 14, and the regulations were adjusted to achieve convergence with SFAS 131. IFRS 8 requires companies to provide financial and descriptive information on their reportable segments. This standard calls for the identification of operating segments based on the internal management focus of the company (management approach). In keeping with this approach, the presentation of the segments must reflect the same basis used for internal reporting. IFRS 8 applies to annual periods beginning on or after 1 January 2009. IMMOFINANZ has applied IFRS 8 since the 2006/07 financial year. The early application of IFRS 8 to these consolidated financial statements is connected above all with additional disclosures in the notes and provides a more detailed insight into segment financial position and segment performance.

All data published as part of segment reporting are based solely on IFRS, and the definition of segments meets with the requirements of IAS 14.

1.5 Estimates

In preparing the consolidated financial statements, it is necessary to estimate certain figures (for example, with respect to the parameters for property valuation, see 3.1.2) and make assumptions that influence the recording of assets and liabilities, the declaration of other obligations as of the balance sheet date, and the recording of revenues and expenses during the reporting period. The actual figures that become known at a later time may differ from these estimates. The preparation of these financial statements required the use of estimates for the recognition and/or measurement of provisions, the recognition or measurement of impairment charges related to the determination of the fair value of properties, the calculation of net asset value and triple net asset value, and the determination of outstanding construction costs.

1.6 Standards, amendments and interpretations that were announced but not yet applied

The IASB published amendments to IAS 23 Borrowing Costs in March 2007.

The most important change in this standard involves the elimination of the option to recognise borrowing costs as an expense when these costs can be directly attributable to the acquisition, construction or production of a qualifying asset. Therefore, companies must recognise such borrowing costs as part of the cost of the qualifying asset in the future.

This standard regulates borrowing costs relating to qualifying assets and is applicable to capitalisation that commences on or after 1 January 2009. This change has not yet been adopted into European law. The application of the change to IAS 23 will not have any impact on the presentation of the financial position and financial performance or the cash flows of IMMOFINANZ because the capitalisation of borrowing costs represents the accounting policy currently in use by the company.

In September 2007 the IASB released a revised version of IAS 1 Presentation of Financial Statements.

The new IAS 1 requires companies to present a statement of financial position as at the earliest comparable period in a complete set of financial statements when the company applies an accounting policy retrospectively or makes a retrospective restatement. Furthermore, IAS 1 requires companies to present all changes in equity that are based on transactions with owners separately from changes in equity that are not based on transactions with owners. This revision to IAS 1 also includes the following changes in the titles of the individual components of IFRS financial statements: the “balance sheet” was renamed “statement of financial position”, the “income statement” is now entitled “statement of comprehensive income” and the “cash flow statement” was renamed “statement of cash flows”. However, the use of these new titles is not mandatory. All share-based changes in equity are shown on the income statement after profit for the period or in a separate presentation immediately following the income statement.

The changes to IAS 1 apply to financial years that begin on or after 1 January 2009, whereby earlier application is also permitted. This standard had not yet been adopted by the EU. Since the revision of IAS 1 is exclusively related to presentation, its application will not have a material impact on the financial position and financial performance or the cash flows of IMMOFINANZ.

In January 2008 the IASB released the revised standards IFRS 3 Business Combinations and IAS 27 Consolidated and Separate Financial Statements.

The major changes compared with the previous version of IFRS 3 can be summarised as follows: For the recognition and measurement of minority interests, the new version of IFRS 3 provides an option to use fair value or the proportionate share of the net identifiable assets. For business combinations achieved in stages, the acquirer’s previously held equity interest in the acquired company must be revalued with recognition through profit or loss when control is obtained. Goodwill is then determined as the difference between the revalued carrying value of the investment plus the purchase price for the new shares plus minority interests less the net assets acquired. In addition, any acquisition-related costs must be recognised as expenses. Subsequent measurement may not include any increase or decrease in goodwill to reflect possible adjustments to costs arising from future events that were recognised as liabilities as of the acquisition date. In accordance with the new version of IFRS 3, effects from the settlement of business relationships that existed prior to the business combination may not be included in determining the consideration for the business combination. In contrast to the previous version, IFRS 3 now regulates the recognition and measurement of rights granted to another company before the business combination that are repurchased in connection with this transaction.

The most important changes to IAS 27 compared with the prior version can be summarised as follows: Changes in the level of ownership interest without the loss of control must be accounted for within equity. If the control over a subsidiary is lost, the consolidated assets and liabilities must be derecognised. The amended standard calls for the initial recognition of any remaining investment in the former subsidiary at fair value as well as the recognition of any resulting differences through profit or loss.

The new version of IFRS 3 applies to business combinations for which the acquisition date is on or after the first annual reporting period beginning on or after 1 July 2009. Earlier application is permitted, but limited to annual reporting periods that begin on or after 30 June 2007. The new version of IAS 27 applies to annual reporting periods that begin on or after 1 July 2009, and earlier application is permitted. However, the earlier application of one of these two revised standards also requires the concurrent application of the other standard.

These changes to IFRS 3 “new” and IAS 27 “new” have not yet been adopted into European law. IMMOFINANZ is currently evaluating the timing for the implementation of the changes to IFRS 3 and IAS 27 as well as the resulting effects on the presentation of its financial position, financial performance and cash flows.

A change to IFRS 2 Share-based Payment was also announced in January 2008. The major changes to IFRS 2 are related to the exercise conditions and cancellation.

The changes to IFRS 2 are applicable to annual reporting periods beginning on or after 1 January 2009. Earlier application is permitted. These changes have not yet been adopted into European law. The application of the revised IFRS 2 will not have any impact on the presentation of the financial position and financial performance or the cash flows of IMMOFINANZ because the company does not apply IFRS 2.

The IASB issued changes to IAS 39 and IAS 1 Puttable Financial Instruments and Obligations arising on Liquidation on 14 February 2008. In particular, the changes involve IAS 32 Financial Instruments: Presentation. Other changes were made to IFRS 7 Financial Instruments: Disclosures and to IAS 39 Financial Instruments: Recognition and Measurement. These new rules apply to financial years beginning on or after 1 January 2009, whereby early application is possible. These changes have not yet been adopted into European law. The application of the changes indicated in this paragraph is not expected to have a material impact on the presentation of the financial position and financial performance or the cash flows of IMMOFINANZ.

On 22 May 2008 the IASB announced changes to a number of International Financial Reporting Standards (IFRS) as part of its first Annual Improvements Project. The goal of this project is to implement smaller and not urgent, but nevertheless necessary changes to existing standards, which are not made in connection with another larger project.

In particular, the following changes to individual standards will have an impact on the future consolidated financial statements of IMMOFINANZ:

After the change is implemented, properties that are developed to serve as a financial instrument will also be accounted for in accordance with IAS 40 during development. Leased property that is held as a financial instrument will also be recognised and measured in accordance with IAS 40. The change in IAS 16 is based on the change in IAS 40. The changed version of IAS 39 clarifies the fact that IAS 39 does not prohibit the classification at fair value through profit or loss for a derivative that no longer serves as a hedge or the designation of a financial instrument at fair value through profit or loss as a hedge.

Unless indicated otherwise in the individual standards, the final changes apply to financial years beginning on or after 1 January 2009, whereby earlier application is permitted. These changes have not yet been adopted by the EU.

Furthermore, the following interpretations were not applied prematurely:

In November 2006 the IFRIC released Interpretation IFRIC 12 Service Concession Arrangements. IFRIC 12 regulates the application of existing IFRS by operators within the context of service concession arrangements to the recognition and measurement of the obligations entered into and the rights received through these arrangements. The rules defined in IFRIC 12 apply to financial years beginning on or after 1 January 2008. The application of IFRIC 12 is not expected to have a material impact on the presentation of the financial position and financial performance or the cash flows of IMMOFINANZ.

IFRIC 13 Customer Loyalty Programmes was released in June 2007. This interpretation involves the recognition and measurement of customer loyalty programmes, under which a customer receives points (bonuses) that allow him/her to receive free or discounted goods or services from the seller or a third party. The interpretation applies to financial years beginning on or after 1 July 2008. IFRIC 13 is not applicable to IMMOFINANZ.

In July 2007 the IFRIC issued Interpretation IFRIC 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction. This interpretation regulates the measurement of an asset that results when plan assets exceed the pension obligations. The interpretation applies to financial years beginning on or after 1 January 2008. The application of IFRIC 14 is not expected to have an impact on the presentation of the financial position and financial performance or the cash flows of IMMOFINANZ.

IFRIC 15 Arrangements for the Construction of Real Estate was issued in July 2008. IFRIC 15 unifies the accounting practices in all legal jurisdictions, which govern the recognition of income generated by development companies on the sale of units such as apartments or individual houses when projects are in the planning stage (e.g. before the completion of construction). The interpretation applies to financial years beginning on or after 1 January 2009. The application of IFRIC 15 is not expected to have a material impact on the presentation of the financial position and financial performance or the cash flows of IMMOFINANZ.

In addition, IFRIC 16 Hedges of a Net Investment in a Foreign Operation was issued in July 2008. IFRIC 16 clarified what is to be defined as risk in hedging a net investment in a foreign operation and where the hedge to minimise this risk may be held in the company.

This interpretation applies to financial years beginning on or after 1 October 2008. The application of IFRIC 16 will not have any impact on IMMOFINANZ because the company does not use hedge accounting.

The above interpretations have not yet been adopted into European law.

2. Basis of Consolidation

2.1 Consolidation methods

- IFRS 3.4** A business combination is the bringing together of separate entities or businesses into one reporting entity. IFRS 3 applies to all business combinations, with the exception of companies under common control and business combinations involving mutual entities as well as business combinations based on contracts that do not include the exchange of ownership interests or which results in the formation of joint ventures.
- IFRS 3.3**
- IFRS 3.1 in connection with IFRS 3.14 & 3.16** All business combinations that fall under the scope of application defined by IFRS 3 must be recorded using the purchase method of accounting. The application of the purchase method includes the identification of the acquirer, the measurement of the cost of the business combination and the allocation of the cost of the business combination to the assets acquired and liabilities and contingent liabilities assumed on the acquisition date. The procedure for the elimination of the investment and equity at the acquisition date involves the offset of the purchase price with the revalued proportional share of net assets in the acquired company. All identifiable assets, liabilities and contingent liabilities of the subsidiary are stated at their full fair value, independent of any minority interest. Major exceptions to the mandatory recognition of assets and liabilities at fair value include deferred tax assets and provisions for deferred taxes as well as assets or groups of assets that fall under IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.
- IFRS 3.36 in connection with IFRS 3.37**
- IFRS 3.51 in connection with IFRS 3.56** Goodwill is recognised by the acquirer as an asset on the acquisition date and initially measured as the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired entity.
- IFRS 3.58** A business combination may involve more than one purchase transaction, e.g. when it occurs in stages by successive share purchases. In this case each transaction must be treated separately by the acquirer, whereby the cost of the transaction and fair value information at the date of each exchange transaction are used to determine the amount of any goodwill associated with that transaction. The shift between the previous minority interest and the offset of capital from a successive share purchase is shown as a structural change on the statement of changes in equity. For business combinations that result in a proportional share of equity below 100%, the increase in minority interest is reported as an addition to the consolidation range on the statement of changes in equity. In accordance with the economic unity principle that is anchored in IAS 27.4 and IAS 1.68 (o), minority interests are presented as a separate position under equity.
- IAS 27.4 in connection with IAS 1.68 (o)**

IFRS 3 and IAS 27 do not directly regulate the determination of indirect minority interests. In accordance with the economic unity principle, the consolidated financial statements of IMMOFINANZ include only indirect minority interests in the earned equity of consolidated subsidiaries. In keeping with the prevalent opinion expressed in accounting literature, indirect minority interests are treated in line with the economic unity principle and not taken into account in the consolidation, which is therefore based on the direct stake owned in the subsidiary. This leads to the determination of goodwill that is secured through cash outflows and meets the conceptual criteria for complete revaluation that are expressed in IFRS 3.

- IAS 27.33** Minority interests must be reported under equity on the consolidated balance sheet, but shown separately from the equity of the parent company. The share of consolidated profit due to minority interests must also be shown separately.

Joint ventures are included at their proportionate share according to the same general principles described above.

- IAS 27.24** All receivables and liabilities, revenues, other income and expenses from the provision of goods and services between fully or proportionately consolidated companies are eliminated. Interim profits, which arise primarily from the transfer of stakes in other companies and properties between member companies of the group, are eliminated.

For associated companies consolidated at equity, the difference resulting from the elimination of the investment and equity is determined according to the same general principles used for fully consolidated companies. The carrying values of assets and liabilities as well as the amount of revenues and expenses were determined in accordance with IAS 28.20 on a uniform basis as required by IFRS. For associated companies with a different balance sheet date, interim financial statements were prepared at a balance sheet date within three months from the balance sheet date used by IMMOFINANZ in accordance with IAS 28.25. Major transactions were reflected in a proportional adjustment of results included in the consolidated financial statements (also see point 3.4).

IAS 28.20 in connection with 28.25

2.2 Consolidation range

IFRS follow a multi-level approach in the classification of the consolidation range. The assignment to a specific level is based on the Group's influence on the company: the stronger the influence of the Group, the more extensive the inclusion in the consolidated financial statements.

An overview of the member companies of the IMMOFINANZ Group is presented at the end of the notes to the consolidated financial statements.

2.2.1 Development of the consolidation range

The consolidation range developed as follows during the reporting year:

Consolidation range	Full consolidation	Proportionate consolidation	Equity method	Total
Balance on 30 April 2007	340	119	4	463
Newly consolidated	85	56	26	167
Disposal or merger	-7	-5	-1	-13
Change in consolidation method	3	-5	2	0
Balance on 30 April 2008	421	165	31	617
Thereof foreign companies	253	156	30	439

2.2.2 Full consolidation

A subsidiary is an entity that is controlled by another entity (parent company). Subsidiaries are included in the consolidated financial statements through full consolidation. The control concept forms the basis for deciding when a company must be classified as a subsidiary. Control is understood to mean the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The possibility of control is sufficient for this classification, while the actual exercise of control is less important. Direct or indirect control over more than 50% of the voting rights in an entity is considered to be a refutable presumption for the existence of control. Moreover control is assumed to be irrefutable when the parent company:

IAS 27.12

IAS 27.4

IFRS 3.19

- directly or indirectly controls the majority of voting rights, whereby this also includes potential voting rights that can be exercised or converted as of the balance sheet date,
- holds the power over more than one-half of voting rights by virtue of an agreement (e.g. syndication agreement) with other shareholders,
- has the power to govern the financial and operating policies of the entity under a statute or an agreement,
- has the power to appoint or dismiss the majority of the members to a governing body (board of directors, supervisory board) or to cast the majority of votes on a governing body.

IAS 27.13

The inclusion of domestic and foreign subsidiaries in the consolidated financial statements is based on the economic unity concept. This concept requires the inclusion of all assets, liabilities, income and expenses attributable to subsidiaries in the consolidated financial statements in cases where control exists – independent of the stake owned by the controlling parent company. Equity in the consolidated financial statements is separated into the portion attributable to shareholders of the parent company and the portion attributable to the minority shareholders of the subsidiaries. The same applies to the consolidated income statement: the income and expenses of the subsidiaries

IAS 27.33

are consolidated in full, and profit is then separated into a portion attributable to the parent company and a portion attributable to the minority shareholders. All intragroup balances, transactions, income and expenses must be eliminated. Minority interests are presented separately in the consolidated balance sheet within equity, but shown separately from the equity of the parent company's shareholders. In addition to IMMOFINANZ, these consolidated financial statements include 167 domestic and 253 foreign subsidiaries in which IMMOFINANZ directly or indirectly holds the majority of shareholder voting rights or can exercise legal or actual control.

An overview of the member companies of the IMMOFINANZ Group is provided at the end of the notes to the consolidated financial statements.

2.2.3 Proportionate consolidation

IAS 31.1 IAS 31 is applied to the recognition and measurement of all stakes in joint ventures and reporting on the assets,
 IAS 31.3 liabilities, income and expenses of joint ventures. A joint venture is a contractual agreement whereby two or more
 IAS 31.9 parties undertake an economic activity that is subject to contractually agreed joint control. The partner companies
 are the shareholders of a joint venture and participate in the joint management of the entity. The form of the con-
 IAS 31.10 tractual agreement is determined by the relevant legal regulations.

IAS 31.30 IAS 31 allows for the use of the equity method or proportionate consolidation in preparing the consolidated finan-
 IAS 31.38 cial statements. The selected method must then be applied throughout the Group. IMMOFINANZ considers the
 depiction of joint ventures through proportionate consolidation to be the more appropriate form of presentation
 because it makes the asset, financial and earnings position more easily understandable for the users of the financial
 statements.

IAS 31.3 in In accordance with IAS 31, 165 companies are included in the consolidation using proportionate consolidation.
 connection with Due to the conclusion of syndication agreements with other companies for the joint management of business in
 IAS 31.9 accordance with IAS 31.3 in connection with IAS 31.9, IMMOFINANZ does not exercise control over the follow-
 ing companies despite its majority holdings or manages these businesses jointly with other partners in spite of its
 minority interests:

Segment	Country	Headquarters	Company	Stake ¹⁾
IA	A	Langenzersdorf	SelfStorage – Dein Lager LagervermietungsgesmbH	30.00%
IA	A	Vienna	SelfStorage – Liegenschaftsverwaltung Wattgasse GmbH	30.00%
IA	CH	Opfikon	SelfStorage – Dein Lagerraum (Schweiz) AG	30.00%
IA	D	Munich	SelfStorage – Dein Lagerraum GmbH	30.00%
IE	CZ	Prague	Centrum Olympia Olomouc a.s.	45.00%
IE	CZ	Prague	Holtera Property a.s.	45.00%
IE	CZ	Prague	STOP.SHOP. Zatec s.r.o.	50.50%
IE	CZ	Znoimo	Nakupni Centrum Trebic s.r.o.	50.50% ²⁾
IE	CZ	Znoimo	Nakupni Centrum AVENTIN Tabor s.r.o.	50.50% ²⁾
IE	CZ	Prague	Veronia Shelf s.r.o.	51.00%
IE	CZ	Prague	STOP.SHOP. Krnov s.r.o.	50.50%
IE	CZ	Prague	Diamant Real spol. s.r.o.	51.00%
IE	EE	Tallinn	OÜ Robbins	45.00%
IE	H	Budapest	STOP.SHOP. TB Kft.	51.00%
IE	H	Budapest	STOP.SHOP. Gyöngy Kft.	51.00%
IE	PL	Warsaw	ImmoPoland Residential I Sp. z o.o.	47.50%
IE	PL	Warsaw	Equator Real Sp. z o.o.	51.00%
IE	PL	Warsaw	Zenith Real Sp. z o.o.	51.00%
IE	PL	Warsaw	Nimbus Real Sp. z o.o.	51.00%

Notes

(continued) Segment	Country	Headquarters	Company	Stake ¹⁾
IE	PL	Warsaw	Cirrus Real Sp. z o.o.	51.00%
IE	PL	Katowice	Silesia Residential Project Sp. z o.o.	70.00%
IE	PL	Warsaw	Debowe Tarasy Sp. z o.o.	70.00%
IE	PL	Katowice	Debowe Tarasy Sp. z o.o. II sp.k.	70.00%
IE	PL	Katowice	Debowe Tarasy Sp. z o.o. III sp.k.	70.00%
IE	PL	Katowice	Debowe Tarasy Sp. z o.o. IV sp.k.	70.00%
IE	PL	Warsaw	Metropol NH Sp. z o.o.	25.00%
IE	RU	Moscow	OOO Berga Development	75.00%
IE	RU	Moscow	OOO Fenix Development	75.00%
IE	UA	Kiev	TOV Alacor Construction	41.00%
IE	UA	Kiev	TOV Alacor Scorta	41.00%
IE	UA	Kiev	TOV Alacor City	41.00%
IE	RO	Bucharest	S.C. Meteo Business Park s.r.l.	89.00%
IE	RO	Bucharest	S.C. Stupul de Albine s.r.l.	89.00%
IE	RO	Bucharest	S.C. Union Investitii s.r.l.	25.00%
IE	RO	Bucharest	S.C. Retail Development Invest 1 s.r.l.	80.00%
IE	RO	Bucharest	Polivalenta Building s.r.l.	25.00%
IE	RO	Bucharest	Confidential Business s.r.l.	25.00%
IE	CY	Nicosia	Silesia Residential Holding Limited	70.00%
IE	CY	Nicosia	Loberta Holdings Ltd.	51.00%
IE	CY	Nicosia	Roches Ventures Ltd.	41.00%
IE	CY	Limassol	Berga Investment Limited	75.00%
IE	CY	Limassol	MONESA LIMITED	75.00%
IE	D	Munich	Multi-ImmoEast Asset Management GmbH	45.00%
IE	L	Luxembourg	Multi-ImmoEast Central European Property Fund C.V.	45.00%
IE	L	Luxembourg	Multi-IMMOEAST Master Luxembourg Otarfi s.r.l.	45.00%
IW	USA	Houston	IMF Investments No. 301. Ltd.	90.00%
IW	USA	Houston	IMF Investments 204 LP	90.00%
IW	USA	Houston	IMF Investments 304 LP	90.00%
IW	USA	Houston	IMF Investments 105 LP	90.00%
IW	USA	Houston	IMF Investments 205 LP	90.00%
IW	USA	Houston	IMF Investments 106 LP	90.00%
IW	USA	Houston	IMF Investments 207 LP	90.00%
IW	USA	Houston	IMF Investments 107 LP	90.00%

1) Indirect investment (i.e. the stake used to consolidate net assets and the proportional share of profit or loss).

2) Deconsolidated in 2007/08

The following tables show the pro rata values for companies that were included in the consolidated financial statements at their proportionate share:

All amounts in TEUR	30 April 2008	30 April 2007
Property	1,069,025.4	640,231.6
Other non-current assets	67,371.8	89,970.4
Current assets	118,321.6	172,065.1
Non-current liabilities	-826,473.2	-515,528.0
Current liabilities	-204,560.8	-203,153.0
Proportional share of net assets	223,684.8	183,586.1

All amounts in TEUR	30 April 2008	30 April 2007
Revenues	35,154.3	18,008.8
Revaluation	30,595.8	121,820.5
Operating profit (EBIT)	50,971.2	130,606.0
Financial results	-45,778.9	-8,999.0
Income taxes	-1,747.4	-29,190.1
Net profit for the period	3,444.9	92,416.9

2.2.4 Equity method

IAS 28.11 The equity method is used to record shares in associated companies. Under this method the proportionate share of changes in equity and the proportionate share of profit or loss recognised by the associated company are transferred to the consolidated financial statements, and thereby increase or decrease the carrying amount of the investment.

The investment in an associated company is recognised at cost on the date of acquisition. The equity method is a procedure for the subsequent measurement of the investment. It is based on the same principles as full consolidation; however, the assets and liabilities of the associated company are not transferred to the consolidated financial statements, but only serve to determine the amount of goodwill and adjustments to the carrying value of the investment. The difference between the revalued assets of the associated company and the cost of the investment represent goodwill. This goodwill forms a part of the carrying value of the investment.

IAS 28.31 Investments in associated companies are tested for impairment in accordance with the requirements of IAS 39 concerning indications of impairment and the requirements of IAS 36 concerning the actual impairment test. Goodwill included in the carrying amount of an investment in an associated company is not tested separately for impairment.

An overview of the member companies of the IMMOFINANZ Group is provided at the end of the notes to the consolidated financial statements.

2.2.5 Transition consolidation (step acquisitions)

IAS 3.58 A business combination achieved in stages (transition consolidation or step acquisition) represents the successive purchase of shares in subsidiaries through various transactions until control over the company is reached. In accordance with IFRS 3.58, goodwill must be determined separately for each exchange transaction based on the relevant cost and revalued net assets on the respective transaction dates. The share of undisclosed reserves attributable to the previous investment is included under the revaluation reserve, which is to be treated as a revaluation reserve in accordance with IAS 16 independent of any other application of the revaluation model defined in IAS 16 by the group.

When there is a changeover from proportionate to full consolidation, the income statement is included on a proportionate basis until control is obtained over the net assets of the company; after this point, the income statement is included in full. The share of profit attributable to the joint venture partner up to this point is eliminated as acquired capital during the consolidation.

2.2.5.1 IMMOAUSTRIA

IMMOAUSTRIA acquired the remaining shares in "Heller Fabrik" Liegenschaftsverwertungs GmbH as of 20 June 2007. As a result of this transaction, the consolidation method was changed from proportionate to full consolidation during the first quarter of 2007/08.

The effects of the transition consolidation are shown in the following table:

All amounts in TEUR	"Heller Fabrik" Liegenschaftsverwertungs GmbH
Cash and cash equivalents	46.7
Receivables and other assets	2,759.4
Deferred tax assets	39.5
Property	3,607.3
Financial liabilities	-10,261.1
Trade accounts payable	-0.1
Other liabilities	-81.8
Deferred tax liabilities	-5.5
Acquired net assets	-3,895.6
(Negative) goodwill	3,931.5
Total purchase price	35.9
Less cash and cash equivalents acquired	-46.7
Net purchase price for property company	-10.8

2.2.5.2 IMMOEAST

The following table shows the major transition consolidations recorded by IMMOEAST in 2007/08, and presents the proportional shares of assets and liabilities at fair value that were taken over through the acquisition of additional shares in property companies:

Segment	CEE	CEE	CEE	CEE
Country	CZ	H	SK	SK
Company	STOP.SHOP. Uherske Hradiste s.r.o.	STOP.SHOP. BCS Kft.	STOP.SHOP. Lucenec s.r.o.	STOP.SHOP. Zvolen s.r.o.
Date of initial consolidation	10.03.2006	08.06.2006	19.02.2007	19.02.2007
All amounts in TEUR				
Cash and cash equivalents	141.3	954.1	3.1	3.1
Receivables and other assets	80.4	57.4	0.0	81.5
Deferred tax assets	13.8	2.3	0.1	0.2
Property	1,419.7	4,632.4	705.6	843.5
Financial liabilities	-210.1	0.0	0.0	0.0
Trade accounts payable	-245.7	-23.6	0.0	-510.6
Other liabilities	0.0	-96.3	0.0	0.0
Provisions	0.0	-3.2	-0.6	-0.6
Deferred tax liabilities	-129.5	-680.6	-134.1	-78.8
Currency translation adjustment	0.0	0.0	-0.2	-0.3
Acquired net assets	1,069.9	4,842.5	573.9	338.0
(Negative) goodwill	344.3	1,488.7	422.2	275.8
Total purchase price	1,414.2	6,331.2	996.1	613.8
Less cash and cash equivalents acquired	-141.3	-954.1	-3.1	-3.1
Net purchase price for property companies	1,272.9	5,377.1	993.1	610.7

IMMOEAST acquired the remaining shares in a completed STOP.SHOP retail park in Békéscsaba (H) during February 2008 by increasing its stake in the property company STOP.SHOP. BCS Kft. from 51% to 100%. As a result of this transaction, the consolidation method was changed from proportionate to full consolidation.

STOP.SHOP. Uherske Hradiste s.r.o., STOP.SHOP. Lucenec s.r.o. and STOP.SHOP. Zvolen s.r.o. are further STOP. SHOP retail parks that were converted from proportionate to full consolidation following the acquisition of the remaining shares.

2.2.5.3 IMMOWEST

IMMOWEST did not record any transition consolidations during the 2007/08 financial year.

2.2.6 Deconsolidation

IAS 27.30 When a subsidiary is sold, the assets and liabilities of this company are no longer included in the consolidated financial statements. The income and expenses of the deconsolidated subsidiary are included in the consolidated financial statements until the date on which control is lost, and the sold share of profit is treated as a reduction of the proceeds from the deconsolidation in order to avoid double-counting.

The profits accumulated by the deconsolidated subsidiary during its membership in the group influence the proceeds from the deconsolidation because these profits were recognised in the consolidated financial statements during prior periods.

When a foreign subsidiary is deconsolidated, the proceeds from the deconsolidation are increased or decreased to reflect the cumulative amount of any exchange differences that were recognised in equity during the subsidiary's membership in the group.

2.2.6.1 IMMOAUSTRIA

The IMMOAUSTRIA subgroup did not recognise any deconsolidations during the reporting year.

2.2.6.2 IMMOEAST

The following table shows the major deconsolidations recorded by IMMOEAST in 2007/08:

Segment	CEE	CEE	CEE	CEE
Country	CZ	CZ	PL	CZ
Company	AKVAMARIN Beta s.r.o.	Olympia Olomouc a.s. (incl. Holtera Property a.s.)	Salzburg Center Development S.A.	Prokopova Development a.s.
Date of initial consolidation	30.09.2005	10.05.2005	31.07.2006	19.12.2005
All amounts in TEUR				
Cash and cash equivalents	11,323.3	0.0	2,529.8	3.9
Financial instruments	0.0	14,101.8	0.0	0.0
Receivables and other assets	0.0	183.3	801.0	4.4
Deferred tax assets	35.3	0.0	482.8	1.6
Property	70,349.6	40,174.9	39,340.5	808.2
Financial liabilities	-34,436.6	-17,543.6	-20,205.6	0.0
Trade accounts payable	-187.0	0.0	-2,137.6	-0.2
Other liabilities	-1,026.3	0.0	-805.7	-0.8
Provisions	0.0	-136.1	-113.6	0.0
Deferred tax liabilities	-9,987.5	-5,705.3	-4,636.9	-89.1
Currency translation adjustment	-2,343.0	-707.7	-1,126.6	-41.0
Net assets sold	33,727.8	30,367.3	14,128.1	687.0
(Negative) goodwill	-17.1	-241.7	251.6	-2.0
Results of deconsolidation	11,472.9	12,256.1	4,505.1	128.4
Sale price	45,183.6	42,381.7	18,884.8	813.4
Less cash and cash equivalents	-11,323.3	0.0	-2,529.8	-3.9
Net sale price for property companies	33,860.3	42,381.7	16,355.0	809.5

IMMOEAST carried out two downstream mergers during the first quarter of 2007/08. As of 30 May 2007 Holtera Property a.s. was merged into Centrum Olympia Olomouc a.s. Subsequently, the shares in the Czech Centrum Olomouc a.s. were sold and deconsolidated. As of 6 July 2007 the Croatian Grand Zagreb d.o.o. was merged into Grand Centar d.o.o.

The Czech Prokopova Development a.s. was sold and deconsolidated as of 27 September 2007.

Two sales took place during the fourth quarter of 2007/08. On 6 March 2008 the Andel Park B (AKVAMARIN Beta s.r.o) office property was sold to SEB Immobilien-Investment GmbH. As of 29 April 2008 the shares in Salzburg Center Development S.A. were sold to SEB Global Property Fund, a German open property fund.

2.2.6.3 IMMOWEST

The IMMOWEST subgroup liquidated a number of inactive entities and holding companies during the reporting year.

2.2.7 Structural changes/change in consolidation method

Structural changes represent the impact of shifts in investments in other companies between the parent company (IMMOFINANZ) and the minority shareholders of the relevant consolidated subsidiaries or companies included through proportionate consolidation which, in turn, have their own consolidated companies with minority interests. The term structural changes also includes the acquisition of shares in companies with minority interests, where these acquisitions have an impact on group equity, as well as partial deconsolidation measures and successive share purchases without transition consolidations that lead to a shift in the earned equity (either from the group's share to minority interest, or the reverse) of enterprises in which the company that is partially deconsolidated has a controlling or joint management interest as defined in IAS 31.

IMMOFINANZ increased its stake in IMMOEAST AG from 50.46% to 54.63% during the reporting year through the acquisition of additional shares.

2.2.8 Companies not included in the consolidation

Forest Finance plc., which is headquartered in Ireland, issued commercial mortgage backed securities (CMBS) for a total of TEUR 250,000.0 to institutional investors on 7 July 2005. Six Austrian subsidiaries of IMMOFINANZ in the IMMOAUSTRIA segment concluded a long-term financing agreement with Forest Finance plc., which also includes the provision of appropriate collateral to these six companies.

Forest Finance plc. was not consolidated because all economic risk arising from the transaction were recognised through the recording of a liability due to Forest Finance plc.

2.3 Foreign currency translation

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. IAS 21.21
IAS 21.28

The Group reporting currency is the EURO. For subsidiaries or associated companies that prepare their financial statements in a foreign currency, the determination of the functional currency is based on the primary (macro) economic environment in which each company operates. The determining factor is the currency in which the majority of cash flows, goods and services are denominated and settled in the relevant country. For the IMMOFINANZ companies, the local currency is the functional currency in all cases. In accordance with IAS 21, foreign currency IAS 21.8 in connection with IAS 21.9
IAS 21.47

translation is based on the functional currency concept as reflected in the modified current rate method. The assets and liabilities in the financial statements that were converted to IFRS – and in the case of acquisitions, also revalued and prepared for consolidation – are translated at the average exchange rate on the balance sheet date; the various positions on the income statement are translated at the weighted average exchange rate for the reporting year. Goodwill allocated to a foreign subsidiary or company included through proportionate consolidation is translated at the closing rate. The equity of subsidiaries and companies included through proportionate consolidation as well as the investments in any other foreign entities in foreign currencies are translated at the historical exchange rate at the point of initial consolidation. Distributions in a foreign currency are translated at the average exchange rate for the purpose of elimination. The components of earned (historical) group equity of foreign entities that present their financial statements in a foreign currency are translated at the closing rate. Any resulting foreign exchange gains and losses are recorded to the currency translation adjustment in equity.

- SIC-7** Companies located in member countries of the European Union are required to apply the rule defined by IAS 21 for the settlement and translation of annual financial statements from their national currency into the Euro – assets and liabilities must still be translated at the closing rate, accumulated exchange differences remain in equity and differences arising from the translation of liabilities denominated in the foreign currencies of the member states may not be charged or credited to the carrying amount of the related asset.

The following exchange rates, which were issued by Constantia Privatbank AG on 30 April 2008, were used for translation:

	HUF	PLN	CZK	SKK
Closing rate on 30 April 2008	253.320000	3.451500	25.205000	32.229000
Average rate	250.250000	3.616250	26.664000	32.978000
	RON	CYP	BGN	RSD
Closing rate on 30 April 2008	3.679000	0.585274	1.955800	80.820000
Average rate	3.504150	0.583937	1.955800	81.064500
	HRK	BAM	EEK	LVL
Closing rate on 30 April 2008	7.268100	1.956700	15.646600	0.698300
Average rate	7.314800	1.957900	15.646600	0.700700
	RUB	UAH	USD	CHF
Closing rate on 30 April 2008	36.832000	7.564100	1.554000	1.614700
Average rate	35.921000	7.191100	1.457250	1.630250
	SEK	TRY	GBP	MTL
Closing rate on 30 April 2008	9.357500	2.003000	0.790150	0.429300
Average rate	9.254900	1.875400	0.741975	0.429300

The Bulgarian and Estonian currencies are tied to the Euro through a currency board (the domestic currency is tied to the foreign currency on a one-sided basis). Prior to the introduction of the Euro, these countries had a currency board with the D-Mark. On 5 July 1999 the Bulgarian currency (Lew) was converted at a ratio of 1 new Lew for 1,000 old Lewa and tied to the German Mark (1 Lew = 1 DM). After the introduction of the Euro, the exchange rate for conversion of the Lew into Euro exactly equalled the DM – Euro rate. This exchange rate (1 EUR = 1.9558) is defined by Bulgarian law and does not change.

The Estonian currency (Kroon) was introduced in the newly independent Estonia after the collapse of the Soviet Union in 1992. After 1993 the Estonian Krone was linked to the D-Mark and this rate was maintained following the introduction of the Euro. The current exchange rate is 1 EUR = 15.6466.

Cyprus and Malta introduced the Euro on 1 January 2008. The conversion was based on the rates established by the EU: 0.585274 for the Cypriote Pound and 0.429300 for the Maltese Lira.

3. Notes to the Consolidated Financial Statements

3.1 Investment Property

3.1.1 Revenues

Revenues are recognised when the risks and opportunities of ownership as well as control over the goods or services are transferred to the buyer. IAS 18.14

In addition, it must be possible to reliably measure the revenues and the costs arising in connection with the sale. IAS 18.19
If these criteria are met, revenues are recognised in the relevant period. If these criteria are not met, any payments received must be treated as liabilities.

Revenues from the rental of property are recognised during the appropriate period determined by the rental agreement. The sale of inventories is reported under revenues, with the transfer of ownership forming the point of realisation.

3.1.1.1 Segmentation

Revenues are presented by region (primary segments) and use of the object (secondary segments) in the section on segment reporting, which represents an integral part of these consolidated financial statements (see section 5).

IFRS 8 calls for the identification of segments based on the management approach. IFRS 8.5

The following table shows the classification of rental revenues based on the use of the properties

All amounts in TEUR	2007/08	%	2006/07	%
Offices	173,693.5	34.6%	124,944.8	33.0%
Logistics / commercial	185,451.1	37.0%	122,410.3	32.3%
Recreation / hotel	8,657.1	1.7%	6,880.9	1.8%
Residential	109,307.7	21.8%	104,985.9	27.7%
Parking	24,192.2	4.8%	19,700.9	5.2%
Rental income	501,301.6	100.0%	378,922.7	100.0%
Sale of inventories	7,177.0		10,116.3	
Operating costs charged to tenants	144,293.0		114,861.9	
Other revenues	18,059.7		14,982.1	
Total revenues	670,831.3		518,883.0	

3.1.2 Property valuation

Fair value must reflect the current market situation and circumstances as of the balance sheet date. The best evidence of fair value is normally provided by prices quoted on an active market for similar properties that have a similar location and conditions as well as comparable rental and other contractual relationships. IAS 40.38 ff
IAS 40.45

The fair value of IMMOFINANZ properties is determined by expert opinions, which are prepared by independent valuation experts. The Colliers International Group serves as the independent expert for all segments. The IMMO-WEST segment also uses the services of Atisreal, while the IMMOAUSTRIA segment draws on the services of the Colliers International Group as well as a committee of three court certified experts.

Investment properties are valued using the discounted cash flow method, specifically in the form of the term and reversion model. Under this model, current rental income up to the end of the contract term is discounted back to the valuation date; a comparable market rent is then applied, capitalised and also discounted back to the valuation IAS 40.75 (d)

date to determine the perpetual yield (reversion). Depending on the estimates for risk – which are based on the type of property, location and region as well as current market circumstances – different discount rates are applied to current rental income and the capitalisation of the perpetual yield. The capitalisation also reflects any vacancies as well as the perpetual yield based on an appropriate period of time for rental and comparable market rental prices as well as an assumed maximum occupancy that is derived from the above-mentioned criteria. The discounted cash flow method was used to value the apartment portfolio of Immofinanz Alkmene Immobilien Vermietungs GmbH. This calculation is based on the expected income from the future sale of apartments and also reflects current market conditions. Valuation results are presented for each segment of business in the segment report (see section 5).

Land was valued under the assumption that only the earnings potential of the site, and not the earnings potential of the object to be constructed, forms the basis for the recognition of revaluation income. The residual value method (residual value method of the income approach) was also applied here. The resulting residual value represents the fair value of the land.

Investment properties that were acquired for possible redesign and renovation (redevelopment) are also measured using the residual value method. The classification as investment property is not changed by this redevelopment.

3.1.2.1 Revaluation

IAS 40.33 In accordance with the fair value model, the measurement of the properties as of the balance sheet date must reflect fair value. Fair value is defined as the amount at which a property could be exchanged between knowledgeable, willing parties in an arm's length transaction.

IAS 40.35 All changes in fair value are recognised to the income statement. The properties are not depreciated on a regular basis, but measured each year at their fair value. The rules for impairment tests that are defined in IAS 36.2 (f) are not applied to investment properties because these objects are measured at fair value through profit or loss.

3.1.2.2 Segmentation

Revaluation gains and losses are presented by primary segment in the section on segment reporting, which represents an integral part of these consolidated financial statements (see section 5).

3.1.2.3 Revaluation gains / losses

Revaluation gains and losses are classified as follows:

All amounts in TEUR	2007/08	2006/07
Revaluation	746,950.2	898,985.9
Impairment	-376,922.7	-149,269.6
Total	370,027.5	749,716.3

The crisis on international financial markets had a significant influence on revaluation results for the reporting period. The third quarter of 2007/08 brought a substantial decline in property transactions as well as an increase in returns for the valuation of properties. The subsequent rise in yields will slow the production of new space because of the growing difficulty in obtaining financing, which will further drive the upward spiral in rental prices.

3.1.2.4 Revaluation of assets under construction following completion

IAS 40.65 The properties listed below represent objects under construction that were completed and placed into service during the 2007/08 financial year. These properties were measured at fair value as of the balance sheet date. The difference between the fair value and the previous carrying value of these objects was recognised to profit or loss under revaluation of properties.

All amounts in TEUR			2007/08
Object	Country	Segment	Revaluation
IMMOAUSTRIA			
Office Campus Gasometer. 1110 Vienna	A	IA	2,584.9
Hagenholzstrasse 113, Zurich	CH	IA	1,711.3
Papenreye 47-49, Hamburg	D	IA	1,316.2
Simmeringer Hauptstrasse 47-49, 1110 Vienna	A	IA	1,298.6
Ludwig-Landmann-Strasse 21-23, Frankfurt	D	IA	1,093.7
Chiemgaustrasse 107, Munich	D	IA	996.7
Wexstrasse 40, Berlin	D	IA	839.4
Meglingerstrasse 48, Munich	D	IA	812.2
Fr. Ebertdamm 101, Hamburg	D	IA	770.0
Schweinauer Strasse, Nuremberg	D	IA	694.3
Total IMMOAUSTRIA			12,117.3
IMMOWEST			
Industriestrasse 7, Niederaula	D	IW	1,041.5
Einsteinallee 1, Lahr	D	IW	1,033.0
Total IMMOWEST			2,074.5
IMMOEAST			
Polus Centre Cluj, Cluj	RO	IE	15,816.4
Bucharest Airport Tower. Bucharest	RO	IE	15,745.9
Victoria Park II-IV, Bucharest	RO	IE	6,808.9
STOP.SHOP. Békéscsaba, Békéscsaba	H	IE	5,227.2
STOP.SHOP. Uherske Hradiste, Uherske Hradiste	CZ	IE	2,327.3
STOP.SHOP. Zvolen, Zvolen	SK	IE	1,035.3
STOP.SHOP. Hranice, Hranice	CZ	IE	606.6
Total IMMOEAST			47,567.6

3.1.2.5 Revaluation

The following revaluations were recognised during 2007/08:

All amounts in TEUR			2007/08
Object		Segment	Revaluation
IMMOAUSTRIA			
Austria		IA	431,520.8
Germany		IA	6,522.5
Switzerland		IA	1,695.0
Hungary		IA	6.6
Total IMMOAUSTRIA			439,744.9

IMMOWEST

Germany	IW	81,338.2
Netherlands	IW	12,734.4
Switzerland	IW	9,927.1
Total IMMOWEST		103,999.7

IMMOEAST

Romania	IE	119,071.1
Hungary	IE	36,236.4
Czech Republic	IE	20,861.7
Slovakia	IE	14,156.5
Poland	IE	11,308.3
Russia	IE	1,571.6
Total IMMOEAST		203,205.6

Total revaluations**746,950.2****3.1.2.6 Impairment**

The following impairment losses were recognised in 2007/2008, and are shown below classified by country and segment:

All amounts in TEUR		2007/08
Object	Segment	Impairment charge
IMMOAUSTRIA		
Austria	IA	-144,728.8
Germany	IA	-1,236.0
Hungary	IA	-51.3
Switzerland	IA	-1.9
Total IMMOAUSTRIA		-146,018.0
IMMOWEST		
Germany	IW	-31,942.8
Netherlands	IW	-4,508.5
Switzerland	IW	-2,337.9
Total IMMOWEST		-38,789.2
IMMOEAST		
Czech Republic	IE	-81,431.8
Poland	IE	-50,853.9
Russia	IE	-22,987.6
Hungary	IE	-12,779.9
Bulgaria	IE	-8,403.8
Romania	IE	-6,038.0
Slovenia	IE	-5,050.0
Slovakia	IE	-2,750.0
Croatia	IE	-1,820.5
Total IMMOEAST		-192,115.5
Total impairment charges		-376,922.7

Notes

The impairment charges recognised to the following properties were related primarily to an increase in the local currency versus the Euro. The Euro fair values as of 30 April 2008 exceeded the Euro fair values from 2007, but an impairment charge was required because the translation from the local currency into the Group currency resulted in an amount that exceeded fair value:

All amounts in TEUR		2007/08
Object	Country	Segment
Brno Business Park I+II, Brno	CZ	IE
Jungmannova Plaza, Prague	CZ	IE
BBC Centrum C, Prague	CZ	IE
Pankrac House, Prague	CZ	IE
CSOB Panska, Prague	CZ	IE
Silesia City Center. Katowice	PL	IE
Mokotów Business Park (MBP) Mars, Warsaw	PL	IE
Crown Point, Warsaw	PL	IE
Brama Zachodnia, Warsaw	PL	IE
Passat Office Building, Warsaw	PL	IE
Crown Tower, Warsaw	PL	IE
Mistral Office Building, Warsaw	PL	IE
Taifun Office Building, Warsaw	PL	IE
Cybernetyki Office Center. Warsaw	PL	IE
Bokserska Office Centre, Warsaw	PL	IE
Bokserska Distribution Park, Warsaw	PL	IE
Nimbus Office Building, Warsaw	PL	IE
Millenium Tower II, Bratislava	SK	IE
Polus City Center	SK	IE

3.1.3 Expenses related to properties

All amounts in TEUR	2007/08	2006/07
Operating costs charged on	138,812.9	111,947.0
Maintenance	47,619.8	34,952.4
Other directly allocated expenses	26,209.6	19,205.5
Vacancies	9,877.1	6,506.2
Bad debt allowances	4,781.5	5,314.9
Commissions	5,600.7	3,169.9
Other regular expenses	3,372.8	3,136.2
Total	236,274.4	184,232.1

Other directly allocated expenses are comprised entirely of costs associated with property ownership.

3.1.4 Investment property

Investment properties represent all objects that are held to generate rental income or to realise a long-term increase in value, and are not used in production or for administrative purposes or sold as part of the ordinary business activities of the company. Land and/or buildings, or parts thereof, can also represent investment property. Properties used in the production of goods, provision of services or for administrative purposes do not represent investment property as defined in IAS 40. Land that is purchased as a site for the construction of investment property is classified as IAS 40 property on the date of acquisition and subsequently measured at fair value.

IAS 40.5

In accordance with IAS 40, investment properties are measured at cost plus transaction costs at the point of recognition. These costs may not include any founding or start-up costs or operating losses incurred before the investment

IAS 40.20 &
IAS 40.23

property reaches the planned level of occupancy. For subsequent measurement, this standard provides companies with an option to choose either the cost model or the fair value model. Up to 30 April 2005 IMMOFINANZ recorded investment property in accordance with the cost model. In keeping with this model, properties were recorded at cost less ordinary straight-line depreciation and any necessary impairment charges. As of 31 January 2006 the management of IMMOFINANZ decided to follow the Best Practices Policy Recommendation 2.2 of the European Public Real Estate Association (in the following EPRA), which advises EPRA members to follow the fair value model defined in IAS 40; based on this decision, the consolidated financial statements were adjusted retrospectively in accordance with IAS 8.22 to reflect the application of the fair value model defined in IAS 40.33.

Detailed information on the development of fixed assets is provided below, whereby the effects of changes in the consolidation range are shown separately. Also shown separately are currency translation differences, which result from the translation of assets by foreign companies using different exchange rates at the beginning and end of the year.

The development of the cost of investment properties is shown in the following table:

All amounts in TEUR	Property
Balance on 1 May 2006	5,019,453.4
Change in consolidation range	926,316.5
Change in consolidation method	268,988.5
Currency translation adjustments	70,167.2
Additions	479,394.5
Disposals	-78,587.4
Reclassification	259,488.0
Balance on 30 April 2007	6,945,220.7
Balance on 1 May 2007	6,945,220.7
Change in consolidation range	355,021.4
Change in consolidation method	5,913.3
Currency translation adjustments	77,238.2
Additions	343,761.0
Disposals	-125,333.0
Reclassification	449,897.8
Balance on 30 April 2008	8,051,719.4

The development of the fair value of investment properties is as follows:

All amounts in TEUR	
Balance on 1 May 2006	5,524,259.9
Change in consolidation range	926,316.5
Change in consolidation method	306,784.2
Currency translation adjustments	79,357.5
Additions	479,394.5
Disposals	-78,587.4
Revaluation	894,629.9
Impairment charges	-149,269.7
Reclassification	238,643.3
Balance on 30 April 2007	8,221,528.8

Notes

Balance on 1 May 2007	8,221,528.8
Change in consolidation range	330,626.2
Change in consolidation method	5,913.3
Currency translation adjustments	96,636.3
Additions	343,761.0
Disposals	-163,024.7
Revaluation	746,950.2
Impairment charges	-376,922.7
Reclassification	430,722.0
Balance on 30 April 2008	9,636,190.4

The following individual objects were acquired or sold during the 2007/08 financial year:

Addition of individual properties

IA	A	Siemensstrasse 9-11, Innsbruck-Rum	IW	NL	Ruysdaelbaan 35, Eindhoven
IA	A	Bergmillergasse 3-5, 1140 Vienna	IW	D	Merzinger Strasse 1-7, Berlin-Spandau
IA	A	Winklern 195, 9841 Winklern	IW	NL	Nijverheidstraat 1, Rijswijk
IA	A	10.-Oktober-Strasse 25, 9754 Steinfeld	IW	NL	Wegtersweg 5-15, Hengelo
IA	A	Faakerseestrasse 8, 9584 Finkenstein	IW	NL	Helderseweg 9, Alkmaar
IA	A	Feldkirchner Strasse 380, 9061 Wölfnitz	IE	CZ	BB Centrum Gamma, Prague
IA	A	FMZ Wies Bauteil 1, Wies	IE	RO	Iride IV, Bucharest
IW	D	Am Rettelloh 13, Freystadt	IE	SK	Big Box Nove Zamky, Nove Zamky
IW	D	Am Werbering 5, 5a, 7, 7a, Kirchheim	IE	SK	Big Box Trencin, Trencin
IW	D	Im Schiffelland 15, St. Ingbert	IE	RO	S-Park, Bucharest
IW	D	Hans-Böckler Strasse 15, Gross-Gerau	IE	RO	Euromall Pitesti, Pitesti
IW	D	Duisburger Strasse 65, 65a, Nuremberg	IE	PL	Taifun Office Building, Warsaw
IW	D	Hans-Martin-Schleyer-Strasse 4, 8, Willich	IE	H	Atrium Park (Phase 1), Budapest
IW	US	Eloy Tract, Phoenix	IE	H	STOP.SHOP. Miskolc, Miskolc
IW	US	Vaquero Tract, Phoenix	IE	SK	STOP.SHOP. Poprad, Poprad
IW	NL	Zeverijnstraat 6, Hilversum	IE	H	Mester Park Building A, Budapest
IW	NL	Van Marwijk Kooystraat, Amsterdam	IE	RU	Shushary, St. Petersburg

Transition consolidation of individual properties

IE	CZ	STOP.SHOP. Uherske Hradiste, Uherske Hradiste	IE	SK	STOP.SHOP. Zvolen, Zvolen
IE	RO	Polus Centre Cluj, Cluj	IE	SK	STOP.SHOP. Lucenec, Lucenec
IE	H	STOP.SHOP. BCS, Békéscsaba	IE	SK	STOP.SHOP. Poprad, Poprad

Disposals of individual properties

IA	A	Wielandgasse 6-8, 1100 Vienna	IA	A	Zeuggasse 1-3, 1050 Vienna
IA	A	Fabrikstrasse 26, 4020 Linz	IW	I	Calle delle Acque, Venezia
IA	A	Meidlinger Hauptstrasse 65, 1120 Vienna	IW	I	Via Gemona 39, Udine
IA	A	Rathausplatz 3-4, 3100 St. Pölten	IW	I	Via Verdi via Mazzini, Rovigo
IA	A	Jakominiplatz 7-9, 8010 Graz	IW	I	Via Pontani 14, Perugia
IA	A	Dorotheergasse 17, 1010 Vienna	IW	I	Via XXIV Maggio 4/B, Gorizia
IA	A	Kaiserstrasse 14, 1070 Vienna	IW	I	Via Giani 9, Prato
IA	A	Schrannengasse 7, 5020 Salzburg	IW	US	Vintage Park Apartments, Cutten Cutten Road, Houston
IA	A	Garage Südbahnhof, 1040 Vienna	IE	CZ	Olympia Centre, Olomouc
IA	A	Rasumofskygasse 9-11, 1030 Vienna	IE	CZ	Andel Park B Office Building, Prague
IA	A	Margaretenstrasse 120, 1050 Vienna	IE	CZ	CSOB Prokopova, Prague
IA	A	Schönbrunnerstrasse 48, 1050 Vienna	IE	PL	Salzburg Center, Warsaw

The future minimum lease payments arising from finance leases totalled TEUR 99,876.8 as of 30 April 2008 (2006/07: TEUR 109,608.7). The corresponding present value is TEUR 83,828.5 (2006/07: TEUR 94,008.7).

IAS 17.31 (b)	All amounts in TEUR	30 April 2008	Due within 1 year	Due in 1 to 5 years	Due after 5 years	30 April 2007
	Present value	83,828.5	10,652.0	45,074.5	28,102.0	94,008.7
	Finance charge	16,048.3	3,579.5	7,720.7	4,748.1	15,600.0
	Total	99,876.8	14,231.5	52,795.2	32,850.1	109,608.7

The Group has incurred the following obligations from the use of off-balance sheet tangible assets (leased garages):

All amounts in TEUR	2007/08	2006/07
Obligations for the next financial year	779.1	871.7
Obligations for the next five financial years	3,895.5	4,358.5

Collateral and restrictions on sale

IAS 16.74 (a) analogously The carrying value of properties pledged as collateral for long-term debt totalled TEUR 7,523,907.1 (2006/07: TEUR 6,983,072.0).

3.1.5 Property under construction

IAS 16.15 Properties constructed by the company to generate of rental and/or leasing income or to realise an increase in value are recognised as properties under construction and measured at cost. For this purpose, cost includes expenses incurred up to the completion of construction or development. In accordance with IAS 16.19, administrative expenses and other overheads are not included in acquisition or production cost. IAS 16 is applied up to completion and the start of operations in the property. Beginning with the date of completion, the property is measured at fair value in accordance with IAS 40. Any difference between the fair value of the property at this time and the previous carrying value is recognised to the income statement as required by IAS 40.65. Since the revaluations are generally considered to be material, they are shown on the same line of the income statement as other income from the revaluation of investment properties.

IAS 20.1 Government grants represent assistance provided to an entity through the transfer of resources in return for past or future compliance with certain conditions relating to the operating activities of the entity. Government grants relating to assets, including non-monetary grants at fair value, must be recorded on the balance sheet as deferred income or deducted in determining the carrying value of the asset.

IAS 23.10-11 IAS 23.4 Financing costs are capitalised in accordance with IAS 23 if they are related to the acquisition or production of qualified assets. Borrowing costs include interest and other costs incurred by an entity in connection with the borrowing of funds. The capitalisation of borrowing costs ends with the completion of the asset.

IAS 36.2 Properties under construction are tested for impairment each year in accordance with IAS 36, whereby cost is compared with the fair value (value in use) determined by an expert opinion. Additional information on the determination of fair value is provided under point 3.1.2.

The cost of property under construction developed as follows during 2007/08:

All amounts in TEUR	Property under construction
Balance on 1 May 2006	282,397.7
Change in consolidation range	175,711.8
Change in consolidation method	16,240.7
Currency translation adjustments	3,947.7
Additions	213,837.9
Disposals	-887.8
Reclassification	-270,865.8
Balance on 30 April 2007	420,382.2
Balance on 1 May 2007	420,382.2
Change in consolidation range	484,701.7
Change in consolidation method	-5,131.3
Currency translation adjustments	-19,013.9
Additions	451,724.1
Disposals	-11,921.0
Reclassification	-449,897.8
Balance on 30 April 2008	870,844.0

The carrying values of property under construction developed as follows:

All amounts in TEUR	Property under construction
Balance on 1 May 2006	276,913.7
Change in consolidation range	175,711.8
Change in consolidation method	14,824.7
Currency translation adjustments	3,825.9
Additions	213,837.9
Disposals	-887.8
Impairment	-17,641.8
Reclassification	-266,081.8
Balance on 30 April 2007	400,502.6
Balance on 1 May 2007	400,502.6
Change in consolidation range	484,701.7
Change in consolidation method	-5,131.3
Currency translation adjustments	-26,969.3
Additions	451,724.1
Disposals	-11,921.0
Impairment	-12,693.9
Reclassification	-430,722.0
Balance on 30 April 2008	849,490.9

IAS 16.73 (e)

IAS 16.74 (b)

The following individual objects were acquired or sold during the reporting year:

Addition of individual properties

IA	CH	Grubenstrasse 26/28/30, Zurich	IE	RO	Log Center Brasov, Brasov
IA	D	Lankwitzer Strasse 23, Berlin	IE	RO	Asb Project, Arad
IA	D	Dachauer Strasse, Munich	IE	RO	str Victoriei, no. 73, Baia Mare
IA	D	Dahlemer Weg, Berlin	IE	RO	Harborside Hotel Project, Constanta
IA	D	Pragstrasse, Stuttgart	IE	RO	Red Project Two, Baia Mare
IA	A	Wallgasse 3, 1060 Vienna	IE	RO	Narbal Project, Cernica
IA	A	FMZ Stockerau, Wienerstrasse 32, Stockerau	IE	RO	Pantelimon II, Pantelimon

Addition of individual properties

IA	H	Konzumparkolo, Pecs	IE	RO	Sportiva Project, Bucharest
IW	NL	Galjoenweg 41, Maastricht	IE	RO	Sla Project, Arad
IW	NL	Zandzuigerstraat 21, Den Bosch	IE	RO	EyeShop Targu Jiu, Targu Jiu
IW	D	Flughafenstrasse (DUS Plaza), Düsseldorf	IE	RO	Sam Project, Satu Mare
IW	D	Westerholzring, Vaihingen-Enz	IE	RO	Dacian Second Project, Pantelimon
IW	D	Duisburger Strasse, Nuremberg	IE	RO	Red Project One, Arad
IW	D	Am Hochofen 62, Neuss	IE	RO	Ora Project, Oradea
IW	NL	Klarinetweg, Middelburg	IE	RO	Shopping Center Brasov Project, Brasov
IW	NL	Madame Curiestraat, Alkmaar	IE	RO	Rocar Project, Bucharest
IE	BA	Bana Lazarevica 22, Banja Luka	IE	RO	Freeze Project, Pantelimon
IE	BG	Varna ECE Shopping Center. Varna	IE	RO	LogCenter Sibiu, Sibiu
IE	CZ	STOP.SHOP. Znojmo, Znojmo	IE	RU	GoodZone Shopping Center. Moscow
IE	CZ	STOP.SHOP. Kladno, Kladno	IE	SK	Arkadia Shopping Center Presov, Presov
IE	CZ	STOP.SHOP. Cesky Krumlov, Cesky Krumlov	IE	SK	Dubnica Shopping Center. Dubnica
IE	CZ	Stetkova 18, Prague	IE	SK	Lifestyle Logistic Project I, Rakoluby
IE	CZ	STOP.SHOP. Novi Jicin, Novi Jicin	IE	SK	Lifestyle Logistic Project II, Rakoluby
IE	CZ	STOP.SHOP. Brandys, Brandys nad Labem	IE	SK	STOP.SHOP. Ruzomberok, Ruzomberok
IE	CZ	STOP.SHOP. Brandys Laouny, Brandys Laouny	IE	SRB	Project Agroprodaja, Novi Sad
IE	CZ	Bauhaus Budweis, Ceske Budejovice	IE	UA	Project Euroluna, Kiev
IE	CZ	Project Plzen, Plzen			

Disposals

IE	SK	Project Dunaj, Dunaj	IA	A	Bräuhausgasse 37, 1050 Vienna
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Fair value of property under construction

The fair value of property under construction totalled TEUR 1,213,624.3 (2006/07: TEUR 744,068.4).

Collateral and restrictions on sale

IAS 16.74 (a) Property under construction with a total carrying value of TEUR 238,674.4. (2006/07: 325,522.7) has been pledged as collateral.

3.1.6 Property held for sale

- IFRS 5.1 IFRS 5 classifies assets as held for sale if they can be sold in their present condition and their sale is highly probable.
- IFRS 5.25 The involved assets represent non-current items. These assets are no longer depreciated on a regular basis, but are measured at the lower of carrying value at the point of classification as held for sale and fair value less costs to sell.
- IFRS 5.15 The requirements for classification as held for sale are: a) the existence of a concrete intention to sell, b) the immediate availability of the asset and c) with certain exceptions, the completion of the sale within twelve months.
- IFRS 5.26 ff If the requirements for classification as held for sale are no longer met, the asset is transferred to the appropriate balance sheet position and measured at the lower of carrying amount and fair value less costs to sell. Any adjustment to the value of the asset is recognised to the income statement.
- IFRS 5.5 (d) Investment properties represent an exception to the valuation requirements set forth in IFRS 5 because these assets are valued in accordance with the fair value model. However, the presentation requirements defined in IFRS 5 apply.

The cost of property held for sale developed as follows during the reporting year:

All amounts in TEUR	Non-current property held for sale
Cost as of 1 May 2006	53,118.0
Currency translation adjustments	1,416.4
Additions	1,661.9
Disposals	-56,196.3
Reclassification	7,419.5
Cost as of 30 April 2007	7,419.5
Cost as of 1 May 2007	7,419.5
Change in consolidation range	0.0
Currency translation adjustments	0.0
Additions	0.0
Disposals	-7,419.5
Impairment	0.0
Reclassification	0.0
Cost as of 30 April 2008	0.0

The following table shows the development of the fair value of property held for sale.

All amounts in TEUR	Non-current property held for sale
Carrying value as of 1 May 2006	55,197.6
Currency translation adjustments	1,416.4
Additions	1,661.9
Disposals	-58,275.9
Revaluation	4,356.0
Reclassification	7,144.0
Carrying value as of 30 April 2007	11,500.0
Carrying value as of 1 May 2007	11,500.0
Change in consolidation range	0.0
Change in consolidation method	0.0
Currency translation adjustments	0.0
Additions	0.0
Disposals	-11,500.0
Revaluation	0.0
Reclassification	0.0
Carrying value as of 30 April 2008	0.0

IAS 40.76 (c)

The disposal recorded under properties held for sale is related to the object at Himmelfortgasse 7 from the IMMO-AUSTRIA segment.

3.1.7 Leasing

In keeping with IAS 17, the allocation of a leased asset to the lessor or lessee is based on the transfer of all material risks and rewards incident to ownership of the asset. IAS 17.4

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. IAS 17.4
All other leases are classified as operating leases.

IAS 17.10 Situations that normally lead to the classification of a lease as a finance lease include:

- The lease transfers ownership of the asset to the lessee by the end of the lease term;
- The lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than fair value at the date the option becomes exercisable and it is therefore reasonably certain, at the inception of the lease, that the option will be exercised;
- The lease term covers the major part of the economic life of the asset, even if title is not transferred;
- At the inception of the lease, the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset; and
- The leased asset is of such a specialised nature that only the lessee can use it without major modifications.

IAS 17.20 Assets obtained through finance leases are capitalised at the fair value or lower present value of the minimum lease

IAS 17.27 payments from the viewpoint of the lessee, and amortised on a straight-line basis over the shorter of the presumed

IAS 16.50 ff useful life or term of the lease agreement. Payments required on operating leases are recognised to the income state-

IAS 17.49-51 ment in equal instalments over the term of the lease.

Under operating leases, economic ownership remains with the lessor. The lessee recognises the lease payments as an expense, generally on a straight-line basis over the term of the lease. The lessor retains the leased item as an asset on its balance sheet, and measures this asset in accordance with normal requirements. Lease income is generally distributed on a straight-line basis over the term of the lease.

Contract and similar costs are expensed analogously over the term of the lease.

IAS 40.6 IAS 40.6 gives companies an option to classify property that is held through an operating lease as investment property if the fair value model is used and the property otherwise meets the definition of an investment property. This classification alternative may be elected for individual objects.

IAS 17.15 ff In the classification of leases for land and buildings, the land and building elements are normally considered separately. The minimum lease payments are allocated to the land and building elements in proportion to their relative
IAS 17.18 fair value. The land element is normally classified as an operating lease unless title is expected to pass to the lessee by the end of the lease term. The building element is classified as a finance or operating lease according to the criteria presented in IAS 17.

However, separate measurement of the land and building elements is not required when the lessee's interest in both land and buildings is classified as investment property in accordance with IAS 40 and the fair value model is used for recognition and measurement.

An overview of finance lease liabilities and the terms of these items is presented in section 3.3.8.

3.1.8 a Net asset value (NAV)

Net asset value and triple net asset value are calculated in accordance with Best Practices Policy Recommendations 6.3 and 6.4 of the EPRA based on the following principles:

Equity as shown in the IFRS financial statements (excluding minority interests) is adjusted by the difference between the carrying value and the fair value of property that does not qualify for valuation at fair value. An adjustment is also made for financial instruments that are not stated at fair value. In a last step, deferred tax assets and deferred tax liabilities are offset against equity. Triple net asset value is derived from net asset value by adjusting for the difference between the carrying value and the fair value of deferred tax assets and deferred tax liabilities.

The results of the calculation are shown below:

All amounts in TEUR	30 April 2008		30 April 2007	
Equity before minority interest	4,348,229.7		4,081,659.5	
Goodwill	-326,335.4		-199,684.5	
Deferred tax assets	-59,740.7		-84,631.7	
Deferred tax liabilities	1,135,913.2	5,098,066.8	912,506.1	4,709,849.4
Property under construction (carrying value)	849,490.9		400,502.6	
Property under construction (fair value)	1,213,624.3	364,133.4	744,068.4	343,565.8
Inventories (carrying value)	338,046.5		139,572.7	
Inventories (fair value)	426,347.2	88,300.7	209,630.0	70,057.3
Residual value of forward purchase contracts and investments carried at cost		67,616.4		41,144.9
Property held for sale (carrying value)	0.0		11,500.0	
Property held for sale (fair value)	0.0	0.0	11,500.0	0.0
Shares in associated companies (carrying value)	531,498.9		373,213.6	
Shares in associated companies (fair value)	536,054.4	4,555.5	438,847.3	65,633.7
Minority interests		-322,586.3		-249,271.0
Net asset value		5,300,086.5		4,980,980.1
Number of shares (in 1,000)		459,001.4		459,001.4
Net asset value per share (in EUR)		11.55		10.85

Properties under construction and inventories were valued in accordance with the principles described under point 3.1.2. This calculation was also based on a property valuation prepared by the experts named under point 3.1.2.

The fair value of shares in associated companies was derived from the valuation of the Lakeside project (Bratislava), which is owned by TriGránit Centrum a.s.

The NAV effect of forward purchase contracts is calculated as the difference between the gross development value and the acquisition value for IMMOFINANZ based on the fixed purchase yield. This difference is discounted back to the balance sheet date. The same applies to purchase options for the remaining shares in joint ventures.

The NAV effect of inventories represents the difference between the carrying value and the residual value determined by the expert opinion.

3.1.8 b Triple Net Asset Value (NNNAV)

All amounts in TEUR	30 April 2008	30 April 2007
Net asset value (NAV)	5,300,086.5	4,980,980.1
Deferred taxes (present value)	-14,940.5	-8,554.0
Triple net asset value (NNNAV)	5,285,146.0	4,972,426.1
Number of shares (in 1,000)	459,001.4	459,001.4
Triple net asset value per share (in EUR)	11.51	10.83

The calculation of EPRA NNNAV is based on the premise that any taxes due in connection with the sale of a property will reduce EPRA NAV accordingly. The strategy of the company is also reflected in computing the present value of taxes. For the above calculation, this means the sale of a property can be designed to eliminate any tax liability and the present value of the provisions for taxes therefore equals zero. The current provisions for deferred taxes were only discounted to present value in cases where plans call for the sale of the property (e.g. in the residential segment).

3.1.9 Outstanding construction costs

The following list shows the outstanding construction and acquisition costs for all property projects, classified by country. These amounts reflect contractual obligations to acquire or produce property projects as well as the intention of IMMOFINANZ management to realise or complete these projects. The following table shows the budgeted amounts based on current estimates:

Land with construction / redevelopment projects	Outstanding construction/purchase costs		Total investment
All amounts in TEUR			
IMMOEAST		727,681.8	962,273.4
IMMOWEST		104,260.8	130,137.0
Total		831,942.6	1,092,410.4
Development projects	Carrying amount (current)	Outstanding construction/ purchase costs	Total investment
All amounts in TEUR			
IMMOEAST	687,442.0	2,353,893.5	3,315,709.0
IMMOAUSTRIA	62,762.6	81,034.6	143,797.2
IMMOWEST	99,286.3	57,139.1	156,425.4
Total	849,490.9	2,492,067.2	3,615,931.6
Inventories	Carrying amount (current)	Outstanding construction/ purchase costs	Total investment
All amounts in TEUR			
IMMOEAST	249,612.8	551,612.6	801,225.7
IMMOAUSTRIA	47,913.9	83,460.4	131,374.3
IMMOWEST	40,519.8	192,344.8	232,864.6
Total	338,046.5	827,417.8	1,165,464.6
Forward purchases and minority stakes with purchase options	Outstanding construction/ purchase costs		Total investment
All amounts in TEUR			
IMMOEAST		788,145.5	788,145.5
IMMOWEST		228,095.8	228,095.8
Total		1,016,241.3	1,016,241.3
Total construction costs		5,167,668.9	6,890,047.9

The first category includes land that is recognised and measured in accordance with IAS 40 as well as investment properties that are undergoing redevelopment. The second section comprises properties recognised in accordance with IAS 16 and the third section properties recognised in accordance with IAS 2. The final section shows the purchase commitments (based on the value of the property) arising from forward purchase contracts and contracts that permit the acquisition of joint venture shares and minority interests.

3.1.10 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. IAS 2.6

The business activities of IMMOFINANZ as a property company include the acquisition, rental and best possible commercial utilisation of assets to optimise asset management. The properties held for sale by the IMMOFINANZ subsidiaries during the course of ordinary business operations do not fall under the scope of application of IAS 40 (investment properties), and are therefore treated as inventories in accordance with IAS 2.

Inventories are capitalised at cost and measured at the lower of carrying value or net realisable value as of the balance sheet date. Net realisable value is determined as the estimated selling price less any outstanding production costs and costs to sell. The acquisition or production cost of inventories includes all purchase and processing costs as well as other expenses incurred to bring the asset to the current location and condition.

The sales of inventories are reported as part of revenues, whereby revenue is realised when ownership is transferred. In the event of a sale, the production costs are recorded as a disposal under the cost of materials.

Inventories are tested for impairment each year or when there are signs that an asset may be impaired. This impairment testing involves a comparison of the production cost with the fair value as determined by an expert opinion (value in use). Information on the determination of fair value is provided under section 3.1.2.

The major additions during the 2007/08 financial year are shown in the following table:

Additions to inventories

IA	PL	Frankonia Polska Residential Project, Warsaw	IE	RO	Ventilatorul Residential Project, Bucharest
IE	PL	Vertano Residential Project, Lodz	IE	RO	Satu Mare Residential Project, Satu Mare
IE	BA	Stepe Stepanovica 185, Banja Luka	IE	PL	Metropol Residential Project, Warsaw
IE	PL	Evolution Alpha Residential Project, Warsaw	IE	RO	Snagov Residential Project, Snagov
IE	PL	Evolution Sigma Residential Project, Warsaw	IE	RO	Piatra Neamt Residential Project, Piatra Neamt
IE	RO	Baia Mare Residential Project, Baia Mare	IE	RO	Sisesti Residential Project, Sisesti
IE	RO	Ventilatorul Residential Project, Bucharest	IE	RO	Brasov Residential Project, Brasov

3.1.11 Cost of goods sold

The cost of goods sold represents the cost of the properties sold during the reporting year. Proceeds from the sale of inventories are included under revenues. In 2007/08 revenues of TEUR 7,177.1 (2006/07: TEUR 10,116.3) were contrasted by cost of goods totalling TEUR 5,650.3 (2006/07: TEUR 9,386.5).

3.2 Goodwill and impairment

3.2.1 Goodwill

- IFRS 3.51** The difference between the cost of a business combination and the proportional share of revalued net assets as of the acquisition date is recorded as goodwill and recognised as an asset in accordance with IFRS 3. Goodwill represents a payment made by the acquirer in anticipation of future economic benefits to be gained from assets that cannot be individually identified or separately recognised. Goodwill does not generate cash flows that are independent of the cash flows of other assets or groups of assets and often contributed to the cash flows of several cash-generating units. For this reason, goodwill is assigned to cash-generating units for the purpose of impairment testing.
- IAS 36.90** The need to recognise an impairment charge to a cash-generating unit is determined by comparing the carrying value with the recoverable amount. If the recoverable amount is less than the carrying value, an impairment charge is recognised at the amount of this difference to reduce the carrying amount to the recoverable amount. Any remaining difference is allocated to the other assets in the cash-generating unit in proportion to their carrying values. The allocation of an impairment charge to individual assets may not reduce the carrying value of the asset below the highest of the following amounts:
- a) fair value less costs to sell,
 - b) the value in use and
 - c) zero.
- IAS 36.104**
- IAS 36.105**
- IAS 36.124** All impairment charges are recognised immediately to the income statement. Subsequent increases in value are not permitted.
- IAS 36.80** The unit or group of units to which goodwill is assigned for the impairment test represents the lowest level of the company at which the goodwill is monitored for management purposes, and is not larger than a segment determined in accordance with IFRS 8 or IAS 14. For the purpose of impairment testing, the carrying value of the cash-generating unit is increased by the carrying value of the goodwill. This total is compared with the recoverable amount of the cash-generating unit in a next step, and any negative difference results in an impairment charge to goodwill. The recoverable amount of the cash-generating unit comprises the fair value of the property as determined by an expert opinion and the fair value of deferred tax liabilities.
- IFRS 3.57 (b)** The acquisition of project companies generally leads to positive goodwill because of the obligation to record deferred tax liabilities on revalued properties. The unequal valuation of these deferred tax liabilities – which, in contrast to other acquired net assets, may not be discounted – results in goodwill as a technical figure.
- in connection with IFRS 3.B16 (i) in connection with IAS 12.53** In creating the cash-generating unit, the carrying values of the deferred tax liabilities recognised on property are added together with the assets and goodwill, and compared with the recoverable value of the unit. The deferred tax liabilities are generally represented in the cash-generating unit at a recoverable value of zero. This reflects the fact that property transactions normally take the form of share deals and the deduction of deferred tax liabilities on the purchase and sale of property companies is generally difficult or impossible to enforce in the markets in which IMMOFINANZ is active.

The development of goodwill is as follows:

	All amounts in TEUR	Goodwill	All amounts in TEUR	Goodwill
IFRS 3.57	Carrying value as of 30 April 2006	0.0	Addition through initial consolidation	246,693.6
	Addition through initial consolidation	244,614.1	Addition through transition consolidation	12,362.7
	Addition through transition consolidation	30,793.7	Additions and disposals / structural changes	232.9
	Currency translation adjustment	-3,658.3	Currency translation adjustment	6,808.6
	Impairment	-72,065.1	Impairment	-139,446.8
	Carrying value as of 30 April 2007	199,684.4	Carrying value as of 30 April 2008	326,335.4

Notes

In 2007/08 TEUR 139,446.8 (2006/07: TEUR 72,065.1) of goodwill was written off through profit or loss in accordance with IFRS 3.54.

3.2.1.1 Additions through initial and transition consolidations

IMMOFINANZ acquired the following shares and founded the following companies during the 2007/08 financial year:

Segment	Country	Headquarters	Company	Date of initial consolidation	Stake	Consolidation method
IA	A	Vienna	Stephanshof Liegenschaftsverwaltungsgesellschaft m.b.H.	01.08.2007	100.00%	V
IA	A	Vienna	ARO IBK GmbH	01.08.2007	100.00%	V
IA	A	Vienna	VIV Gebäudeerrichtungs GmbH	31.10.2007	100.00%	V
IA	H	Pécs	WIPARK-KONZUMPARKOLÓ Kft.	20.11.2007	90.00%	V
IA	NL	Amsterdam	Frescura Investments B.V.	06.08.2007	100.00%	V
IA	PL	Warsaw	Frankonia Eurobau Buwog Bielniki Sp. z o.o.	06.03.2008	50.00%	Q
IA	SK	Bratislava	BUWOG Slovakia s.r.o.	08.09.2007	100.00%	V
IE	A	Vienna	Perlagonia 1 Holding GmbH	04.06.2007	100.00%	V
IE	A	Vienna	Perlagonia 2 Holding GmbH	04.06.2007	100.00%	V
IE	BG	Sofia	VTI Varna Trade Invest OOD	24.07.2007	50.00%	Q
IE	BG	Sofia	Bulreal EAD	12.11.2007	49.00%	E
IE	BG	Sofia	Stokov Bazar Iliyanci EAD	12.11.2007	49.00%	E
IE	BG	Sofia	Bulgarian Circuses and Fun-Fair OOD	12.11.2007	49.00%	E
IE	CY	Larnaca	Gendana Ventures Ltd.	22.06.2007	100.00%	V
IE	CY	Limassol	Berga Investment Limited	24.07.2007	75.00%	Q
IE	CY	Limassol	MONESA LIMITED	24.07.2007	75.00%	Q
IE	CY	Nicosia	S+B CEE Thita Cyprus Ltd.	10.08.2007	50.00%	Q
IE	CY	Nicosia	S+B CEE Yiota Cyprus Ltd.	10.08.2007	50.00%	Q
IE	CY	Nicosia	S+B CEE Kapa Cyprus Ltd.	10.08.2007	50.00%	Q
IE	CY	Nicosia	Graviscalar Limited	02.11.2007	100.00%	V
IE	CY	Limassol	Residea Limited	20.12.2007	50.00%	Q
IE	CY	Nicosia	Contips Limited	24.01.2008	100.00%	V
IE	CY	Larnaca	Starmaster Limited	24.01.2008	100.00%	V
IE	CY	Larnaca	Norden Maritime Service Limited	24.01.2008	100.00%	V
IE	CY	Nicosia	Conlu Ltd.	01.02.2008	100.00%	V
IE	CY	Nicosia	Mossoldac Holdings Ltd.	01.02.2008	100.00%	V
IE	CY	Limassol	Wixano Investments Limited	08.02.2008	25.03%	E
IE	CY	Nicosia	Herva Ltd.	11.02.2008	100.00%	V
IE	CY	Nicosia	Borisov Holdings Ltd.	12.02.2008	100.00%	V
IE	CY	Nicosia	Ebulliente Holdings Ltd.	28.02.2008	100.00%	V
IE	CY	Nicosia	Sunkta Ltd.	28.02.2008	100.00%	V
IE	CY	Nicosia	Nuptil Trading Ltd.	28.02.2008	100.00%	V
IE	CY	Nicosia	Objurg Consultants Ltd.	28.02.2008	100.00%	V
IE	CY	Nicosia	Leutselinge Ltd.	28.02.2008	100.00%	V
IE	CY	Nicosia	Quixotic Trading Ltd.	28.02.2008	100.00%	V
IE	CY	Nicosia	S+B Third Project Cyprus Limited	04.03.2008	50.00%	Q
IE	CY	Nicosia	S+B Forth Project Cyprus Limited	04.03.2008	50.00%	Q
IE	CY	Nicosia	Maramando Trading & Investment Limited	05.03.2008	50.00%	Q
IE	CY	Nicosia	Emolu Trading Ltd.	18.03.2008	100.00%	V
IE	CY	Nicosia	Pivuak Trading Ltd.	07.04.2008	100.00%	V
IE	CY	Nicosia	Irascib Holdings Ltd.	07.04.2008	100.00%	V
IE	CY	Nicosia	Dapply Trading Ltd.	07.04.2008	100.00%	V
IE	CY	Nicosia	Caterata Limited	15.04.2008	50.00%	Q

Segment	Country	Headquarters	Company	Date of initial consolidation	Stake	Consolidation method
IE	CY	Nicosia	Dalerise Limited	23.04.2008	100.00%	V
IE	CY	Nicosia	Valecorp Limited	23.04.2008	100.00%	V
IE	CZ	Prague	STOP.SHOP. Usti nad Orlici s.r.o.	16.07.2007	50.00%	Q
IE	CZ	Prague	STOP.SHOP. Znojmo s.r.o.	16.07.2007	50.00%	Q
IE	CZ	Prague	STOP.SHOP. Brandys nad Labem s.r.o.	16.07.2007	50.00%	Q
IE	CZ	Prague	STOP.SHOP. Cesky Krumlov s.r.o.	16.07.2007	50.00%	Q
IE	CZ	Prague	STOP.SHOP. Pelhrimov s.r.o.	16.07.2007	50.00%	Q
IE	CZ	Prague	STOP.SHOP. Louny s.r.o.	16.07.2007	50.00%	Q
IE	CZ	Prague	BB C – Building Gamma a.s.	20.07.2007	100.00%	V
IE	CZ	Prague	Baumarkt České Budejovice s.r.o.	13.08.2007	50.00%	Q
IE	CZ	Prague	AB Stetkova a.s.	16.01.2008	50.00%	Q
IE	CZ	Prague	Final Management s.r.o.	08.04.2008	70.00%	V
IE	GI	Gibraltar	Bluecrest Holdings Limited	02.10.2007	33.33%	E
IE	H	Budapest	Atrium Park Kft.	31.10.2007	100.00%	V
IE	H	Budapest	Center Invest International Kft.	31.01.2008	100.00%	V
IE	KY	George Town	Perlagonia Cayman	23.08.2007	100.00%	V
IE	KY	George Town	Russia Development Fund L.P.	30.04.2008	100.00%	V
IE	L	Luxembourg	GAIA Real Estate Holding S.A.	30.07.2007	33.33%	E
IE	L	Luxembourg	Turk Real Estate Management SARL	10.09.2007	33.33%	E
IE	L	Luxembourg	Barby Holding Sàrl	11.12.2007	100.00%	V
IE	L	Luxembourg	Braddock Holding Sàrl	11.12.2007	100.00%	V
IE	LV	Riga	SIA Unico	15.04.2008	20.00%	E
IE	NL	Amsterdam	Perlagonia NL 2 B.V.	18.06.2007	100.00%	V
IE	NL	Amsterdam	Perlagonia NL 1 B.V.	18.06.2007	100.00%	V
IE	NL	Amsterdam	IE Equuleus NL B.V.	18.06.2007	100.00%	V
IE	NL	Amsterdam	IMMOEAST Netherlands II B.V.	02.07.2007	100.00%	V
IE	NL	Amsterdam	IE Narbal NL B.V.	27.07.2007	100.00%	V
IE	NL	Amsterdam	Interfax Holding B.V.	20.02.2008	100.00%	V
IE	PL	Warsaw	Taifun Real Sp. z o.o.	31.07.2007	100.00%	V
IE	PL	Warsaw	Vertano Residence Sp. z o.o. 1 Sp.k.	01.08.2007	89.89%	V
IE	PL	Warsaw	Vertano Residence Sp. z o.o.	01.08.2007	50.00%	Q
IE	PL	Warsaw	Residea Alpha Sp. z o.o.	20.12.2007	50.00%	Q
IE	PL	Warsaw	Residea Sigma Sp. z o.o.	20.12.2007	50.00%	Q
IE	PL	Warsaw	Residea Tau Sp. z o.o.	20.12.2007	50.00%	Q
IE	PL	Warsaw	Residea Beta Sp. z o.o.	20.12.2007	50.00%	Q
IE	PL	Warsaw	Residea Omega Sp. z o.o.	20.12.2007	50.00%	Q
IE	PL	Warsaw	Metropol NH Sp. z o.o.	15.04.2008	25.00%	Q
IE	RO	Bucharest	S.C. Dacian Second s.r.l.	02.05.2007	100.00%	V
IE	RO	Bucharest	S.C. Retail Development Invest 1 s.r.l.	02.05.2007	80.00%	Q
IE	RO	Bucharest	S.C. Red Project Two s.r.l.	03.05.2007	75.00%	V
IE	RO	Cluj	SAM FMZ s.r.l.	08.05.2007	50.00%	Q
IE	RO	Cluj	ASB Development s.r.l.	08.05.2007	50.00%	Q
IE	RO	Bucharest	Harborside Hotel s.r.l.	09.05.2007	75.00%	V
IE	RO	Bucharest	S.C. Flash Consult Invest s.r.l.	22.05.2007	100.00%	V
IE	RO	Cluj	Polus Transilvania Companie de Investitii S.A.	24.05.2007	100.00%	V
IE	RO	Bucharest	Real Habitation s.r.l.	22.06.2007	100.00%	V
IE	RO	Bucharest	S.C. S-Park Offices s.r.l.	10.07.2007	100.00%	V
IE	RO	Bucharest	S.C. IMMOEAST Narbal Project s.r.l.	11.07.2007	100.00%	V
IE	RO	Bucharest	S.C. Red Project One s.r.l.	18.07.2007	75.00%	V

Segment	Country	Headquarters	Company	Date of initial consolidation	Stake	Consolidation method
IE	RO	Cluj	ORA Development s.r.l.	31.07.2007	50.00%	Q
IE	RO	Cluj	SIB Development s.r.l.	31.07.2007	50.00%	Q
IE	RO	Bucharest	IMMOEAST Project Riverside Tower s.r.l.	05.09.2007	100.00%	V
IE	RO	Bucharest	S.C. Pantelimon II Development s.r.l.	20.12.2007	100.00%	V
IE	RO	Bucharest	Roua Vest s.r.l.	24.01.2008	100.00%	V
IE	RO	Sibiu	Real Project s.r.l.	24.01.2008	100.00%	V
IE	RO	Bucharest	Long Bridge BUH SA	24.01.2008	91.83%	V
IE	RO	Bucharest	Regal Invest s.r.l.	24.01.2008	91.91%	V
IE	RO	Bucharest	Prelude 2000 s.r.l.	24.01.2008	100.00%	V
IE	RO	Bucharest	Long Bridge Sud s.r.l.	24.01.2008	100.00%	V
IE	RO	Bucharest	Sphera Building Center International 2003 s.r.l.	24.01.2008	100.00%	V
IE	RO	Bucharest	Freeze 1 Development s.r.l.	19.02.2008	100.00%	V
IE	RO	Cluj	SLA Development s.r.l.	04.03.2008	50.00%	Q
IE	RO	Cluj	CLD Development s.r.l.	04.03.2008	50.00%	Q
IE	RO	Sibiu	H.B. Logistic Invest s.r.l.	17.03.2008	50.00%	Q
IE	RO	Bucharest	Cernica Residential Park s.r.l.	15.04.2008	15.00%	E
IE	RO	Bucharest	NH Snagov Lake Rezidential s.r.l.	15.04.2008	50.00%	Q
IE	RO	Bucharest	NOA D Invest s.r.l.	15.04.2008	20.00%	E
IE	RO	Bucharest	Polivalenta Building s.r.l.	15.04.2008	25.00%	Q
IE	RO	Bucharest	Promodo Development s.r.l.	15.04.2008	50.00%	Q
IE	RO	Bucharest	Progeo Development s.r.l.	15.04.2008	50.00%	Q
IE	RO	Bucharest	NH Entity Corporation s.r.l.	15.04.2008	50.00%	Q
IE	RO	Bucharest	NH Pacific Corporation s.r.l.	15.04.2008	50.00%	Q
IE	RO	Bucharest	NH Global Time s.r.l.	15.04.2008	50.00%	Q
IE	RO	Bucharest	Confidential Business s.r.l.	15.04.2008	25.00%	Q
IE	RU	Moscow	OOO Berga Development	24.07.2007	75.00%	Q
IE	RU	Moscow	OOO Fenix Development	24.07.2007	75.00%	Q
IE	SK	Bratislava	BIG BOX Nove Zamky s.r.o.	29.06.2007	100.00%	V
IE	SK	Bratislava	BIG BOX Trencin s.r.o.	29.06.2007	100.00%	V
IE	SK	Bratislava	SCPO s.r.o.	24.08.2007	50.00%	Q
IE	SK	Bratislava	Lifestyle Logistik s.r.o.	29.08.2007	50.00%	Q
IE	SK	Bratislava	Lifestyle Logistik II s.r.o.	06.12.2007	50.00%	Q
IE	SK	Bratislava	CP Dubnica s.r.o.	25.01.2008	50.00%	Q
IE	SK	Bratislava	CP Gama s.r.o.	25.01.2008	50.00%	Q
IE	SK	Bratislava	CP Beta s.r.o.	25.01.2008	50.00%	Q
IE	SK	Bratislava	BIG BOX Poprad s.r.o.	30.04.2008	100.00%	V
IE	SRB	Belgrade	"Agroprodaja" d.o.o. Beograd	22.11.2007	69.00%	V
IE	TR	Istanbul	Sardes Gayrimenkul Yatirimciligi ve Ticaret A.S.	15.08.2007	33.33%	E
IE	TR	Istanbul	Anadolu Gayrimenkul Yatirimciligi ve Ticaret A.S.	16.08.2007	33.33%	E
IE	TR	Istanbul	Vendo Gayrimenkul Yatirimciligi ve Ticaret A.S.	16.08.2007	33.33%	E
IE	TR	Istanbul	Bersan Gayrimenkul Yatirim A.S.	29.08.2007	33.33%	E
IE	TR	Istanbul	Boronkay Gayrimenkul Yatirim A.S.	29.08.2007	33.33%	E
IE	TR	Istanbul	Manisa Cidersan Gayrimenkul Yatirim A.S.	29.08.2007	33.33%	E
IE	TR	Istanbul	Cihaner Gayrimenkul Yatirim A.S.	29.08.2007	33.33%	E
IE	TR	Istanbul	Gebze Gayrimenkul Yatirim A.S.	29.08.2007	33.33%	E
IE	TR	Istanbul	Kilyos Gayrimenkul Yatirim A.S.	29.08.2007	33.33%	E
IE	TR	Istanbul	Sehitler Gayrimenkul Yatirim A.S.	29.08.2007	33.33%	E
IE	TR	Istanbul	Sisli Gayrimenkul Yatirim A.S.	29.08.2007	33.33%	E
IE	TR	Istanbul	Süzer Yirmibir Gayrimenkul Yatirim A.S.	29.08.2007	33.33%	E

Segment	Country	Headquarters	Company	Date of initial consolidation	Stake	Consolidation method
IE	TR	Istanbul	Süzer Yirmiiki Gayrimenkul Yatirim A.S.	29.08.2007	33.33%	E
IE	TR	Istanbul	Teodem Gayrimenkul Yatirim A.S.	29.08.2007	33.33%	E
IE	TR	Istanbul	Süzer Ondokuz Gayrimenkul Yatirim A.S.	29.08.2007	33.33%	E
IE	TR	Istanbul	Ephesus Gayrimenkul Yatirim A.S.	25.09.2007	33.33%	E
IE	TR	Istanbul	Hadimköy Gayrimenkul Yatirim A.S.	25.09.2007	33.33%	E
IE	UA	Kiev	TOV Evro-Luno-Park	05.03.2008	50.00%	Q
IW	A	Vienna	IMMOWEST Storage Holding GmbH	26.10.2007	100.00%	V
IW	D	Mülheim	Deutsche Lagerhaus Service GmbH	12.07.2007	90.00%	V
IW	D	Mülheim	Deutsche Lagerhaus neunzehnte Objekt GmbH & Co KG	23.08.2007	90.00%	V
IW	D	Mülheim	Deutsche Lagerhaus zwanzigste Objekt GmbH & Co KG	23.08.2007	90.00%	V
IW	D	Mülheim	Deutsche Lagerhaus einundzwanzigste Objekt GmbH & Co KG	23.08.2007	90.00%	V
IW	D	Mülheim	Deutsche Lagerhaus zweiundzwanzigste Objekt GmbH & Co KG	23.08.2007	90.00%	V
IW	D	Mülheim	Deutsche Lagerhaus dreiundzwanzigste Objekt GmbH & Co KG	23.08.2007	90.00%	V
IW	D	Nettetal	FRANKONIA Eurobau DUS Plaza GmbH	20.09.2007	50.00%	Q
IW	D	Düsseldorf	Greenfield Logistikpark West GmbH & Co. KG	03.12.2007	81.00%	V
IW	D	Düsseldorf	Greenfield Logistikpark Süd GmbH & Co. KG	12.02.2008	81.00%	V
IW	D	Düsseldorf	Greenfield Logistikpark Schwerte GmbH & Co. KG	12.02.2008	81.00%	V
IW	L	Luxembourg	IMMOWEST Lux III S.à.r.l.	02.07.2007	100.00%	V
IW	L	Luxembourg	Immowest Lux IV S.à.r.l.	24.04.2008	100.00%	V
IW	NL	Amsterdam	Immowest Netherland I B.V.	10.07.2007	100.00%	V
IW	NL	Amsterdam	Valette Finance B.V.	27.07.2007	100.00%	V
IW	NL	Amsterdam	City Box Amsterdam Zuid B.V.	02.11.2007	90.01%	V
IW	NL	Amsterdam	City Box Rijswijk B.V.	02.11.2007	90.01%	V
IW	NL	Amsterdam	City Box Eindhoven Centrum B.V.	30.11.2007	90.01%	V
IW	USA	Houston	IMF Investments 207 LP	22.10.2007	90.00%	Q
IW	USA	Houston	IMF Investments 107 LP	22.10.2007	90.00%	Q

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

3.2.1.2 Initial consolidations

The following tables show the major companies acquired or founded by IMMOFINANZ in 2007/08, classified by primary segment.

IMMOAUSTRIA

The IMMOAUSTRIA segment made no major acquisitions during the reporting year.

An overview of all new acquisitions is provided in section 3.2.1.1

IMMOEAST

The following tables show the acquired assets and liabilities at fair value as well as the consolidated share of net assets at the individual company level as of the balance sheet date and the income statements of the major newly consolidated companies for the period from the acquisition date to the balance sheet date:

Longbridge

IMMOEAST acquired a number of projects from the Longbridge Development Group as of 24 January 2008. This portfolio includes residential construction projects in Bucharest, Satu Mare and Baia Mare as well as commercial objects and office buildings.

Segment	SEE	All amounts in TEUR	30 April 2008
Country	RO	Property	130,587.1
Company	Longbridge Group	Other non-current assets	473.6
Date of initial consolidation	24.01.2008	Current assets	125,940.3
All amounts in TEUR		Non-current liabilities	-39,058.3
Cash and cash equivalents	291.2	Current liabilities	-7,275.7
Financial assets	183.9	Proportional share of net assets	210,667.0
Receivables and other assets	147,339.8	All amounts in TEUR	
Deferred tax assets	165.4	Revenues	836.8
Property	137,033.9	Revaluation	2.7
Tangible fixed assets	85.2	Operating profit (EBIT)	232.9
Financial liabilities	-20,273.0	Financial results	887.7
Trade accounts payable	-349.9	Income taxes	-89.1
Other liabilities	-17,634.9	Net profit for the period	1,031.5
Provisions	-22.9		
Deferred tax liabilities	-39,797.9		
Currency translation adjustment	-13,423.5		
Minority interests	-9,801.9		
Acquired net assets	183,795.4		
(Negative) goodwill	36,215.7		
Purchase price paid in cash	220,011.1		
Less cash and cash equivalents acquired	-291.2		
Net purchase price for property company	219,719.9		

Polus Transilvania Companie de Investitii S.A.

IMMOEAST purchased a 50% holding in Polus Transilvania Companie de Investitii S.A. during May 2007, and thereby also acquired a stake in a shopping centre in Cluj-Napoca (Klausenburg). The remaining 50% of the shares were acquired after the opening of the facility in December 2007.

Segment	SEE	All amounts in TEUR	30 April 2008
Country	RO	Property	212,280.5
Headquarters	Clu	Other non-current assets	3,047.7
Company	Polus Transilvania Companie de Investitii S.A.	Current assets	15,503.2
Date of initial consolidation	24.05.2007	Non-current liabilities	-99,794.4
All amounts in TEUR		Current liabilities	-11,579.9
Cash and cash equivalents	5,365.7	Proportional share of net assets	119,457.1
Receivables and other assets	2,478.4	All amounts in TEUR	
Deferred tax assets	263.4	Revenues	10,255.3
Property	172,164.3	Revaluation	15,816.4
Tangible fixed assets	96.1	Operating profit (EBIT)	19,697.7
Financial liabilities	-37,598.5	Financial results	-10,548.1
Trade accounts payable	-8,050.9	Income taxes	-2,081.0
Other liabilities	-11,801.3	Net profit for the period	7,068.6
Deferred tax liabilities	-19,365.4		
Currency translation adjustment	9,068.6		
Acquired net assets	112,620.4		
(Negative) goodwill	24,559.7		
Purchase price paid in cash	137,180.1		
Less cash and cash equivalents acquired	-5,365.7		
Net purchase price for property company	131,814.4		

S.C. S-Park Offices s.r.l

The acquisition of 100% of the shares in S.C. S-Park Offices s.r.l. as of 10 July 2007 led to the realisation of the S-Park Business Center, an A-Class office building north of the Bucharest city centre (Piata Victoria).

Segment	SEE	All amounts in TEUR	30 April 2008
Country	RO	Property	101,701.0
Headquarters	Bucharest	Other non-current assets	1,257.9
Company	S.C. S-Park Offices s.r.l.	Current assets	4,448.6
Date of initial consolidation	10.07.2007	Non-current liabilities	-11,211.2
All amounts in TEUR		Current liabilities	-38,805.5
Cash and cash equivalents	888.0	Proportional share of net assets	57,390.8
Receivables and other assets	1,935.2	All amounts in TEUR	
Deferred tax assets	688.0	Revenues	6,276.9
Property	90,794.3	Revaluation	14,403.5
Tangible fixed assets	1,543.5	Operating profit (EBIT)	19,257.7
Financial liabilities	-34,093.5	Financial results	-7,536.4
Trade accounts payable	-556.0	Income taxes	-1,959.6
Other liabilities	-448.0	Net profit for the period	9,761.7
Deferred tax liabilities	-9,281.1		
Currency translation adjustment	6,751.6		
Acquired net assets	58,222.0		
(Negative) goodwill	7,724.7		
Purchase price paid in cash	65,946.7		
Less cash and cash equivalents acquired	-888.0		
Net purchase price for property company	65,058.7		

BB C – Building Gamma a.s.

During the first quarter of 2007/08 IMMOEAST acquired 100% of the BB Centrum – Building Gamma, the fourth building in the BB Centrum complex in Prague. This fully occupied object is located in the fourth district, directly on the autobahn that connects Prague with Brunn, Vienna and Bratislava.

Segment	CEE	All amounts in TEUR	30 April 2008
Country	CZ	Property	130,236.8
Headquarters	Prag	Other non-current assets	4,001.6
Company	BB C – Building Gamma a.s.	Current assets	1,387.6
Date of initial consolidation	20.07.2007	Non-current liabilities	-60,241.6
All amounts in TEUR		Current liabilities	-5,514.7
Cash and cash equivalents	1,413.2	Proportional share of net assets	69,869.7
Receivables and other assets	2,735.8	All amounts in TEUR	
Deferred tax assets	1,168.9	Revenues	5,224.9
Property	116,288.5	Revaluation	7,221.7
Financial liabilities	-48,981.3	Operating profit (EBIT)	10,774.2
Trade accounts payable	-597.0	Financial results	3,092.9
Other liabilities	-1,801.8	Income taxes	-2,748.2
Provisions	-32.9	Net profit for the period	11,118.9
Deferred tax liabilities	-14,134.9		
Acquired net assets	56,058.5		
(Negative) goodwill	6,299.0		
Purchase price paid in cash	62,357.5		
Less cash and cash equivalents acquired	-1,413.2		
Net purchase price for property company	60,944.3		

S.C. Flash Consult Invest s.r.l.

S.C. Flash Consult Invest s.r.l. was acquired in full as of 22 May 2007, which also led to the takeover of the Euro-mall Pitesti. In addition to retail space, this shopping centre will also have movie theatres, a food court and various leisure time facilities.

Segment	SEE	All amounts in TEUR	30 April 2008
Country	RO	Property	73,997.5
Headquarters	Bucharest	Other non-current assets	70.9
Company	S.C. Flash Consult Invest s.r.l.	Current assets	2,321.3
Date of initial consolidation	22.05.2007	Non-current liabilities	-9,802.6
All amounts in TEUR		Current liabilities	-1,471.6
Cash and cash equivalents	5,092.6	Proportional share of net assets	65,115.5
Receivables and other assets	1,377.7	All amounts in TEUR	
Deferred tax assets	145.0	Revenues	6,809.6
Property	81,548.1	Revaluation	-5,960.6
Tangible fixed assets	6.7	Operating profit (EBIT)	-3,643.8
Trade accounts payable	-2,876.0	Financial results	-3,247.8
Other liabilities	-26,403.0	Income taxes	704.1
Deferred tax liabilities	-9,667.6	Net profit for the period	-6,187.5
Currency translation adjustment	2,901.1		
Acquired net assets	52,124.6		
(Negative) goodwill	8,432.8		
Purchase price paid in cash	60,557.4		
Less cash and cash equivalents acquired	-5,092.6		
Net purchase price for property company	55,464.8		

Monesa Ltd. / Berga Investment Ltd.

IMMOEAST purchased a 75% investment in Monesa Ltd., which owns 100% of OOO Fenix Development, as well as 75% of Berga Investment Ltd., which owns 100% of OOO Berga Development, as of 24 July 2007 and thereby also acquired a stake in the construction of the GoodZone shopping centre. This facility is scheduled for completion in mid-2009 and will be one of the largest shopping centres in Moscow.

Segment	CIS	(continued)	
Country	RU	All amounts in TEUR	
Headquarters	Moscow	Less cash and cash equivalents acquired	-177.0
Project	GoodZone	Net purchase price for property company	114,498.0
Date of initial consolidation	24.07.2007	All amounts in TEUR	30 April 2008
All amounts in TEUR		Property	111,013.2
Cash and cash equivalents	177.0	Other non-current assets	10,104.0
Financial assets	2,142.7	Current assets	18,689.1
Receivables and other assets	5,448.4	Non-current liabilities	-15,347.8
Deferred tax assets	254.3	Current liabilities	-15,904.0
Property	82,038.6	Proportional share of net assets	108,554.5
Tangible fixed assets	73.9	All amounts in TEUR	
Financial liabilities	-44.9	Revenues	0.2
Other liabilities	-27,770.1	Revaluation	41.7
Deferred tax liabilities	-15,249.2	Operating profit (EBIT)	-1,216.2
Currency translation adjustment	2,486.4	Financial results	235.0
Acquired net assets	49,557.1	Income taxes	1,353.6
(Negative) goodwill	81,821.7	Net profit for the period	372.4
Outstanding purchase price	-16,703.8		
Purchase price paid in cash	114,675.0		

Atrium Park Kft.

The office building owned by Atrium Park Kft., which was acquired in full by IMMOEAST in October 2007, is located in the Pest area of Budapest near the Vaci Ut.

Segment	CEE	All amounts in TEUR	30 April 2008
Country	H	Property	96,542.5
Headquarters	Budapest	Other non-current assets	909.4
Company	Atrium Park Kft.	Current assets	4,698.7
Date of initial consolidation	31.10.2007	Non-current liabilities	-50,983.8
All amounts in TEUR		Current liabilities	-4,189.6
Cash and cash equivalents	422.4	Proportional share of net assets	46,977.2
Receivables and other assets	2,502.7	All amounts in TEUR	
Deferred tax assets	9.6	Revenues	1,421.2
Property	90,172.5	Revaluation	0.0
Tangible fixed assets	151.8	Operating profit (EBIT)	-7,404.5
Financial liabilities	-30,744.1	Financial results	-1,077.0
Trade accounts payable	-7,044.5	Income taxes	512.3
Other liabilities	-339.9	Net profit for the period	-7,969.2
Provisions	-3.9		
Deferred tax liabilities	-8,642.0		
Currency translation adjustment	-277.8		
Acquired net assets	46,206.8		
(Negative) goodwill	13,567.7		
Purchase price paid in cash	59,774.5		
Less cash and cash equivalents acquired	-422.4		
Net purchase price for property company	59,352.1		

Real Habitation s.r.l.

The cost of goods sold represents the cost of the properties sold during the reporting year. Proceeds from the sale of inventories are included under revenues. In 2007/08 revenues of TEUR 7,177.1 (2006/07: TEUR 10,116.3) were contrasted by cost of goods totalling TEUR 5,650.3 (2006/07: TEUR 9,386.5).

Segment	SEE	All amounts in TEUR	30 April 2008
Country	RO	Property	57,375.2
Company	Real Habitation s.r.l. / Gendana Ventures Ltd.	Other non-current assets	32.9
Date of initial consolidation	22.06.2007	Current assets	674.1
All amounts in TEUR		Non-current liabilities	-7,115.2
Cash and cash equivalents	10.0	Current liabilities	-486.0
Receivables and other assets	1,288.0	Proportional share of net assets	50,481.0
Deferred tax assets	73.1	All amounts in TEUR	
Property	45,448.9	Revenues	0.0
Financial liabilities	-0.1	Revaluation	9,799.6
Trade accounts payable	-8,078.1	Operating profit (EBIT)	9,753.3
Other liabilities	-2,325.2	Financial results	-1,559.9
Provisions	-16.7	Income taxes	-1,611.5
Deferred tax liabilities	-5,897.8	Net profit for the period	6,581.9
Currency translation adjustment	3,262.0		
Acquired net assets	33,764.1		
(Negative) goodwill	6,940.1		
Purchase price paid in cash	40,704.2		
Less cash and cash equivalents acquired	-10.0		
Net purchase price for property company	40,694.2		

Valecorp Limited

IMMOEAST acquired 100% of the shares in Valecorp Limited as of 23 April 2008 and thereby took over a fully occupied logistics centre in Shushary, a suburb southeast of St. Petersburg. This location has good connections to the beltway as well as the Skandinavskoe Highway, which serves as the logistics hub of St. Petersburg.

Segment	CIS	All amounts in TEUR	30 April 2008
Country	CY	Property	36.013,5
Headquarters	Nicosia	Other non-current assets	2.223,6
Company	Valecorp Limited	Current assets	1.068,5
Date of initial consolidation	23.04.2008	Non-current liabilities	-5.500,0
All amounts in TEUR		Current liabilities	-275,0
Cash and cash equivalents	240,4	Proportional share of net assets	33.530,6
Receivables and other assets	2.560,7	All amounts in TEUR	
Property	35.355,2	Revenues	408,3
Trade accounts payable	-15.899,6	Revaluation	1.571,6
Other liabilities	-253,5	Operating profit (EBIT)	1.836,6
Deferred tax liabilities	-5.244,7	Financial results	97,4
Acquired net assets	16.758,5	Income taxes	-443,8
(Negative) goodwill	0,0	Net profit for the period	1.490,2
Purchase price paid in cash	16.758,5		
Less cash and cash equivalents acquired	-240,4		
Net purchase price for property company	16.518,1		

Caterata Limited

In the third quarter of 2007/08 IMMOEAST purchased a 50% stake in Caterata Limited. This company plans to develop apartments in Romania, Poland and Latvia as part of a joint venture. Construction is scheduled to start during the third quarter of 2008 and the first quarter of 2009. Five projects are located in Romania and one each in Warsaw and Riga.

Segment	SEE / CEE	All amounts in TEUR	30 April 2008
Land	RO / PL	Property	0,0
Company	Caterata Group	Other non-current assets	6.836,1
Date of initial consolidation	15.04.2008	Current assets	10.746,7
All amounts in TEUR		Non-current liabilities	-5.995,2
Cash and cash equivalents	2.232,5	Current liabilities	-1.077,6
Shares in associated companies	3.146,3	Proportional share of net assets	10.510,0
Receivables and other assets	12.766,9	All amounts in TEUR	
Deferred tax assets	74,5	Revenues	0,0
Financial liabilities	-2.119,8	Revaluation	0,0
Trade accounts payable	-53,2	Operating profit (EBIT)	0,0
Other liabilities	-7.841,7	Financial results	96,0
Provisions	-6,0	Income taxes	-18,0
Deferred tax liabilities	-607,3	Net profit for the period	78,0
Currency translation adjustment	-93,4		
Acquired net assets	7.498,8		
(Negative) goodwill	6.745,8		
Purchase price paid in cash	14.244,6		
Less cash and cash equivalents acquired	-2.232,5		
Net purchase price for property company	12.012,1		

“Agroprodaja” d.o.o.

A 69% stake was acquired in the Serbian company “Agroprodaja” d.o.o. as of 22 November 2007. This investment gives IMMOEAST a share in the construction of a shopping centre in Novi Sad, the second largest city in Serbia.

Segment	SEE	All amounts in TEUR	30 April 2008
Country	SRB	Property	10,603.0
Headquarters	Belgrade	Other non-current assets	2.1
Company	“Agroprodaja” d.o.o. Beograd	Current assets	115.9
Date of initial consolidation	22.11.2007	Non-current liabilities	-628.0
All amounts in TEUR		Current liabilities	-58.1
Cash and cash equivalents	74.0	Proportional share of net assets	10,034.9
Receivables and other assets	11.5	All amounts in TEUR	
Deferred tax assets	1.9	Revenues	61.1
Property	10,109.2	Revaluation	0.0
Financial liabilities	-254.2	Operating profit (EBIT)	41.4
Trade accounts payable	-194.1	Financial results	-6.8
Other liabilities	-37.1	Income taxes	-13.1
Deferred tax liabilities	-109.6	Net profit for the period	21.5
Currency translation adjustment	-75.3		
Minority interests	-3,094.8		
Acquired net assets	6,431.5		
(Negative) goodwill	86.9		
Purchase price paid in cash	6,518.4		
Less cash and cash equivalents acquired	-74.0		
Net purchase price for property company	6,444.4		

Maramando Trading & Investment Limited

IMMOEAST purchased 50% of the shares in Maramando Trading & Invest Limited as of 5 March 2008 and thereby acquired a 50% stake in TOV Evro-Luno-Park. This project involves the development of the Euro Luna Park in Kiev, an office building that is current in the planning stage. The Euro Luna Park will be realised in three phases, with the completion of the first phase scheduled for mid-2010.

Segment	CIS	All amounts in TEUR	30 April 2008
Country	UA	Property	5,567.7
Headquarters	Kiev	Other non-current assets	34.8
Company	TOV Evro-Luno-Park	Current assets	48.0
Date of initial consolidation	05.03.2008	Non-current liabilities	-1,360.3
All amounts in TEUR		Current liabilities	-1.3
Cash and cash equivalents	134.5	Proportional share of net assets	4,288.9
Receivables and other assets	1.1	All amounts in TEUR	
Deferred tax assets	23.5	Revenues	0.0
Property	5,836.3	Revaluation	0.2
Tangible fixed assets	1.8	Operating profit (EBIT)	-40.6
Financial liabilities	-24.3	Financial results	0.1
Other liabilities	-12.4	Income taxes	10.2
Deferred tax liabilities	-1,418.1	Net profit for the period	-30.3
Currency translation adjustment	-286.0		
Acquired net assets	4,256.4		
(Negative) goodwill	1,679.1		
Purchase price paid in cash	5,935.5		
Less cash and cash equivalents acquired	-134.5		
Net purchase price for property company	5,801.0		

IMMOWEST

The IMMOWEST segment made no major acquisitions during the reporting year.

An overview of all new acquisitions is provided in section 3.2.1.1.

Effects of initial consolidations

The following table shows the effects of all companies acquired or founded by IMMOFINANZ in 2007/08.

These tables show the acquired assets and liabilities at fair value as well as the consolidated proportional share of net assets at the individual company level as of 30 April 2008 and the income statements of the companies included in the consolidated financial statements for the period from the acquisition date to this balance sheet date.

Initial consolidations	
All amounts in TEUR	
Cash and cash equivalents	38,361.5
Intangible assets (excl. goodwill)	254.0
Shares in associated companies	22,696.3
Receivables and other assets	59,104.8
Deferred tax assets	4,898.7
Investment property	966,166.4
Other tangible assets	2,115.6
Other financial instruments	2,430.9
Inventories	143,271.1
Financial liabilities	-227,305.3
Trade accounts payable	-51,824.9
Provisions	-2,278.4
Other liabilities	-150,906.3
Deferred tax liabilities	-133,791.3
Minority interests	-14,702.5
Currency translation adjustment	10,668.6
Acquired net assets	669,159.2
(Negative) goodwill	241,324.1
Outstanding purchase price	-58,478.9
Purchase price paid in cash	852,004.4
Less cash and cash equivalents acquired	-38,361.5
Net purchase price for property companies	813,642.9
All amounts in TEUR	30 April 2008
Property	1,365,602.9
Other non-current assets	96,625.8
Current assets	112,809.2
Non-current liabilities	-571,303.0
Current liabilities	-336,047.5
Proportional share of net assets	667,687.4
All amounts in TEUR	2007/08
Revenues	36,110.6
Revaluation	58,377.7
Operating profit (EBIT)	67,301.5
Financial results	-39,700.0
Income taxes	-8,624.8
Net profit for the period	18,976.7

The carrying values of the individual assets and liabilities as defined in IFRS 3.67 (f) are not provided because this information is impracticable to develop.

Estimates for the revenues and profit or loss of acquired companies based on an assumed acquisition at the beginning of the reporting period is not provided because this information is impracticable to develop (IFRS 3.70).

3.2.1.3 Impairment tests with resulting impairment charge

- IAS 36.9** In accordance with IAS 36, impairment tests are performed when there are indications that an asset may be impaired.
- IAS 36.10** Independent of this practice, goodwill and intangible assets with an indefinite useful life are tested each year for signs of impairment. This test is generally performed separately for each asset. The impairment test is only performed on the smallest group of assets, the cash-generating unit, in cases where cash inflows cannot be directly allocated to a specific asset and an individual valuation is therefore not possible.
- IAS 36.19-21** 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. If the carrying value of an asset exceeds the recoverable amount, the difference is recognised as an impairment charge.
- IAS 36.25-28** Fair value less costs to sell represents the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction at normal market conditions between knowledgeable and willing parties, less the costs of disposal. The costs of disposal are incremental costs directly attributable to the disposal of an asset or cash-generating unit, excluding financing costs.
- IAS 36.30** Value in use represents 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 that reflect the entity's latest financial plans.
- IAS 36.33**

The determination of value in use is based on the same methodology used to establish the value of a company, i.e. the discounted cash flow method.

Impairment charges are recognised to the income statement. If there is an indication that the circumstances for impairment may no longer exist or may have decreased, the impairment charge is reversed to the carrying amount that would have been determined (net of amortisation or depreciation) if no impairment charge had been recognised in prior years. This does not apply to goodwill.

All goodwill was tested for impairment (also see 3.2.1).

The following section explains the impairment tests that resulted in the major impairment charges:

Notes

Company	Berga Investment Limited	Wakelin Promotions Limited	Brno Estates a.s.	Caterata Limited	Residea Limited	Atrium Park Kft.	"Heller Fabrik" Liegenschaftsverwertungs-GmbH
Country	CY	CY	CZ	CY	CY	H	A
All amounts in TEUR							
Goodwill	81,821.2	49,453.1	26,845.6	6,743.2	6,291.3	13,567.7	3,931.5
Carrying value of cash-generating unit	111,013.2	147,894.4	95,773.0	464.1	0.0	96,477.0	15,203.6
Deferred tax liability	-14,974.5	-33,451.2	-15,076.4	-79.4	-598.4	-8,227.5	0.0
	177,859.9	163,896.3	107,542.2	7,127.9	5,692.9	101,817.2	19,135.1
Fair value of cash-generating unit	112,929.1	147,894.4	95,773.0	464.1	0.0	96,477.0	15,203.6
Fair value of deferred tax liability	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	112,929.1	147,894.4	95,773.0	464.1	0.0	96,477.0	15,203.6
Impairment charge	64,930.7	16,001.9	11,769.1	6,663.8	5,692.9	5,340.2	3,931.5

An impairment charge of TEUR 64,930.7 is related to the acquisition of Berga Investments Limited and OOO Fenix Development, which are developing the GoodZone shopping centre in Moscow. The impairment charge of TEUR 16,001.9 to Wakelin Promotions Limited (Golden Babylon I and Golden Babylon II) was triggered by the growing weakness of the US Dollar, which subsequently led to a decline in the value of this property. An impairment charge of TEUR 11,769.1 was recognised to goodwill in Brno Estates a.s., and also resulted from a decrease in the value of the property.

In connection with the acquisition of Caterata Limited and Residea Limited, IMMOEAST paid a strategic premium on the purchase price. The resulting goodwill in these companies was written down as follows: TEUR 6,663.8 for Caterata Limited and TEUR 5,692.9 for Residea Limited. In 2007/08 an impairment charge of TEUR 5,340.2 was also recognised to the property assets held by Hungarian Atrium Park Kft. In connection with the purchase of the remaining 50% stake in "Heller Fabrik" Liegenschaftsverwertungs-GmbH, the resulting goodwill of TEUR 3,931.5 was written off in full.

3.2.2 Negative goodwill (excess)

A consolidation will lead to negative differences (negative goodwill or excess) when the cost of a business combination is less than the proportional share of the revalued net assets acquired. In such cases, IFRS 3.56 (a) requires that the acquirer reassess the identification and measurement of identifiable assets, liabilities and contingent liabilities as well as the cost of the business combination. Any excess remaining after the reassessment must be recognised immediately to the income statement as required by IFRS 3.56 (b). The IASB sees three reasons for a gain recognised under these circumstances:

- errors in identification and measurement,
- the application of standards for the measurement of assets and liabilities that do not reflect the fair value of these items and
- a bargain purchase.

Negative goodwill recognised in the financial statements of IMMOFINANZ is comprised exclusively of goodwill as defined in IAS 3.57 (c) – bargain purchases. Identification and measurement errors are eliminated during the reassessment, and the application of standards for the measurement of assets and liabilities at amounts that do not reflect fair value leads to effects that counteract the generation of an excess or reduce this excess. This latter effect is caused by the prohibition on discounting defined by IFRS 3.57b in connection with IFRS 3.B16 (i) and IAS 12.53, which affects the deferred tax liabilities in the category summarised under this item.

Bargain purchases can result from the following factors:

- When a forward purchase is executed, the acquisition price for a property company is determined for a specific point in the future. A decline in the market yield for this property before the acquisition date leads to a fair value that can exceed the price defined in the contract by a substantial amount, and thereby leads to an excess.

- b) Business combinations of minority interests that cannot be consolidated but, at the same time, include a call option for IMMOFINANZ at a fixed yield that is determined in advance can lead to an excess if the market yield declines at the time of the business combination.
- c) The following circumstances can also lead to an excess: A property company is acquired and the objects owned by this company have a high vacancy rate at the time the contract is signed; this situation is reflected in the purchase price. If the objects are fully let, or nearly fully let, prior to the transfer of legal ownership (closing), this will result in a higher fair value at the time of closing, which can lead to an excess.
- d) When companies with development projects are acquired, the strategic risk premium that forms the basis for the acquisition and has been accepted by the seller can be higher than the risk premium determined by the market. The fair value of the property can therefore be higher than the value on which the contract negotiations were based – and that can lead to an excess.
- e) When a property company is purchased, negotiations can result in a premium over and above the general market yield. The fair value of the property can therefore be higher than the price agreed with the seller – which, in turn, can lead to an excess.
- f) In the case of a joint venture, where a former contract partner transfers his share to the group and, in turn, the group subsequently has sole control over the assets of the former joint venture, the group can generally purchase the net assets at a price below market value.

The development of negative goodwill is shown in the following table:

All amounts in TEUR	Negative goodwill
Carrying value as of 30 April 2006	0.0
Additions	-5,490.8
Currency translation adjustment	1.2
Reversal through profit or loss	5,489.5
Carrying value as of 30 April 2007	0.0
Additions	-37,341.8
Reversal through profit or loss	37,341.8
Carrying value as of 30 April 2008	0.0

3.3 Financial instruments

IAS 32.11 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. Among others, financial instruments do not include deferred taxes, sureties or employee stock options.

The commentaries to the tables under point 3.3.3 present the information on financial instruments by class as required by IFRS 7.6 as well as the transition calculation to the positions shown on the balance sheet.

3.3.1 Financial results

All amounts in TEUR	2007/08	2006/07
Interest and similar income	107,267.0	55,311.5
Interest and similar expenses	-282,370.0	-190,983.1
Net financing costs	-175,103.0	-135,671.6
Profit/(loss) on financial instruments and proceeds on the disposal of financial instruments	75,790.8	64,970.5
Currency translation adjustments	22,111.7	32,591.8
Valuation of financial instruments at fair value through profit or loss	21,526.9	17,852.7
Income from distributions	55,519.6	41,922.8
Share of profit/(loss) from investments in other companies	634.7	4,121.2
Profit/(loss) on financial instruments	175,583.7	161,459.1
Share of profit/(loss) from associated companies	40,332.9	87.6
Financial results	40,813.6	25,875.1

The valuation of financial instruments at fair value through profit or loss comprises revaluations of TEUR 81,055.9 (2006/07: TEUR 37,997.4) and impairment charges of TEUR 59,529.0 (2006/07: TEUR 22,649.0), which are related to the regional segments IMMOEAST and IMMOWEST as follows:

In the IMMOEAST segment the revaluations are related to the investments in FF&P Russia Real Estate Ltd. (TEUR 23,119.4; 2006/07: TEUR -947.1), Global Emerging Property Fund (TEUR 11,893.4; 2006/07: TEUR 7,848.0) and Zvenor Holdings Ltd. (TEUR 9,623.4; 2006/07: TEUR 0.0).

The major revaluations in the IMMOWEST regional segment were related to the investment in Carlyle Realty Halley Coinvestment IV L.P. (TEUR 21,426.2; 2006/07: impairment charge of TEUR 7,468.3), Fondo Immobili Pubblici (TEUR 7,684.6; 2006/07: TEUR 5,395.9) and Carlyle Realty Partners Broadway Coinvestment (TEUR 6,555.5; 2006/07: impairment charge of TEUR 2,974.3). Other revaluations recognised in 2007/08 include the investment in MGP Asia Fund II L.P. (TEUR 3,061.1; 2006/07: TEUR 1,043.1) and Carlyle Realty IV Partners (TEUR 2,869.1; 2006/07: impairment charge of TEUR 1,864.4).

In the IMMOEAST regional segment, impairment charges were recognised to profit or loss, among others, for Eastern Property Holdings Ltd (TEUR 33,862.7; 2006/07: TEUR 4,698.3) and FF&P Development Fund (TEUR 1,095.9; 2006/07: TEUR 0.0).

In the IMMOWEST segment, impairment charges were recognised to the investments in Broadway Partners Real Estate Fund L.P. (TEUR 6,053.9; 2006/07: revaluation of TEUR 6,188.7), TMW Asia Property Fund I GmbH & Co. KG (TEUR 5,521.4; 2006/07: revaluation of TEUR 3,162.2), NIAM Nordic Investment Fund III (TEUR 5,418.8; 2006/07: revaluation of TEUR 1,962.7) and Broadway Partners Real Estate Fund III L.P. (TEUR 3,860.9; 2006/07: TEUR 0.0).

Impairment charges were also recognised to the investments in CB Richard Ellis Strategic Partners IV L.P. (TEUR 2,557.1; 2006/07: revaluation of TEUR 1,614.3), Harrison Street Real Estate Partners I L.P. (TEUR 2,102.7; 2006/07: revaluation of TEUR 165.2), Morgan Stanley Real Estate Special Fund III L.P. (TEUR 1,953.7; 2006/07: revaluation of TEUR 3,446.1), Carlyle Asia Real Estate Partners L.P. (TEUR 1,780.6; 2006/07: revaluation of TEUR 405.5), Triseas Korea Property Fund L.P. (TEUR 1,765.9; 2006/07: TEUR 0.0) and Avalon Bay Value Added Fund (TEUR 1,623.1; 2006/07: revaluation of TEUR 582.9).

The IMMOAUSTRIA segment does not hold any financial instruments that are classified at fair value through profit or loss.

In the IMMOEAST and IMMOWEST segments, the valuation of financial instruments without recognition through profit or loss in accordance with IAS 39 comprises revaluations of TEUR 23,493.3 (2006/07: TEUR 11,103.3) and impairment charges of TEUR 10,455.2 (2006/07: TEUR 5,967.5), which are distributed among the two regional segments as follows:

In the IMMOEAST segment, a revaluation of TEUR 12,712.5 (2006/07: TEUR 5,368.6) was recognised to the investment in Polonia Property Fund Ltd and a revaluation of TEUR 5,231.9 (2006/07: TEUR 733.5) was recognised to the investment in Heitman Central Europe Property Partner II.

In the IMMOWEST segment, revaluations were recorded to the following investments without recognition through profit or loss: Logistis Luxembourg S.A.R.L. (TEUR 5,096.5; 2006/07: TEUR 1,941.8) and Carlyle Realty Partners III L.P. (TEUR 452.3; 2006/07: impairment charge of TEUR: 5,627.4). Impairment charges were recorded to the investments in the following companies without recognition through profit or loss: Carlyle Europe Real Estate Partners L.P. (TEUR 4,343.1; 2006/07: revaluation of TEUR 2,679.9), ProLogis European Properties Fund (TEUR 3,436.0; 2006/07: revaluation of TEUR -293.6), Curzon Capital Partners L.P. (TEUR 2,292.0; 2006/07: TEUR 340.1) and CB Richard Ellis Strategic Partners III L.P. (TEUR 384.1; 2006/07: revaluation of TEUR 85.9).

Profit and loss on financial instruments includes distributions from IAS 39 investments, which are allocated as follows:

In the IMMOEAST regional segment, the following distributions were received from investments classified at fair value through profit or loss: Eastern Property Holdings Ltd. (TEUR 866.3; 2006/07: TEUR 216.0) and Heitman Central Europe Property Partners III (TEUR 647.6; 2006/07: TEUR 0.0). Heitman Central Europe Property Partners II, which is classified at fair value without recognition through profit or loss, made a distribution of TEUR 836.9 (2006/07: TEUR 3,777.8).

The distributions received by the IMMOWEST regional segment from investments classified at fair value through profit and loss were significantly higher than the comparable amount recorded by IMMOEAST. These distributions were received, among others, from the following companies: Fondo Immobili Pubblici (TEUR 11,820.8; 2006/07: TEUR 10,088.0), Broadway Partners Real Estate Fund L.P. (TEUR 9,819.9; 2006/07: TEUR 460.5), NIAM Nordic Investment Fund III (TEUR 3,796.1; 2006/07: TEUR 1,145.3), Carlyle Asia Real Estate Partners L.P. (TEUR 2,427.8; 2006/07: TEUR 81.0), Europa Fund II L.P. (TEUR 1,999.7; 2006/07: TEUR 2,326.0) and Carlyle Realty IV Partners (TEUR 1,962.5; 2006/07: TEUR 583.6). The distributions received from investments classified at fair value without recognition through profit or loss include, among others, the following income: Carlyle Europe Real Estate Partner (TEUR 5,854.1; 2006/07: TEUR 3,161.1), Carlyle Realty Partner III L.P. (TEUR 3,180.7) and Curzon Capital Partners L.P. (TEUR 1,521.7; 2006/07: TEUR 2,436.2) and CB Richard Ellis Strategic Partners III L.P. (TEUR 961.8; 2006/07: TEUR 2,236.9).

3.3.2 Net gains and losses

IFRS 7.20 (a) requires the disclosure of net gains and losses for each category of financial instrument defined in IAS 39.9. This information is presented in the following table: IFRS 7.20 (a)

30 April 2008				
All amounts in TEUR	Designated at fair value through profit and loss	Held for trading	Held for trading	Available for sales
	Investments in other companies	Derivatives	Current securities	Derivatives
Revaluation	81,055.9	8,964.7	0.0	0.0
Impairment	-59,529.0	-10,142.3	-744.3	0.0
Recycling	0.0	0.0	0.0	0.0
Net gain/(loss)	21,526.9	-1,177.6	-744.3	0.0

30 April 2007				
All amounts in TEUR	Designated at fair value through profit and loss	Held for trading	Held for trading	Available for sale
	Investments in other companies	Derivatives	Current securities	Derivatives
Revaluation	37,997.4	3,694.7	410.0	0.0
Impairment	-22,649.0	-3,539.9	-5.9	0.0
Recycling	0.0	0.0	0.0	1,693.8
Net gain/(loss)	15,348.4	154.8	404.1	1,693.8

Foreign exchange effects are not presented separately because this information is immaterial.

3.3.3 Other financial instruments

Other financial instruments comprise securities and similar rights, originated loans, silent partner interests and miscellaneous investments in other companies as well as derivative financial instruments.

Securities and similar rights as well as investments in other companies that were acquired prior to 1 May 2004 and are measured without recognition through profit or loss are classified as available for sale in accordance with IAS 39 and carried at fair value, e.g. the fair value or market value as of the balance sheet date. If fair value cannot be determined and comparable market prices are not available, fair value is established using generally accepted valuation methods (discounted cash flow method) or, in the case of property companies, according to the net asset value. The initial valuation is made as of the settlement date. Fluctuations in fair value are charged or credited directly to equity; these changes are only recognised to the income statement in the event of impairment or when the securities are sold. If there are objective indications of impairment to an asset, an appropriate write-down is recorded.

Upon initial recognition, an entity may elect to recognise a financial instrument at fair value through profit or loss in accordance with IAS 39.9. This classification is only permitted when:

- it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets, or
- the financial instrument is part of a portfolios whose performance is measured on a fair value basis and information is reported internally on this basis to the entity's key management personnel as defined in IAS 24.

In accordance with IAS 39.11A, certain hybrid financial instruments may be designated entirely at fair value through profit or loss.

Investments in other companies that were acquired after 1 May 2004 are generally designated as financial instruments at fair value through profit or loss on the date of acquisition in accordance with IAS 39. This classification

reflects the fact that the investments are part of a portfolio whose results are measured at fair value, which also forms the basis for periodic reporting to management. These assets are measured at fair value as of the balance sheet date, and any changes in fair value are charged or credited to the income statement.

Originated loans are generally measured at cost or the lower present value as of the balance sheet date.

IAS 39.9 Derivative financial instruments and derivatives can be identified on the basis of the following characteristics:

- Its value changes as a result of the change in the underlying primary financial instrument, e.g. a certain interest rate, the price of a financial instruments, commodity price, exchange rate, price or interest rate index, credit rating or credit index.
- It has no purchase cost or only a low purchase cost (compared with other contracts that react to changes in market conditions in a similar manner).
- It is settled at a future date, whereby settlement frequently takes the form of a net payment or conclusion of a counter-transaction

Derivatives are recognised as independent transactions. These financial instruments are used to reduce the risks associated with foreign exchange and interest rate fluctuations. Derivative transactions are only concluded with financial institutions that have first-rate credit standings.

Information on the conditions and market values of derivatives is provided under points 3.7.2.2.1 and 3.7.2.2.2.

The development of other financial instruments is shown in the following table:

All amounts in TEUR	Investments in other companies	Non-current securities	Originated loans	Other financial instruments	Total
Cost as of 1 May 2007	691,464.8	25,207.9	24,241.1	6,765.8	747,679.7
Change in consolidation range	0.0	104.3	2,326.6	-6,845.9	-4,415.0
Change in consolidation method	0.0	0.0	0.0	0.0	0.0
Additions	510,396.8	160.1	0.0	26,561.4	537,118.3
Disposals	-140,427.9	-14,850.0	-2,300.0	-12,464.9	-170,042.8
Reclassification	-31,354.4	0.0	1,056.1	-2,215.0	-32,513.3
Currency translation adjustment	-9,196.7	0.0	-426.2	-2,365.7	-11,988.6
Cost as of 30 April 2008	1,020,882.6	10,622.3	24,897.6	9,435.7	1,065,838.4
Carrying value as of 30 April 2007	751,873.7	24,386.8	24,338.7	6,018.6	806,617.8
Carrying value as of 30 April 2008	1,125,958.7	9,422.0	24,225.8	9,811.9	1,169,418.4

The following table shows the development of the remaining investments in other companies, which are carried at fair value in accordance with IAS 39:

All amounts in TEUR	Total commitment	Focus of investment	Term	Group carrying value as of 30.4.2007	Additions, disposals, reclassification 2007/08	Revaluation/impairment charge through profit or loss 2007/08	Revaluation/impairment charge not through profit or loss 2007/08	Group carrying value as of 30.4.2008	Distributions 2007/08
Eastern Property Holdings Ltd.	63,737.8	CIS		56,645.7	25,721.4	-33,862.7	0.0	48,504.4	866.3
FF&P Russia Real Estate Ltd.	30,825.3	CIS	Mid-2008	39,447.8		23,119.4	0.0	62,567.2	0.0
Global Emerging Property Fund	37,500.0	Bulgaria, Romania, Serbia	Mid-2015	28,544.7	7,750.0	11,893.4	0.0	48,188.1	0.0
Heitman Central Europe									
Property Partners III	25,000.0	Poland, Hungary	Mid-2015	11,816.0	4,146.5	-25.0	0.0	15,937.5	647.6
Prime Property BG Reit	11,766.2	Bulgaria		11,877.1		-308.5	0.0	11,568.6	0.0

Notes

All amounts in TEUR	Total commitment	Focus of investment	Term	Group carrying value as of 30.4.2007	Additions, disposals, reclassification 2007/08	Revaluation/impairment charge through profit or loss 2007/08	Revaluation/impairment charge not through profit or loss 2007/08	Group carrying value as of 30.4.2008	Distributions 2007/08
Bluehouse Accession Property II	30,000.0	Bulgaria, Romania	End of 2016	6,091.2	12,360.1	-189.6	0.0	18,261.7	0.0
M.O.F Immobilien AG	10,000.0	Bulgaria, Croatia, Austria, Serbia, Ukraine	End of 2010	2,130.0	6,303.6	0.0	0.0	8,433.6	0.0
Adama Holding Public Ltd.	211,125.8	Bulgaria, Moldavia, Romania	n/a	26,724.7	85,119.7	0.0	0.0	111,844.4	0.0
FF&P Development Fund	32,175.0	CIS	n/a	7,981.9	28,345.7	-1,095.9	0.0	35,231.7	0.0
Europa Emerging Europe Fund Ltd.	25,000.0	Bulgaria, Croatia, Macedonia, Montenegro, Romania, Serbia, Turkey, Ukraine	Mid-2016	0.0	0.0	0.0	0.0	0.0	0.0
Polonia Property Fund Ltd. II	50,000.0	Poland, CEE	Mid-2010	0.0	11,250.0	-727.7	0.0	10,522.3	0.0
M.O.F Beta Immobilien AG	9,800.0	Croatia, Serbia	Mid-2011	0.0	8,050.0	0.0	0.0	8,050.0	0.0
Heitman Russia and Ukraine Property Partners	32,176.2	CIS	Unlimited	0.0	95.0	0.0	0.0	95.0	0.0
Zvenor Holdings Ltd.	6,575.2	Romania	Mid-2015	0.0	0.0	9,623.4	0.0	9,623.4	0.0
Dikare Holdings Ltd.	1,575.0	Romania	Mid-2015	1,575.0	6,577.3	-823.6	0.0	7,328.7	0.0
Tripont Invest s.r.l.	n/a	Romania	n/a	0.0	26,640.5	0.0	0.0	26,640.5	0.0
Avalon Bay Value Added Fund	12,870.0	USA (California, Illinois, Maryland)	Beginning of 2013	8,449.0	6,928.8	-1,623.1	0.0	13,754.7	0.0
Broadway Partners Real Estate Fund, L.P.	12,870.0	USA (California)	Mid-2014	18,076.1	-12,022.2	-6,053.9	0.0	0.0	9,819.9
Broadway Partners Real Estate Fund II, L.P.	19,305.0	USA (California, New York, Washington DC)	Beginning of 2015	22,834.9	0.0	624.9	0.0	23,459.8	0.0
Carlyle Realty IV Partners	16,087.5	USA (Chicago, L.A., New York, San Francisco, Washington DC)	End of 2012	12,681.7	1,278.2	2,869.1	0.0	16,829.0	1,962.5
Carlyle 485 Fifth Avenue Coinvestment	2,485.8	USA (New York)	End of 2013	0.0	0.0	0.0	0.0	0.0	11.5
Carlyle Realty Halley Coinvestment IV, L.P.	28,957.5	USA (New York)	End of 2014	14,574.6	-66.7	21,426.2	0.0	35,934.1	418.8
Carlyle Realty Partners Broadway Coinvestment	4,086.9	USA (New York)	End of 2013	1,302.3	0.0	6,555.5	0.0	7,857.8	0.0
Curzon Capital Partners II, L.P.	40,000.0	Germany, France	Beginning of 2014	10,658.0	5,977.6	8.9	0.0	16,644.5	605.0
Europa Fund II, L.P.	20,000.0	Germany, Poland, Hungary	Mid-2013	7,401.9	6,107.9	429.4	0.0	13,939.2	1,999.7
Harrison Street Real Estate Partners I, L.P.	12,870.0	USA (Minnesota, Pennsylvania)	Mid-2017	5,301.5	7,576.7	-2,102.7	0.0	10,775.5	109.9
NIAM Nordic Investment Fund III	15,000.0	Scandinavia	Mid-2013	11,530.4	-1,974.7	-5,418.8	0.0	4,136.9	3,796.1
ProLogis North American Industrial Fund II, L.P.	16,087.5	USA (Illinois, New Jersey, Texas)	n/a	5,515.8	4,461.6	-308.8	0.0	9,668.6	492.8
TMW Asia Property Fund I GmbH & Co. KG	30,000.0	India, Japan, South Korea	End of 2013	33,236.0	-1,751.5	-5,521.4	0.0	25,963.1	4,316.8
Fondo Immobili Pubblici	101,600.0	Italy	Mid-2020	107,608.0	-3,337.6	7,684.6	0.0	111,955.0	11,820.8
Carlyle Asia Real Estate Partners, L.P.	16,087.5	China, India, Japan	Beginning of 2015	7,918.0	7,931.9	-1,780.6	0.0	14,069.3	2,427.8
MGP Asia Fund II, L.P.	16,087.5	Hong Kong, Japan	End of 2014	8,678.3	3,940.8	3,061.1	0.0	15,680.2	0.0
Morgan Stanley Real Estate Special Fund III, L.P.	44,514.0	Asia, Europe, USA	n/a	39,333.5	10,551.1	-1,953.7	0.0	47,930.9	0.0
CB Richard Ellis Strategic Partners IV, L.P.	19,305.0	USA (California, Texas)	End of 2012	12,253.1	8,330.9	-2,557.1	0.0	18,026.9	0.0
AIG Real Estate Opportunity X, L.P.	25,740.0	Asia	Mid-2017	2,417.8	1,385.2	-1,365.2	0.0	2,437.8	0.0
Gotham City Residential Partners I, L.P.	16,087.5	USA (New York)	End of 2014	9,187.8	-2,924.6	-239.7	0.0	6,023.5	414.9
Broadway Partners Real Estate Fund III, L.P.	32,175.0	Germany, France, USA	Beginning of 2016	38,684.7	-732.3	-3,860.9	0.0	34,091.5	1,435.2

All amounts in TEUR	Total commitment	Focus of investment	Term	Group carrying value as of 30.4.2007	Additions, disposals, reclassification 2007/08	Revaluation/ impairment charge through profit or loss 2007/08	Revaluation/ impairment charge not through profit or loss 2007/08	Group carrying value as of 30.4.2008	Distributions 2007/08
Carlyle Realty V, L.P.	21,879.0	USA (New York)	End of 2016	165.4	8,792.1	533.5	0.0	9,491.0	38.2
Carlyle 8th Avenue Hotel Portfolio	3,217.5	USA (New York)	End of 2012	-74.2	0.0	74.2	0.0	0.0	19.4
Carlyle 350 West 42nd Street	3,217.5	USA (New York)	End of 2012	1,215.2	0.0	-1,215.2	0.0	0.0	0.0
Carlyle Europe									
Real Estate Partners II	30,000.0	Germany, France, Italy	Beginning of 2013	11,924.2	20,177.3	395.3	0.0	32,496.8	963.9
Asia Property Fund II									
GmbH & Co KG	50,000.0	Asia	End of 2016	0.0	34,283.2	-1,351.1	0.0	32,932.1	0.0
MGP Asia Fund III, L.P.	16,087.5	Asia	Beginning of 2017	0.0	3,718.5	-367.2	0.0	3,351.3	0.0
Triseas Korea Property Fund, L.P.	16,087.5	Asia	End of 2014	0.0	18,150.8	-1,765.9	0.0	16,384.9	0.0
ProLogis European									
Properties Fund II	20,000.0	Europe	n/a	0.0	5,000.7	-317.8	0.0	4,682.9	57.1
Colyzeo Investors II, L.P.	45,000.0	France, Switzerland	Beginning of 2016	0.0	22,892.9	-417.5	0.0	22,475.4	14.5
Freeport Factory Outlet (Project Fashion)									
	4,750.0	Czech Republic, Czech Republic, France	End of 2015	0.0	4,821.5	-22.2	0.0	4,799.3	0.0
Carlyle Europe									
Real Estate Partners III	50,000.0	France, Spain, Germany etc.	Mid-2015	0.0	7,393.4	-767.7	0.0	6,625.7	0.0
NIAM Nordic Investment Fund IV	25,000.0	Scandinavia	Beginning of 2016	0.0	0.0	0.0	0.0	0.0	0.0
Polonia Property Fund Ltd.	20,000.0	Poland, Hungary	Beginning of 2013	31,538.3		0.0	12,712.5	44,250.8	0.0
Heitman Central Europe									
Property Partners II	20,000.0	Poland, Hungary, Slovakia, Czech Republic	Beginning of 2010	20,038.6	-2,039.3	0.0	5,231.9	23,231.2	836.9
Polus Transilvania									
Companie de Investitii S.A.	185,000.0	Romania	n/a	28,470.9	-28,470.9	0.0	0.0	0.0	0.0
Curzon Capital Partners. L.P.	25,000.0	France	Beginning of 2009	2,292.0	0.0	0.0	-2,292.0	0.0	1,521.7
Carlyle Europe									
Real Estate Partners	25,000.0	Germany, France, Italy	Beginning of 2010	29,055.1	-3,903.3	0.0	-4,343.1	20,808.7	5,854.1
Carlyle Realty Partners III, L.P.	16,087.5	USA (Chicago, L. A., New York, San Francisco, Washington DC)	End of 2008	5,594.7	-1,074.4	0.0	452.3	4,972.6	3,180.7
Logistis Luxembourg, S.A.R.L.	20,000.0	France	End of 2013	21,715.3	-106.7	0.0	5,096.5	26,705.1	253.3
ProLogis European									
Properties Fund	50,000.0	Europe		10,307.9	0.0	0.0	-3,436.0	6,871.9	578.2
CB Richard Ellis									
Strategic Partners III, L.P.	12,870.0	USA (California, Texas)	End of 2010	17,073.4	-6,467.1	0.0	-384.1	10,222.2	961.8
Sonstige Beteiligungen	n/a	n/a	n/a	2,079.7	1,602.0	0.0	0.0	3,681.7	0.0

All amounts in TEUR	Total commitment	Focus of investment	Term	Group carrying value as of 30.4.2007	Additions, disposals, reclassification 2007/08	Revaluation/ impairment charge through profit or loss 2007/08	Revaluation/ impairment charge not through profit or loss 2007/08	Group carrying value as of 30.4.2008	Distributions 2007/08
Eastern Property Holdings Ltd.	48,204.9	CIS		15,725.3	36,222.2	4,698.3	0.0	56,645.7	216.0
FF&P Russia Real Estate Ltd.	93,142.6	CIS	Mid-2009	16,275.5	24,119.3	-947.1	0.0	39,447.8	597.7
Global Emerging Property Fund	36,000.0	Bulgaria, Romania, Serbia	Mid-2015	4,415.4	16,281.3	7,848.0	0.0	28,544.7	0.0
Heitman Central Europe									
Property Partners III	25,000.0	Poland, Hungary, Czech Republic, Slovakia, Bulgaria, Romania	Mid-2015	3,107.1	8,224.3	484.6	0.0	11,816.0	0.0
Prime Property BG Reit	11,766.2	Bulgaria		5,259.7	7,127.8	-510.4	0.0	11,877.1	0.0
Bluehouse Accession Property II	30,000.0	Bulgaria, Romania	End of 2016	0.0	5,250.0	841.2	0.0	6,091.2	0.0
M.O.F. Immobilien AG	50,000.0	Bulgaria, Croatia, Austria, Serbia, Ukraine	End of 2009	0.0	2,130.0	0.0	0.0	2,130.0	0.0
Adama Holding Public Ltd.	160,341.1	Bulgaria, Moldavia, Romania		0.0	26,724.7	0.0	0.0	26,724.7	0.0

All amounts in TEUR	Total commitment	Focus of investment	Term	Group carrying value as of 30.4.2007	Additions, disposals, reclassification 2007/08	Revaluation/ impairment charge through profit or loss 2007/08	Revaluation/ impairment charge not through profit or loss 2007/08	Group carrying value as of 30.4.2008	Distributions 2007/08
FF&P Development Fund	18,375.6	CIS	Beginning of 2010	0.0	7,981.9	0.0	0.0	7,981.9	0.0
Europa Emerging Europe Fund Ltd.	25,000.0	Bulgaria, Croatia, Macedonia, Montenegro, Romania, Serbia, Turkey, Ukraine	Beginning of 2015	0.0	0.0	0.0	0.0	0.0	0.0
Dikare Holdings Ltd.	5,302.0	Romania		0.0	1,575.0	0.0	0.0	1,575.0	0.0
Avalon Bay Value Added Fund	14,700.5	USA (California, Illinois, Maryland)	Beginning of 2013	4,248.0	3,618.1	582.9	0.0	8,449.0	0.0
Broadway Partners Real Estate Fund, L.P.	14,700.5	USA (California)	Mid-2014	7,783.9	4,103.4	6,188.7	0.0	18,076.1	460.5
Broadway Partners Real Estate Fund II, L.P.	22,050.7	USA (California, New York, Washington DC)	Beginning of 2015	4,092.3	18,633.9	108.8	0.0	22,834.9	113.9
Carlyle Realty IV Partners	18,375.6	USA (Chicago, L.A., New York, San Francisco, Washington DC)	End of 2014	9,291.7	5,254.3	-1,864.4	0.0	12,681.7	583.6
Carlyle 485 Fifth Avenue Coinvestment	2,839.4	USA (New York)	End of 2013	2,259.3	-2,309.3	50.1	0.0	0.0	0.0
Carlyle Realty Halley Coinvestment IV, L.P.	33,076.1	USA (New York)	End of 2014	21,412.7	630.1	-7,468.3	0.0	14,574.6	2,272.8
Carlyle Realty Partners Broadway Coinvestment	4,668.1	USA (New York)	End of 2013	3,832.9	443.7	-2,974.3	0.0	1,302.3	0.0
Curzon Capital Partners II, L.P.	40,000.0	Germany, France	Beginning of 2014	0.0	11,675.1	-1,017.1	0.0	10,658.0	0.0
Europa Fund II, L.P.	20,000.0	Germany, Poland, Hungary	Mid-2013	5,896.9	1,884.6	-379.6	0.0	7,401.9	2,326.0
Harrison Street Real Estate Partners I, L.P.	14,700.5	USA (Minnesota, Pennsylvania)	Mid-2016	0.0	5,136.3	165.2	0.0	5,301.5	0.0
NIAM Nordic Investment Fund III	15,000.0	Scandinavia	Mid-2013	4,386.4	5,181.4	1,962.7	0.0	11,530.4	1,145.3
ProLogis North American Industrial Fund II, L.P.	18,375.6	USA (Illinois, New Jersey, Texas)		3,360.8	2,375.0	-219.9	0.0	5,515.8	238.1
TMW Asia Property Fund I GmbH & Co, KG	30,000.0	India, Japan, South Korea	End of 2013	27,736.4	2,337.5	3,162.2	0.0	33,236.0	2,062.3
Fondo Immobili Pubblici	101,600.0	Italy	n/a	102,212.1	0.0	5,395.9	0.0	107,608.0	10,088.0
Carlyle Asia Real Estate Partners, L.P.	18,375.6	China, India, Japan	Beginning of 2015	1,810.4	5,702.2	405.5	0.0	7,918.0	81.0
MGP Asia Fund II, L.P.	18,375.6	Hong Kong, Japan	End of 2014	2,198.5	5,436.8	1,043.1	0.0	8,678.3	0.0
Morgan Stanley Real Estate Special Fund III, L.P.	36,751.2	Asia, Europe, USA		0.0	35,887.4	3,446.1	0.0	39,333.5	0.0
CB Richard Ellis Strategic Partners IV, L.P.	22,050.7	USA (California, Texas)	End of 2012	684.4	9,954.4	1,614.3	0.0	12,253.1	0.0
AIG Real Estate Opportunity X, L.P.	30,177.9	Asia	Beginning of 2018	0.0	2,417.8	0.0	0.0	2,417.8	0.0
Gotham City Residential Partners I, L.P.	18,375.6	USA (New York)	Mid-2017	0.0	9,187.8	0.0	0.0	9,187.8	0.0
Broadway Partners Real Estate Fund III, L.P.	36,751.2	Germany, France, USA	Beginning of 2015	0.0	38,684.7	0.0	0.0	38,684.7	0.0
Carlyle Realty V, L.P.	22,050.7	USA (New York)	End of 2016	0.0	229.4	-64.1	0.0	165.4	0.0
Carlyle 8th Avenue Hotel Portfolio	3,675.1	USA (New York)	End of 2012	4,152.1	-32.1	-4,194.2	0.0	-74.2	2,998.5
Carlyle 350 West 42nd Street	3,675.1	USA (New York)	End of 2012	7,917.0	-3,723.9	-2,977.9	0.0	1,215.2	2,314.3
Carlyle Europe Real Estate Partners II	30,000.0	Germany, France, Italy	Beginning of 2013	3,507.2	8,448.9	-31.8	0.0	11,924.2	187.6
Asia Property Fund II GmbH & Co KG	50,000.0	Asia	End of 2016	0.0	0.0	0.0	0.0	0.0	0.0
MGP Asia Fund III, L.P.	18,375.6	Asia	Beginning of 2016	0.0	0.0	0.0	0.0	0.0	0.0
Triseas Korea Property Fund, L.P.	18,375.6	Asia	End of 2013	0.0	0.0	0.0	0.0	0.0	0.0
Polonia Property Fund Ltd.	20,000.0	Poland, Hungary, Czech Republic	Mid-2010	19,256.2	6,260.0	0.0	5,368.6	31,538.3	0.0

All amounts in TEUR	Total commitment	Focus of investment	Term	Group carrying value as of 30.4.2007	Additions, disposals, reclassification 2007/08	Revaluation/ impairment charge through profit or loss 2007/08	Revaluation/ impairment charge not through profit or loss 2007/08	Group carrying value as of 30.4.2008	Distributions 2007/08
Heitman Central									
Europe Property Partners II	20,000.0	Poland, Hungary, Slovakia, Czech Republic	End of 2009	19,274.4	684.3	0.0	733.5	20,038.6	3,777.8
Polus Transilvania									
Companie de Investitii S.A.	185,000.0	Romania		0.0	28,470.9	0.0	0.0	28,470.9	0.0
Curzon Capital Partners, L.P.	25,000.0	France	Beginning of 2009	17,485.4	-14,853.3	0.0	-340.1	2,292.0	2,436.2
Carlyle Europe									
Real Estate Partners	25,000.0	Germany, France, Italy	Beginning of 2008	27,036.2	-661.0	0.0	2,679.9	29,055.1	3,161.1
Carlyle Realty Partners III, L.P.	18,375.6	USA (Chicago, L. A., New York, San Francisco, Washington DC)	End of 2008	12,175.7	-953.5	0.0	-5,627.4	5,594.7	2,483.9
Logistis Luxembourg, S.A.R.L.	20,000.0	France	Mid-2013	13,960.7	5,812.8	0.0	1,941.8	21,715.3	0.0
ProLogis European Properties Fund	50,000.0	Europe		53,156.0	-43,141.6	0.0	293.6	10,307.9	2,141.3
CB Richard Ellis Strategic Partners III, L.P.	14,700.5	USA (California, Texas)	End of 2010	14,212.7	2,774.8	0.0	85.9	17,073.4	2,236.9

In the IMMOEAST segment, the major financial instruments carried at fair value through profit or loss in accordance with IAS 39 are Adama Holding Public Ltd. and FF&P Russia Real Estate Ltd. with a carrying value of TEUR 174,411.6 (2006/07: TEUR 66,172.5).

IMMOEAST holds stakes in four companies that focus exclusively on investments in the CIS region: FF&P Russia Real Estate Ltd., FF&P Development Fund, Eastern Property Holdings Ltd. and Heitman Russia and Ukraine Property Partners LLC. The carrying value of these stakes totalled TEUR 146,398.3 as of 30 April 2008 (2006/07: TEUR 104,075.4).

The highest financial commitment held by IMMOEAST as of the balance sheet date was Adama Holding Public Ltd., which had a carrying value of TEUR 111,844.4 as of 30 April 2008 (2006/07: TEUR 26,724.7). In connection with a capital increase, the investment in Adama Public Ltd. was increased by TEUR 85,119.7 during the reporting year. The investments by this company are concentrated in the residential sector of Romania, which is part of the SEE subsegment.

The carrying value of the investment in Global Emerging Property Fund equalled TEUR 48,188.1 as of 30 April 2008 (2006/07: TEUR 28,544.7). This company concentrates on investments in Romania and Serbia, which also form part of the SEE subsegment.

During 2007/08 IMMOEAST acquired a 15% stake in TRIPONT Invest s.r.l., which plans to construct a shopping centre in Constanta, Romania. An agreement has been signed for the acquisition of the remaining shares when the project is completed. The carrying value of this investment equalled TEUR 26,640.5 as of 30 April 2008 (2006/07: TEUR 0.0).

In the IMMOWEST regional segment, Fondo Immobili Pubblici represents the highest commitment (TEUR 101,600.0) of all financial instruments designated at fair value through profit or loss in accordance with IAS 39. This investment had a carrying value of TEUR 111,955.0 as of 30 April 2008 (2006/07: TEUR 107,608.0). This fund focuses on investments in Italy.

The investment in Morgan Stanley Real Estate Special Fund III L.P. had a carrying value of TEUR 47,930.9 as of 30 April 2008 (2006/07: TEUR 39,333.5). The investment activities of this fund are directed to Asia, Europe and the USA.

The investments in Carlyle Realty Halley Coinvestment IV L.P., Asia Property Fund II GmbH & Co. KG and Carlyle Europe Real Estate Partners II represent a total commitment of TEUR 108,957.5 as of 30 April 2008 and a combined carrying value of TEUR 101,363.0 (2006/07: TEUR 26,498.8). The focus of investments by Carlyle Realty Halley Coinvestment IV L.P. is the USA, while the other two companies concentrate on Asia and Europe, respectively.

Broadway Partners Real Estate Fund II L.P. and Broadway Partners Real Estate Fund III L.P. have a carrying value of TEUR 57,551.3 as of 30 April 2008 (2006/07: TEUR 61,519.6) and a total commitment of TEUR 51,480.0. Their investment activities are concentrated in the USA.

In the IMMOWEST regional segment, Polonia Property Fund Ltd. and Heitman Central Europe Property Partners II represent the major IMMOWEST investments that are not valued through profit or loss. These investments have a consolidated carrying value of TEUR 67,482.1 (2006/07: TEUR 51,576.9). The CEE region forms the focal point of the activities by these funds.

A 15% stake in Polus Transilvania Companie de Investitii S.A. was acquired through a forward purchase agreement on 8 November 2006. This investment was raised to 50% and subsequently to 100% during the reporting year, which led to a reclassification from IAS 39 to subsidiaries. The carrying value of the reclassified IAS 39 investment totalled TEUR 28,470.9.

In the IMMOWEST regional segment, ProLogis European Properties Fund represented the highest commitment (TEUR 50,000.0) in the category of financial instruments that are not recognised through profit or loss in accordance with IAS 39. This investment had a carrying value of TEUR 6,871.9 on 30 April 2008 (2006/07: TEUR 10,307.9). This fund invests primarily in Europe.

Logistis Luxembourg S.A.R.L. had a carrying value of TEUR 26,705.1 as of 30 April 2008 (2006/07: TEUR 21,715.3). The company's investments are located mainly in France and represent a total commitment of TEUR 20,000.0.

The investments in Carlyle Europe Real Estate Partners and CB Richard Ellis Strategic Partners III L.P. have a carrying value of TEUR 31,030.9 (2006/07: TEUR 46,128.5) as of 30 April 2008. These investments are located primarily in Italy and the USA.

The following table shows the fair values of investments in other companies, which are recognised through profit or loss in accordance with IAS 39:

All amounts in TEUR	30 April 2008	30 April 2007
Eastern Property Holdings Ltd.	48,504.4	56,645.7
FF&P Russia Real Estate Ltd.	62,567.2	39,447.8
Global Emerging Property Fund	48,188.1	28,544.7
Heitman Central Europe Property Partners III	15,937.5	11,816.0
Prime Property BG Reit	11,568.6	11,877.1
Bluehouse Accession Property II	18,261.7	6,091.2
M.O.F. Immobilien AG	8,433.6	2,130.0
Adama Holding Public Ltd.	111,844.4	26,724.7
FF&P Development Fund	35,231.7	7,981.9
Europa Emerging Europe Fund Ltd.	0.0	0.0
Polonia Property Fund Ltd. II	10,522.3	0.0
M.O.F. Beta Immobilien AG	8,050.0	0.0
Heitman Russia and Ukraine Property Partners	95.0	0.0
Zvenor Holdings Ltd.	9,623.4	0.0
Dikare Holdings Ltd.	7,328.7	1,575.0

All amounts in TEUR	30 April 2008	30 April 2007
Tripont Invest s.r.l.	26,640.5	0.0
Avalon Bay Value Added Fund	13,754.7	8,449.0
Broadway Partners Real Estate Fund, L.P.	0.0	18,076.1
Broadway Partners Real Estate Fund II, L.P.	23,459.8	22,834.9
Carlyle Realty IV Partners	16,829.0	12,681.7
Carlyle 485 Fifth Avenue Coinvestment	0.0	0.0
Carlyle Realty Halley Coinvestment IV, L.P.	35,934.1	14,574.6
Carlyle Realty Partners Broadway Coinvestment	7,857.8	1,302.3
Curzon Capital Partners II, L.P.	16,644.5	10,658.0
Europa Fund II, L.P.	13,939.2	7,401.9
Harrison Street Real Estate Partners I, L.P.	10,775.5	5,301.5
NIAM Nordic Investment Fund III	4,136.9	11,530.4
ProLogis North American Industrial Fund II, L.P.	9,668.6	5,515.8
TMW Asia Property Fund I GmbH & Co, KG	25,963.1	33,236.0
Fondo Immobili Pubblici	111,955.0	107,608.0
Carlyle Asia Real Estate Partners, L.P.	14,069.3	7,918.0
MGP Asia Fund II, L.P.	15,680.2	8,678.3
Morgan Stanley Real Estate Special Fund III, L.P.	47,930.9	39,333.5
CB Richard Ellis Strategic Partners IV, L.P.	18,026.9	12,253.1
AIG Real Estate Opportunity X, L.P.	2,437.8	2,417.8
Gotham City Residential Partners I, L.P.	6,023.5	9,187.8
Broadway Partners Real Estate Fund III, L.P.	34,091.5	38,684.7
Carlyle Realty V, L.P.	9,491.0	165.4
Carlyle 8th Avenue Hotel Portfolio	0.0	-74.2
Carlyle 350 West 42nd Street	0.0	1,215.2
Carlyle Europe Real Estate Partners II	32,496.8	11,924.2
Asia Property Fund II GmbH & Co KG	32,932.1	0.0
MGP Asia Fund III, L.P.	3,351.3	0.0
Triseas Korea Property Fund, L.P.	16,384.9	0.0
ProLogis European Properties Fund II	4,682.9	0.0
Colyzeo Investors II, L.P.	22,475.4	0.0
Freeport Factory Outlet (Project Fashion)	4,799.3	0.0
Carlyle Europe Real Estate Partners III	6,625.7	0.0
NIAM Nordic Investment Fund IV	0.0	0.0
Total	985,214.6	583,708.1

The following table shows the fair values of investments in other companies, which are not recognised through profit or loss in accordance with IAS 39:

All amounts in TEUR	30 April 2008	30 April 2007
Polonia Property Fund Ltd.	44,250.8	31,538.3
Heitman Central Europe Property Partners II	23,231.2	20,038.6
Polus Transilvania Companie de Investitii S.A.	0.0	28,470.9
Curzon Capital Partners, L.P.	0.0	2,292.0
Carlyle Europe Real Estate Partners	20,808.7	29,055.1
Carlyle Realty Partners III, L.P.	4,972.6	5,594.7
Logistis Luxembourg, S.A.R.L.	26,705.1	21,715.3
ProLogis European Properties Fund	6,871.9	10,307.9
CB Richard Ellis Strategic Partners III, L.P.	10,222.2	17,073.4
Other	3,681.7	2,080.0
Total	140,744.1	168,166.2

The fair value of properties held through investments in other companies totalled EUR 1,687.1 million as of 30 April 2008 (2006/07: EUR 1,688.8 mill.). **IAS 39.9**
IFRS 7.B 5 (a)

The following table shows the carrying values of financial instruments as of 30 April 2008:

All amounts in TEUR	Amortised cost	not through profit and loss	Fair value through profit and loss	Fair value through profit and loss	Carrying value 30 April 2008
ASSETS					
Receivables and other assets					
Loans and receivables	1,370,782.3				1,370,782.3
Other financial instruments					
Designated at fair value through profit or loss				985,214.6	985,214.6
Held for trading				9,812.0	9,812.0
Available for sale	0.0	150,166.1			150,166.1
Loans and receivables	24,225.7				24,225.7
Current securities					
Held for trading				502,675.2	502,675.2
Cash and cash equivalents					
Loans and receivables	756,578.1				756,578.1
LIABILITIES					
Financial liabilities					
Measured at amortised cost	5,928,904.9				5,928,904.9
Trade accounts payable					
Measured at amortised cost	85,488.4				85,488.4
Other liabilities					
Held for trading				123,234.0	123,234.0
Measured at amortised cost	346,578.4				346,578.4

All amounts in TEUR	Amortised cost	not through profit and loss	Fair value through profit and loss	Fair value through profit and loss	Carrying value 30 April 2007
ASSETS					
Receivables and other assets					
Loans and receivables	794,654.1				794,654.1
Other financial instruments					
Designated at fair value through profit or loss				583,708.1	583,708.1
Held for trading				6,018.6	6,018.6
Available for sale	28,470.9	164,081.5			192,552.4
Loans and receivables	24,338.7				24,338.7
Current securities					
Held for trading				657,036.0	657,036.0
Cash and cash equivalents					
Loans and receivables	1,000,016.0				1,000,016.0
LIABILITIES					
Financial liabilities					
Measured at amortised cost	4,711,329.7				4,711,329.7
Trade accounts payable					
Measured at amortised cost	135,022.1				135,022.1
Other liabilities					
Held for trading				38,089.2	38,089.2
Measured at amortised cost	368,205.6				368,205.6

IFRS 7.8 The following table shows the transition from the carrying values of financial instruments to the IAS 39 valuation categories:

All amounts in TEUR	Amortised cost	Fair value not through profit and loss	Fair value through profit and loss	Carrying value 30 April 2008
ASSETS				
Held for trading				
Derivatives			9,812.0	9,812.0
Current securities			502,675.2	502,675.2
Designated at fair value through profit or loss				
Investments in other companies			985,214.6	985,214.6
Available for sale				
Non-current securities		9,422.0		9,422.0
Investments in other companies	0.0	140,744.1		140,744.1
Loans and receivables				
Trade accounts receivable	71,461.6			71,461.6
Other receivables and assets	1,299,320.7			1,299,320.7
Originated loans	24,225.7			24,225.7
Cash and cash equivalents	756,578.1			756,578.1
LIABILITIES				
Held for trading				
Derivatives			123,234.0	123,234.0
Measured at amortised cost				
Trade accounts payable	85,488.4			85,488.4
Liabilities arising from the issue of convertible bonds	1,299,944.1			1,299,944.1
Amounts due to financial institutions	4,095,573.1			4,095,573.1
Liabilities arising from the issue of bonds	3,063.6			3,063.6
Amounts due to local authorities	378,867.9			378,867.9
Liabilities, limited partnership interests	7,400.1			7,400.1
Other financial liabilities	60,227.4			60,227.4
Miscellaneous liabilities	346,578.4			346,578.4
Other liabilities				
Finance lease liabilities	83,828.5			83,828.5

All amounts in TEUR	Amortised cost	Fair value not through profit and loss	Fair value through profit and loss	Carrying value 30 April 2007
ASSETS				
Held for trading				
Derivatives			6,018.6	6,018.6
Current securities			657,036.0	657,036.0
Designated at fair value through profit or loss				
Investments in other companies			583,708.1	583,708.1
Available for sale				
Non-current securities		24,386.8		24,386.8
Investments in other companies	28,470.9	139,695.3		168,166.2
Loans and receivables				
Trade accounts receivable	127,238.8			127,238.8
Other receivables and assets	667,415.3			667,415.3
Originated loans	24,338.7			24,338.7
Cash and cash equivalents	1,000,016.0			1,000,016.0
LIABILITIES				
Held for trading				
Derivatives			38,089.2	38,089.2

(continued)

Measured at amortised cost		
Trade accounts payable	135,022.1	135,022.1
Liabilities arising from the issue of convertible bonds	700,557.6	700,557.6
Amounts due to financial institutions	3,406,268.8	3,406,268.8
Liabilities arising from the issue of bonds	3,084.4	3,084.4
Amounts due to local authorities	376,098.2	376,098.2
Liabilities, limited partnership interests	17,648.9	17,648.9
Other financial liabilities	110,281.6	110,281.6
Miscellaneous liabilities	368,205.6	368,205.6
Other liabilities		
Finance lease liabilities	94,008.7	94,008.7
Contingent liabilities arising from the purchase of companies	3,381.5	3,381.5

3.3.4 Limited partnership interests

As stated in IAS 32.18 (b), a financial instrument that gives the owner the right to put back this instrument to the issuer for cash or another financial instrument must be classified as a financial liability (“puttable instrument”). Shares in partnerships under various legal systems fall under this definition **IAS 32.18 (b)**

3.3.5 Receivables and other assets

Receivables and other assets are stated at cost. Recognisable individual risks are reflected in appropriate valuation adjustments.

IFRS 7.37 requires an analysis of the age structure of financial assets that are past due as of the reporting date but not impaired as well as an analysis of the individual financial assets that are individually determined to be impaired as of the reporting date, including the criteria used to determine impairment. Collateral and credit enhancements relating to the above-mentioned amounts must also be disclosed.

All amounts in TEUR	30 April 2008	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 1 year	30 April 2007
Trade accounts receivable					
Rents receivable	36,067.8	33,855.9	1,925.0	286.9	38,549.6
Miscellaneous	35,393.9	35,186.8	91.5	115.6	26,954.8
Accounts receivable from joint venture partners	173,399.2	8,332.9	15,616.5	149,449.8	34,330.8
Accounts receivable from associated companies	138,646.7	590.2	0.0	138,056.5	898.1
Other receivables and assets					
Financing	810,693.6	533,436.6	7,436.7	269,820.3	316,427.2
Taxation authorities (transaction taxes)	65,293.6	44,612.7	20,680.9	0.0	49,600.0
Taxation authorities (income taxes)	10,019.8	9,964.6	55.2	0.0	4,082.1
Property management	6,541.6	6,436.0	19.5	86.1	9,935.3
Accrued interest	1,977.9	1,977.9	0.0	0.0	2,231.9
Insurance	956.2	908.8	47.4	0.0	837.6
Administrative duties	101.1	101.1	0.0	0.0	29,219.1
Commissions	4,087.7	1,747.9	1,896.2	443.6	1,186.8
Lease incentives	10,580.2	2,142.7	6,527.3	1,910.2	3,371.4
Outstanding purchase price receivables from the sale of properties	12,348.1	3,141.3	9,206.8	0.0	24,415.8
Outstanding purchase price receivables from the sale of shares	82.9	57.7	0.0	25.2	69,271.0
Costs for the procurement of funds	1,004.1	98.2	402.7	503.2	1,104.5
Miscellaneous	63,588.1	49,169.7	3,589.7	10,828.7	182,238.2
Total	1,370,782.5	731,761.0	67,495.4	571,526.1	794,654.1

All amounts in TEUR	30 April 2007	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 1 year	30 April 2006
Trade accounts receivable					
Rents receivable	38,549.5	38,244.2	305.3	0.0	22,437.4
Miscellaneous	26,954.8	26,954.8	0.0	0.0	21,143.6
Accounts receivable from joint venture partners	34,330.8	9,400.2	1,250.0	23,680.6	38,642.8
Accounts receivable from associated companies	898.1	898.1	0.0	0.0	291.2
Other receivables and assets					
Financing	316,427.2	288,506.4	774.8	27,146.0	125,934.5
Taxation authorities (transaction taxes)	49,600.0	46,161.5	3,438.5	0.0	37,199.5
Taxation authorities (income taxes)	4,082.1	4,046.5	35.6	0.0	3,832.3
Property management	9,935.3	9,836.3	17.5	81.5	5,215.5
Accrued interest	2,231.9	2,231.9	0.0	0.0	1,021.2
Insurance	837.6	837.6	0.0	0.0	511.4
Administrative duties	29,219.1	29,219.1	0.0	0.0	23,118.5
Commissions	1,186.8	453.2	379.7	354.0	925.8
Lease incentives	3,371.4	1,447.0	1,679.7	244.8	687.7
Outstanding purchase price receivables from the sale of properties	24,415.8	24,415.8	0.0	0.0	30,046.0
Outstanding purchase price receivables from the sale of shares	69,271.0	69,271.0	0.0	0.0	52,087.0
Costs for the procurement of funds	1,104.5	116.7	387.7	600.1	1,229.0
Miscellaneous	182,238.2	40,805.2	141,433.0	0.0	64,900.0
Total	794,654.1	592,845.5	149,701.8	52,107.0	429,223.4

Miscellaneous current receivables include receivables totalling TEUR 1,903.1, which were recorded by IMV Lagerhaus GmbH in connection with repayment claims by the sellers of the limited partnership interests and are based on regulations for the adjustment of purchase prices. This category also includes a receivable of TEUR 1,538.9, which represents VAT due to CEREP Poseidon A7 CAS. VTI Varna Trade Invest OOD holds a receivable of TEUR 1,149.2 that was deposited to a trust account and is intended for the purchase of land. "Wienerberg City" Errichtungsges.m.b.H. holds miscellaneous receivables totalling TEUR 2,494.2, which represent settlement receivables due to the company from its partners. Other receivables from financing transactions include deposits and trust receivables of TEUR 618,330.4 (2006/07 282,350.6) that carry normal market interest rates.

Miscellaneous non-current receivables include receivables of TEUR 3,121.4 due to Caterata Limited from investments consolidated at equity. "Wienerberg City" Errichtungsges.m.b.H. holds miscellaneous receivables of TEUR 1,991.4 that resulted from a settlement with a business partner.

The following table shows the age structure of trade accounts receivable:

All amounts in TEUR	30 April 2008	Thereof neither impaired nor overdue	Thereof not impaired and due within the following time periods			
			Up to 3 months	Between 3 and 6 months	Between 6 and 12 months	Over 12 months
Trade accounts receivable (rents)	36,067.7	12,001.4	18,572.8	415.2	1,467.9	3,610.4
Trade accounts receivable (other)	35,393.9	30,759.5	3,813.6	93.7	601.0	126.1
Total	71,461.6	42,760.9	22,386.4	508.9	2,068.9	3,736.5

All amounts in TEUR	30 April 2007	Thereof neither impaired nor overdue	Thereof not impaired and due within the following time periods			
			Up to 3 months	Between 3 and 6 months	Between 6 and 12 months	Over 12 months
Trade accounts receivable (rents)	38,549.6	19,324.9	10,235.8	3,765.6	1,972.8	3,250.5
Trade accounts receivable (other)	26,954.7	25,741.3	426.5	432.7	97.2	257.0
Total	65,504.3	45,066.2	10,662.3	4,198.3	2,070.0	3,507.5

The risk associated with trade accounts receivables due from tenants and customers is low because the credit standing of all tenants and customers is monitored on a regular basis and no tenant or customer is responsible for more than 5% of total receivables. In cases where receivables carry a risk of default, an impairment charge is recognised. Impairment charges were recognised to receivables of TEUR 4,781.6 (2006/07: TEUR 5,315.0) during the reporting year, which means that all uncollectible receivables had been written off as of the balance sheet date. The results of these write-offs are included on the income statement under the position “expenses related to properties”.

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.

3.3.6 Current financial instruments

In accordance with IAS 39, current financial instruments are classified as held for trading and carried as fair value or the quoted market price as of the balance sheet date. All purchases and sales are recognised on the settlement date, i.e. the date on which the asset is transferred. Temporary fluctuations in market value are recognised to the income statement. **IAS 7.7**

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

Current securities of TEUR 502,675.2 (2006/07: TEUR 657,036.0) have a remaining term of less than three months. These securities are comprised primarily of short-term investments in fixed interest bonds issued by the Federal Republic of Germany (BRD) and the Republic of France (F).

3.3.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, funds-in-transit and deposits with financial institutions. These items are recorded at their actual value as of the balance sheet date and equalled TEUR 756,578.1 as of 30 April 2008 (2006/07: TEUR 1,000,016.0).

3.3.8 Financial liabilities

Financial liabilities are generally measured at amortised cost. Liabilities are recorded at the amount of funds received less transaction costs. Any premium, discount or other difference (e.g. costs for the procurement of funds) 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. The effective interest rate method is not used for immaterial differences; these differences are allocated on a straight-line basis over the term of the liability. **IAS 39.47**

Combined financial instruments, which contain both equity and liability components, must be accounted for separately. Financial instruments may be comprised of a non-derivative host contract and a derivative financial instrument. An embedded derivative must be recorded separately from the host contract.

The following table shows the classification of financial liabilities by term as of 30 April 2008 and 30 April 2007:

All amounts in TEUR	30 April 2008	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2007
Liabilities arising from the issue of convertible bonds	1,299,944.1	35,945.0	0.0	1,263,999.1	700,557.6
Amounts due to financial institutions	4,095,573.1	383,111.2	1,357,418.7	2,355,043.2	3,406,268.8
Thereof guaranteed	0.0	0.0	0.0	0.0	0.0
Thereof secured by collateral	3,889,161.8	356,343.7	1,281,675.6	2,251,142.5	3,266,811.9
Thereof not secured by collateral	206,411.3	26,767.5	75,743.1	103,900.7	139,456.9
Amounts due to local authorities	378,868.0	17,872.4	75,228.4	285,767.2	376,098.2
Finance lease liabilities	83,828.5	10,652.0	45,074.5	28,102.0	94,008.7
Liabilities arising from the issue of bonds	3,063.6	152.9	2,910.7	0.0	3,084.4
Contingent liabilities arising from the purchase of companies	0.0	0.0	0.0	0.0	3,381.5
Financial liability, limited partnership interest	7,400.1	7,400.1	0.0	0.0	17,648.9
Other financial liabilities	60,227.5	27,898.4	9,015.6	23,313.5	110,281.6
Total	5,928,904.9	483,032.0	1,489,647.9	3,956,225.0	4,711,329.7

All amounts in TEUR	30 April 2007	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2006
Liabilities arising from the issue of convertible bonds	700,557.6	3,799.9	27,811.6	668,946.1	97,939.9
Amounts due to financial institutions	3,406,268.7	245,534.7	939,607.1	2,221,126.9	2,586,750.2
Thereof guaranteed	0.0	0.0	0.0	0.0	0.0
Thereof secured by collateral	3,266,811.8	223,856.1	892,706.3	2,150,249.4	2,425,919.1
Thereof not secured by collateral	139,456.9	21,678.6	46,900.8	70,877.5	160,831.1
Amounts due to local authorities	376,098.2	14,471.0	71,340.2	290,287.0	374,252.2
Finance lease liabilities	94,008.7	12,243.3	43,588.1	38,177.3	74,684.2
Liabilities arising from the issue of bonds	3,084.4	153.1	2,931.3	0.0	3,106.0
Contingent liabilities arising from the purchase of companies	3,381.5	3,381.5	0.0	0.0	3,381.5
Financial liability, limited partnership interest	17,648.9	17,648.9	0.0	0.0	14,171.3
Other financial liabilities	110,281.7	99,724.7	1,771.6	8,785.4	19,361.4
Total	4,711,329.7	396,957.1	1,087,049.9	3,227,322.7	3,173,646.7

The annual general meeting on 27 September 2007 authorised the Executive Board, contingent upon the approval of the Supervisory Board, to issue convertible bonds in accordance with § 174 (2) of the Austrian Stock Corporation Act, within a period of five years beginning on the date this resolution was passed. These convertible bonds will carry exchange or subscription rights for up to 151,060,596 shares of bearer common stock and have a proportional share of up to EUR 156,828,594.90 in share capital. The convertible bonds may also be issued in multiple segments, with or without the exclusion of subscription rights, up to a total nominal amount of EUR 2,250,000,000.00. Furthermore, the Executive Board is authorised, contingent upon the approval of the Supervisory Board, to determine all other conditions for the issue and conversion of the convertible bonds.

This annual general meeting also authorised a conditional increase of up to EUR 156,828,594.90 in share capital in accordance with § 159 (2) 1 of the Austrian Stock Corporation Act, through the issue of up to 151,060,596 shares of new bearer stock to grant conversion or subscription rights to the subscribers of the convertible bonds.

A total of 7,500 convertible bonds with a nominal value of EUR 100,000.00 each were issued on 19 November 2007. The interest rate for the bonds was set at 1.25% per year, and the term will end on 19 November 2017. Each convertible bond with a nominal value of EUR 100,000.00 carries subscription rights to 10,799 shares of new bearer common stock in IMMOFINANZ. The bondholders may exercise their conversion rights at any time between

2 January 2008 and 9 November 2017 by signing a statement of conversion. Furthermore, the bondholders have the right to put their entire holdings of convertible bonds or individual bond certificates prematurely between 19 November 2012 and 19 November 2014, in keeping with a notice period of at least 10 days. The company is entitled to call the bonds in full but not in part at any time on or after 3 December 2014 in keeping with a minimum notice period of 30 days and a maximum notice period of 90 days when the price of the IMMOFINANZ share exceeds 130% of the applicable conversion price on at least 20 trading days within a period of at least 30 trading days, which do not end less than five trading days before the call announcement.

The annual general meeting on 28 September 2006 authorised the Executive Board to issue convertible bonds with a total nominal value of up to EUR 750,000,000.00 within a period of five years, contingent upon approval by the Supervisory Board. These convertible bonds will carry exchange or subscription rights for up to 55,940,125 shares of bearer common stock and have a proportional share of up to EUR 58,076,106.11 in share capital. This authorisation also allows the Executive Board to carry out a conditional increase of up to EUR 58,076,106.11 in share capital through the issue of up to 55,940,125 shares of new bearer common stock to grant conversion or subscription rights to the holders of the convertible bonds.

In accordance with this authorisation, 7,500 convertible bonds with a nominal value of EUR 100,000.00 each were issued on 19 January 2007. The interest rate was set at 2.75% per year and the term of the bonds will end on 20 January 2014. Each convertible bond with a nominal value of EUR 100,000.00 carries subscription rights to 6,811.9891 shares of new bearer common stock in IMMOFINANZ. The bondholders may exercise their conversion rights at any time between 1 March 2007 and 9 January 2014 by signing a statement of conversion. Furthermore, the bondholders have the right to put their entire holdings of convertible bonds or individual bond certificates prematurely on 19 January 2012 in keeping with a notice period of at least 10 days.

The company is entitled to call the bonds in full but not in part at any time on or after 19 January 2011 in keeping with a minimum notice period of 30 days and a maximum notice period of 90 days when the price of the IMMOFINANZ share exceeds 130% of the applicable conversion price on at least 20 trading days within a period of at least 30 trading days, which do not end less than five trading days before the call announcement.

The extraordinary annual general meeting on 18 June 2001 authorised the Executive Board to issue up to 150,000 interest-bearing bearer convertible bonds with a nominal value of EUR 1,000.00 each at an issue price of 98% within a period of four years. These convertible bonds may be exchanged for shares in the company, in observance of the legal subscription rights of shareholders. The holders of the convertible bonds received the irrevocable right to exchange the securities at the end of their term for bearer shares in the company, which carry dividend rights beginning with the financial year in which the bonds are converted; each bond shall be convertible into 150 shares.

A total of 100,000 convertible bonds with a nominal value of EUR 1,000.00 each were issued on 31 August 2001 based on this resolution. These convertible bonds carry an interest rate of 4% per year.

In order to guarantee bondholders the irrevocable right to exchange these securities for shares in the company, the extraordinary general meeting on 18 June 2001 also authorised a conditional increase in share capital from EUR 116,152,213.26 by up to EUR 23,359,125.27 through the issue of up to 22,500,000 shares of bearer stock with zero par value and dividend rights beginning with the financial year in which the bonds are converted.

In accordance with a resolution of the Executive Board on 30 January 2007 and a resolution of the Supervisory Board on 31 January 2007, 15 March 2007 was designated as an additional conversion date. The conversion of 74,050 convertible bonds on 15 March 2007 resulted in the allocation of 11,480,447 new shares to the former bondholders.

These convertible bonds represent structured financial instruments as defined in IAS 32.23, whose equity and liability components must be classified separately.

- IAS 32.26** The derivative component as defined in IAS 32.26 (call option of IMMOFINANZ, put option of the bondholders) of the convertible bonds issued by IMMOFINANZ equalled TEUR 114,238.1 as of 30 April 2008. Of this amount, TEUR 32,593.6 is attributable to the IMMOFINANZ convertible bond 2007-2014 and TEUR 81,644.5 to the IMMOFINANZ convertible bond 2007-2017.
- IAS 32.23** In 2007/08 the equity component of the 2007-2017 convertible bonds was valued at TEUR 84,699.7, while the equity component of the 2007-2014 convertible bonds was valued at TEUR 45,075.9 after taxes. The equity component of the 2001-2008 convertible bonds was valued at TEUR 4,158.7 after taxes. These three amounts were recorded to the share premium account.

The fair value of the convertible bonds as of 30 April 2008 was TEUR 1,290,223.5 (2006/07: TEUR 824,893.5).

Other financial liabilities are comprised primarily of amounts due to joint venture partners.

Miscellaneous current financial liabilities include TEUR 8,737.2 due to Veronia Shelf s.r.o. and TEUR 1,477.2 due to S.C. Union Investitii S.r.l. This category also includes a loan of TEUR 7,690.5 that was granted to IMMOEAST Projekt Caelum Holding GmbH.

Miscellaneous mid-term financial liabilities represent financial liabilities due to SC EFG Urban Achizitii s.r.l (TEUR 985.9), S.C. Retail Development Invest 1 s.r.l. (TEUR 2,009.6) and C+D Errichtungsges.m.b.H. (TEUR 2,907.0).

Miscellaneous non-current financial liabilities include amounts due to the following companies: SELICASTELLO BETA Liegenschaftsbesitz GmbH (TEUR 1,176.0), SELICASTELLO GAMMA Liegenschaftsbesitz GmbH (TEUR 3,868.2), Polus Transilvania Companie de Investitii S.A. (TEUR 5,417.6), Deutsche Lagerhaus siebzehnte Objekt GmbH u. Co KG (TEUR 4,640.0) and Greenfield Logistikpark Süd GmbH & Co. KG (TEUR 5,161.5).

An overview of the conditions of the major financial liabilities is provided at the end of the notes to the consolidated financial statements.

The present value of the loans listed in the above table totals EUR 3,640.7 million. The present value calculation was based on the following discount rates, which reflect market interest rates as of 30 April 2008 as well as the weighted average margins of the loans held by IMMOFINANZ Group companies in the relevant local currencies as of the balance sheet date.

2007/08	RON	PLN	CZK	CHF	EUR	USD	HUF	RSD
Discount rates in %								
up to 30.7.2008	14.777%	6.250%	6.903%	5.035%	6.641%	4.481%	8.880%	10.930%
up to 30.4.2009	15.022%	6.640%	7.263%	5.325%	6.741%	4.716%	9.880%	11.150%
up to 30.4.2011	15.488%	6.060%	6.843%	5.386%	6.931%	5.062%	9.270%	11.569%
up to 30.4.2013	15.488%	5.900%	6.883%	5.486%	6.931%	5.469%	8.930%	11.569%
up to 30.4.2015	15.660%	5.820%	6.943%	5.606%	7.001%	5.755%	8.680%	11.724%
up to 30.4.2018	16.052%	5.780%	7.163%	5.799%	7.161%	6.036%	8.400%	12.077%
up to 30.4.2023	16.542%	5.995%	7.329%	5.933%	7.361%	4.801%	8.688%	12.518%
as of 1.5.2023	16.714%	6.071%	7.387%	5.980%	7.431%	5.062%	8.788%	12.672%

The following table shows the conditions as of 30 April 2007:

2006/07						
Discount rates in %	RON	PLN	CZK	CHF	EUR	USD
up to 30.7.2007	3.521%	5.983%	4.285%	4.004%	5.600%	6.914%
up to 30.4.2008	4.249%	6.303%	4.480%	4.175%	5.892%	6.853%
up to 30.4.2010	4.475%	6.402%	4.541%	4.228%	5.983%	6.561%
up to 30.4.2012	4.501%	6.414%	4.547%	4.234%	5.993%	6.599%
up to 30.4.2014	4.553%	6.437%	4.561%	4.246%	6.014%	6.673%
up to 30.4.2017	4.709%	6.505%	4.603%	4.283%	6.077%	6.778%
up to 30.4.2022	4.942%	6.608%	4.666%	4.338%	6.170%	6.883%
as of 1.5.2022	5.046%	6.654%	4.694%	4.362%	6.212%	6.930%

3.3.9 Trade accounts payable

Similar to other liabilities, trade accounts payable meet the definition criteria for financial instruments and are regulated in IAS 39.

All amounts in TEUR	30 April 2008	Thereof	Thereof	Thereof	30 April 2007
		remaining term under 1 year	remaining term between 1 and 5 years	remaining term over 5 years	
Trade accounts payable	85,488.4	78,353.0	6,911.8	223.6	135,022.1
Total	85,488.4	78,353.0	6,911.8	223.6	135,022.1

All amounts in TEUR	30 April 2007	Thereof	Thereof	Thereof	30 April 2006
		remaining term under 1 year	remaining term between 1 and 5 years	remaining term over 5 years	
Trade accounts payable	135,022.1	131,549.4	3,314.4	158.3	99,870.5
Total	135,022.1	131,549.4	3,314.4	158.3	99,870.5

3.3.10 Other liabilities

Similar to trade accounts payable, other liabilities also meet the definition criteria for financial instruments and are regulated in IAS 39.

All amounts in TEUR	30 April 2008	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2007
Fair value of derivative financial instruments (liabilities)	123,234.0	123,234.0	0.0	0.0	37,903.7
Rental and lease prepayments	47,864.0	33,877.9	11,431.5	2,554.6	32,987.9
Taxation authorities (transaction taxes)	11,487.2	11,487.2	0.0	0.0	9,602.5
Property management	9,000.9	8,901.7	99.2	0.0	7,900.9
Amounts due to joint venture partners	6.0	6.0	0.0	0.0	10.7
Special dividend rights and silent partner investments	1,127.1	157.1	0.0	970.0	1,103.7
Amounts due to associated companies	1,100.9	67.3	1,033.6	0.0	1,623.8
Taxation authorities (income taxes)	1,551.2	1,551.2	0.0	0.0	962.0
Payments received for construction and refurbishing	21,838.8	18,353.5	2,659.9	825.4	6,913.1
Income from the sale of rental rights	173.1	173.1	0.0	0.0	348.0
Outstanding purchase prices (purchase of shares)	37,277.3	37,153.6	122.1	1.6	68,173.8
Outstanding purchase prices (purchase of properties)	18,251.5	16,266.2	1,985.3	0.0	172.7
Miscellaneous	196,900.4	106,495.7	36,065.1	54,339.6	238,591.8
Total	469,812.4	357,724.5	53,396.7	58,691.2	406,294.8

All amounts in TEUR	30 April 2007	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2006
Fair value of derivative financial instruments (liabilities)	37,903.7	37,903.7	0.0	0.0	4,275.9
Rental and lease prepayments	32,987.9	24,514.9	4,702.9	3,770.1	18,392.9
Taxation authorities (transaction taxes)	9,602.5	9,597.7	3.6	1.2	21,592.1
Property management	7,900.9	7,869.1	31.7	0.0	6,473.2
Amounts due to joint venture partners	10.7	2.2	0.0	8.5	1,811.3
Special dividend rights and silent partner investments	1,103.7	157.0	0.0	946.6	1,103.7
Amounts due to associated companies	1,623.8	1,623.8	0.0	0.0	3,866.5
Taxation authorities (income taxes)	962.0	962.0	0.0	0.0	461.7
Payments received for construction and refurbishing	6,913.1	1,471.0	3,930.4	1,511.7	5,530.9
Income from the sale of rental rights	348.0	168.2	130.8	49.1	245.3
Outstanding purchase prices (purchase of shares)	68,173.8	66,608.0	1,565.8	0.0	31,332.7
Outstanding purchase prices (purchase of properties)	172.7	172.7	0.0	0.0	52,362.5
Miscellaneous	238,591.8	45,660.6	154,680.0	38,251.2	49,399.1
Total	406,294.8	196,711.1	165,045.3	44,538.3	196,847.8

Miscellaneous current liabilities include accruals for prepayments received in connection with the sale of apartments by Silesia Residential Project Sp z o.o. (TEUR 10,686.5) and Debowe Terasy Sp z. o.o. II sp.k. (TEUR 4,968.7). This category also includes other liabilities of TEUR 1,075.5, which represent rental deposits received by Nowe Centrum Sp. z o.o. In addition, Greenfield Logistikpark West GmbH & Co KG has recognised other liabilities of TEUR 1,628.9 to represent the remaining payment obligation for a development project. Miscellaneous current liabilities recorded by BUWOG Bauen und Wohnen Gesellschaft mbH and ESG Wohnungsgesellschaft mbH Villach include discounted financing of TEUR 2,485.1 and TEUR 820.2, respectively. The present value of derivative financial liabilities includes the derivative component of the convertible bonds.

Miscellaneous mid-term liabilities include VAT liabilities of TEUR 7,160.8 and TEUR 2,664.9 owed by CEREP Poseidon A13 and CEREP Poseidon A7 SAS. For BUWOG Bauen und Wohnen Gesellschaft mbH and ESG Wohnungsgesellschaft mbH Villach, this category includes discounted financing of TEUR 8,925.3 and TEUR 2,946.7, respectively.

Miscellaneous non-current liabilities include liabilities of TEUR 4,639.9 and TEUR 5,161.6 from Deutschen Lagerhaus siebzehnte Objekt GmbH u. Co. KG and Greenfield Logistikpark Süd GmbH & Co. KG, which resulted from the capitalisation of heritable rights to a building site and the corresponding recognition of a liability equal to the present value of future lease payments. This category also includes the non-current component of discounted financing from BUWOG Bauen und Wohnen Gesellschaft mbH (TEUR 10,719.3) and ESG Wohnungsgesellschaft mbH Villach (TEUR 3,518.4).

3.4 Associated companies

Ten companies were included in the 2007/08 consolidated financial statements at equity, whereby the investment in one company was sold during the reporting year. IAS 28.7

The requirement for application of the equity method is the existence of significant influence. This is usually evidenced by one or more of the following factors:

- Representation of the investor on the board of directors and/or supervisory body or a similar governing body of the investee
- Participation in policy-making processes
- Material transactions between the investor and the investee
- Interchange of managerial personnel or
- Provision of essential technical information.

Potential voting rights are to be considered in determining whether the requirements for significant influence are met. In contrast, the actual exercise of control is not required IAS 28.9

Significant influence as defined in IAS 28.6 is considered to exist when the stake owned in a company equals 20% or more of the voting power, but this presumption can be refuted. IMMOFINANZ holds stakes of more than 20% in the net assets of the following companies, which were not classified as associated companies: IAS 28.6

- Prime Property BG REIT, Bulgaria (42.24%)
- FF&P Russia Real Estate Limited, Guernsey (37.11%)
- Global Emerging Property Fund L.P., Jersey (25%)
- FF&P Development Fund (32.12%)
- Adama Holding Public Ltd. (33.85%)
- Bluehouse Accession Property Ltd. (19.67%)
- M.O.F. Immobilien AG (20%)
- M.O.F. Beta Immobilien AG (20%)
- Heitman Russia and Ukraine Property Partners, LLC (33.33%)
- Europa Emerging Europe Fund, L.P. (25.93%)
- Dikare Holding Ltd. (22%)

The presumption of association is refuted by the absence of employees or corporate bodies of IMMOFINANZ on the managing bodies of the above companies as well as the quorum of shareholders that is required to pass resolutions.

The financial statements of companies included at equity are generally prepared as of the same balance sheet date as the parent company. The preparation of these statements on a different balance sheet date and the inclusion of any adjustments for significant transactions is permitted when the balance sheet date used by the associated company varies by three months or less. IAS 28.24-25

The consolidated financial statements of TriGránit Holding Ltd. have a balance sheet date of 31 December 2007, which means the three-month rule is not followed in this case. However, non-compliance with this rule has no material effect on these consolidated financial statements.

The cost and carrying values of shares in associated companies as of 30 April 2008 and 30 April 2007 are comprised of the following:

30 April 2008

All amounts in TEUR	European Property Group	TriGránit Holding Ltd.	TriGránit Centrum a.s.	GAIA Real Estate Holding S.A.	Bulreal EAD	Wixano Investments Limited	Cernica Residential Park s.r.l.	SIA Unico	NOA D Invest s.r.l.	Immo-finanz Gamma	Total
Cost as of 1 May	19,783.5	354,119.1	4,140.5	0.0	0.0	0.0	0.0	0.0	0.0	328.2	378,371.3
Additions		50,787.2	0.2	11,679.4	48,290.4	19,550.0	6.2	3,138.5	1.5	0.0	133,453.4
Disposals	-19,783.5	0.0	0.0		0.0		0.0	0.0	0.0	0.0	-19,783.5
Cost as of 30 April	0.0	404,906.3	4,140.7	11,679.4	48,290.4	19,550.0	6.2	3,138.5	1.5	328.2	492,041.2
Carrying value as of 1 May	12,508.1	355,673.5	4,287.1	0.0	0.0	0.0	0.0	0.0	0.0	744.8	373,213.5
Additions		50,787.2	0.2	11,679.4	48,290.3	19,550.0	6.2	3,138.5	1.5	0.0	133,453.3
Disposals	-12,508.1									0.0	-12,508.1
Changes in shareholders' equity of associates		-756.3	18.9	-1,944.6		-319.7	8.4	-0.1	0.7	0.0	-2,992.7
Distributions	0.0									0.0	0.0
Share of profit/(loss) from investments in other companies	0.0	27,431.5	525.2	8,095.1	4,484.3	-204.7	0.0	1.5	0.0	0.0	40,332.9
Carrying value as of 30 April	0.0	433,135.9	4,831.4	17,829.9	52,774.6	19,025.6	14.6	3,139.9	2.2	744.8	531,498.9

30 April 2007

All amounts in TEUR	European Property Group	TriGránit Holding Ltd.	TriGránit Centrum a.s.	Mester Park Kft.	M.O.F. Immobilien AG	Immo-finanz Gamma	Total
Cost as of 1 May	19,783.5	0.0	0.0	9,562.3	3.8	328.2	29,677.8
Additions	0.0	354,119.1	4,140.5	0.0	0.0	0.0	358,259.6
Disposals	0.0	0.0	0.0	-9,562.3	-3.8	0.0	-9,566.1
Cost as of 30 April	19,783.5	354,119.1	4,140.5	0.0	0.0	328.2	378,371.3
Carrying value as of 1 May	13,342.4	0.0	0.0	8,228.1	3.8	1,357.8	22,932.1
Additions	0.0	354,119.1	4,140.5	0.0	0.0	0.0	358,259.6
Disposals	0.0	0.0	0.0	-8,228.1	-3.8	0.0	-8,231.9
Changes in shareholders' equity of associates	155.5	0.0	10.7	0.0	0.0	0.0	166.2
Share of profit/(loss) from investments in other companies	-989.8	1,554.4	135.9	0.0	0.0	-613.0	87.6
Carrying value as of 30 April	12,508.1	355,673.5	4,287.1	0.0	0.0	744.8	373,213.6

As of 30 April 2008 shares in associated companies include the following: a 25% stake in TriGránit Holding Ltd. and TriGránit Centrum a.s., a 33.3% stake in GAIA Real Estate Holding S.A., a 49% stake in Bulreal EAD, a 25.03% stake in Wixano Investments Limited, a 15% stake in Cernica Residential Park s.r.l., a 20% stake in SIA Unico, a 20% stake in NOA D Invest s.r.l. and a 99.16% stake in Immofinanz Gamma Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H. Immofinanz Gamma Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H is an atypical silent partnership investment.

IAS 28.39 The proportional share of changes in the equity of associated companies, which were included in the consolidated financial statements without recognition through profit or loss in accordance with IAS 28.11, comprises foreign currency differences of TEUR -1,568.8 (2006/07: TEUR 61.0).

The aggregated net assets of associated companies are as follows:

30 April 2008

All amounts in TEUR	TriGránit Holding Ltd. ¹⁾	TriGránit Centrum a.s.	GAIA Real Estate Holding S.A.	Bulreal EAD	SIA Unico	Cernica Residential Park s.r.l.	NOA D Invest s.r.l.	Wixano Investments Limited	Immo-finanz Gamma
Property	256,021.0	36,210.7	0.0	104,065.8	0.0	0.0	0.0	60,702.0	7,256.4
Other non-current assets	454,549.0	138.3	35,291.7	20,338.8	51.1	0.0	13.3	36,983.4	0.0
Current assets	111,829.0	2,975.8	77,330.7	2,008.5	3,600.2	15,064.2	597.8	15,382.2	11.4
Total assets	822,399.0	39,324.8	112,622.5	126,413.1	3,651.3	15,064.2	611.1	113,067.6	7,267.8
Equity	329,142.0	3,361.5	32,030.9	95,418.4	-163.1	-1,179.3	-71.2	60,103.2	306.3
Non-current liabilities	431,266.0	28,242.3	79,822.8	27,552.4	3,747.4	16,237.3	655.2	49,077.1	6,883.9
Current liabilities	61,991.0	7,721.0	768.8	3,442.3	67.0	6.2	27.1	3,887.3	77.6
Total equity and liabilities	822,399.0	39,324.8	112,622.5	126,413.1	3,651.3	15,064.2	611.1	113,067.6	7,267.8

1) 31 December 2007

30 April 2007

All amounts in TEUR	European Property Group	TriGránit Holding Ltd. ²⁾	TriGránit Centrum a.s.	Immo-finanz Gamma
Property	567.0	109,063.0	13,443.8	7,989.0
Other non-current assets	121,013.0	233,787.0	24.1	0.0
Current assets	12,666.0	97,585.0	2,355.2	1,700.5
Total assets	134,246.0	440,435.0	15,823.1	9,689.5
Equity	69,529.0	169,968.0	1,183.7	574.7
Non-current liabilities	61,324.0	241,607.0	9,797.5	4,213.8
Current liabilities	3,393.0	28,860.0	4,841.9	4,901.0
Total equity and liabilities	134,246.0	440,435.0	15,823.1	9,689.5

2) 31 December 2006

The aggregated income statement for the associated companies is as follows:

2007/08

All amounts in TEUR	TriGránit Holding Ltd. ¹⁾	TriGránit Centrum a.s.	GAIA Real Estate Holding S.A.	Bulreal EAD	SIA Unico	Wixano Investments Limited	Immo-finanz Gamma
Revenues	18,921.0	0.0	0.0	532.2	0.0	605.9	541.1
Operating profit	140,747.0	1,622.5	-905.7	8,076.0	-0.8	-509.7	91.7
Financial results	-9,164.0	976.7	-2,094.5	-956.2	9.6	-340.7	-351.7
Earnings before tax	131,583.0	2,599.2	-3,000.2	7,119.8	8.8	-850.4	-260.0

1) 31 December 2007

2006/07

All amounts in TEUR	European Property Group	TriGránit Holding Ltd. ²⁾	TriGránit Centrum a.s.	Immo-finanz Gamma
Revenues	3,110.0	4,320.0	0.0	543.3
Operating profit	-4,578.0	28,149.0	-336.1	-278.1
Financial results	127.0	-8,893.0	1,032.1	-292.9
Earnings before tax	-4,451.0	19,256.0	696.0	-571.0

2) 31 December 2006

The investments in NOA D Invest s.r.l. and Cernica Residential Park s.r.l. were acquired as of 15 April 2008. These companies did not carry out any material business transactions during the period up to 30 April 2008. The opening balance was therefore used for the consolidation at equity as of the balance sheet date, and income statements are not available for these two companies.

3.5 Taxes

The corporate tax rate applicable to the parent company IMMOFINANZ equalled 25% as of the balance sheet date.

The 2005 tax reform in Austria gave companies the option to create tax groups. IMMOFINANZ has made use of this option since 2004/05, initially through the establishment of three groups.

The tax group of IMMOEAST AG was dissolved during the reporting year. A tax and group assessment agreement dated 30 April 2008 as well as applications by the members of the Group on this same date integrated the former members of the IMMOEAST Group and IMMOEAST AG, as a member of the group, into the tax group of IMMOFINANZ.

In accordance with the agreement concluded on 30 April 2008, the taxable income or loss generated by the individual members of the group is allocated to IMMOFINANZ AG, as the head of the group, after an offset against any (pre-tax group) losses. A tax charge is included in the group contract as settlement for the transfer of taxable income. The tax charge generally equals 12.5% of allocated taxable income.

3.5.1 Income taxes

This item includes income taxes paid or owed by Group companies as well as provisions for deferred taxes.

All amounts in TEUR	2007/08	2006/07
Income tax expense	35,486.7	16,812.8
Deferred taxes	144,739.7	171,889.0
Total	180,226.4	188,701.8

The difference between calculated income tax expense and actual income expense for 2007/08 as shown on the income statement is due to the following factors:

All amounts in TEUR	2007/08		2006/07	
Earnings before tax	555,264.2		913,569.5	
Income tax expense at tax rate of 25%	-138,816.0		-228,392.4	25.0%
Changes in tax rates	6,267.2	-1.1%	0.0	0.0%
Foreign tax rate differential	16,812.1	-3.0%	28,625.2	-3.1%
Tax-free income from investments in other companies and non-deductible expenses	-1,837.3	0.3%	8,853.8	-1.0%
Impairment charges to deferred taxes	-26,838.0	4.8%	-92.1	0.0%
Deferred tax assets not recognised	-4,937.0	0.9%	-3,326.6	0.4%
Carrying value of losses that can be capitalised without recognition through profit or loss	0.0	0.0%	23,206.8	-2.5%
Loss carryforwards not capitalised	3,407.4	-0.6%	0.0	0.0%
Amortisation of goodwill/reversal of negative goodwill	-25,525.0	4.6%	-16,643.9	1.8%
Effects related to other periods and other non-temporary differences	-8,759.8	1.6%	-932.6	0.1%
Effective tax rate	-180,226.4	32.5%	-188,701.8	20.7%

3.5.2 Deferred taxes

In accordance with the balance sheet liability method required by IAS 12, deferred taxes are calculated on all temporary differences between the carrying amount of an asset or liability in the IFRS consolidated financial statements and its tax base in the individual company financial statements. Temporary differences can be:

IAS 12.15 in connection with IAS 12.47 IAS 12.5

- taxable temporary differences, which are temporary differences that will result in taxable amounts in the determination of taxable profit (tax loss) in future periods, when the carrying amount of the asset or liability is recovered or settled; or
- deductible temporary differences, which are temporary differences that will result in amounts that are deductible for the determination of taxable profit (tax loss) in future periods, when the carrying amount of the asset or liability is recovered or settled.

A deferred tax asset or deferred tax liability must be recorded for each taxable temporary difference unless the difference arises from the initial recognition of goodwill or the initial recognition of an assets or liability in a transaction that:

IAS 12.15

- is not a business combination and
- at the time of the transaction, affects neither accounting profit (before tax) nor taxable profit (tax loss).

Deferred tax assets and deferred tax liabilities as of 30 April 2008 and 30 April 2007 are the result of the following timing differences in valuation or accounting treatment between the carrying values in the consolidated financial statements under IFRS and the related tax bases:

IAS 12.81 (g) IAS 12.82

All amounts in TEUR	30 April 2008		30 April 2007	
	Assets	Liabilities	Assets	Liabilities
Property	51,572.5	1,097,652.6	42,449.0	857,526.3
Other financial assets and miscellaneous assets	39,888.4	42,998.2	7,211.7	20,624.9
Total	91,460.9	1,140,650.8	49,660.7	878,151.2
Other liabilities and provisions	14,121.9	50,651.0	2,290.6	36,699.1
Financial liabilities	15,613.4	33,707.9	16,297.2	30,079.4
Total	29,735.3	84,358.9	18,587.8	66,778.5
Tax loss carryforwards	27,641.0	0.0	48,806.8	0.0
Net sum of deferred tax assets and deferred tax liabilities	148,837.2	1,225,009.7	117,055.3	944,929.7
Net sum of deferred tax assets and deferred tax liabilities due to the same taxation authority	-89,096.5	-89,096.5	-32,423.6	-32,423.6
Net sum of deferred tax assets and deferred tax liabilities	59,740.7	1,135,913.2	84,631.7	912,506.1

Deferred tax assets were created for tax loss carryforwards in cases where it is probable that sufficient taxable income will be available to utilise these tax loss carryforwards in the future.

IAS 12.24

Deferred tax assets and deferred tax liabilities are offset in Austria when a group taxation agreement is in effect and taxable income can therefore be allocated to the head company of the group. There are no integrated company relationships or group taxation conglomerates outside Austria, and an offset is therefore excluded in these cases.

In accordance with IAS 1.51, the classification of deferred taxes as non-current – i.e. under non-current assets or non-current liabilities – is based on the term of these items.

IAS 1.51

3.5.3 Measurement

The calculation of deferred taxes is based on the tax rates that will apply or are expected to apply in the individual countries at the point of realisation. The tax laws enacted or substantively enacted as of the closing date are also taken into account. The calculation of deferred taxes for Austrian companies is based on a tax rate of 25%. For foreign companies, the relevant local tax rate is applied.

The tax rates in the individual countries are listed below:

Country	Applicable tax rate 2007/2008	Applicable tax rate 2006/2007
Bosnia and Herzegovina	10.00%	10.00% ¹⁾
Bulgaria	10.00%	10.00%
Cayman Islands	-	-
Germany	15.83%–29.83%	26.38%–40.86% ²⁾
Estonia	26.58%	28.21% ³⁾
France	33.33%	33.33%
Gibraltar	33.00%	33.00%
Italy	27.50%	33.00%
Croatia	20.00%	20.00%
Latvia	15.00%	15.00%
Luxembourg	29.63%	29.63%
Malta	35.00%	35.00%
Netherlands	25.50%	25.50%
Austria	25.00%	25.00%
Poland	19.00%	19.00%
Romania	16.00%	16.00%
Russia	24.00%	24.00%
Sweden	28.00%	28.00%
Serbia	10.00%	10.00%
Slovakia	19.00%	19.00%
Slovenia	22.00%	25.00%
Czech Republic	21.00%	24.00%
Turkey	20.00%	20.00%
Ukraine	25.00%	25.00%
Hungary	16.00%	16.00%
USA	15%–35%	15%–35% ⁴⁾
Cyprus	10.00%	10.00%

1) Republika Srpska

2) The tax rate in Germany can vary, depending on whether a company is subject to trade tax

3) Applies only to distributions; retained earnings are not taxed.

4) The taxable income of corporations in the USA is taxed at the brackets defined in federal tax law, whereby the corporate tax rate ranges from 15% to 35%.

In Estonia, corporate profits are only taxed if they are distributed. Retained earnings are not taxed. A change in the corporate income tax act during June 2005 will lead to a gradual reduction of 1% per year in the Estonian corporate tax rate by 2009 and result in the following tax rates:

2008: $21/79 = 26.58\%$

2009: $20/80 = 25\%$

The 2008 tax reform in Germany reduced the corporate income tax rate from 25% to 15% beginning with the 2008 tax year. A reduction in the assessment base for trade tax from 5% to 3.5% was also enacted at the same time. These measures will decrease the maximum income tax for corporations to slightly less than 30% beginning in 2008.

A tax reform was approved in the Czech Republic, which will lower the corporate income tax rate to 21% in 2008, 20% in 2009 and 19% in 2010.

A tax reform in Slovenia will reduce the corporate income tax rate to 22% in 2008, 21% in 2009 and 20% in 2010.

The cantons and municipalities in Switzerland levy taxes at the following rates

Canton	Municipality	Applicable tax rate 2007/2008	Applicable tax rate 2006/2007
Zug	Zug	16.10%	16.10%
Zurich	Zurich	21.32%	21.32%
Graubünden	St. Moritz	18.90%	29.05%
Solothurn	Derendingen	22.76%	22.76%

In Switzerland, the federal law on direct taxes defines a proportional tax rate of 8.5% for corporate profits. The cantons apply different taxation methods, tax rates and tax bases.

An amendment to the tax law in Graubünden took effect on 1 January 2008 and reduced the effective tax rate from 29.05% to 18.90%

3.6 Shareholders' equity

The development of equity in IMMOFINANZ AG for the 2007/08 and 2006/07 financial years is shown on the Statement of Changes in Equity, which forms an integral part of the consolidated financial statements as of 30 April 2008.

Management views capital as equity defined under IFRS, which excludes the components of debt. IMMOFINANZ **IAS 1.124 B** is not subject to any external or supervisory regulations that require a minimum level of capital.

The share capital of IMMOFINANZ totalled EUR 476,527,653.59 as of 30 April 2008 (2006/07: EUR 476,527,653.59) and is divided into 459,001,443 (2006/07: 459,001,443) zero par value shares.

The classification of shares as of 30 April 2008 is as follows:

	Number of shares 30 April 2008	Share capital in EUR 30 April 2008	Number of shares 30 April 2007	Share capital in EUR 30 April 2007
Registered shares	6	6.23	6	6.23
Bearer shares	459,001,437	476,527,647.36	459,001,437	476,527,647.36
Total	459,001,443	476,527,653.59	459,001,443	476,527,653.59

The shares numbered 1 through 6 are registered shares, and are held by Constantia Privatbank Aktiengesellschaft, 1010 Vienna, Bankgasse 2; they may only be transferred to another party with the approval of the company. Each of these shares carries the right to nominate one member to the Supervisory Board.

The remaining shares are bearer shares and, similar to the registered shares, entitle the shareholders to participate in the annual general meetings and exercise their voting rights. Each bearer share carries the rights to one vote.

The annual general meeting on 27 September 2007 authorised the Executive Board, contingent upon the approval of the Supervisory Board, to issue convertible bonds in accordance with § 174 (2) of the Austrian Stock Corporation Act, within a period of five years beginning on the date this resolution was passed. These convertible bonds will carry exchange or subscription rights for up to 151,060,596 shares of bearer common stock and have a proportional

share of up to EUR 156,828,594.90 in share capital. The convertible bonds may also be issued in multiple segments, with or without the exclusion of subscription rights, up to a total nominal amount of EUR 2,250,000,000.00. Furthermore, the Executive Board is authorised, contingent upon the approval of the Supervisory Board, to determine all other conditions for the issue and conversion of the convertible bonds. The subscription rights of shareholders were excluded.

This annual general meeting also authorised a conditional increase of up to EUR 156,828,594.90 in share capital in accordance with § 159 (2) 1 of the Austrian Stock Corporation Act, through the issue of up to 151,060,596 shares of new bearer stock to grant conversion or subscription rights to the subscribers of the convertible bonds.

This conditional capital increase will only be carried out to the extent that the owners of the convertible bonds issued in accordance with the authorisation granted by the annual general meeting on 27 September 2007 make use of their conversion or subscription rights.

The share premium in the individual financial statements of IMMOFINANZ, which were prepared in accordance with Austrian commercial law, includes appropriated reserves of TEUR 2,377,427.1 (2006/07: TEUR 2,377,427.1) from capital increases made in accordance with § 229 (2) 1 of the Austrian Commercial Code in conjunction with § 130 (2) of the Austrian Stock Corporation Act. The unappropriated capital reserves total TEUR 18,560.3 (2006/07: TEUR 18,560.3).

IAS 12.81 (a) IMMOFINANZ did not carry out a capital increase during 2007/08. The capital increase carried out in 2006/07 generated a premium of TEUR 806,859.8, which was credited to the share premium account. Issue costs of TEUR 48,858.6 were charged to the share premium account after the deduction of taxes totalling TEUR 16,286.2.

Of the capital increase carried out by IMMOEAST AG, TEUR 1,404,467.0 (2006/07: TEUR 1,363,152.4) is shown under minority interests on the Statement of Changes in Equity. This amount represents the portion of the increase not subscribed by IMMOFINANZ.

Issue costs of TEUR 58,161.1 for the capital increase carried out by IMMOEAST AG in 2007/08 (2006/07: TEUR 59,207.0) were recognised directly under minority interests. This amount reflects the costs for the shares placed with third parties.

The statutory reserve pursuant to Austrian stock corporation law equalled TEUR 230.4 as of the balance sheet date (2006/07: TEUR 230.4).

Shareholders' equity also includes a revaluation reserve of TEUR 109,364.0 (2006/07: TEUR 108,688.1), which resulted from transition consolidations

3.6.1 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 issued shares

	30 April 2008	30 April 2007
Total number of shares	459,001,443	459,001,443
Weighted average number of shares	459,001,443	443,206,850
Net profit for the period in EUR	304,864,736	457,579,900
Basic earnings per share in EUR	0.66	1.03
Diluted earnings per share in EUR	0.62	1.00

The potential shares from the issue of the IMMOFINANZ convertible bond 2001-2008, the IMMOFINANZ convertible bond 2007-2014 and the IMMOFINANZ convertible bond 2007-2017 result in diluting effects.

The following table shows the weighted number of potential voting rights from the convertible bonds issued by IMMOFINANZ

	30 April 2008	30 April 2007
IMMOFINANZ convertible bond 2001–2008	3,519,553	13,490,243
IMMOFINANZ convertible bond 2007–2014	51,089,918	13,671,558
IMMOFINANZ convertible bond 2007–2017	36,070,430	0
Total potential voting rights for convertible bonds	90,679,901	27,161,801

3.7 Disclosures related to financial instruments and risk report

3.7.1 General information

IFRS 7.31 requires the disclosure of information that enables the users of financial statements to evaluate the nature and extent of risks arising from financial instruments to which the company is exposed as of the balance sheet date.

IFRS 7.32, in connection with IFRS 7.34, emphasises that the information to be disclosed should focus exclusively on the risks arising from financial instruments as well as the manner in which these risks are managed.

As an international corporation, IMMOFINANZ is exposed to various financial risks. The most important financial risks for the Group are associated with possible changes in foreign exchange rates, interest rates, and stock prices as well as the creditworthiness and liquidity of customers and business partners. The goal of IMMOFINANZ is to actively control these risks through systematic risk management.

In accordance with IAS 32 and IAS 39, a distinction is made between primary and derivative financial instruments.

Primary financial instruments include investments in other companies that are reported under financial assets as well as securities and similar rights, originated loans, trade accounts receivable, available-for-sale securities and deposits with financial institutions. Available-for-sale financial assets are carried at fair value; all other financial assets are shown at amortised cost. The determination of fair value is based on market prices or calculated in accordance with recognised valuation methods. Primary financial instruments recorded under liabilities are comprised primarily of financial liabilities and trade accounts payable, which are shown at amortised cost.

Derivative financial instruments are used to hedge the risk associated with fluctuations in foreign exchange rates and interest rates arising from business operations as well as risk associated with monetary investments and financing (see 3.3.3).

3.7.2 Risk report

3.7.2.1 Default/credit risk

Credit risk (default risk) is understood to represent the risk that one party to a financial instrument causes the other party to incur a financial loss by failing to meet a financial obligation. In accordance with IFRS 7.36, an entity must disclose – for each class of financial instrument – information on the maximum exposure to credit risk as of the balance sheet date without taking account of any collateral held or other enhancements and also provide a description of collateral received and any credit enhancements as well as information on the carrying value of the financial assets whose contract terms were amended and which would have been classified as past due or impaired under the previous contract terms. In accordance with IFRS 7.B9, the amounts offset in keeping with IAS 32.42 ff. and impairment charges as defined in IAS 39 should be deducted from the gross carrying value of financial assets. The remaining amount represents the maximum credit risk. Collateral held in security and other credit enhancements are not included in this calculation, but only disclosed separately (IFRS 7.36(b)).

Credit risks arise from the possibility that the counterparty to a transaction fails to meet his/her obligations, and the Group incurs financial damages as a result. The maximum credit risk for assets is represented by the amounts shown on the balance sheet. The risk of default associated with financial assets is reflected in impairment charges. The risk of default for IMMOFINANZ is low because the credit standing of customers is reviewed on a regular basis, and no single tenant is responsible for more than 5% of total outstanding receivables (see 3.3.5.). The risk associated with financial receivables is reflected in an appropriate adjustment to the discount rate.

The volume of primary financing instruments held by the Group is shown on the balance sheet, whereby the value of financial assets represents the maximum risk of default. The risk of default associated with other primary financing instruments and derivative financial instruments is also low because all financing transactions are concluded with financial institutions that have excellent credit ratings.

The most important instrument for the management and control of default risk is the diversity of the property portfolio and the selection of a suitable tenant structure for each property. The risk of default on receivables due from tenants is low because tenants are generally required to provide collateral (for residential properties: cash deposits; for commercial properties: bank guarantees or cash deposits) and the credit standing of tenants is monitored on a regular basis.

3.7.2.2 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate due to a change in market prices. There are three types of market risk: foreign exchange risk, interest rate risk and other price risks.

3.7.2.2.1 1 Foreign exchange risk

IMMOFINANZ is exposed to foreign exchange risk in two forms: fluctuations in foreign exchange rates can influence the results of valuations, and also have an impact on the asset position of the company

Effect on valuations

The results from companies located outside the Euro zone, which are included using full or proportionate consolidation, are translated based on the functional currency of the local company in accordance with the modified current rate method. The expert opinions on properties are prepared in Euros and fluctuations in exchange rates will influence the results from the revaluation of properties.

An increase in foreign exchange rates compared to the Euro will lead to higher Euro amounts in the fair values of investment properties than the amounts reflected in the expert opinions from the prior year. When the latest value is compared with the unchanged amount from a prior year expert opinion in Euro, the translation of the prior year Euro amount back into the functional currency (local currency) leads to a lower value – because of the higher exchange rate – and therefore to a write-down. If the value in the expert opinion rises, this foreign exchange effect reduces the upward potential for the valuation of the property; if the value in the expert opinion is lower, this effect increases the write-down.

A decline in foreign exchange rates compared to the Euro lead to lower Euro amounts in the fair values than the amounts shown in prior years when the fair values of properties are translated. When the latest value is compared with the unchanged amount from a prior year expert opinion in Euro, the translation of the prior year Euro amount back into the functional currency (local currency) leads to a higher value – because of the lower exchange rate – and therefore to a write-up. If the value in the expert opinion rises, this foreign exchange effect increases the upward for the valuation of the property; if the value in the expert opinion is lower, this effect reduces the write-down.

As of 30 April 2008 the net revaluation income recognised by IMMOFINANZ totalled TEUR 370,027.5 (2006/07: TEUR 749,716.3). This figure comprises revaluation income of TEUR 746,950.2 (2006/07: TEUR 898,985.9) and

impairment charges of TEUR 376,922.7 (2006/07: TEUR 149,269.7). Part of the impairment charges resulted exclusively from an increase in the value of the local currency compared with the Euro. This effect involved properties in Poland, the Czech Republic and Slovakia.

The following Group exchange rates were used for foreign currency translation as of 30 April 2008:

	HUF	PLN	CZK	SKK
Closing rate on 30 April 2008	253,320000	3,451500	25,205000	32,229000
Average rate	250,250000	3,616250	26,664000	32,978000
	RON	CYP	BGN	RSD
Closing rate on 30 April 2008	3,679000	0,585274	1,955800	80,820000
Average rate	3,504150	0,583937	1,955800	81,064500
	HRK	BAM	EEK	LVL
Closing rate on 30 April 2008	7,268100	1,956700	15,646600	0,698300
Average rate	7,314800	1,957900	15,646600	0,700700
	RUB	UAH	USD	CHF
Closing rate on 30 April 2008	36,832000	7,564100	1,554000	1,614700
Average rate	35,921000	7,191100	1,457250	1,630250
	SEK	TRY	GBP	MTL
Closing rate on 30 April 2008	9,357500	2,003	0,79015	0,4293
Average rate	9,254900	1,8754	0,741975	0,4293

The comparable exchange rates for 2006/07 are shown in the following table:

	HUF	PLN	CZK	ROL	RON
Closing rate on 30 April 2007	247,180000	3,781000	28,123000	33293,000000	3,329300
Average rate	255,630000	3,827850	28,271500	34021,500000	3,402150
	CYP	SKK	EEK	BGN	USD
Closing rate on 30 April 2007	0,582600	33,727000	15,646600	1,955800	1,360500
Average rate	0,579300	35,561000	15,646600	1,955800	1,307100
	CHF	RUB	HRK	UAH	BAM
Closing rate on 30 April 2007	1,645800	35,010000	7,361500	6,818100	1,959100
Average rate	1,608550	34,570000	7,361500	6,688975	1,951550
	CSD	SEK			
Closing rate on 30 April 2007	81,309000	9,152300			
Average rate	83,460000	9,177000			

A theoretical increase of 2.0% in the exchange rates of all countries versus the Euro as of the balance sheet date would have had a net positive effect of TEUR 369,560.7 (2006/07: TEUR 820,891.8). This amount comprises revaluations of TEUR 717,659.5 and impairment charges of TEUR 348,098.8.

A theoretical decrease of 2.0% in the exchange rates of all countries versus the Euro as of the balance sheet date would have resulted in a net positive impact of TEUR 370,513.3 (2006/07: TEUR 678,427.1). This amount comprises revaluations of TEUR 726,193.4 and impairment charges of TEUR 355,680.1.

Effect on the asset position

IAS 21 calls for the translation of monetary assets and liabilities at the average exchange rate in effect on the balance sheet date as well as the recognition of any gains or losses to the income statement. For this reason, fluctuations in exchange rates can have a direct impact on the asset position of the group.

The risk of devaluation associated with cash balances in foreign currencies is offset by the rapid conversion of these funds into the Euro or through investments in these currencies. In addition, the low USD cash balances are used for investments in USD to which the group is committed.

Another management instrument to minimise foreign exchange risk is the restrictive use of foreign currency credits in Europe. In this region, the risk arising from adverse foreign exchange effects is outweighed by the advantages of low interest rates.

In order to limit the foreign exchange risk associated with rental income, contractual agreements with tenants in countries where the functional currency is not the Euro generally call for the payment of rents in Euro or link the rental payments to the Euro exchange rate on particular dates.

Derivative financial instruments are also used to manage foreign exchange risk. The derivative financial instruments used by IMMOFINANZ to hedge foreign exchange risk are recorded as independent transactions and not as hedge transactions. Hedge accounting as defined in IAS 39.85 – IAS 39.102 is not applied because the requirements of these regulations are not met.

Derivative financial instruments are stated at market value. Derivatives with a positive market value are included under the balance sheet position “other financial instruments” (see 3.3.3.). Derivatives with a negative market value are shown under “other liabilities” (see 3.3.3 and 3.3.10.).

Any changes in this market value are recognised as income or expenses under financial results.

The following table shows the market values and conditions of all derivative financial instruments that were purchased to hedge foreign exchange risk:

Notes

Company	Derivative	Currency	Beginning	End	Financial institution	Fixed interest/exchange rate	Reference interest rate	Hedge	Reference value as of 30.4.2008 in TEUR	Market value 30.4.2008 in TEUR
IMMOWEST										
Rheinische Lagerhaus GmbH	FX	CHF/EUR	01.12.2002	31.03.2009	Dr. Koehne GmbH & Co KG	1.54	n.a.	Foreign currency (CHF)	CHF 10,423.2	-336.5
Rheinische Lagerhaus GmbH	FX	CHF/EUR	09.05.2007	30.03.2009	Bayerische Hypo- und Vereinsbank AG	1.5992	n.a.	Foreign currency (CHF)	CHF 7,028.4	25.0
Rheinische Lagerhaus GmbH	FX	CHF/EUR	09.05.2007	30.03.2009	Bayerische Hypo- und Vereinsbank AG	1.5992	n.a.	Foreign currency (CHF)	CHF 4,740.8	16.8
Rheinische Lagerhaus GmbH	FX	CHF/EUR	09.05.2007	30.03.2009	Bayerische Hypo- und Vereinsbank AG	1.5992	n.a.	Foreign currency (CHF)	CHF 3,235.8	11.5
IMMOEAST										
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.06.2008	Aareal Bank AG	1.3477	n.a.	Foreign currency (USD)	USD 2,126.1	203.7
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.09.2008	Aareal Bank AG	1.3507	n.a.	Foreign currency (USD)	USD 1,975.8	177.4
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.12.2008	Aareal Bank AG	1.3539	n.a.	Foreign currency (USD)	USD 1,808.1	152.3
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	31.03.2009	Aareal Bank AG	1.3571	n.a.	Foreign currency (USD)	USD 1,581.9	125.1
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.06.2009	Aareal Bank AG	1.3602	n.a.	Foreign currency (USD)	USD 1,482.8	110.7
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.09.2009	Aareal Bank AG	1.3633	n.a.	Foreign currency (USD)	USD 939.3	66.6
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.12.2009	Aareal Bank AG	1.3668	n.a.	Foreign currency (USD)	USD 643.6	43.4
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	31.03.2010	Aareal Bank AG	1.3708	n.a.	Foreign currency (USD)	USD 570.1	36.5
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.06.2010	Aareal Bank AG	1.3744	n.a.	Foreign currency (USD)	USD 567.7	34.7
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.09.2010	Aareal Bank AG	1.3779	n.a.	Foreign currency (USD)	USD 567.7	33.2
MBP I Sp. z o.o.	FX FORWARD	USD/EUR	04.12.2006	30.12.2010	Aareal Bank AG	1.3814	n.a.	Foreign currency (USD)	USD 378.5	21.2

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

The market value represents the amount that the relevant company would receive or be required to pay if the transaction were terminated as of the balance sheet date. The market values do not reflect the proportionate consolidation of the company in the consolidated financial statements

3.7.2.2.2 Interest rate risk

As an international company, IMMOFINANZ is exposed to the risk of interest rate fluctuations on various property sub-markets. Changes in interest rates can influence the earnings recorded by the Group through higher interest costs for existing variable rate financing, and can also have a reflex effect on the valuation of properties and the fair value of financial instruments.

Changes in interest rates have a direct influence on the financial results recorded by the Group in that they increase the cost of variable rate financing. IMMOFINANZ manages the risk associated with rising interest rates, which would lead to an increase in interest expense and a decline in financial results, through the use of derivative financial instruments. The derivative financial instruments used by IMMOFINANZ to hedge interest rate risk are recorded as independent transactions and not as hedge transactions. Hedge accounting as defined in IAS 39.85 – IAS 39.102 is not applied because the requirements of these regulations are not met.

Derivative financial instruments are stated at market value. Derivatives with a positive market value are included under the balance sheet position “other financial instruments” (see 3.3.3.). Derivatives with a negative market value are shown under “other liabilities” (see 3.3.3 and 3.3.10).

Any changes in this market value are recognised as income or expenses under financial results. In addition, the Group has concluded financing contracts that carry fixed interest rates.

The following table shows the market values and conditions of all derivative financial instruments that were purchased to hedge interest rate risk:

Company	Derivative	Currency	Beginning	End	Financial institution	Fixed interest/ exchange rate	Reference interest rate	Hedge	Currency	Reference value as of 30.4.2008 in TEUR	Market value as of 30.4.2008 in TEUR
IMMOAUSTRIA											
BUWOG Bauen und Wohnen Gesellschaft mbH	SWAP	EUR	14.07.2005	31.12.2014	Bank Austria Creditanstalt AG	3.26%	6M-EURIBOR	Interest rate	EUR	6,667.0	381.3
BUWOG Bauen und Wohnen Gesellschaft mbH	SWAP	EUR	30.09.2005	30.09.2015	Bank Austria Creditanstalt AG	3.37%	6M-EURIBOR	Interest rate	EUR	3,922.0	222.7
BUWOG Bauen und Wohnen Gesellschaft mbH	SWAP	EUR	30.09.2005	30.09.2015	Bank Austria Creditanstalt AG	3.22%	6M-EURIBOR	Interest rate	EUR	2,966.0	153.4
SelfStorage-Dein Lager Lagervermietungs-gesmbH	CAP	EUR	27.10.2004	27.10.2009	ERSTE BANK DER OESTERR. SPARKASSEN AG	3.26%	3M-EURIBOR	Interest rate	EUR	6,000.0	78.3
SelfStorage-Dein Lager Lagervermietungs-gesmbH	Floor	EUR	30.06.2003	30.06.2008	ERSTE BANK DER OESTERR. SPARKASSEN AG	1.99%	3M-EURIBOR	Interest rate	EUR	6,500.0	0.0
SelfStorage-Dein Lager Lagervermietungs-gesmbH	CAP	EUR	30.06.2003	30.06.2008	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.50%	3M-EURIBOR	Interest rate	EUR	6,500.0	2.5
SelfStorage-Dein Lager Lagervermietungs-gesmbH	SWAP	EUR	31.01.2008	31.01.2016	ERSTE BANK DER OESTERR. SPARKASSEN AG	3.49%	3M-EURIBOR	Interest rate	EUR	3,000.0	-9.6
"Wienerberg City" Errichtungsges.m.b.H.	SWAP	EUR	30.09.2003	30.09.2008	Bank Austria Creditanstalt AG	3.57%	3M-EURIBOR	Interest rate	EUR	35,512.3	209.2
"Wienerberg City" Errichtungsges.m.b.H.	SWAP	EUR	31.10.2003	31.10.2010	Bank Austria Creditanstalt AG	3.99%	3M-EURIBOR	Interest rate	EUR	41,234.6	354.6
Bauteile A+B Errichtungsges.m.b.H.	CAP	EUR	17.07.2006	15.07.2011	Raiffeisen Zentralbank Österreich AG	4.50%	6M-EURIBOR	Interest rate	EUR	49,266.7	-13.3
Bauteile A+B Errichtungsges.m.b.H.	CAP	EUR	17.07.2006	15.07.2011	Raiffeisen Zentralbank Österreich AG	4.50%	6M-EURIBOR	Interest rate	EUR	4,024.2	-1.1
Bauteile C+D Errichtungsges.m.b.H.	CAP	EUR	17.07.2006	15.07.2011	Raiffeisen Zentralbank Österreich AG	4.50%	6M-EURIBOR	Interest rate	EUR	32,940.8	-8.9
IMMOFINANZ AG	SWAP	EUR	15.11.2005	16.11.2009	Bank Austria Creditanstalt AG	3M-EURIBOR	3,38%	Interest rate	EUR	100,000.0	-2,760.6
IMMOFINANZ AG	CAP	EUR	30.06.2006	30.06.2011	Raiffeisen Zentralbank Österreich AG	4.75%	6M-EURIBOR	Interest rate	EUR	50,000.0	-155.9
IMMOFINANZ AG	CAP	EUR	15.09.2006	16.05.2011	WestLB AG, Düsseldorf	4.50%	3M-EURIBOR	Interest rate	EUR	100,000.0	200.8
IMMOFINANZ AG	CAP	EUR	27.09.2006	16.05.2011	Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate	EUR	100,000.0	180.9
IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	20.08.2006	23.05.2011	Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate	EUR	17,785.6	-13.0
IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	20.08.2006	20.05.2011	Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate	EUR	9,953.6	-7.3
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	CAP	EUR	29.09.2006	31.03.2011	Constantia Privatbank Aktiengesellschaft	5.00%	3M-EURIBOR	Interest rate	EUR	23,555.7	35.3
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	CAP	EUR	06.08.2007	04.01.2010	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	988.3	-0.7
ESG Beteiligungs GmbH	CAP	EUR	31.07.2006	31.07.2011	Oberbank AG, Linz	4.50%	3M-EURIBOR	Interest rate	EUR	38,000.0	243.0

Notes

Company	Derivative	Currency	Beginning	End	Financial institution	Fixed interest/exchange rate	Reference interest rate	Hedge	Currency	Reference value as of 30.4.2008 in TEUR	Market value as of 30.4.2008 in TEUR
IMF Immobilienholding Gesellschaft m.b.H.	CAP	EUR	20.09.2006	20.09.2011	Raiffeisen Landesbank Oberösterreich Aktiengesellschaft	4.50%	3M-EURIBOR	Interest rate	EUR	263,000.0	478.2
IMF Immobilienholding Gesellschaft m.b.H.	CAP	EUR	31.07.2006	31.07.2011	Oberbank AG, Linz	4.50%	3M-EURIBOR	Interest rate	EUR	50,000.0	319.6
IMMOFINANZ ALPHA Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	20.08.2006	23.05.2011	Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate	EUR	9,905.3	-7.2
IMMOFINANZ ALPHA Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	20.08.2006	23.05.2011	Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate	EUR	3,937.4	-1.5
IMMOFINANZ ALPHA Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	23.08.2007	31.10.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	4,072.7	-22.2
Immofinanz TCT Liegenschaftsverwaltungs GmbH	CAP	EUR	01.09.2006	01.09.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	3,009.0	-3.8
Immofinanz TCT Liegenschaftsverwaltungs GmbH	CAP	EUR	01.09.2006	01.09.2011	Bank Austria Creditanstalt AG	4.50%	6M-EURIBOR	Interest rate	EUR	1,215.0	-2.9
Immofinanz TCT Liegenschaftsverwaltungs GmbH	CAP	EUR	01.09.2006	01.09.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	2,357.7	-3.4
Immofinanz TCT Liegenschaftsverwaltungs GmbH	CAP	EUR	01.09.2006	01.09.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	2,725.0	-4.4
Immofinanz TCT Liegenschaftsverwaltungs GmbH	CAP	EUR	01.09.2006	01.09.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	3,700.0	-6.0
Immofinanz TCT Liegenschaftsverwaltungs GmbH	CAP	EUR	01.09.2006	01.09.2011	Bank Austria Creditanstalt AG	4.50%	6M-EURIBOR	Interest rate	EUR	413.1	-1.0
RentCon Handels- und Leasing GmbH	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	2,930.4	-0.3
RentCon Handels- und Leasing GmbH	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	9,628.5	-1.1
FUTUR-IMMOBILIEN GmbH	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	3,001.8	-1.7
ARO Immobilien GmbH	CAP	EUR	31.08.2006	31.08.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	8,442.8	-8.2
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H & Co Fischhof 3 KEG	CAP	EUR	16.10.2006	17.10.2011	Bank Austria Creditanstalt AG	4.50%	3M-EURIBOR	Interest rate	EUR	4,028.7	-1.5
F&I Liegenschaftsvermietungs GmbH	CAP	EUR	06.08.2007	06.08.2012	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	10,138.0	-84.6
IMMOFINANZ GAMMA Liegenschafts- u. Mobilienverm. GmbH	CAP	EUR	23.08.2007	31.10.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	4,072.7	-22.2
SPE Liegenschaftsvermietung Gesellschaft m.b.H	CAP	EUR	23.08.2007	31.10.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	4,072.7	-22.2
City Parkgaragen Betriebsgesellschaft m.b.H.	CAP	EUR	06.08.2007	06.08.2012	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	8,725.8	-65.5
WIPARK Garagen AG	CAP	EUR	06.08.2007	06.08.2012	Bank Austria Creditanstalt AG	4.75%	12M-EURIBOR	Interest rate	EUR	50,199.4	-291.5
WIPARK Garagen AG	CAP	EUR	30.04.2008	06.08.2012	Bank Austria Creditanstalt AG	4.75%	12M-EURIBOR	Interest rate	EUR	5,976.7	-28.6
IMMOWEST											
IMMOWEST PROMTUS Holding GmbH	CAP	EUR	06.02.2006	31.03.2017	Lehman Brothers Special Financing Inc.	3.45%	6M-EURIBOR	Interest rate	EUR	55,414.1	2,380.1

Company	Derivative	Currency	Beginning	End	Financial institution	Fixed interest/exchange rate	Reference interest rate	Hedge	Currency	Reference value as of 30.4.2008 in TEUR	Market value as of 30.4.2008 in TEUR
Rheinische Lagerhaus GmbH	SWAP	EUR	31.12.2007	29.12.2017	EUROHYPO AG	4.62%	3M-EURIBOR	Interest rate	EUR	5,524.9	-79.9
Rheinische Lagerhaus GmbH	SWAP	EUR	31.12.2007	29.12.2017	EUROHYPO AG	4.62%	3M-EURIBOR	Interest rate	EUR	4,256.0	-61.4
Rheinische Lagerhaus Rheine GmbH	SWAP	CHF/EUR	01.07.1998	01.07.2008	SEB AG	3.65%	12M-BBA Interest Rate	Interest rate	CHF	6,300.0	-3.5
Rhein Park GmbH	SWAP	EUR	30.06.2008	29.06.2018	EUROHYPO AG	4.62%	3M-EURIBOR	Interest rate	EUR	1,551.3	-22.2
Deutsche Lagerhaus GmbH u. Co KG	SWAP	CHF/EUR	16.02.2006	30.06.2009	Bankhaus Lampe KG, Düsseldorf	6M-CHF-Libor	5,10%	Interest rate	CHF	17,000.0	-148.6
Deutsche Lagerhaus GmbH u. Co KG	SWAP	CHF/EUR	16.02.2006	30.12.2008	Bankhaus Lampe KG, Düsseldorf	6M-CHF-Libor	4,15%	Interest rate	CHF	7,000.0	-43.1
Deutsche Lagerhaus elfte Objekt GmbH u. Co. KG	SWAP	EUR	31.08.2007	31.08.2017	EUROHYPO AG	4.78%	3M-EURIBOR	Interest rate	EUR	10,302.9	-267.0
Deutsche Lagerhaus Poing GmbH u. Co. KG	SWAP	EUR	31.08.2007	31.08.2017	EUROHYPO AG	4.78%	3M-EURIBOR	Interest rate	EUR	15,405.3	-399.3
Deutsche Lagerhaus fünfzehnte Objekt GmbH u. Co. KG	SWAP	EUR	31.08.2007	31.08.2017	EUROHYPO AG	4.78%	3M-EURIBOR	Interest rate	EUR	16,190.3	-419.6
Deutsche Lagerhaus sechzehnte Objekt GmbH u. Co. KG	SWAP	EUR	31.08.2007	31.08.2017	EUROHYPO AG	4.78%	3M-EURIBOR	Interest rate	EUR	8,144.2	-211.1
Deutsche Lagerhaus siebzehnte Objekt GmbH u. Co. KG	SWAP	EUR	01.10.2007	29.09.2017	EUROHYPO AG	4.73%	3M-EURIBOR	Interest rate	EUR	6,533.5	-151.0
Deutsche Lagerhaus Willich GmbH u. Co KG	SWAP	EUR	31.12.2007	29.12.2017	EUROHYPO AG	4.65%	3M-EURIBOR	Interest rate	EUR	10,925.8	-183.7
Logistikpark Lahr GmbH & Co. KG	SWAP	EUR	02.01.2008	31.12.2011	IKB International Société Anonyme	4.65%	3M-EURIBOR	Interest rate	EUR	18,196.8	-212.0
City Box Holdings B.V.	CAP	EUR	01.10.2004	01.08.2009	Goldman Sachs Capital Markets LP	4.00%	1M-EURIBOR	Interest rate	EUR	12,187.5	102.5
IMMOEAST											
Atom Centrum a.s.	CAP	EUR	31.03.2006	31.03.2011	HVB Bank Czech Republic a.s.	4.00%	3M-EURIBOR	Interest rate	EUR	13,832.2	195.7
IRIDE S.A.	CAP	EUR	07.08.2006	28.07.2011	Raiffeisen Zentralbank Österreich AG	5.00%	3M-EURIBOR	Interest rate	EUR	42,649.5	81.5
Globe 13 Kft.	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	5.00%	3M-EURIBOR	Interest rate	EUR	16,530.0	-46.3
Lentia Real (1) Kft.	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	5.00%	3M-EURIBOR	Interest rate	EUR	8,690.0	-25.1
Szepvölgyi Businesspark Kft.	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	5.00%	3M-EURIBOR	Interest rate	EUR	9,300.0	-26.7
Arpad Center Kft.	CAP	EUR	31.10.2006	31.10.2011	Bank Austria Creditanstalt AG	5.00%	3M-EURIBOR	Interest rate	EUR	5,132.0	-14.3
MBP I Sp. z o.o.	SWAP	EUR	30.11.2006	30.12.2010	Aareal Bank AG	3.83%	3M-EURIBOR	Interest rate	EUR	141,661.7	1,895.8
Delta Park A.S.	CAP	EUR	27.07.2007	27.04.2010	Raiffeisen Zentralbank Österreich AG	4.75%	6M-EURIBOR	Interest rate	EUR	12,725.0	-47.0
Office Campus Budapest Kft.	CAP	EUR	29.06.2007	29.06.2012	Raiffeisen Zentralbank Österreich AG	4.75%	3M-EURIBOR	Interest rate	EUR	12,752.5	-102.4
ARE 8 Sp. z o.o.	CAP	EUR	23.08.2007	30.06.2010	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	6,695.8	-9.1
AI Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	1,397.8	-5.9
OI Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	5,292.7	-22.5

Notes

Company	Derivative	Currency	Beginning	End	Financial institution	Fixed interest/exchange rate	Reference interest rate	Hedge	Currency	Reference value as of 30.4.2008 in TEUR	Market value as of 30.4.2008 in TEUR
Atlantis Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	8,103.8	-34.0
ARE 5 Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	2,975.3	-13.0
Secure Bud Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	8,085.0	-35.2
ARE 4 Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	8,675.4	-37.5
Central Bud Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	8,415.9	-36.8
Omega Sp. z o.o.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	2,797.2	-12.0
C.E.P.D. Kft.	CAP	EUR	23.08.2007	30.09.2012	ERSTE BANK DER OESTERR. SPARKASSEN AG	4.75%	3M-EURIBOR	Interest rate	EUR	23,757.5	-101.8
Passat Real Sp. z o.o.	CAP	EUR	06.08.2007	06.08.2012	Bank Austria Creditanstalt AG	4.75%	6M-EURIBOR	Interest rate	EUR	13,600.0	-129.6
Polus a.s.	SWAP	EUR	31.10.2007	31.07.2012	Hypo Real Estate Bank International AG	4.57%	3M-EURIBOR	Interest rate	EUR	133,987.5	-829.7
Cora G.S. S.R.L.	SWAP	EUR	20.09.2007	15.07.2011	Hypo Real Estate Bank International AG	4.40%	3M-EURIBOR	Interest rate	EUR	19,670.0	-60.1
IMMOEAST AG	CAP	EUR	30.08.2007	30.07.2010	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	11,855.0	33.5
IMMOEAST AG	CAP	EUR	30.08.2007	31.05.2011	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	13,821.0	53.9
IMMOEAST AG	CAP	EUR	30.08.2007	19.03.2013	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	5,127.6	38.8
IMMOEAST AG	CAP	EUR	14.08.2007	14.08.2012	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	100,000.0	610.3
Taifun Real Sp. z o.o.	CAP	EUR	06.08.2007	06.08.2012	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	7,659.0	-51.3
Diamant Real s.r.o.	CAP	EUR	14.08.2007	14.08.2012	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	40,000.0	-322.3
Blizzard Real Sp. z o.o.	CAP	EUR	06.08.2007	06.08.2012	Bank Austria Creditanstalt AG	4.75%	12M-EURIBOR	Interest rate	EUR	15,000.0	-180.5
PBT Invest s.r.l.	CAP	EUR	10.07.2007	30.06.2012	Bank Austria Creditanstalt AG	4.75%	3M-EURIBOR	Interest rate	EUR	7,700.0	-162.9
FMZ TM s.r.l.	CAP	EUR	02.08.2007	30.06.2009	Investkredit Bank AG	4.30%	3M-EURIBOR	Interest rate	EUR	2,209.3	3.4
SBACARO s.r.l.	CAP	EUR	04.01.2008	30.06.2010	Investkredit Bank AG	5.00%	3M-EURIBOR	Interest rate	EUR	8,189.6	20.7
SBACARO s.r.l.	CAP	EUR	02.08.2007	30.06.2009	Investkredit Bank AG	4.30%	3M-EURIBOR	Interest rate	EUR	3,548.2	5.4
SAM FMZ s.r.l.	CAP	EUR	04.01.2008	30.06.2010	Investkredit Bank AG	5.00%	3M-EURIBOR	Interest rate	EUR	2,372.3	6.0
Xantium Sp. z o.o.	SWAP	EUR	13.02.2008	12.02.2010	Landesbank Hessen-Thüringen	3.71%	3M-EURIBOR	Interest rate	EUR	56,058.9	634.3
IO-1 Building Sp. z o.o.	SWAP	EUR	13.02.2008	12.02.2010	Landesbank Hessen-Thüringen	3.71%	3M-EURIBOR	Interest rate	EUR	45,000.0	509.2
Nowe Centrum Sp. z o.o.	SWAP	EUR	19.03.2008	12.02.2010	Landesbank Hessen-Thüringen	4.03%	3M-EURIBOR	Interest rate	EUR	168,117.1	970.0
Globe 3 Ingatlanfejlesztő Kft.	SWAP	CHF/EUR	31.12.2007	30.06.2013	ERSTE BANK DER OESTERR. SPARKASSEN AG	1.19 x 3M-CHF-Libor	3M-EURIBOR	Interest rate	EUR	3,194.9	69.6

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

The market value represents the amount that the relevant company would receive or be required to pay if the transaction were terminated as of the balance sheet date. The market values do not reflect the proportionate consolidation of the company in the consolidated financial statements.

Changes in interest rates have an influence on the valuation of property. As part of the discounted cash flow method (DCF) that is used to value office and commercial properties, the present value of future cash flows from a property is determined by discounting these amounts based on the applicable interest rate. This interest rate is generally comprised of a risk-free basic interest rate and a risk premium that reflects the property category and sub-market. Rising interest rates lead to an increase in the risk-free basic interest rate, and thereby result in a higher discount factor. This reduces the present value of cash flows and, in turn, reduces the fair value of the property.

The risk associated with changes in interest rates is determined by sensitivity analyses. A sensitivity analysis presents the effects of changes in market interest rates on interest payments, interest income and expense, other components of earnings and, possibly, also on equity. The following sensitivity analysis shows the influence of variable market interest rates on the interest expense associated with financial liabilities. This analysis presents the impact of an assumed average increase/decrease of 30, 75 and 135 basis points in interest rates on interest expense recognised during 2007/08:

Sensitivity analysis	Net financing costs 2007/08	Interest rate scenarios		
		0.30%	0.50%	0.75%
Interest expense resulting from increase in interest rates	266,409.7	277,081.5	284,196.0	293,089.1
Interest expense resulting from decrease in interest rates	266,409.7	255,737.9	248,623.4	239,730.3

Sensitivity analysis	Net financing costs 2006/07	Interest rate scenarios		
		0.30%	0.50%	0.75%
Interest expense resulting from increase in interest rates	155,748.9	164,293.0	169,989.1	177,109.2
Interest expense resulting from decrease in interest rates	155,748.9	147,204.8	141,508.7	134,388.6

3.7.2.2.3 Liquidity risk

The events on international financial markets during the past year have led to a steady increase in financing costs. This can have an impact above all in the development area because it has become more difficult to obtain attractive financing for projects under construction.

3.7.2.2.4 Other price risks

As an international company, IMMOFINANZ is also exposed to price risks. Price risks are understood to mean the possible fluctuation in fair value or future cash flows as a result of changes in market prices.

IMMOFINANZ would be exposed to price risk if the development of the property market in a region leads to increasing yields and property acquisitions were concluded at fixed yields that are below these market figures.

3.8 Transactions with related parties

Constantia Privatbank Aktiengesellschaft (CPB) as well as its corporate bodies and subsidiaries are considered related parties in the sense of IAS 24. The following subsidiaries of CPB are classified as related parties in accordance with the provisions of IAS 24: CPB Immobilien treuhand GmbH, IMV Immobilien Management und Verwaltung GmbH, Immofinanz Corporate Finance Consulting GmbH, Immoeast Corporate Finance Consulting GmbH,

CPB Corporate Finance Consulting GmbH and its subsidiaries, CREDO Real Estate AG, Constantia Immobilien Development GmbH and Immofinanz Acquisition and Finance Consulting GmbH.

3.8.1 Constantia Privatbank Aktiengesellschaft

3.8.1.1 Management contracts

The previous management contracts that were concluded by Constantia Privatbank Aktiengesellschaft with IMMOFINANZ AG and IMMOEAST AG were replaced by new contracts in 2007/08. In addition, the previously separate management contracts with

IMMOWEST IMMOBILIEN ANLAGEN AG
WIPARK GARAGEN AG
BUSINESS PARK BETEILIGUNGS AG
Immofinanz Alkmene Immobilien Vermietungs GmbH

which in part had the same content, were also replaced by new contracts.

This management contract obliges Constantia Privatbank Aktiengesellschaft to provide the following services to IMMOFINANZ and its subsidiaries and holdings:

- Provision of corporate bodies and proxies,
- Support for corporate bodies in connection with the annual general meetings,
- Controlling, financial and accounting services (including the preparation of quarterly and annual reports, financial planning, treasury and group financing),
- Selection of properties (feasibility studies, acquisition and sale negotiations),
- Asset management (representation of owner interests, management of maintenance, contact office for brokers etc.) and
- Provision of infrastructure.

The management contract does not cover following services:

- Broker services,
- Property management,
- Consulting that can only be provided by specific professional groups,
- Market-making,
- Consulting in connection with capital increases and
- Banking services.

The payment for the above services equals 0.6% of the fair value of the property portfolio as determined by external expert opinions, and is based on the properties owned by IMMOFINANZ, its subsidiaries and holdings at the end of the company's financial year that lies within the relevant calendar year.

The same principles apply to financial instruments held by IMMOFINANZ that are classified as investments in other companies, whereby the fee is calculated on the basis of fair value as of the valuation date.

Additionally, a performance fee is paid to reflect the development of the property portfolio: if the growth in net asset value (NAV) per share exceeds a threshold of 8% per year. Constantia Privatbank Aktiengesellschaft is entitled to receive 20% of the amount over 8%. If a dividend is paid, the amount of this distribution per share is added to NAV per share for the relevant financial year. NAV is calculated in accordance with the recommendations of the EPRA and is published in the consolidated financial statements of IMMOFINANZ.

The fee for regular management services provided to Immofinanz Alkmene Immobilien Vermietungs GmbH and WIPARK GARAGEN AG equals 0.25% of the fair value of the relevant property portfolios as determined by external experts.

Prior to this change, the fee for the calendar year was set at 1% of the cost of new investments and commissioned projects plus 0.60% of properties owned by IMMOFINANZ at the beginning of the year. This second component was linked to the consumer price index. The same principles were applied to financial instruments held by IMMOFINANZ that are classified as investments in other companies, whereby there was no 1% fee and the paid commitment formed the basis for calculation.

This new regulation is applicable beginning with the 2007 calendar year.

Constantia Privatbank Aktiengesellschaft charged administrative fees totalling TEUR 73,757.0 to the above-mentioned IMMOFINANZ companies for the reporting year (2006/07: TEUR 72,874.9).

3.8.1.2 Other services

Constantia Privatbank Aktiengesellschaft also provides other banking services for IMMOFINANZ. The most important services are related to the securities issued by IMMOFINANZ and IMMOEAST AG.

In 2007/08 fees of TEUR 24,290.8 (2006/07: TEUR 79,673.8) were charged for the part of the IMMOEAST AG capital increase that was not subscribed by IMMOFINANZ. The comparable prior year value comprises TEUR 25,742 for a capital increase carried out by IMMOFINANZ as well as TEUR 53,931.7 for the share of an IMMOEAST AG capital increase that was not subscribed by IMMOFINANZ.

In addition, Constantia Privatbank Aktiengesellschaft charged TEUR 112.6 of other fees to IMMOFINANZ.

Constantia Privatbank Aktiengesellschaft serves as the primary commercial bank for the majority of the Austrian subsidiaries and a number of the foreign subsidiaries. Normal market rates and interest rates are charged for these account management services.

The interest rate on credit balances was 3.97% as of 30 April 2008 (28 April 2007: 3.61%) and the interest rate on debit balances was 4.84% as of this same date (28 April 2007: 4.36%).

3.8.2 IMMOEAST AG

IMMOFINANZ AG concluded a group and tax settlement agreement in conjunction with the inclusion of IMMOEAST AG and other domestic companies from the IMMOEAST Group in its corporate group as defined in § 9 of the Austrian Corporate Tax Act. The IMMOEAST corporate group as defined in § 9 of the Austrian Corporate Tax Act was dissolved during the 2008 tax year. All member companies of the dissolved group have been transferred to the existing IMMOFINANZ corporate group.

The calculation of the tax charge involves the addition of taxable profit or loss for all companies in the dissolved IMMOEAST group as a first step, and the use of this total income to calculate taxes at the IMMOFINANZ level in a second step. The tax charge generally equals 12.5% of allocated total income. This procedure resulted in a receivable of TEUR 14,726.0 due from IMMOEAST AG as of the balance sheet date.

3.8.3 Immofinanz Corporate Finance Consulting GmbH

Immofinanz Corporate Finance Consulting GmbH serves as a trust company for group financing. The contract partners are IMMOFINANZ and IMMOEAST as well as the majority of companies included under full or proportionate consolidation. For these services, Immofinanz Corporate Finance Consulting GmbH receives fees totalling TEUR 350.0 per calendar year (2006/07: TEUR 20.0).

In addition, Immofinanz Corporate Finance Consulting GmbH provided consulting services during the reporting year that were connected with the acquisition of the Grand Center Zagreb. The fees for these services totalled TEUR 1,182.0 (2006/07: TEUR 0.0) and were charged to IMMOEAST AG.

3.8.4 Immoeast Corporate Finance Consulting GmbH

Immoeast Corporate Finance Consulting GmbH provides the majority of management resources for IMMOEAST AG in accordance with the management contract concluded with Constantia Privatbank AG.

Furthermore, Immoeast Corporate Finance Consulting GmbH provided consulting services in 2007/08 that were connected with the acquisition of the BB Centrum project. The fees for these services totalled TEUR 5,209.7 (2006/07: TEUR 0.0) and were charged to IMMOEAST AG.

In addition, cash outlays of TEUR 8.2 (2006/07: TEUR 0.0) by Immoeast Corporate Finance Consulting GmbH were reimbursed by Multi-ImmoEast-Asset Management GmbH.

In addition, a third party invoice of TEUR 38.0 was charged out to Immoeast Projekt Annius Holding GmbH.

3.8.5 CPB Corporate Finance Consulting GmbH

CPB Corporate Finance Consulting GmbH provided brokerage services for TEUR 1,170.00 in connection with the acquisition of Stephanshof Liegenschaftsvermietungs-GmbH during the reporting year. The fees for brokerage services in the prior year equalled TEUR 6,825.0 and were related to the acquisition of several companies.

In addition, IMMOFINANZ purchased TEUR 11,000.00 of shares in Business Park Beteiligungs AG from CPB Corporate Finance Consulting GmbH during the reporting year.

3.8.6 IMV Immobilien Management und Verwaltung GmbH

IMV Immobilien Management und Verwaltung GmbH is the largest property management company in Austria and manages the majority of objects in this country. These activities do not generate any costs for IMMOFINANZ because the property management fees are charged out to the tenants. IMV Immobilien Management und Verwaltung GmbH has wholly owned subsidiaries in Hungary, the Czech Republic, Romania, Poland, Germany and Slovakia. These companies provide comparable services for properties owned by the IMMOFINANZ Group in the various countries.

3.8.7 CPB Holding GmbH / CPB Beteiligung GmbH

Immofinanz Immobilien Vermietungs- GmbH paid the purchase price of TEUR 6,449.0 for the acquisition of Stephanshof Liegenschaftsverwaltungs- GmbH during the reporting year. Of this amount, CPB Holding GmbH received TEUR 4,886.0 and CPB Beteiligung GmbH TEUR 1,563.

3.8.8 CPB Immobilientreuhand GmbH

CPB Immobilientreuhand GmbH and its subsidiaries in Hungary, the Czech Republic, Slovakia, Poland and Romania provide brokerage services at arm's length for the rental of properties. The charges to IMMOFINANZ for these services in 2007/08 equalled TEUR 5,668.9 (2006/07: TEUR 2,687.4).

3.8.9 Immofinanz Acquisition and Finance Consulting GmbH

Immofinanz Acquisition and Finance Consulting GmbH provides part of the management resources for IMMO-WEST IMMOBILIEN ANLAGEN AG.

The fees charged for these services equalled TEUR 547.8 (2006/07 TEUR 0.1) plus 20% VAT.

3.8.10 CPB Management Tschechien s.r.o.

CPB Management Tschechien s.r.o. has rented 419 sqm of office space and 123.54 sqm of other space from VALDEK Praha s.r.o. for TEUR 83.8 per year.

IMMOEAST AG granted a loan to CPB Management Tschechien s.r.o in 2007/08. The outstanding principal and interest as of the balance sheet date totalled TEUR 353.6. Interest is charged at a rate of 5.125% and the term of the loan is unlimited.

3.8.11 CPB Real Estate Consult S. R. L.

The Romanian management company CPB Real Estate Consult s.r.l has rented 670.73 sqm of office space and 63.03 sqm of other space from CAPRI TRADE s.r.l. for TEUR 132.1 per year.

3.8.12 CPB Management Hungaria Kft.

The rent paid by Arpad Center Kft. to CPB Management Hungaria Kft. for 487.61 sqm of office space and 24.38 sqm of other space totals TEUR 78.3 per year.

3.8.13 Constantia Management Polska Sp. z o.o.

Constantia Management Polska Sp. z o.o. has concluded a rental agreement with Salzburg Center Development S.A. for 423 sqm of office space and 52 sqm of other space. Salzburg Center Development S.A. was sold during April 2008. The annual rent totals TEUR 99.9.

IMMOEAST AG also granted a loan to Constantia Management Polska Sp. z o.o. during the reporting year. The outstanding principal and interest as of the balance sheet date totalled TEUR 386.5. Interest is charged at a rate of 5.625% and the term of the loan is unlimited.

3.8.14 OOO Real Estate Investment Management

In 2007/08 IMMOFINANZ granted a loan to OOO Real Estate Investment Management through its subsidiary IMMOEAST AG. The outstanding principal and interest as of the balance sheet date totalled TEUR 714.9. Interest is charged at a rate of 5.625% and the term of the loan is unlimited.

3.8.15 Constantia Immobilien Development GmbH

IMMOFINANZ granted a TEUR 10.000,0 loan to Constantia Immobilien Development GmbH in 2006/07 through its subsidiary IMMOEAST AG. The interest rate equals 8% and the term is unlimited. The outstanding principal and interest as of the balance sheet date totalled TEUR 8,100.7 (2006/07: TEUR 6,898.7). In addition, Constantia Immobilien Development GmbH provided TEUR 291.9 of building developer services to various IMMOFINANZ subsidiaries during the reporting year (2006/07: TEUR 914.6).

3.8.16 CREDO Real Estate AG

CREDO Real Estate AG provided brokerage services for the acquisition of VIV Gebäudeerrichtungs GmbH as well as the Nove Zomky und Trecin projects in 2007/08. The fees charged to IMMOFINANZ for these services totalled TEUR 706.3 (2006/07: 0.0).

3.8.17 CPB Omikron Anlagen Leasing

CPB Omikron Anlagen Leasing charged fees of TEUR 9.0 to IMMOFINANZ for the provision of advertising services in 2007/08

3.8.18 IMMOFINANZ OMEGA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.

IMMOFINANZ Omega charged IMMOFINANZ TEUR 0.9 (2006/07: 0.0) for hardware during the reporting year

3.8.19 CPB Software AG

CPB Software AG provided IMMOFINANZ with domain maintenance services of TEUR 1.1 in 2007/08 (2006/07: TEUR 1.1).

3.8.20 Bodies of the corporation

The Executive Board

Karl Petrikovics – Chairman
Norbert Gertner – Member (up to 30 June 2008)
Daniel Riedl – Member (as of 1 July 2008)
Christian Thornton – Member (as of 1 July 2008)
Michael Wurzinger – Member (as of 1 July 2008)

The Supervisory Board

Helmut Schwager - Chairman
Michael Kaufmann – Vice-Chairman
Guido Schmidt-Chiari – Member
Klaus Hübner – Member

Remuneration of corporate bodies

The members of the Executive Board receive no separate remuneration from the company. The remuneration for the members of the Supervisory Board that was approved and paid in the current financial year covers the services provided in the previous financial year. This remuneration is as follows:

Remuneration for the Supervisory Board of	IMMOFINANZ AG		IMMOEAST AG	
	2007/08	2006/07	2007/08	2006/07
All amounts in TEUR				
Helmut Schwager	40.0	40.0	40.0	30.0
Erhard Schaschl (up to 27 February 2007)	8.3	20.0	16.7	15.0
Michael Kaufmann	30.0	20.0	-	-
Guido Schmidt-Chiari	20.0	20.0	-	-
Wolfgang Reithofer	-	-	30.0	22.5
Christian Böhm	-	-	20.0	15.0
Herbert Kofler	-	-	20.0	15.0
Klaus Hübner	11.7	10.0	-	-
Total	110.0	110.0	126.7	97.5

The members of the Executive Board and Supervisory Board hold 706,438 (2006/07: 2,144,301) shares of stock. There are no options outstanding on IMMOFINANZ shares.

3.8.21 Trust loan

The internal financing for the IMMOFINANZ subsidiaries is handled in part by IMMOFINANZ Corporate Finance Consulting GmbH at arm's length interest rate conditions (see 8.4.2).

3.9 Additional information

3.9.1 Other operating income

Other operating income is comprised of the following:

All amounts in TEUR	2007/08	2006/07
Reversal of negative goodwill	37,341.8	5,489.5
Income from the disposal of properties	20,784.5	47,261.4
Expenses charged on	6,372.5	7,706.7
Reversal of provisions	13,152.9	3,357.5
Insurance compensation	837.2	924.2
Income from deconsolidations	27,008.9	4,630.3
Miscellaneous	21,501.6	32,091.9
Total	126,999.5	101,461.5

In accordance with IAS 1.34 (a), income from the sale of properties is presented net of the book value of the disposal.

Income from the disposal of properties includes TEUR 13,135.3 that was generated above all from the sale of various objects from the BUWOG/ESG portfolio. This position also includes income of TEUR 6,445.6 from the sale of properties owned by REVIVA Immobilien AG.

3.9.2 Other operating expenses

The following table shows the component items of other operating expenses:

All amounts in TEUR	2007/08	2006/07
Administration	87,095.9	85,067.7
Legal, auditing and consulting fees	26,934.3	15,950.9
Commissions	13,737.3	5,033.8
Taxes and duties	9,368.6	6,654.2
Advertising	13,529.9	6,211.9
Expert opinions	11,947.2	3,665.7
Rental and leasing expenses	868.8	617.1
Miscellaneous	73,664.8	59,976.3
Total	237,146.8	183,177.5

Information on administrative expenses is provided under point 3.8.1.1.

The increase in the number of projects during the reporting year was reflected in higher legal, auditing and consulting fees as well as advertising expenses.

The increase in commissions is comprised primarily of TEUR 5,209.3 in costs related to the acquisition of the BB Centrum project as well as expenses of TEUR 1,182.7 connected with the acquisition of the Grand Center Zagreb project and TEUR 1,170.0 for the acquisition of Stephanshof Liegenschaftsverwaltungsgesellschaft m.b.H. (see section 3.8.1).

Fees for the preparation of expert opinions rose by TEUR 8,281.5 over the prior year level. This development was caused by an increase in the number of projects as well as the fact that expert opinions were also commissioned during the reporting year.

Miscellaneous expenses include TEUR 29,415.0 of financing from BUWOG / ESG and TEUR 14,570.3 of capital investment tax on the share of the capital increase carried out by IMMOEAST AG in May 2007 that was subscribed by IMMOFINANZ.

3.9.3 Personnel expenses

The average workforce employed by the subsidiaries included in the consolidated financial statements developed as follows:

	2007/08	2006/07
Wage employees	252	222
Salaried employees	456	290
Total	708	512

The growth is attributable to newly acquired subsidiaries as well as an increase in the number of employees, above all in the self-storage area.

All amounts in TEUR	2007/08	2006/07
Wages	1,310.1	636.7
Salaries	11,730.4	10,042.8
Expenses for termination benefits	170.0	594.9
Expenses for pensions	359.1	-140.8
Expenses for legally required social security contributions and other employee benefits	3,161.7	2,625.3
Other personnel expenses	630.5	646.1
Total	17,361.8	14,405.0

3.9.4 Other tangible assets

In accordance with IAS 16, tangible assets are carried at cost less accumulated depreciation and any necessary write-downs that result from impairment tests. 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. IAS 16.15

When the payment for a tangible asset extends beyond the normal payment period, interest expense at market rates is also recognised or included. IAS 16.23

Depreciation is calculated on a straight-line basis beginning in the month of acquisition.

Government grants represent assistance provided to an entity through the transfer of resources in return for past or future compliance with certain conditions relating to the operating activities of the entity. Government grants relating to assets, including non-monetary grants at fair value, must be recorded on the balance sheet as deferred income or deducted in determining the carrying value of the asset. IAS 20.1
IAS 20.24

Financing costs are capitalised in accordance with IAS 23 if they are related to the acquisition or production of qualified assets. Borrowing costs include interest and other costs incurred by an entity in connection with the borrowing of funds. The capitalisation of borrowing costs ends with the completion of the asset. IAS 23.10-11
IAS 23.4

Ordinary straight-line depreciation on depreciable tangible assets is based on the following useful lives:

	Useful life in years
Property (buildings)	25–50
Other tangible assets	4–10

The useful lives of the various assets and the depreciation method are reviewed regularly in agreement with IAS 16 to ensure that they reflect the expected development of the economic value in use of the tangible asset.

The following table shows the development of tangible assets:

All amounts in TEUR	Land	Buildings and buildings on third party land	Machinery and equipment	Other equipment, furniture, fixtures and office equipment	Prepayments	Total
Cost as of 1 May 2006	1,147.2	12,202.0	4,845.0	21,700.9	22.6	39,917.8
Change in consolidation range	229.8	85.4	163.4	1,563.1	0.0	2,041.7
Change in consolidation method	0.0	0.0	34.0	356.5	0.0	390.4
Currency translation adjustments	13.7	-0.9	-1.8	152.7	1.1	164.7
Additions	170.7	2,910.6	1,235.5	2,568.8	20.2	6,905.7
Disposals	0.0	0.0	-175.0	-339.4	-1.7	-516.0
Reclassification	1.1	-8.6	288.2	3,366.0	-22.0	3,624.8
Cost as of 30 April 2007	1,562.5	15,188.5	6,389.4	29,368.6	20.2	52,529.1
Accumulated depreciation as of 1 May 2006	0.0	5,164.2	2,092.4	11,793.3	0.0	19,049.9
Change in consolidation method	0.0	0.0	8.5	1,216.9	0.0	1,225.4
Currency translation adjustments	0.0	0.0	25.6	60.6	0.0	86.2
Disposals	0.0	0.0	-19.8	-43.4	0.0	-63.2
Reclassification	0.0	77.8	234.8	1,618.6	0.0	1,931.2
Depreciation for the period	0.0	605.0	610.7	2,148.8	0.0	3,364.5
Accumulated depreciation as of 1 May 2007	0.0	5,847.0	2,952.2	16,794.8	0.0	25,594.0
Carrying value as of 30 April 2007	1,562.5	9,341.5	3,437.2	12,573.8	20.2	26,935.2
Cost as of 1 May 2007	1,562.5	15,188.5	6,389.4	29,368.6	20.2	52,529.1
Change in consolidation range	0.0	48.8	1,116.5	1,132.1	0.0	2,297.3
Change in consolidation method	0.0	0.0	0.0	0.0	0.0	0.0
Currency translation adjustments	-10.3	-9.7	12.4	67.0	0.0	59.5
Additions	92.7	12.8	295.8	3,393.5	0.0	3,794.7
Disposals	-132.5	-1.6	-992.0	-3,594.1	-0.2	-4,720.4
Reclassification	66.8	173.2	-4,655.8	-2,226.1	-20.0	-6,662.0
Cost as of 30 April 2008	1,579.2	15,411.9	2,166.2	28,141.0	0.0	47,298.4
Accumulated depreciation as of 1 May 2007	0.0	5,847.0	2,952.2	16,794.8	0.0	25,594.0
Change in consolidation range	0.0	0.0	9.2	179.9	0.0	189.1
Change in consolidation method	0.0	0.0	0.0	0.1	0.0	0.1
Currency translation adjustments	0.0	-0.5	1.6	81.5	0.0	82.6
Disposals	0.0	-0.4	-16.7	-1,474.1	0.0	-1,491.1
Reclassification	0.0	0.0	-2,796.6	-1,256.5	0.0	-4,053.1
Depreciation for the period	0.0	258.8	662.3	2,873.6	0.0	3,794.7
Accumulated depreciation as of 30 April 2008	0.0	6,104.9	812.1	17,199.3	0.0	24,116.3
Carrying value as of 30 April 2008	1,579.2	9,307.0	1,354.1	10,941.7	0.0	23,182.0

No impairment charges were recognised to other tangible assets during the reporting year.

3.9.5 Intangible assets

IAS 38 defines intangible assets as identifiable, non-monetary assets without physical substance, which can be expected to generate a future economic benefit. The three characteristics of intangible assets are: identifiability, control (over the use of the asset) and future economic benefit (income or future cost savings). The identifiability of intangible assets is coupled either with the capability of being sold or transferred (either alone or together with other assets or liabilities) or with a contractual or legal right. In accordance with IAS 38, intangible assets are carried at cost less amortisation. IAS 38.8
IAS 38.12 (a), (b)
IAS 38.24

If an intangible asset is acquired in a business combination in accordance with IFRS 3, the cost of this asset equals its fair value on the date of acquisition. The value of the intangible asset is subsequently reassessed in connection with the recognition of the business combination. The acquirer must record the intangible assets of the acquired company separately from goodwill as of the acquisition date, independent of whether the asset was recognised or not recognised by the acquired company prior to the business combination. In this case, the cost of the intangible asset is identical to fair value as of the acquisition date. The fair value of an intangible asset reflects the market expectations for the probability that the future economic benefits embodied in the asset will flow to the acquirer. The only circumstances in which it might not be possible to reliably measure the fair value of an intangible asset are when the asset is not separable from the entity, or there is no reliable data on exchange transactions for the same or similar assets and the estimate of fair value would be dependent on immeasurable variables. IAS 38.33
IAS 38.34

All intangible assets – with the exception of goodwill – have a finite useful life and are amortised on a systematic basis.

Ordinary straight-line amortisation is based on the following useful lives:

	Useful life in years
Other intangible assets	3–50

In addition, intangible assets are tested for impairment in accordance with IAS 36. IAS 38.11

Subsequent expenditures on an intangible asset after its acquisition or completion are expensed as incurred unless: it is probable that these expenditures will enable the asset to generate a future economic benefit which exceeds the originally estimated earning power; and these expenditures can be estimated reliably and exactly allocated to the asset. IAS 38.60

The company has no internally generated intangible assets.

The development of other intangible assets (excluding goodwill) is shown in the following table:

All amounts in TEUR	Other intangible assets		
Cost as of 1 May 2006	6,277.8	Cost as of 1 May 2007	8,500.1
Change in consolidation range	1,415.8	Change in consolidation range	14.4
Change in consolidation method	3.7	Change in consolidation method	0.3
Currency translation adjustments	117.7	Currency translation adjustments	-84.4
Additions	688.5	Additions	252.9
Disposals	-3.4	Disposals	-19.3
Cost as of 30 April 2007	8,500.1	Cost as of 30 April 2008	8,664.0
Accumulated amortisation as of 1 May 2006	1,603.7	Accumulated amortisation as of 1 May 2007	2,749.8
Change in consolidation method	0.7	Change in consolidation method	0.0
Disposals	-2.8	Currency translation adjustments	67.3
Currency translation adjustments	25.2	Disposals	-2.6
Amortisation for the period	1,123.0	Reclassification	880.4
Accumulated amortisation as of 30 April 2007	2,749.8	Amortisation for the period	508.1
Carrying value as of 30 April 2007	5,750.3	Accumulated amortisation as of 30 April 2008	4,203.0
		Carrying value as of 30 April 2008	4,461.0

IMMOFINANZ has no intangible assets that are encumbered.

Information on goodwill is presented under point 3.2.

3.9.6 Provisions

IAS 37.14 In accordance with IAS 37.14, an obligation arising from past events 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.

IAS 37.36 The provision is based on the best estimate at the time the financial statements are prepared. The best estimate of the amount required to meet the present obligation is the amount the entity would rationally pay to settle the obligation at the balance sheet date or to transfer the obligation to a third party at that time.

IAS 37.42 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.

IAS 37.53 In cases where some or all of the expenditure required to settle an obligation is expected to be reimbursed by another party, the reimbursement may only be recognised when it is virtually certain that this reimbursement will be received if the entity settles the obligation. This reimbursement is to be treated as a separate asset. The amount recognised for the reimbursement may not exceed the amount of the provision.

In the measurement of a provision, future events are to be included as follows

- IAS 37.48** • planning for reasonable changes in the use of existing technologies
- IAS 37.51** • exclusion of possible gains expected from the disposal of assets
- IAS 37.50** • inclusion of changes in law only when enactment is virtually certain.

Provisions must be reviewed as of each balance sheet date and adjusted through profit or loss if an outflow of resources is no longer probable. IAS 37.59

Other provisions were created primarily for taxes as well as auditing, consulting and expert opinion costs. These items developed as follows during the reporting year: IAS 37.84

All amounts in TEUR	1 May 2007 – 30 April 2008	1 May 2006 – 30 April 2007
Balance on 1 May	35,425.7	31,956.0
Use	-19,475.9	-17,928.0
Reversal	-9,605.1	-4,029.4
Addition	57,508.6	23,217.2
Currency translation adjustments	1,108.1	250.8
Change in consolidation method	3.0	2,985.9
Change in consolidation range	2,006.7	-1,026.7
Balance on 30 April	66,971.1	35,425.7
Thereof current	65,569.5	32,174.2
Thereof non-current	1,401.6	3,251.5

Other provisions also include TEUR 22,957.4 (2006/07: TEUR 8,074.5) of provisions for taxes.

Obligations to employees

The provisions for termination benefits, pensions and long-service bonuses are calculated in accordance with the projected unit credit method. This method computes the present value of the employee claims earned up to the balance sheet, based on an assumed average increase of 2% in wages and salaries. The calculation is based on a retirement age of 56 years for women and 61 years for men. The discount rate applied to the provisions for termination benefits, pensions and long-service bonuses equalled 6.25%. Appropriate discounts for employee turnover were also included, and were graduated according to the length of service. The actuarial calculation for the Austrian companies was based on the Pagler & Pagler AVÖ P-99 mortality tables and in Germany on the 2005 G standard tables issued by Prof. Klaus Heubeck.

Actuarial gains and losses were recognised in full to the income statement during the reporting year.

The provisions for employee benefits include the provisions for termination benefits as well as the provisions for pensions, and developed as follows during the reporting year:

All amounts in TEUR	2007/08	2006/07
Present value of claims for termination benefits and pensions as of 1 May	5,730.7	6,511.5
Interest cost	229.4	248.0
Service cost	183.0	212.8
Actuarial gains / losses	-1,283.4	0.0
Payments	-761.0	-1,241.6
Present value of claims for termination benefits and pensions as of 30 April	4,098.7	5,730.7

The actuarial opinion for the determination of the defined benefit obligation as of 30 April 2008 was prepared by AKTUAR Versicherungsmathematik GmbH

3.9.7 Contingent liabilities and guarantees

IAS 37.10 in
connection with
IFRS 3

IAS 37.36 in
connection with
IAS 18

Contingent liabilities represent possible or existing obligations that arise 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 were obtained in connection with the acquisition of a company and fair value at the point of acquisition 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 as determined under IAS 37 (see point 3.9.6) and the value determined at the point of recognition – less accumulated amortisation in accordance with IAS 18.

The business combinations carried out in 2007/08 did not lead to the recognition of any new contingent liabilities as defined in IFRS 3.37. As of the balance sheet date on 30 April 2008, IMMOFINANZ held no contingent liabilities (2006/07: TEUR 3,381.5). Contingent liabilities of TEUR 3,381.5 (2006/07: TEUR 0.0) were reversed through profit or loss during the reporting year.

3.10 Subsequent events

On 30 June 2008 it was announced that IMMOFINANZ had successfully concluded negotiations with the owners of Constantia Privatbank Aktiengesellschaft for the acquisition of the property segment of Constantia Privatbank Aktiengesellschaft by IMMOFINANZ and IMMOEAST AG.

In an extraordinary general meeting of IMMOFINANZ AG on 23 July 2008, the shareholders approved a proposal by the Executive Board and Supervisory Board to acquire the property activities of Constantia Privatbank Aktiengesellschaft together with IMMOEAST AG.

In an extraordinary general meeting of IMMOEAST AG on 25 July 2008, the shareholders approved a proposal by the Executive Board and Supervisory Board to acquire the property activities of Constantia Privatbank Aktiengesellschaft together with IMMOFINANZ.

This transaction will take the following form: Constantia Privatbank will spin off all its property activities as well as subsidiaries that are active in the property branch into a new company, I&I Real Estate Asset Management AG (I&I). IMMOFINANZ and IMMOEAST AG will subsequently acquire I&I and manage this company as a subsidiary.

The acquisition of I&I will transform IMMOEAST and IMMOFINANZ AG into a property group with two strong core businesses: property investment and property services. This new constellation will not only create attractive strategic opportunities for IMMOFINANZ, but also provide significant potential for cost savings and the generation of additional earnings over the short-term.

IMMOAUSTRIA

IMMOFINANZ acquired the property at Prinz-Eugen-Strasse 8-10 for TEUR 50,039.3 after the balance sheet date.

IMMOEAST

On 23 July 2008 IMMOEAST acquired 100% of the shares in Haller Kert Kft. for a total investment of EUR 75.8 million. This company owns an office building with approx. 34,000 sqm of lettable space in the centre of Budapest.

The remaining shares in Center Invest DEB Kft. Were acquired during the first quarter of 2008/09.

IMMOWEST

In the IMMOWEST subgroup, the consolidation was expanded by the founding of four companies during the first quarter of 2008/09.

4. Notes to the Cash Flow Statement

The cash flow statement of the IMMOFINANZ Group shows the changes in cash and cash equivalents resulting from the inflow and outflow of funds during the reporting year. The Cash Flow Statement distinguishes between cash flows from operating activities, investing activities, and financing activities. Cash flow from operating activities is calculated using the indirect method in accordance with IAS 7.18 (b). Cash and cash equivalents of TEUR 83,682.1 (2006/07: TEUR 31,045.8) are attributable to companies consolidated on a proportionate basis. The cash flow statement includes all information required by IAS 7. The following assets and liabilities, which were acquired through the purchase of property companies, are stated at present value: IAS 7.18 (b)

All amounts in TEUR	2007/08	2006/07
Cash and cash equivalents	38,361.5	48,936.3
Intangible assets (excl. goodwill)	254.0	1,057.0
Shares in associated companies	22,696.3	0.0
Receivables and other assets	59,104.8	110,729.7
Deferred tax assets	4,898.7	7,882.6
Property	966,166.4	1,107,317.2
Other tangible assets	2,115.6	2,841.7
Other financial assets	2,430.9	0.0
Inventories	143,271.1	53,406.0
Financial liabilities	-227,305.3	-257,928.3
Trade accounts payable	-51,824.9	-24,803.8
Provisions	-2,278.4	-724.3
Other liabilities	-150,906.3	-318,954.0
Deferred tax liabilities	-133,791.3	-157,922.6
Minority interests	-14,702.5	4,018.1
Currency translation adjustments	10,668.6	7,734.5
Acquired net assets	669,159.2	583,590.0
(Negative) goodwill	241,324.1	239,123.3
Outstanding purchase price	-58,478.9	-80,065.7
Purchase price paid in cash	852,004.4	742,647.7
Less cash and cash equivalents acquired	-38,361.5	-48,936.3
Net purchase price for property companies	813,642.9	693,711.4

Purchase prices totalling TEUR 852,004.4 (2006/07: TEUR 742,647.7) for property companies were paid in cash.

The following assets and liabilities at fair value were taken over following the acquisition of additional shares in companies (transition consolidation). These transactions led to a change in the consolidation method (also see point 2.2.5):

All amounts in TEUR	2007/08	2006/07
Cash and cash equivalents	1,148.2	7,747.0
Receivables and other assets	17,790.9	10,456.0
Deferred tax assets	55.9	3,148.2
Property	828.0	320,383.5
Other tangible assets	0.0	311.5
Financial liabilities	-10,471.1	-158,044.7
Trade accounts payable	0.0	-2,179.0
Provisions	-3.0	-2,985.9
Other liabilities	-176.5	-23,123.7
Deferred tax liabilities	-1,028.4	-32,744.7
Minority interests	82.1	-1.3
Currency translation adjustments	-87.9	-1,720.4
Acquired net assets	8,138.2	121,246.7
(Negative) goodwill	12,362.7	30,793.7
Outstanding purchase price	0.0	-3,475.2
Purchase price paid in cash	20,500.9	148,565.2
Less cash and cash equivalents acquired	-1,148.2	-7,747.0
Net purchase price for property companies	19,352.7	140,818.1

Purchase prices totalling TEUR 20,501.9 (2006/07: TEUR 148,565.2) for the acquisition of additional shares were paid in cash.

The following table shows the effects of deconsolidations recognised during the reporting year:

All amounts in TEUR	2007/08	2006/07
Cash and cash equivalents	14,070.2	3,539.3
Intangible assets (excl. goodwill)	18.7	31.7
Receivables and other assets	1,674.5	701.4
Deferred tax assets	519.7	0.0
Property	150,838.5	5,288.8
Other tangible assets	7.4	0.0
Other financial assets	659.9	0.0
Financial liabilities	-38,112.5	-5,984.9
Trade accounts payable	-2,333.3	-665.4
Provisions	-271.7	-1,751.0
Other liabilities	-1,876.4	-2,990.5
Deferred tax liabilities	-20,418.8	0.0
Minority interests	1,307.5	117.2
Currency translation adjustment	-3,989.4	236.7
Net assets sold	102,094.3	-1,476.6
Income from deconsolidation	27,008.9	4,630.3
Total sale price	129,103.2	3,153.8
Less cash and cash equivalents	-14,070.2	-3,539.3
Net sale price for property companies	115,033.0	385.6

Information on the companies deconsolidated in 2007/08 is provided in section 2.2.6.

Cash and cash equivalents are comprised of the following:

IAS 7.7

All amounts in TEUR	2007/08	2006/07
Financial instruments	502,675.2	657,036.0
Liquid funds	756,578.1	1,000,016.0
Cash and cash equivalents	1,259,253.3	1,657,052.0

Cash and cash equivalents include EUR 576.6 million in EUR (2006/07: EUR 807.6 mill.), EUR 28.4 million in USD (2006/07: EUR 44.5 mill.), EUR 11.2 million in CZK (2006/07: EUR 13.4 mill.), EUR 19.8 million in HUF (2006/07: EUR 13.9 mill.), EUR 48.0 million in PLN (2006/07: EUR 46.6 mill.), EUR 5.0 million in CHF (2006/07: EUR 39.1 mill.), EUR 32.9 million in RON (2006/07: EUR 14.9 mill.), EUR 17.0 million in SKK (2006/07: EUR 13.1 mill.), EUR 14.0 million in RUB (2006/07: EUR 5.7 mill.) and EUR 3.7 million in other currencies (2006/07: 1.2 mill.).

Liquidity as shown on the Cash Flow Statement is comprised of cash and cash equivalents and current securities. In accordance with IAS 7.7, current securities are classified as cash and cash equivalents if their remaining term is less than three months. All assets included under cash and cash equivalents meet this criterion as of the balance sheet date.

Cash flows are translated at the average exchange rate for the relevant 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 position "currency translation adjustments".

5. Segment Reporting

Segment reporting is regulated in IFRS 8 and IAS 14, whereby IFRS 8 replaces IAS 14 and is applicable to financial years beginning on or after 1 January 2009. The early application of IFRS 8 is permitted and recommended, but must be explicitly disclosed.

IMMOFINANZ has applied IFRS 8 since the 2006/07 financial year.

IFRS 8.35

In accordance with IFRS 8.2-3, segment reporting applies to companies whose securities are traded on a public market as well as companies that are planning to issue securities in a public market. However, the obligation to comply with the requirements of segments reporting only applies when these securities are issued by the reporting company. The issue of securities by a subsidiary and the trading of these securities on a public market do not create an obligation for the parent company to provide information on its operating segments.

Segment reporting is not conditional on the legal form of the securities and, in accordance with IFRS 8.2-3, applies to both debt and equity instruments. A public market is considered to be any domestic or foreign market or over-the-counter market, including local and regional markets.

IFRS 8 requires the disclosure of information on operating segments that are defined on the basis of the internal reporting structure used by a company. Additional information is also required on the products, services and geographical regions (reporting segments).

The segmentation of data in accordance with IFRS 8 is based on the management approach, and generally reflects the segmentation used for internal reporting and decision-making. In contrast to the form of segmentation required by IAS 14 – where areas of business are designated as primary segments and geographical regions as secondary segments – IFRS 8 also allows for product-oriented, geographical, customer-based or legally defined segments.

Since IFRS 8 has been adopted into the European Union body of law, the classification of business activities by secondary segments now only takes place as part of internal reporting.

IFRS 8.5 In accordance with IFRS 8.5, a component of a company should be defined as an operating segment for external reporting purposes when:

- it engages in entrepreneurial activities that lead to revenues and expenses, including revenues and expenses arising from transactions with other components of the same company,
- the results of its operations are regularly reviewed by the company's decision-makers and used to assess performance and allocate resources, and
- the company's internal reporting systems can provide discrete financial information is available on the component.

IFRS 8.13 The quantitative thresholds for the identification of reportable operating segments are defined in IFRS 8.13. The reporting obligation is triggered by three alternative criteria:

- Revenue, including both sales to external customers and intersegment sales, equals at least 10% of the combined external and intersegment revenue of all operating segments, or
- The reported segment profit or loss equals at least 10% of the greater of the combined reported profit of all operating segments that did not report a loss, and the combined reported loss of all operating segments that reported a loss, or
- Segment assets equal at least 10% of the combined assets of all operating segments.

IFRS 8.14 Two or more operating segments may be aggregated into a single operating segment if they have similar economic characteristics that lead to expectations of comparable long-term development and if they meet the aggregation criteria defined in IFRS 8.12.

These rules largely reflect the provisions of IAS 14. However in contrast to IAS 14.35, the segment is no longer required to earn the majority of its revenues from sales to external customers.

IFRS 8.15 Additional operating segments must be defined until at least 75% of the total segment revenue is generated by sales to external customers. There is no predefined order for this selection.

Segments that were classified as significant in the previous year must still be presented separately if they are of continuing significance. Segments that are considered to have a special relevance are also designated as reportable, e.g. rapidly growing fields of business or high-risk areas.

IFRS 8.23 Under the management approach, a company must use the same profit or loss thresholds applied to internal management and reporting to define its (reportable operating) segments. Quantitative information on segment results and segment assets must also be disclosed in this connection.

In addition to segment results and assets, the following amounts must also be disclosed if they are regularly provided to management:

- segment revenues from external customers
- intersegment revenues
- interest expense and income (not netted out, unless this figure is used for internal management purposes)
- material items of income and expense as defined in IAS 1.86;
- the entity's interest in investments consolidated at equity;
- income tax expense or income
- material non-cash items other than depreciation, amortisation and impairment charges.
- segment liabilities must also be disclosed if these figures are used for internal management purposes.

In addition to the conditional disclosures on segment results, additional information must also be provided on segment assets and segment liabilities if the relevant amounts are regularly reported to management

- the carrying values of investments consolidated at equity
- additions to non-current segment assets, and
- the segmented classification/assignment of provisions and liabilities.

In accordance with IFRS 8.27, the quantitative data provided on the segments should be accompanied by explanations covering – as a minimum – the accounting and valuation methods applied. In addition, general information should be disclosed to provide insight into the nature of business activities and internal reporting. This information is designed to support an understanding of the presentation of data and identification of segments in accordance with the management approach. IFRS 8.22 requires the disclosure of: **IFRS 8.27**
IFRS 8.22

- the factors used to identify the reportable segments, including the internal organisational structure, and
- the products and services from which the individual segments derive their revenues.

The central decision-maker of IMMOFINANZ is the Executive Board as a collegial body. Internal reporting to the Executive Board is based on country information that comprises the income statements from the countries, including the related elimination of income, expenses and interim profits as well as the holding companies that are allocated to the relevant country operating organisations. The Executive Board is also provided with information on country-specific cash flows.

The definition of segments by IMMOFINANZ is based on internal reporting (the management approach) and meets the materiality criteria under IFRS 8.13.

The following table illustrates the application of the materiality criterion to the identification of segments:

Segment	IMMOAUSTRIA		IMMOEAST		IMMOWEST		Transition		IMMOFINANZ Group	
	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07
All amounts in million										
Segment revenues										
Absolute amount	294.1	289.8	297.2	192.9	79.4	36.2	0.0	0.0	670.7	518.9
Relative amount	43.8%	55.8%	44.3%	37.2%	11.8%	7.0%	0.0%	0.0%		
Segment earnings										
Absolute amount	185.0	200.5	167.3	536.2	107.8	22.9	-85.1	-34.8	375.0	724.9
Relative amount	49.3%	27.7%	44.6%	74.0%	28.7%	3.2%	-22.7%	-4.8%		
Segment assets										
Absolute amount	6,683.6	5,438.7	10,425.3	6,728.2	2,010.9	1,669.5	-3,462.4	-1,114.7	15,657.5	12,721.6
Relative amount	42.7%	42.8%	66.6%	52.9%	12.8%	13.1%	-22.1%	-8.8%		

5.1 Revenues

IMMOFINANZ recorded revenues of TEUR 670,831.3 for the 2007/08 financial year, which represents a year-on-year increase of TEUR 151,948.3 or 29.3%. The rental income included in this amount rose by TEUR 122,379.0 to TEUR 501,301.8, and reflects an increase of 32.3% over the prior year.

The IMMOAUSTRIA and IMMOEAST segments each generated 44% of group revenues. IMMOEAST reported an increase of TEUR 104,292.9 or 54.1% in revenues to TEUR 297,213.3 for the reporting period and, based on revenues, represents the largest IMMOFINANZ segment. The development of business in this segment was also supported by the acquisition of a number of high-income objects in 2006/07, which made their first full 12-month contribution to rental income during the reporting year. Revenues in the IMMOAUSTRIA segment matched the prior year level with a plus of 1.5%. The IMMOWEST segment recorded an increase of TEUR 43,260.6 or 119.6% in revenues for 2007/08. This growth was driven by the secondary segments of offices, logistics and commercial

space. The expansion in the logistics and commercial area was related above all to City Box and Deutsche Lagerhaus, while the Friesen and Andreas Quarter properties were responsible for the increase in office space.

5.2 Revaluation results

Revaluation results include all increases and decreases in the value of investment properties.

In comparison with the previous year, revaluation results fell 50.6 % to TEUR 370,027.5. This significant decline was caused by two major factors: the value of the Euro declined in relation to the Czech Krone, Slovakian Krone and Polish Zloty during the reporting year, and this change in foreign exchange rates led to an impairment charge in the IMMOEAST segment, even though the value of numerous properties exceeded the comparable prior year value in Euro. In addition, the credit crisis in the USA also had an influence on the property markets of Central and Eastern Europe. This situation was manifested in a substantially lower number of individual property transactions as well as a lower transaction volume.

The IMMOAUSTRIA segment reported revaluation results of TEUR 293,726.9 for the reporting period, which represents an increase of 11.6%. These results were generated largely by the BUWOG / ESG portfolio. In the IMMOEAST segment, revaluation results fell by TEUR 482,005.0 or 97.8% due to the unfavourable development of foreign exchange rates and the increase in returns that was caused by the yield expansion. Revaluation results in the IMMOWEST segment showed strong development in 2007/08, with a year-on-year increase of TEUR 71,705.4. This growth was related primarily to revaluation results from properties completed during the reporting period in the City Box and Deutsche Lagerhaus businesses as well as the Friesen and Andreas Quarter.

5.3 Financial results

IMMOFINANZ again reported a solid improvement in financial results, which rose from TEUR 25,875.1 in 2006/07 to TEUR 40,813.6 for the reporting year. This growth resulted, among others, from a massive rise in interest income as well as higher income generated by financial instruments in the IMMOEAST segment. Exchange rate changes in the individual segments led to positive currency translation adjustments totalling TEUR 22,111.7 (2006/07: TEUR 32,591.8). The positive development of financial results was also supported by the measurement of financial instruments held by the IMMOWEST and IMMOEAST segments at fair value through profit or loss (revaluation of TEUR 21,526.9; 2006/07: 17,852.7) as well as income from distributions (TEUR 55,519.6; 2006/07 41,922.8) that was primarily reflected in the financial results recorded by IMMOWEST.

5.4 Investments

IMMOFINANZ invested a total of TEUR 1,625,771.8 in property projects during 2007/08, which was allocated as follows: 6.3% to the IMMOAUSTRIA segment, 77.2% to the IMMOEAST segment and 16.5% to the IMMOWEST segment. These investments focused above all on office, logistics and commercial properties.

5.5 Cash EBIT margin

The cash EBIT margin of IMMOFINANZ declined by 3.8 percentage points from 39.3% to 35.5% during the reporting year.

The cash EBIT margin compares cash EBIT with revenues, whereby cash EBIT is calculated on the basis of EBIT adjusted for revaluations and impairment charges as well as non-cash income and expenses.

An analysis of the individual segments shows a year-on-year improvement in the cash EBIT margins recorded by IMMOEAST and IMMOWEST as well as a decline in IMMOAUSTRIA.

In the IMMOAUSTRIA segment, modest revenue growth was contrasted by higher maintenance costs and other operating expenses. This cost increase was responsible for the 12.2 percentage points decline in the cash EBIT margin.

The cash EBIT margin in the IMMOEAST segment rose from 33.3% to 45.5% during 2007/08, supported by the increase of 54.1% in revenues.

The IMMOWEST segment generated the highest increase in the cash EBIT margin for the reporting period, with a plus of 30.8%. This development was related to the increase of 119.6% in revenues, above all from the City Box and Deutsche Lagerhaus subsegments.

5.6 Transition from segment to Group results

The transition column includes the effects of consolidation procedures as well as the amounts related to other non-reportable segments and the results of IMMOFINANZ AG.

The amounts in the transition column “Group net profit for the period” are comprised above all of other operating income and expenses as well as other financial positions related to the results reported by IMMOFINANZ or the elimination of income and expenses.

Segment assets are comprised chiefly of investment property (IAS 40), property under construction (IAS 16) and intangible assets as well as investments carried at equity, inventories and receivables.

Segment liabilities consist of financial liabilities, trade accounts payable, provisions and tax liabilities.

The transition column for segment assets and liabilities is comprised chiefly of eliminated receivables and liabilities for regions that are not allocated to a specific segment.

Group Companies of IMMOFINANZ AG

Company	Country Headquarters		Nominal capital	Currency	Stake	Initial consolidation	Transition consolidation, increase in investment or structural change	Type of consolidation
IMMOFINANZ AG	A	Vienna	464,608,844,72	EUR				V
IMMOAUSTRIA IMMOBILIEN ANLAGEN GMBH	A	Vienna	45,000,000	EUR	100.00%	13.03.2001		V
IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	A	Vienna	2,180,185	EUR	100.00%	30.04.1994		V
IMMOFINANZ ALPHA Immobilien Vermietungsgesellschaft m.b.H.	A	Vienna	72,673	EUR	100.00%	30.04.1994		V
IMMOFINANZ Naglergasse LiegenschaftsvermietungsgmbH	A	Vienna	36,336	EUR	100.00%	30.04.1994		V
IMMOFINANZ Artemis Immobilien Vermietung GmbH	A	Vienna	726,728	EUR	100.00%	30.04.1996		V
SPE Liegenschaftsvermietung Gesellschaft m.b.H.	A	Vienna	36,336	EUR	100.00%	31.12.1996		V
Business Park Beteiligungs AG	A	Vienna	72,670	EUR	100.00%	31.05.1997	21.02.2008	V
Business Park Vienna Holding AG	A	Vienna	363,350	EUR	100.00%	31.05.1997	21.02.2008	V
Bauteile A+B Errichtungsges.m.b.H.	A	Vienna	36,336	EUR	100.00%	31.05.1997	21.02.2008	V
Bauteile C+D Errichtungsges.m.b.H.	A	Vienna	36,336	EUR	100.00%	31.05.1997	21.02.2008	V
RentCon Handels- und Leasing GmbH	A	Vienna	36,336	EUR	100.00%	31.12.1997		V
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	A	Vienna	7,267,283	EUR	100.00%	22.01.1998		V
IMMOFINANZ Metis Anlagen Leasing GmbH	A	Vienna	36,336	EUR	100.00%	30.04.1998		V
MARINA Handelsgesellschaft m.b.H.	A	Vienna	72,673	EUR	100.00%	30.04.1998		V
„Wienerberg City“ Errichtungsges.m.b.H.	A	Vienna	1,816,821	EUR	95.00%	31.08.1998		V
ECE Shoppingcenter Projektentwicklungs- und Management GmbH	A	Vienna	35,000	EUR	50.00%	16.02.1999		Q
WIPARK Garagen AG	A	Vienna	10,000,000	EUR	100.00%	30.04.1999		V
Garage am Beethovenplatz Gesellschaft m.b.H. & Co. KG	A	Vienna	125,978	EUR	100.00%	30.04.1999		V
TGF – Tiefgarage Freyung Errichtungs- und Verwaltungsgesellschaft m.b.H. & Co KG	A	Vienna	72,673	EUR	100.00%	30.04.1999		V
TGF – Tiefgarage Freyung Errichtungs- und Verwaltungsgesellschaft m.b.H.	A	Vienna	36,336	EUR	100.00%	30.04.1999		V
WIPARK Hungaria Garáže Kft.	H	Budapest	405,000,000	HUF	100.00%	30.04.1999		V
F&I Liegenschaftsvermietungs GmbH	A	Vienna	35,000	EUR	100.00%	15.06.1999	30.04.2007	V
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Burggasse 89 KEG	A	Vienna	1,000	EUR	100.00%	31.12.1999		V
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Börsegasse 1 KEG	A	Vienna	1,000	EUR	100.00%	31.12.1999		V
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Wollzeile 31 KEG	A	Vienna	1,000	EUR	100.00%	31.12.1999		V
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Gumpendorferstrasse 81 KEG	A	Vienna	1,000	EUR	100.00%	31.12.1999		V
„AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Fischhof 3 KEG“	A	Vienna	1,000	EUR	100.00%	06.04.2000		V
IMMOFINANZ Ismene Immobilien Vermietungsgesellschaft m.b.H.	A	Vienna	36,336	EUR	100.00%	30.04.2000		V
„AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Kaiserstrasse 57-59 KEG“	A	Vienna	1,000	EUR	100.00%	30.04.2000		V
Immofinanz Gamma Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	A	Vienna	36,336	EUR	99.16%	01.05.2000		E
City Tower Vienna Errichtungs- und Vermietungs-GmbH	A	Vienna	35,000	EUR	100.00%	22.12.2000		V
IMMOFINANZ Aleos Anlagen Leasing GmbH	A	Vienna	36,336	EUR	100.00%	01.05.2001		V
HL Bauprojekt GesmbH	A	Vienna	36,336	EUR	100.00%	01.05.2001		V
WIPARK Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.05.2001		V

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Transition consolidation, increase in investment or structural change	Type of consolidation
Master Boats Vertriebs- und Ausbildungs GmbH	A	Vienna	36,336	EUR	100.00%	01.07.2001		V
WIPARK Palace Garáze Kft.	H	Budapest	300,000,000	HUF	70.00%	23.07.2001		V
IMMOFINANZ Enodia Realitäten Vermietungs GmbH	A	Vienna	36,336	EUR	100.00%	01.10.2001		V
Diefenbachgasse 53-55 Bauprojektentwicklungs GmbH	A	Vienna	35,000	EUR	100.00%	01.10.2001		V
HK 348 Vermögensverwaltungs GmbH	A	Vienna	35,000	EUR	50.00%	31.12.2001		Q
Les Bains de St. Moritz Holding AG	CH	St. Moritz	200,000	CHF	50.00%	31.12.2001	30.04.2007	V
St. Moritz Bäder AG	CH	St. Moritz	21,750,000	CHF	50.00%	31.12.2001	30.04.2007 and 01.11.2007	V
Infinitas ProjektentwicklungsgesmbH	A	Vienna	35,000	EUR	100.00%	01.11.2002		V
FUTUR-IMMOBILIEN GmbH	A	Vienna	73,000	EUR	100.00%	01.05.2003		V
REVIVA Immobilien AG	A	Vienna	8,760,000	EUR	99.32%	30.06.2003	31.01.2008	V
REVIVA Am Spitz Liegenschafts AG	A	Vienna	5,840,000	EUR	86.69%	30.06.2003	30.04.2008	V
IMMOKRON Immobilienbetriebsgesellschaft m.b.H.	A	Vienna	36,336	EUR	80.00%	31.10.2003	01.08.2006	V
Immofinanz Alkmene Immobilien Vermietungs GmbH	A	Vienna	35,000	EUR	100.00%	31.01.2004		V
Geiselbergstrasse 30-32 Immobilienbewirtschaftungs GmbH	A	Vienna	35,000	EUR	100.00%	01.05.2004		V
IMF Immobilienholding Gesellschaft mbH	A	Vienna	35,000	EUR	100.00%	14.05.2004		V
FMZ Rosental Betriebs GmbH	A	Vienna	35,000	EUR	80.00%	13.08.2004	01.08.2006	V
IMMOFINANZ Drei D Liegenschaftsverwertungs GmbH	A	Vienna	35,000	EUR	100.00%	31.08.2004		V
“Untere Viaduktgasse 4” Liegenschaftsverwaltungs GmbH	A	Vienna	35,000	EUR	100.00%	31.08.2004		V
IMMOFINANZ Vier D Liegenschaftsverwertungs GmbH	A	Vienna	35,000	EUR	100.00%	07.09.2004		V
BUWOG Bauen und Wohnen Gesellschaft mbH	A	Vienna	18.894.937	EUR	100.00%	01.10.2004		V
ESG Wohnungsgesellschaft mbH Villach	A	Villach	5,087,098	EUR	99.90%	01.10.2004		V
“Heller Fabrik” Liegenschaftsverwertungs GmbH	A	Vienna	72,000	EUR	100.00%	01.10.2004	20.06.2007	V
BUWOG Projektentwicklungs,- Service- und Dienstleistungs GmbH	A	Vienna	73,000	EUR	100.00%	01.10.2004		V
BUWOG CEE GmbH	A	Vienna	35,000	EUR	100.00%	01.10.2004	01.09.2005	V
Immofinanz TCT Liegenschaftsverwertungs GmbH	A	Vienna	1,500,000	EUR	100.00%	01.11.2004		V
PIO Liegenschaftsverwertungs GmbH	A	Vienna	79,940	EUR	100.00%	01.01.2005		V
SL Immobilienprojekt GmbH	A	Vienna	480,000	EUR	100.00%	01.01.2005		V
ARO Immobilien GmbH	A	Vienna	7,267,283	EUR	100.00%	01.01.2005		V
AAX Immobilienholding GmbH	A	Vienna	40,790	EUR	100.00%	01.01.2005		V
STAR Immobilien Treuhand- Versicherungsmakler GmbH	A	Vienna	110,000	EUR	100.00%	01.01.2005		V
Bauteil M Errichtungsges.m.b.H.	A	Vienna	35,000	EUR	100.00%	02.03.2005	21.02.2008	V
IMMOFINANZ Enodia Realitäten Vermietungs GmbH & Co OEG	A	Vienna	1,000	EUR	100.00%	22.04.2005		V
WIPARK Budavar Kft.	H	Budapest	3,000,000	HUF	50.00%	30.04.2005		Q
HM 7 Liegenschaftsvermietungs-gesellschaft m.b.H.	A	Vienna	5,087,098	EUR	80.00%	20.05.2005		V
SELICASTELLO BETA Beteiligungsverwaltung GmbH	A	Vienna	50,000	EUR	50.00%	31.05.2005		Q
SELICASTELLO BETA Liegenschaftsbesitz GmbH	A	Vienna	35,000	EUR	50.00%	31.05.2005		Q
SELICASTELLO GAMMA Beteiligungsverwaltung GmbH	A	Vienna	50,000	EUR	50.00%	31.05.2005		Q
SELICASTELLO GAMMA Liegenschaftsbesitz GmbH	A	Vienna	35,000	EUR	50.00%	31.05.2005		Q
IMMOFINANZ Demophon Immobilienvermietungs GmbH	A	Vienna	35,000	EUR	100.00%	29.06.2005		V
SelfStorage – Dein Lager Lagervermietungs-gesmbH	A	Langenzersdorf	70,785	EUR	30.00%	31.07.2005		Q
SelfStorage – Liegenschaftsverwaltung Wattgasse GmbH	A	Vienna	36,336	EUR	30.00%	31.07.2005		Q
SelfStorage – Dein Lagerraum (Schweiz) AG	CH	Opfikon	120,000	CHF	30.00%	31.07.2005		Q
SelfStorage – Dein Lagerraum GmbH	D	Munich	25,000	EUR	30.00%	31.07.2005		Q
ESG Beteiligungs GmbH	A	Vienna	35,000	EUR	100.00%	17.09.2005		V
RHOMBUS Errichtungs- und VerwertungsGmbH & Co KG	A	Vienna	2,400,000	EUR	100.00%	14.02.2006		V
EFSP Immobilienentwicklung GmbH	A	Vienna	35,000	EUR	100.00%	11.04.2006		V
IMMOFINANZ Finance BV	NL	Amsterdam	18,000	EUR	100.00%	30.04.2006		V
City Parkgaragen BetriebsGmbH	A	Vienna	35,000	EUR	100.00%	08.06.2006		V
VCG Immobilienbesitz GmbH	A	Vienna	35,000	EUR	100.00%	20.12.2006	21.02.2008	V
VIV Gebäudeerrichtungs GmbH	A	Vienna	35,000	EUR	100.00%	31.10.2007		V
Stephanshof Liegenschaftsverwaltungsgesellschaft m.b.H.	A	Vienna	36,336	EUR	100.00%	01.08.2007		V

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Transition consolidation, increase in investment or structural change	Type of consolidation
ARO IBK GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2007		V
Frescura Investments B.V.	NL	Amsterdam	90,000	EUR	100.00%	06.08.2007		V
BUWOG Slovakia s.r.o.	SK	Bratislava	200,000	SKK	100.00%	08.09.2007		V
WIPARK-KONZUMPARKOLÓ Kft.	H	Pécs	3,000,000	HUF	90.00%	20.11.2007		V
Frankonia Eurobau Buwog Bielniki Sp. z o.o.	PL	Warsaw	50,000	PLN	50.00%	06.03.2008		Q
IMMOWEST IMMOBILIEN ANLAGEN AG	A	Vienna	72,670	EUR	100.00%	30.04.2000		V
IMMOFINANZ USA, Inc.	USA	Wilmington	10	USD	100.00%	08.08.2001		V
IMMOWEST Beteiligungs GmbH	A	Vienna	35,000	EUR	100.00%	22.08.2001		V
IMF Investments No. 301, Ltd.	USA	Houston	10,000,000	USD	90.00%	06.09.2001		Q
Les Bains de St. Moritz Holding AG	CH	St. Moritz	200,000	CHF	50.00%	31.12.2001	30.04.2007	V
St. Moritz Bäder AG	CH	St. Moritz	21,750,000	CHF	50.00%	31.12.2001	30.04.2007 and 01.11.2007 V	V
IMF Holdings LLC	USA	Wilmington	17,210,622	USD	73.33%	17.07.2002		V
IMMOWEST OVERSEAS REAL ESTATE GmbH	A	Vienna	35,000	EUR	100.00%	31.01.2004		V
IMMOFINANZ USA Real Estate, Inc.	USA	Wilmington	7,689,760	USD	100.00%	31.01.2004		V
IMF Deutschland GmbH	D	Frankfurt	25,000	EUR	100.00%	31.01.2004		V
SEGESTIA Holding GmbH	A	Vienna	35,000	EUR	100.00%	04.11.2004		V
IWD IMMOWEST Immobilienholding GmbH	A	Vienna	35,000	EUR	100.00%	06.11.2004		V
CHB Immobilienholding GmbH & Co. KG	D	Frankfurt	5,000	EUR	100.00%	09.11.2004		V
Poseidon JV S.a.r.l.	L	Luxembourg	12,500	EUR	50.00%	17.11.2004		Q
Poseidon Investment A S.a.r.l.	I	Italy	12,500	EUR	50.00%	17.11.2004		Q
Poseidon Investment B S.a.r.l.	I	Italy	12,500	EUR	50.00%	17.11.2004		Q
CEREP Poseidon A3 SAS	I	Italy	10,000	EUR	50.00%	17.11.2004		Q
CEREP Poseidon A7 SAS	I	Italy	10,000	EUR	50.00%	17.11.2004		Q
CEREP Poseidon B SAS	I	Italy	10,000	EUR	50.00%	17.11.2004		Q
IMMOASIA IMMOBILIEN ANLAGEN GmbH	A	Vienna	35,000	EUR	100.00%	28.12.2004		V
IMMOFINANZ IMMOBILIEN ANLAGEN Schweiz AG	CH	Luterbach	9,300,000	CHF	100.00%	25.01.2005		V
IMMOASIA Beteiligungs GmbH	A	Vienna	35,000	EUR	100.00%	01.03.2005		V
CEREP Poseidon A9 Srl	I	Italy	10,000	EUR	50.00%	01.05.2005		Q
Tempelhofer Feld AG	D	Berlin	1,278,229,70	EUR	100.00%	31.05.2005		V
IMF Investments 105 LP	USA	Houston	5,000,000	USD	90.00%	08.06.2005		Q
IMMOWEST PROMTUS Holding GmbH	A	Vienna	35,000	EUR	100.00%	14.07.2005		V
IMF Investments 205 LP	USA	Houston	7,000,000	USD	90.00%	09.09.2005		Q
IMMOFINANZ USA REAL ESTATE Inc. II	USA	Wilmington	10	USD	100.00%	17.11.2005		V
IMF Lagerhaus GmbH	D	Frankfurt	25,000	EUR	100.00%	30.11.2005		V
Deutsche Lagerhaus GmbH u. Co KG	D	Essen	24,030,000	EUR	90.00%	30.11.2005	30.04.2007	V
RHEIN-INVEST GmbH	D	Mülheim	25,000	EUR	90.00%	30.11.2005	30.04.2007	V
Rheinische Lagerhaus GmbH	D	Essen	1,000,000	EUR	85.32%	30.11.2005	30.04.2007	V
Rheinische Lagerhaus Rheine GmbH	D	Rheine	500,000	EUR	80.88%	30.11.2005	30.04.2007	V
Rheinische Park GmbH	D	Mülheim	800,000.00	EUR	85.32%	30.11.2005	30.04.2007	V
Rheinische Lagerhaus Hannover GmbH u. Co KG	D	Mülheim	300,000	EUR	90.00%	30.11.2005	30.04.2007	V
Rheinische Lagerhaus Wuppertal GmbH u. Co KG	D	Mülheim	700,000	EUR	90.00%	30.11.2005	30.04.2007	V
IMF Luxemburg I S.à.r.l.	L	Luxembourg	12,500	EUR	100.00%	27.03.2006		V
IMF Luxemburg II S.à.r.l.	L	Luxembourg	12,500	EUR	100.00%	27.03.2006		V
IMF Luxemburg III S.à.r.l.	L	Luxembourg	12,500	EUR	100.00%	27.03.2006		V
CEREP Poseidon A13	I	Italy	10,000	EUR	50.00%	31.03.2006		Q
Deutsche Lagerhaus Bremen I GmbH u. Co KG	D	Mülheim	500,000	EUR	90.00%	31.03.2006	30.04.2007	V
IMF Warenhaus Vermietungs GmbH	D	Frankfurt	25,000	EUR	100.00%	21.04.2006		V
Deutsche Lagerhaus Niederaula GmbH u. Co KG	D	Mülheim	500,000	EUR	90.00%	16.05.2006	30.04.2007	V
Deutsche Lagerhaus Heusenstamm GmbH u. Co KG	D	Mülheim	500,000	EUR	90.00%	16.05.2006	30.04.2007	V
Deutsche Lagerhaus Beteiligungs GmbH u. Co KG	D	Mülheim	500,000	EUR	90.00%	16.05.2006	30.04.2007	V
Deutsche Lagerhaus Neuss GmbH u. Co KG	D	Mülheim	500,000	EUR	90.00%	16.05.2006	30.04.2007	V

Group Companies

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Transition consolidation, increase in investment or structural change	Type of consolidation
IMF Königskinder GmbH	D	Frankfurt	25,000	EUR	100.00%	01.09.2006		V
FRANKONIA Eurobau Königskinder GmbH	D	Nettetal	25,000	EUR	50.00%	19.09.2006		Q
IMF Investments 106 LP	USA	Houston		USD	90.00%	29.09.2006		Q
Deutsche Lagerhaus Bönen GmbH u. Co KG	D	Mülheim	500,000	EUR	90.00%	14.11.2006	30.04.2007	V
Deutsche Lagerhaus Freystadt GmbH u. Co KG	D	Mülheim	500,000	EUR	90.00%	14.11.2006	30.04.2007	V
Deutsche Lagerhaus Poing GmbH u. Co KG	D	Mülheim	500,000	EUR	90.00%	14.11.2006	30.04.2007	V
Deutsche Lagerhaus vierzehnte Objekt GmbH u. Co KG	D	Mülheim	500,000	EUR	90.00%	14.11.2006	30.04.2007	V
Deutsche Lagerhaus Kirchheim GmbH u. Co KG	D	Mülheim	500,000	EUR	90.00%	14.11.2006	30.04.2007	V
Deutsche Lagerhaus Gross-Gerau GmbH u. Co KG	D	Mülheim	500,000	EUR	90.00%	14.11.2006	30.04.2007	V
Deutsche Lagerhaus siebzehnte Objekt GmbH u. Co KG	D	Mülheim	500,000	EUR	90.00%	14.11.2006	30.04.2007	V
Deutsche Lagerhaus Willich GmbH u. Co KG	D	Mülheim	500,000	EUR	90.00%	14.11.2006	30.04.2007	V
Deutsche Lagerhaus Hamburg I GmbH u. Co KG	D	Mülheim	250,000	EUR	90.00%	15.11.2006	30.04.2007	V
FRANKONIA Eurobau Friesenquartier GmbH	D	Nettetal	25,000	EUR	50.00%	20.12.2006		Q
FRANKONIA Eurobau Friesenquartier II GmbH	D	Nettetal	25,000	EUR	50.00%	20.12.2006		Q
LZB Bülach AG	CH	Bülach	8,000,000	CHF	90.00%	22.01.2007	30.04.2007	V
Logistikpark Lahr GmbH u. Co KG	D	Düsseldorf	50,000	EUR	90.00%	01.02.2007	30.04.2007	V
IMMOFINANZ Phoenix LLC	USA	Phoenix		USD	100.00%	08.02.2007		V
Immowest Lux I S.à.r.l.	L	Luxembourg	12,500	EUR	100.00%	27.02.2007		V
Immowest Lux II S.à.r.l.	L	Luxembourg	12,500	EUR	100.00%	27.02.2007		V
IMMOWEST Storage Holding B.V.	NL	Amsterdam	100,000	EUR	90.01%	28.02.2007		V
FRANKONIA Eurobau Andreasquartier GmbH	D	Nettetal	25,000	EUR	50.00%	07.03.2007		Q
Deutsche Lagerhaus International GmbH	D	Mülheim	1,000,000	EUR	90.00%	31.03.2007		V
Europa City Box B.V.	NL	Amsterdam	90,125	EUR	90.01%	30.04.2007		V
City Box Holding B.V.	NL	Amsterdam	45,378	EUR	90.01%	30.04.2007		V
City Box Properties B.V.	NL	Amsterdam	90,756	EUR	90.01%	30.04.2007		V
City Box Local B.V.	NL	Amsterdam	90,000	EUR	90.01%	30.04.2007		V
City Box Exploitatie I B.V.	NL	Amsterdam	78,750	EUR	90.01%	30.04.2007		V
City Box Exploitatie II B.V.	NL	Amsterdam	90,000	EUR	90.01%	30.04.2007		V
Immowest Netherland I B.V.	NL	Amsterdam	79,412	EUR	100.00%	10.07.2007		V
IMMOWEST Lux III S.à.r.l.	L	Luxembourg	12,500	EUR	100.00%	02.07.2007		V
Valette Finance B.V.	NL	Amsterdam	90,000	EUR	100.00%	27.07.2007		V
Deutsche Lagerhaus Service GmbH	D	Mülheim	25,000	EUR	90.00%	12.07.2007		V
Deutsche Lagerhaus neunzehnte Objekt GmbH & Co KG	D	Mülheim	500,000	EUR	90.00%	23.08.2007		V
Deutsche Lagerhaus zwanzigste Objekt GmbH & Co KG	D	Mülheim	500,000	EUR	90.00%	23.08.2007		V
Deutsche Lagerhaus einundzwanzigste Objekt GmbH & Co KG	D	Mülheim	500,000	EUR	90.00%	23.08.2007		V
Deutsche Lagerhaus zweiundzwanzigste Objekt GmbH & Co KG	D	Mülheim	500,000	EUR	90.00%	23.08.2007		V
Deutsche Lagerhaus dreiundzwanzigste Objekt GmbH & Co KG	D	Mülheim	500,000	EUR	90.00%	23.08.2007		V
FRANKONIA Eurobau DUS Plaza GmbH	D	Nettetal	25,000	EUR	50.00%	20.09.2007		Q
IMF Investments 207 LP	USA	Houston		USD	90.00%	22.10.2007		Q
IMF Investments 107 LP	USA	Houston		USD	90.00%	22.10.2007		Q
IMMOWEST Storage Holding GmbH	A	Vienna	35,000	EUR	100.00%	26.10.2007		V
City Box Amsterdam Zuid B.V.	NL	Amsterdam	1,000,000	EUR	90.01%	02.11.2007		V
City Box Rijswijk B.V.	NL	Amsterdam	90,000	EUR	90.01%	02.11.2007		V
City Box Eindhoven Centrum B.V.	NL	Amsterdam	90,000	EUR	90.01%	30.11.2007		V
Greenfield Logistikpark West GmbH & Co. KG	D	Düsseldorf	500,000	EUR	81.00%	03.12.2007		V
Greenfield Logistikpark Süd GmbH & Co. KG	D	Düsseldorf	500,000	EUR	81.00%	12.02.2008		V
Greenfield Logistikpark Schwerte GmbH & Co. KG	D	Düsseldorf	500,000	EUR	81.00%	12.02.2008		V
Immowest Lux IV S.à.r.l.	L	Luxembourg	12,500	EUR	100.00%	24.04.2008		V
IMMOEAST AG	A	Vienna	833,824,125	EUR	54.63%	22.12.1999		V
Office Campus Budapest Kft.	H	Budapest	626,000,000	HUF	75.00%	31.12.2000	01.11.2006	V
IMMOEAST Beteiligungs GmbH	A	Vienna	35,000	EUR	100.00%	22.08.2001		V

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Transition consolidation, increase in investment, structural change	Type of consolidation
Arpad Center Kft.	H	Budapest	31,000,000	HUF	100.00%	01.08.2002		V
Globe 13 Kft.	H	Budapest	50,000,000	HUF	100.00%	01.08.2002		V
Campus Budapest Bt.	H	Budapest	1,403,000,000	HUF	75.00%	31.12.2002	01.11.2006	V
S+B CEE Beteiligungsverwaltungs GmbH	A	Vienna	35,000	EUR	50.00%	01.01.2003		Q
SBF Development Praha spol.s.r.o.	CZ	Prague	30,600,000	CZK	100.00%	01.01.2003	31.10.2005	V
ODP Office Development Praha spol.s.r.o.	CZ	Prague	10,700,000	CZK	100.00%	01.01.2003	21.07.2005	V
WEGE spol.s.r.o.	CZ	Prague	100,000	CZK	100.00%	01.01.2003	21.07.2005	V
SB Praha 4 spol.s.r.o.	CZ	Prague	26,532,000	CZK	100.00%	01.01.2003	21.07.2005	V
RHP Development s.r.o.	CZ	Prague	200,000	CZK	50.00%	08.01.2003		Q
VALDEK Praha spol.s.r.o.	CZ	Prague	100,000	CZK	100.00%	16.10.2003	21.07.2005 and 01.11.2005	V
IMMOFINANZ Hungária Harmadik Kft.	H	Budapest	3,000,000	HUF	100.00%	20.02.2004		V
Lentia Real (1) Kft.	H	Budapest	227,000,000	HUF	100.00%	24.02.2004		V
Immofinanz Polska Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	31.03.2004		V
ATLAS 2001 CR s.r.o.	CZ	Prague	200,000	CZK	100.00%	20.04.2004		V
I-E Immoeast Real Estate GmbH	A	Vienna	35,000	EUR	100.00%	30.04.2004		V
IRIDE S.A.	RO	Bucharest	16,683,215	RON	100.00%	13.05.2004		V
KIP Development spol.s.r.o.	CZ	Prague	200,000	CZK	50.00%	20.05.2004		Q
West Gate Üzleti Park Fejlesztő Kft.	H	Budapest	3,180,000	HUF	100.00%	02.07.2004		V
Globe 3 Ingatlanfejlesztő Kft.	H	Budapest	561,000,000	HUF	100.00%	13.07.2004		V
S+B CEE ACP Cyprus Ltd.	CY	Nicosia	1,000	CYP	50.00%	01.08.2004		Q
Szpevölgyi Business Park Kft.	H	Budapest	601,000,000	HUF	100.00%	05.08.2004		V
Gordon Invest Kft.	H	Budapest	583,000,000	HUF	100.00%	06.08.2004		V
AC Parc Invest s.r.l.	RO	Bucharest	4,000,000	RON	50.00%	16.08.2004		Q
I-E-H Immoeast Holding GmbH	A	Vienna	35,000	EUR	100.00%	18.09.2004		V
IMMOEAST Silesia Holding Ltd.	CY	Nicosia	1,000	CYP	100.00%	29.10.2004		V
ABLO Property s.r.o.	CZ	Prague	100,000	CZK	100.00%	03.12.2004	01.06.2005	V
ARE 4 Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	07.12.2004	04.05.2006	V
IMMOEAST Projekt Moskau Holding GmbH	A	Vienna	35,000	EUR	100.00%	08.12.2004		V
Central Bud Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	09.12.2004	04.05.2006	V
IO-1 Building Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	09.12.2004		V
Global Trust s.r.l.	RO	Bucharest	2,030	RON	100.00%	01.01.2005		V
ImmoPoland Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	20.01.2005		V
Atom Centrum a.s.	CZ	Prague	1,000,000	CZK	100.00%	20.01.2005	27.06.2006	V
ARE 3 Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	31.01.2005	04.05.2006	V
Immoeast Cassiopeia Financing Holding Ltd.	CY	Nicosia	1,000	CYP	100.00%	31.01.2005	02.02.2008	V
ImmoPoland Residential I Sp. z o.o.	PL	Warsaw	50,000	PLN	47.50%	03.02.2005		Q
I-E-H Holding GmbH	A	Vienna	35,000	EUR	100.00%	15.02.2005		V
IMAK CEE B.V.	NL	Amsterdam	45,000	EUR	100.00%	18.02.2005	04.05.2006	V
ProEast Holding GmbH	A	Vienna	35,000	EUR	100.00%	16.04.2005		V
IMMOEAST Acquisition & Management GmbH	A	Vienna	35,000	EUR	100.00%	21.04.2005		V
ARE 1 Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	30.04.2005	04.05.2006	V
ARE 2 Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	30.04.2005	04.05.2006	V
ARE 5 Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	30.04.2005	04.05.2006	V
ARE 7 Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	30.04.2005	04.05.2006	V
Flex Invest Sp. z o.o.	PL	Warsaw	51,000	PLN	100.00%	30.04.2005	04.05.2006	V
Secure Bud Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	30.04.2005	04.05.2006	V
AI Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	30.04.2005	04.05.2006	V
Atlantis Invest Sp. z o.o.	PL	Warsaw	51,000	PLN	100.00%	30.04.2005	04.05.2006	V
OI Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	30.04.2005	04.05.2006	V
Omega Invest Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	30.04.2005	04.05.2006	V
SAS Inter Kft.	H	Budapest	258,690,000	HUF	100.00%	30.04.2005	04.05.2006	V

Group Companies

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Transition consolidation, increase in investment or structural change	Type of consolidation
IMAK Finance B.V.	NL	Amsterdam	90,000	EUR	100.00%	30.04.2005	04.05.2006	V
UKS Finance Kft.	H	Budapest	3,000,000	HUF	100.00%	30.04.2005	04.05.2006	V
UKS Liegenschaftsentwicklung GmbH	A	Vienna	35,000	EUR	100.00%	30.04.2005	04.05.2006	V
Harborside Imobiliara s.r.l.	RO	Bucharest	1,000	RON	75.00%	11.05.2005		V
OÜ Robbins	EE	Tallinn	2,556	EEK	45.00%	27.05.2005		Q
Stop.Shop Holding GmbH	A	Vienna	35,000	EUR	100.00%	31.05.2005		V
IMMOEAST Projekt Alpha Holding GmbH	A	Vienna	35,000	EUR	100.00%	31.05.2005		V
Center Invest Kft.	H	Budapest	3,000,000	HUF	100.00%	02.06.2005		V
IMMOEAST Projekt Beta Holding GmbH	A	Vienna	35,000	EUR	100.00%	04.06.2005		V
ARE 8 Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	15.06.2005	04.05.2006	V
ARE 9 Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	15.06.2005	04.05.2006	V
IMMOEAST ALLEGRO Beteiligungs GmbH	A	Vienna	35,000	EUR	100.00%	28.06.2005		V
Airport Property Development a.s.	CZ	Prague	1,000,000	CZK	100.00%	29.06.2005		V
IMMOEAST Projekt Gamma Holding GmbH	A	Vienna	35,000	EUR	100.00%	02.07.2005		V
IMMOEAST Projekt Delta Holding GmbH	A	Vienna	35,000	EUR	100.00%	08.07.2005		V
IMMOEAST Projekt Epsilon Holding GmbH	A	Vienna	35,000	EUR	100.00%	08.07.2005		V
IA Holding 1 Kft.	H	Budapest	2,183,000,000	HUF	100.00%	13.07.2005	04.05.2006	V
Netlu spol.s.r.o.	CZ	Prague	200,000	CZK	50.00%	13.07.2005		Q
IMMOEAST Slovakia s.r.o.	SK	Bratislava	200,000	SKK	100.00%	21.07.2005		V
Cora GS s.r.l.	RO	Bucharest	300	RON	100.00%	25.07.2005		V
NF 23 spol.s.r.o.	CZ	Prague	200,000	CZK	50.00%	10.08.2005		Q
C.E.P.D. Kft.	H	Budapest	3,000,000	HUF	100.00%	31.08.2005	04.05.2006	V
Optima A Kft.	H	Budapest	3,000,000	HUF	100.00%	01.09.2005		V
Pipera Office Project Ltd.	CY	Nicosia	1,000	CYP	50.00%	21.10.2005		Q
PBT Invest s.r.l.	RO	Bucharest	400	RON	50.00%	21.10.2005		Q
DH Logistik Kft.	H	Budapest	3,000,000	HUF	100.00%	01.11.2005		V
Multi-ImmoEast Asset Management GmbH	D	Munich	25,000	EUR	45.00%	03.11.2005		Q
A-I Investments Management Europe GmbH	D	Munich	25,000	EUR	50.00%	03.11.2005		Q
Shark Park Holding Kft.	H	Budapest	2,320,000,000	HUF	100.00%	08.11.2005	04.05.2006	V
Euro Businesspark Kft.	H	Budapest	372,970,000	HUF	100.00%	14.11.2005	04.05.2006	V
IMMOEAST Projekt Lambda Holding GmbH	A	Vienna	35,000	EUR	100.00%	16.11.2005		V
PERL INVEST a.s.	CZ	Prague	2,000,000	CZK	50.00%	09.12.2005		Q
NP Investments a.s.	CZ	Prague	2,000,000	CZK	50.00%	09.12.2005		Q
E.N.G. Property a.s.	CZ	Prague	2,000,000	CZK	50.00%	09.12.2005		Q
JUNGMANNOVA ESTATES a.s.	CZ	Prague	2,000,000	CZK	50.00%	09.12.2005		Q
Stetkova Property Invest a.s.	CZ	Prague	2,000,000	CZK	50.00%	09.12.2005		Q
J.H. Prague a.s.	CZ	Prague	2,000,000	CZK	50.00%	09.12.2005		Q
PAN Development a.s.	CZ	Prague	2,000,000	CZK	50.00%	09.12.2005		Q
IMMOEAST Projekt Kappa Holding GmbH	A	Vienna	35,000	EUR	100.00%	20.12.2005		V
IMMOEAST Projekt Jota Holding GmbH	A	Vienna	35,000	EUR	100.00%	20.12.2005		V
IMMOEAST Projekt Investment Szesc Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	28.12.2005		V
IMMOEAST HRE Investment dwa Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	28.12.2005		V
IMMOEAST Projekt Investment Trzy Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	28.12.2005		V
IMMOEAST Projekt Investment Cztery Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	28.12.2005		V
IMMOEAST Projekt Investment Piec Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	28.12.2005		V
IMMOEAST Projekt Investment jeden Sp.z o.o.	PL	Warsaw	50,000	PLN	100.00%	28.12.2005		V
Polus Tower 2 a.s.	SK	Bratislava	75,213,900	SKK	100.00%	31.12.2005		V
Polus Tower 3 a.s.	SK	Bratislava	13,100,000	SKK	100.00%	31.12.2005		V
Polus a.s.	SK	Bratislava	222,767,000	SKK	100.00%	31.12.2005		V
BA Energetika s.r.o.	SK	Bratislava	200,000	SKK	100.00%	31.12.2005		V
Nowe Centrum Sp. z o.o.	PL	Katowice	63,636,000	PLN	100.00%	31.12.2005		V
ELCO Sp. z o.o.	PL	Katowice	50,000	PLN	100.00%	31.12.2005		V

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IMMOEAST Projekt Sita Holding GmbH	A	Vienna	35,000	EUR	100.00%	04.01.2006		V
Stavební a inženýrská společnost spol. s.r.o.	CZ	Prague	270,000	CZK	50.00%	04.01.2006		Q
IMMOEAST Projekt Omega Holding GmbH	A	Vienna	35,000	EUR	100.00%	05.01.2006		V
Multi-ImmoEast Central European Property Fund C.V.	L	Luxembourg		EUR	45.00%	24.01.2006		Q
IMMOEAST Projekt Aries Holding GmbH	A	Vienna	35,000	EUR	100.00%	31.01.2006		V
Blizzard Real Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	31.01.2006		V
Capri Trade s.r.l.	RO	Bucharest	200	RON	100.00%	10.02.2006		V
IMMOEAST Projekt Capricornus Holding GmbH	A	Vienna	35,000	EUR	100.00%	17.02.2006		V
IMMOEAST Projekt Caelum Holding GmbH	A	Vienna	35,000	EUR	80.00%	17.02.2006		V
IMMOEAST Projekt Cassiopeia Holding GmbH	A	Vienna	35,000	EUR	100.00%	09.03.2006		V
IMMOEAST Projekt Cepheus Holding GmbH	A	Vienna	35,000	EUR	100.00%	09.03.2006		V
IMMOEAST Projekt Circinus Holding GmbH	A	Vienna	35,000	EUR	100.00%	09.03.2006		V
STOP.SHOP. Uherske Hradiste s.r.o.	CZ	Prague	200,000	CZK	100.00%	10.03.2006	21.12.2007	V
S+B CEE ALPHA CYPRUS Ltd.	CY	Nicosia	10,000	CYP	50.00%	10.03.2006		Q
Bucharest Corporate Center s.r.l.	RO	Bucharest	8,068,929	RON	100.00%	22.03.2006		V
Multi-IMMOEAST Master Luxembourg Otarfi s.r.l.	L	Luxembourg		EUR	45.00%	24.03.2006		Q
Immoeast Baneasa Airport Tower s.r.l.	RO	Bucharest	37,000	RON	100.00%	30.03.2006	09.10.2007	V
IMMOEAST Presto Beteiligungs GmbH	A	Vienna	35,000	EUR	100.00%	31.03.2006		V
Prague Office Park I s.r.o.	CZ	Prague	38,600,000	CZK	100.00%	05.04.2006		V
IMMOEAST Projekt Idamantes Holding GmbH	A	Vienna	35,000	EUR	100.00%	08.04.2006		V
IMMOEAST Projekt Zerlina Holding GmbH	A	Vienna	35,000	EUR	100.00%	08.04.2006		V
IMMOEAST Projekt Dorabella Holding GmbH	A	Vienna	35,000	EUR	100.00%	08.04.2006		V
IMMOEAST Projekt Arbaces Holding GmbH	A	Vienna	35,000	EUR	100.00%	11.04.2006		V
IMMOEAST Projekt Masetto Holding GmbH	A	Vienna	35,000	EUR	100.00%	11.04.2006		V
IMMOEAST Projekt Equuleus Holding GmbH	A	Vienna	35,000	EUR	100.00%	12.04.2006		V
IMMOEAST Projekt Eridanus Holding GmbH	A	Vienna	35,000	EUR	100.00%	12.04.2006		V
IMMOEAST Projekt Cygnus Holding GmbH	A	Vienna	35,000	EUR	100.00%	13.04.2006		V
IMMOEAST Projekt Hydrus Holding GmbH	A	Vienna	35,000	EUR	100.00%	13.04.2006		V
IMMOEAST Projekt Ducentesimus Holding GmbH	A	Vienna	35,000	EUR	100.00%	13.04.2006		V
IMMOEAST Projekt Secundus Holding GmbH	A	Vienna	35,000	EUR	100.00%	13.04.2006		V
IMMOEAST Projekt Tertius Holding GmbH	A	Vienna	35,000	EUR	100.00%	13.04.2006		V
IMMOEAST Projekt Quartus Holding GmbH	A	Vienna	35,000	EUR	100.00%	13.04.2006		V
IMMOEAST Projekt Trecenti Holding GmbH	A	Vienna	35,000	EUR	100.00%	13.04.2006		V
IMMOEAST Projekt Sextus Holding GmbH	A	Vienna	35,000	EUR	100.00%	13.04.2006		V
IMMOEAST Projekt Septimus Holding GmbH	A	Vienna	35,000	EUR	100.00%	13.04.2006		V
IMMOEAST Projekt Octavus Holding GmbH	A	Vienna	35,000	EUR	100.00%	13.04.2006		V
IMMOEAST Projekt Nonus Holding GmbH	A	Vienna	35,000	EUR	100.00%	13.04.2006		V
IMMOEAST Projekt Decimus Holding GmbH	A	Vienna	35,000	EUR	100.00%	13.04.2006		V
IMMOEAST Projekt Duodecimus Holding GmbH	A	Vienna	35,000	EUR	100.00%	13.04.2006		V
IMMOEAST Bulgaria 1 EOOD	BG	Sofia	5,000	BGN	100.00%	17.04.2006		V
STOP.SHOP. Zatec s.r.o.	CZ	Prague	200,000	CZK	50.50%	30.05.2006	15.12.2006	Q
STOP.SHOP. TB Kft.	H	Budapest	1,530,000	HUF	51.00%	08.06.2006		Q
STOP.SHOP. Gyöngy Kft.	H	Budapest	1,530,000	HUF	51.00%	08.06.2006		Q
STOP.SHOP. BCS Kft.	H	Budapest	1,530,000	HUF	100.00%	08.06.2006	15.02.2008	V
Immoeast Dunaj s.r.o.	SK	Bratislava	200,000	SKK	100.00%	14.06.2006		V
TriGránit Centrum a.s.	SK	Bratislava	1,000,000	SKK	25.00%	19.06.2006		E
IMMOEAST Projekt Tredecimus Holding GmbH	A	Vienna	35,000	EUR	100.00%	21.06.2006		V
IMMOEAST Projekt Quindecimus Holding GmbH	A	Vienna	35,000	EUR	100.00%	21.06.2006		V
IMMOEAST Projekt Septendecimus Holding GmbH	A	Vienna	35,000	EUR	100.00%	21.06.2006		V
IMMOEAST Projekt Quadragesimus Holding GmbH	A	Vienna	35,000	EUR	100.00%	21.06.2006		V
IMMOEAST Projekt Vicesimus Holding GmbH	A	Vienna	35,000	EUR	100.00%	21.06.2006		V
IMMOEAST Projekt Sexagesimus Holding GmbH	A	Vienna	35,000	EUR	100.00%	21.06.2006		V

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Immoeast Projekt Octogesimus Holding GmbH	A	Vienna	35,000	EUR	100.00%	21.06.2006		V
Immoeast Projekt Nonagesimus Holding GmbH	A	Vienna	35,000	EUR	100.00%	21.06.2006		V
Immoeast Projekt Centesimus Holding GmbH	A	Vienna	35,000	EUR	100.00%	21.06.2006		V
Wakelin Promotions Limited	CY	Nicosia	5,000	CYP	100.00%	21.06.2006		V
OOO Krona Design	RU	Moscow	8,000,000	RUB	100.00%	21.06.2006		V
Koral Residence EAD	BG	Sofia	400,000	BGN	100.00%	23.06.2006		V
Aragonit s.r.o.	CZ	Prague	100,000	CZK	100.00%	01.07.2006		V
S.C. Almera New Capital s.r.l.	RO	Bucharest	200	RON	50.00%	13.07.2006	01.02.2007	Q
S.C. Meteo Business Park s.r.l.	RO	Bucharest	1,000	RON	89.00%	27.07.2006		Q
S.C. Stupul de Albine s.r.l.	RO	Bucharest	1,000	RON	89.00%	27.07.2006		Q
TriGrănit Holding Ltd.	CY	Nicosia	150,000	CYP	25.00%	31.07.2006		E
IMMOEAST Projekt Babekan Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Despina Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Curzio Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Almaria Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Sarastro Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Barbarina Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Cherubino Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Marcellina Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Cimarosa Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Fenena Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Almansor Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Roschana Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Cinna Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Annus Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Semos Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Titurel Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Radames Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Montano Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Amfortas Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Abdallo Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Rezia Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Hüon Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Titania Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Andromache Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Polyxene Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Hylas Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Hekuba Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Pantheus Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Chorebe Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
IMMOEAST Projekt Narbal Holding GmbH	A	Vienna	35,000	EUR	100.00%	01.08.2006		V
Xantium Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	04.08.2006		V
Klyos Media s.r.l.	RO	Bucharest	200	RON	90.00%	04.08.2006	01.03.2007	V
OCEAN ATLANTIC DORCOL DOO	SRB	Belgrade	48,510	CSD	80.00%	24.08.2006		V
Equator Real Sp. z o.o.	PL	Warsaw	50,000	PLN	51.00%	28.08.2006		Q
Zenith Real Sp. z o.o.	PL	Warsaw	50,000	PLN	51.00%	28.08.2006		Q
Nimbus Real Sp. z o.o.	PL	Warsaw	50,000	PLN	51.00%	28.08.2006		Q
Cirrus Real Sp. z o.o.	PL	Warsaw	50,000	PLN	51.00%	28.08.2006		Q
Nakupni Centrum Trebic s.r.o.	CZ	Znaim	200,000	CZK	50.50%	30.08.2006		Q
IMMOEAST Polonia Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	06.09.2006		V
Nakupni Centrum AVENTIN Tabor s.r.o.	CZ	Znaim	200,000	CZK	50.50%	18.09.2006		Q
Centrum Opatov a.s.	CZ	Prague	2,000,000	CZK	100.00%	22.09.2006		V

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Transition consolidation, increase in investment, structural change	Type of consolidation
Alpha real d.o.o.	SLO	Laibach	8,763	EUR	100.00%	30.09.2006		V
Beta real d.o.o.	SLO	Laibach	8,763	EUR	100.00%	30.09.2006		V
Silesia Residential Holding Limited	CY	Nicosia	2,000	CYP	70.00%	09.10.2006		Q
Silesia Residential Project Sp. z o.o.	PL	Katowice	9,321,000	PLN	70.00%	09.10.2006		Q
IMMOEAST Despina III B.V.	NL	Amsterdam	90,000	EUR	100.00%	09.10.2006		V
IMMOEAST Despina II B.V.	NL	Amsterdam	90,000	EUR	100.00%	09.10.2006		V
IMMOEAST Despina V B.V.	NL	Amsterdam	31,765	EUR	100.00%	09.10.2006		V
IMMOEAST Despina IV B.V.	NL	Amsterdam	31,765	EUR	100.00%	09.10.2006		V
IMMOEAST Despina I B.V.	NL	Amsterdam	90,000	EUR	100.00%	09.10.2006		V
Veronia Shelf s.r.o.	CZ	Prague	200,000	CZK	51.00%	18.10.2006		Q
STOP.SHOP. Krnov s.r.o.	CZ	Prague	200,000	CZK	50.50%	27.10.2006		Q
Gangaw Investments Limited	CY	Nicosia	1,000	CYP	50.00%	30.10.2006		Q
OA0 Kashirskij Dvor-Severyanin	RU	Moscow	500,000	RUB	50.00%	30.10.2006		Q
Diamant Real spol. s.r.o.	CZ	Prague	100,000	CZK	51.00%	31.10.2006		Q
HEPP III Luxembourg MBP SARL	L	Luxembourg	1,000,000	EUR	50.00%	01.11.2006		Q
MBP I Sp. z o.o.	PL	Warsaw	50,000	PLN	50.00%	01.11.2006	12.02.2008	Q
MBP II Sp. z o.o.	PL	Warsaw	50,000	PLN	50.00%	01.11.2006	12.02.2008	Q
MBP Sweden Finance AB	S	Stockholm	100,000	SEK	50.00%	01.11.2006		Q
WINNIPEGIA SHELF s.r.o.	CZ	Prague	200,000	CZK	100.00%	13.11.2006		V
BEWO International Kft.	H	Budapest	3,000,000	HUF	50.00%	14.11.2006		Q
STOP.SHOP.Rakovnik s.r.o.	CZ	Prague	200,000	CZK	50.00%	20.11.2006		Q
STOP.SHOP.Sokolov s.r.o.	CZ	Prague	200,000	CZK	50.00%	20.11.2006		Q
STOP.SHOP.Hranice s.r.o.	CZ	Prague	200,000	CZK	50.00%	20.11.2006		Q
Debowe Tarasy Sp. z o.o.	PL	Warsaw	50,000	PLN	70.00%	21.11.2006		Q
Trevima Ltd.	CY	Limassol	10,000	CYP	100.00%	30.11.2006		V
OOO Torgoviy Dom Na Khodinke	RU	Moscow	7,285	RUB	100.00%	30.11.2006		V
Grand Centar d.o.o.	HR	Zagreb	20,000	HRK	80.00%	30.11.2006		V
Blue Danube Holding Ltd.	M	Floriana	1,500	EUR	100.00%	12.12.2006		V
Business Park West-Sofia EAD	BG	Sofia	500,000	BGN	100.00%	12.12.2006		V
BB C – Building A, k.s.	CZ	Prague	20,000	CZK	100.00%	13.12.2006		V
BB C – Building B, k.s.	CZ	Prague	20,000	CZK	100.00%	13.12.2006		V
BB C – Building C, k.s.	CZ	Prague	90,000	CZK	100.00%	13.12.2006		V
SC EFG Urban Achizitii s.r.l.	RO	Bucharest	1,000	RON	89.00%	14.12.2006		V
RONDO OFFICE PROJECT Sp. z o.o.	PL	Warsaw	50,000	PLN	50.00%	14.12.2006		Q
SBACARO s.r.l.	RO	Cluj	4,000	RON	50.00%	15.12.2006		Q
STOP.SHOP. Pribram s.r.o.	CZ	Prague	200,000	CZK	50.00%	15.12.2006		Q
Logistic Contractor s.r.l.	RO	Ilfov	200	RON	100.00%	18.12.2006		V
SCT s.r.o.	SK	Bratislava	52,916,000	SKK	100.00%	21.12.2006		V
FMZ TM s.r.l.	RO	Cluj	4,000	RON	50.00%	22.12.2006		Q
S+B CEE BETA CYPRUS LIMITED	CY	Nicosia	10,000	CYP	50.00%	29.12.2006		Q
S+B CEE GAMMA CYPRUS LIMITED	CY	Nicosia	10,000	CYP	50.00%	29.12.2006		Q
S+B CEE DELTA CYPRUS LIMITED	CY	Nicosia	10,000	CYP	50.00%	29.12.2006		Q
Debowe Tarasy Sp. z o.o. II sp.k.	PL	Katowice	1,860,239	PLN	70.00%	05.01.2007		Q
Debowe Tarasy Sp. z o.o. III sp.k.	PL	Katowice	1,861,085	PLN	70.00%	05.01.2007		Q
Debowe Tarasy Sp. z o.o. IV sp.k.	PL	Katowice	1,900,535	PLN	70.00%	05.01.2007		Q
Lobertha Holdings Ltd.	CY	Nicosia	1,000	CYP	51.00%	10.01.2007	01.03.2007	Q
Roches Ventures Ltd.	CY	Nicosia	1,000	CYP	41.00%	10.01.2007	01.03.2007	Q
TOV Alacor Construction	UA	Kiev	50,000	UAH	41.00%	10.01.2007		Q
TOV Alacor Scorta	UA	Kiev	50,000	UAH	41.00%	10.01.2007		Q
TOV Alacor City	UA	Kiev	100,000	UAH	41.00%	10.01.2007		Q
Central Business Center Kft.	H	Budapest	172,042,584	HUF	100.00%	15.01.2007		V
S.C. Arbor Corporation s.r.l.	RO	Bucharest	13,500	RON	90.00%	29.01.2007	10.04.2008	V

Group Companies

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S.C. IE Baneasa Project s.r.l.	RO	Bucharest	200	RON	50.00%	01.02.2007	16.01.2008	Q
STOP.SHOP. Breclav s.r.o.	CZ	Prague	200,000	CZK	50.00%	12.02.2007		Q
STOP.SHOP. Jablonec nad Nisou s.r.o.	CZ	Prague	200,000	CZK	50.00%	12.02.2007		Q
Eye Shop Targu Jiu s.r.l.	RO	Bucharest	200	RON	50.00%	19.02.2007		Q
Log Center Ploiesti s.r.l.	RO	Bucharest	200	RON	50.00%	19.02.2007		Q
Log Center Brasov s.r.l.	RO	Bucharest	200	RON	50.00%	19.02.2007		Q
STOP.SHOP. Lucenec s.r.o.	SK	Bratislava	200,000	SKK	100.00%	19.02.2007	31.03.2008	V
STOP.SHOP. Ruzomberok s.r.o.	SK	Bratislava	200,000	SKK	50.00%	19.02.2007		Q
STOP.SHOP. Zvolen s.r.o.	SK	Bratislava	200,000	SKK	100.00%	19.02.2007	31.03.2008	V
Gordon Invest Netherlands B.V.	NL	Amsterdam	90,000	EUR	100.00%	22.02.2007		V
Centre Investments s.r.o.	CZ	Prague	100,000	CZK	100.00%	28.02.2007		V
Brno Estates a.s.	CZ	Prague	2,000,000	CZK	100.00%	28.02.2007		V
Delta Park a.s.	CZ	Prague	1,000,000	CZK	100.00%	01.03.2007		V
IMMOEAST Iride IV Project s.r.l.	RO	Bucharest	200	RON	100.00%	01.03.2007		V
BEWO d.o.o. Banja Luka	BIH	Banja Luka	2,000	BAM	50.00%	05.03.2007		Q
Lasuvu Consultants Ltd.	CY	Nicosia	1,000	CYP	100.00%	06.03.2007		V
S.C. Union Investitii s.r.l.	RO	Bucharest	2,000	RON	25.00%	07.03.2007		Q
SCP s.r.o.	SK	Bratislava	200,000	SKK	50.00%	19.03.2007		Q
S.C. Valero Invest s.r.l.	RO	Bucharest	1,760,000	RON	100.00%	20.03.2007		V
Immoeast Luxembourg 1 SARL	L	Luxembourg	12,500	EUR	100.00%	22.03.2007		V
Immoeast Luxembourg 2 SARL	L	Luxembourg	12,500	EUR	100.00%	22.03.2007		V
Passat Real Sp. z o.o.	PL	Warsaw	50,000	PLN	100.00%	27.03.2007		V
Hekuba SA	L	Luxembourg	31,000	EUR	33.33%	28.03.2007	16.08.2007	E
Log Center Bacau s.r.l.	RO	Bucharest	200	RON	50.00%	29.03.2007		Q
Eye Shop Hunedoara s.r.l.	RO	Bucharest	200	RON	50.00%	29.03.2007		Q
S.C. Baneasa 6981 s.r.l.	RO	Bucharest	5,550,000	RON	100.00%	05.04.2007		V
Bewo International d.o.o. Beograd	SRB	Belgrade	500	EUR	50.00%	13.04.2007		Q
S+B CEE ZETA CYPRUS LIMITED	CY	Nicosia	10,000	CYP	50.00%	18.04.2007		Q
S+B CEE EPSILON CYPRUS LIMITED	CY	Nicosia	10,000	CYP	50.00%	20.04.2007		Q
S+B CEE ETA CYPRUS LIMITED	CY	Nicosia	10,000	CYP	50.00%	20.04.2007		Q
Polus Transilvania Companie de Investitii S.A.	RO	Cluj	14 705,500	RON	100.00%	24.05.2007	19.12.2007	V
S.C. Red Project Two s.r.l.	RO	Bucharest	1,000	RON	75.00%	03.05.2007		V
S.C. Dacian Second s.r.l.	RO	Bucharest	200	RON	100.00%	02.05.2007		V
S.C. Flash Consult Invest s.r.l.	RO	Bucharest	2,000	RON	100.00%	22.05.2007		V
S.C. Retail Development Invest 1 s.r.l.	RO	Bucharest	34,000	RON	80.00%	02.05.2007		Q
ASB Development s.r.l.	RO	Cluj	4,000	RON	50.00%	08.05.2007		Q
SAM FMZ s.r.l.	RO	Cluj	4,000	RON	50.00%	08.05.2007		Q
Harborside Hotel s.r.l.	RO	Bucharest	1,000	RON	75.00%	09.05.2007		V
Perlagonia 1 Holding GmbH	A	Vienna	35,000	EUR	100.00%	04.06.2007		V
Perlagonia 2 Holding GmbH	A	Vienna	35,000	EUR	100.00%	04.06.2007		V
Gendana Ventures Ltd.	CY	Larnaca	1,000	CYP	100.00%	22.06.2007		V
Real Habitation s.r.l.	RO	Bucharest	200	RON	100.00%	22.06.2007		V
BIG BOX Nove Zamky s.r.o.	SK	Bratislava	300,000	SKK	100.00%	29.06.2007		V
BIG BOX Trencin s.r.o.	SK	Bratislava	300,000	SKK	100.00%	29.06.2007		V
IMMOEAST Netherlands II B.V.	NL	Amsterdam	93,750	EUR	100.00%	02.07.2007		V
S.C. S-Park Offices s.r.l.	RO	Bucharest	22,828,313	RON	100.00%	10.07.2007		V
Perlagonia NL 2 B.V.	NL	Amsterdam	90,000	EUR	100.00%	18.06.2007		V
Perlagonia NL 1 B.V.	NL	Amsterdam	34,034	EUR	100.00%	18.06.2007		V
IE Equuleus NL B.V.	NL	Amsterdam	90,000	EUR	100.00%	18.06.2007		V
STOP.SHOP. Znojmo s.r.o.	CZ	Prague	200,000	CZK	50.00%	16.07.2007		Q
STOP.SHOP. Usti nad Orlici s.r.o.	CZ	Prague	200,000	CZK	50.00%	16.07.2007		Q
STOP.SHOP. Brandys nad Labem s.r.o.	CZ	Prague	200,000	CZK	50.00%	16.07.2007		Q

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STOP.SHOP. Cesky Krumlov s.r.o.	CZ	Prague	200,000	CZK	50.00%	16.07.2007		Q
STOP.SHOP. Pelhrimov s.r.o.	CZ	Prague	200,000	CZK	50.00%	16.07.2007		Q
STOP.SHOP. Louny s.r.o.	CZ	Prague	200,000	CZK	50.00%	16.07.2007		Q
S.C. Red Project One s.r.l.	RO	Bucharest	11,411,000	RON	75.00%	18.07.2007		V
S.C. IMMOEAST Narbal Project s.r.l.	RO	Bucharest	200	RON	100.00%	11.07.2007		V
Berga Investment Limited	CY	Limassol	10,000	CYP	75.00%	24.07.2007		Q
MONESA LIMITED	CY	Limassol	10,000	CYP	75.00%	24.07.2007		Q
OOO Berga Development	RU	Moscow	10,000	RUB	75.00%	24.07.2007		Q
OOO Fenix Development	RU	Moscow	18.400	RUB	75.00%	24.07.2007		Q
BB C – Building Gamma a.s.	CZ	Prague	2,000,000	CZK	100.00%	20.07.2007		V
VTI Varna Trade Invest OOD	BG	Sofia	5,000	BGN	50.00%	24.07.2007		Q
Taifun Real Sp. z o.o.	PL	Warsaw	52,500	PLN	100.00%	31.07.2007		V
IE Narbal NL B.V.	NL	Amsterdam	90,000	EUR	100.00%	27.07.2007		V
GAIA Real Estate Holding S.A.	L	Luxembourg	35,031,000	EUR	33.33%	30.07.2007	16.08.2007	E
Anadolu Gayrimenkul Yatirimciligi ve Ticaret A.S.	TR	Istanbul	50,000	YTL	33.33%	16.08.2007		E
Vendo Gayrimenkul Yatirimciligi ve Ticaret A.S.	TR	Istanbul	50,000	YTL	33.33%	16.08.2007		E
ORA Development s.r.l.	RO	Cluj	4,000	RON	50.00%	31.07.2007		Q
SIB Development s.r.l.	RO	Cluj	4,000	RON	50.00%	31.07.2007		Q
Vertano Residence Sp. z o.o.	PL	Warsaw	50,000	PLN	50.00%	01.08.2007		Q
Vertano Residence Sp. z o.o. 1 Sp.k.	PL	Warsaw	17,000,000	PLN	89.89%	01.08.2007		V
S+B CEE Thita Cyprus Ltd.	CY	Nicosia	10,000	CYP	50.00%	10.08.2007		Q
S+B CEE Yiota Cyprus Ltd.	CY	Nicosia	10,000	CYP	50.00%	10.08.2007		Q
S+B CEE Kapa Cyprus Ltd.	CY	Nicosia	10,000	CYP	50.00%	10.08.2007		Q
Baumarkt Ceské Budejovice s.r.o.	CZ	Prague	200,000	CZK	50.00%	13.08.2007		Q
Lifestyle Logistik s.r.o.	SK	Bratislava	200,000	SKK	50.00%	29.08.2007		Q
SCPO s.r.o.	SK	Bratislava	200,000	SKK	50.00%	24.08.2007		Q
IMMOEAST Project Riverside Tower s.r.l.	RO	Bucharest	200	RON	100.00%	05.09.2007		V
Bersan Gayrimenkul Yatirim A.S.	TR	Istanbul	5,848,849	YTL	33.33%	29.08.2007		E
Boronkay Gayrimenkul Yatirim A.S.	TR	Istanbul	8,605,620	YTL	33.33%	29.08.2007		E
Manisa Cidersan Gayrimenkul Yatirim A.S.	TR	Istanbul	852,001	YTL	33.33%	29.08.2007		E
Cihaner Gayrimenkul Yatirim A.S.	TR	Istanbul	2,975,692	YTL	33.33%	29.08.2007		E
Gebze Gayrimenkul Yatirim A.S.	TR	Istanbul	417,870	YTL	33.33%	29.08.2007		E
Kilyos Gayrimenkul Yatirim A.S.	TR	Istanbul	10,718,646	YTL	33.33%	29.08.2007		E
Sehitler Gayrimenkul Yatirim A.S.	TR	Istanbul	3,735,281	YTL	33.33%	29.08.2007		E
Sisli Gayrimenkul Yatirim A.S.	TR	Istanbul	24,403,647	YTL	33.33%	29.08.2007		E
Süzer Yirmibir Gayrimenkul Yatirim A.S.	TR	Istanbul	7,324,714	YTL	33.33%	29.08.2007		E
Süzer Yirmiiki Gayrimenkul Yatirim A.S.	TR	Istanbul	14,642,529	YTL	33.33%	29.08.2007		E
Teodem Gayrimenkul Yatirim A.S.	TR	Istanbul	6,240,032	YTL	33.33%	29.08.2007		E
Süzer Ondokuz Gayrimenkul Yatirim A.S.	TR	Istanbul	14,642,529	YTL	33.33%	29.08.2007		E
Sardes Gayrimenkul Yatirimciligi ve Ticaret A.S.	TR	Istanbul	50,000	YTL	33.33%	15.08.2007		E
Türk Real Estate Management SARL	L	Luxembourg	12,500	EUR	33.33%	10.09.2007		E
Bluecrest Holdings Limited	GI	Gibraltar	31	GBP	33.33%	02.10.2007		E
Perlagonia Cayman	KY	George Town	50,000	USD	100.00%	23.08.2007	21.12.2007	V
Ephesus Gayrimenkul Yatirim A.S.	TR	Istanbul	50,000	YTL	33.33%	25.09.2007		E
Hadimköy Gayrimenkul Yatirim A.S.	TR	Istanbul	50,000	YTL	33.33%	25.09.2007		E
Atrium Park Kft.	H	Budapest	6,000,000	HUF	100.00%	31.10.2007		V
Graviscalar Limited	CY	Nicosia	1,000	EUR	100.00%	02.11.2007		V
Bulreal EAD	BG	Sofia	500,000	BGN	49.00%	12.11.2007		E
Stokov Bazar Iliyantci EAD	BG	Sofia	590,970	BGN	49.00%	12.11.2007		E
Bulgarian Circuses and Fun-Fair OOD	BG	Sofia	100,000	BGN	49.00%	12.11.2007		E
„Agroprodaja“ d.o.o. Beograd	SRB	Belgrade	500	EUR	69.00%	22.11.2007		V
Lifestyle Logistik II s.r.o.	SK	Bratislava	200,000	SKK	50.00%	06.12.2007		Q

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Barby Holding Sàrl	L	Luxembourg	12,500	EUR	100.00%	11.12.2007		V
Braddock Holding Sàrl	L	Luxembourg	12,500	EUR	100.00%	11.12.2007		V
Residea Limited	CY	Limassol	1,000	CYP	50.00%	20.12.2007		Q
Residea Alpha Sp. z o.o.	PL	Warsaw	50,000	PLN	50.00%	20.12.2007		Q
Residea Sigma Sp. z o.o.	PL	Warsaw	50,000	PLN	50.00%	20.12.2007		Q
Residea Tau Sp. z o.o.	PL	Warsaw	50,000	PLN	50.00%	20.12.2007		Q
Residea Beta Sp. z o.o.	PL	Warsaw	50,000	PLN	50.00%	20.12.2007		Q
Residea Omega Sp. z o.o.	PL	Warsaw	50,000	PLN	50.00%	20.12.2007		Q
S.C. Pantelimon II Development s.r.l.	RO	Bucharest	200	RON	100.00%	20.12.2007		V
AB Stetkova a.s.	CZ	Prague	2,000,000	CZK	50.00%	16.01.2008		Q
Contips Limited	CY	Nicosia	1,000	CYP	100.00%	24.01.2008		V
Starmaster Limited	CY	Larnaca	2,000	EUR	100.00%	24.01.2008		V
Norden Maritime Service Limited	CY	Larnaca	1,000	CYP	100.00%	24.01.2008		V
Roua Vest s.r.l.	RO	Bucharest	1,000	RON	100.00%	24.01.2008		V
Real Project s.r.l.	RO	Sibiu	1,000	RON	100.00%	24.01.2008		V
Sphera Building Center International 2003 s.r.l.	RO	Bucharest	200	RON	100.00%	24.01.2008		V
Long Bridge BUH S.A.	RO	Bucharest	9,466,597	RON	91.83%	24.01.2008		V
Regal Invest s.r.l.	RO	Bucharest	1,000	RON	91.91%	24.01.2008		V
Prelude 2000 s.r.l.	RO	Bucharest	321,000	RON	100.00%	24.01.2008		V
Long Bridge Sud s.r.l.	RO	Bucharest	1,000	RON	100.00%	24.01.2008		V
CP Dubnica s.r.o.	SK	Bratislava	200,000	SKK	50.00%	25.01.2008		Q
CP Gama s.r.o.	SK	Bratislava	200,000	SKK	50.00%	25.01.2008		Q
CP Beta s.r.o.	SK	Bratislava	200,000	SKK	50.00%	25.01.2008		Q
Center Invest International Kft.	H	Budapest	3,000,000	HUF	100.00%	31.01.2008		V
Interfax Holding B.V.	NL	Amsterdam	90,000	EUR	100.00%	20.02.2008		V
Conlu Ltd.	CY	Nicosia	2,000	EUR	100.00%	01.02.2008		V
Mossoldac Holdings Ltd.	CY	Nicosia	2,000	EUR	100.00%	01.02.2008		V
Herva Ltd.	CY	Nicosia	2,000	EUR	100.00%	11.02.2008		V
Borisov Holdings Ltd.	CY	Nicosia	2,000	EUR	100.00%	12.02.2008		V
Freeze 1 Development s.r.l.	RO	Bucharest	1,000	RON	100.00%	19.02.2008		V
Wixano Investments Limited	CY	Limassol	2,281	EUR	25.03%	08.02.2008		E
Maramando Trading & Investment Limited	CY	Nicosia	1,000	CYP	50.00%	05.03.2008		Q
TOV Evro-Luno-Park	UA	Kiev	8,490,906	UAH	50.00%	05.03.2008		Q
Ebulliente Holdings Ltd	CY	Nicosia	2,000	EUR	100.00%	28.02.2008		V
Sunkta Ltd	CY	Nicosia	3,000	EUR	100.00%	28.02.2008		V
Nuptil Trading Ltd	CY	Nicosia	2,000	EUR	100.00%	28.02.2008		V
Objurg Consultants Ltd	CY	Nicosia	2,000	EUR	100.00%	28.02.2008		V
Leutselinge Ltd	CY	Nicosia	2,000	EUR	100.00%	28.02.2008		V
Quixotic Trading Ltd	CY	Nicosia	1,000	EUR	100.00%	28.02.2008		V
Emolu Trading Ltd.	CY	Nicosia	2,000	EUR	100.00%	18.03.2008		V
H.B. Logistic Invest s.r.l.	RO	Sibiu	200	RON	50.00%	17.03.2008		Q
S+B Third Project Cyprus Limited	CY	Nicosia	10,000	CYP	50.00%	04.03.2008		Q
S+B Forth Project Cyprus Limited	CY	Nicosia	10,000	CYP	50.00%	04.03.2008		Q
SLA Development s.r.l.	RO	Cluj	4,000	RON	50.00%	04.03.2008		Q
CLD Development s.r.l.	RO	Cluj	4,000	RON	50.00%	04.03.2008		Q
Final Management s.r.o.	CZ	Prague	200,000	CZK	70.00%	08.04.2008		V
Pivuak Trading Ltd.	CY	Nicosia	2,000	EUR	100.00%	07.04.2008		V
Irascib Holdings Ltd.	CY	Nicosia	2,000	EUR	100.00%	07.04.2008		V
Dapply Trading Ltd.	CY	Nicosia	2,000	EUR	100.00%	07.04.2008		V
Caterata Limited	CY	Nicosia	1,000	EUR	50.00%	15.04.2008		Q
Metropol NH Sp. z o.o.	PL	Warsaw	50,000	PLN	25.00%	15.04.2008		Q
Cernica Residential Park s.r.l.	RO	Bucharest	200	RON	15.00%	15.04.2008		E

Company	Country Headquarters		Nominal capital	Currency	Stake	Initial consolidation	Transition consolidation, increase in investment or structural change	Type of consolidation
SIA Unico	LV	Riga	2,000	LVL	20.00%	15.04.2008		E
NH Snagov Lake Rezidential s.r.l.	RO	Bucharest	200	RON	50.00%	15.04.2008		Q
NOA D Invest s.r.l.	RO	Bucharest	500	RON	20.00%	15.04.2008		E
Polivalenta Building s.r.l.	RO	Bucharest	200	RON	25.00%	15.04.2008		Q
Promodo Development s.r.l.	RO	Bucharest	200	RON	50.00%	15.04.2008		Q
Progeo Development s.r.l.	RO	Bucharest	200	RON	50.00%	15.04.2008		Q
NH Entity Corporation s.r.l.	RO	Bucharest	200	RON	50.00%	15.04.2008		Q
NH Pacific Corporation s.r.l.	RO	Bucharest	200	RON	50.00%	15.04.2008		Q
NH Global Time s.r.l.	RO	Bucharest	200	RON	50.00%	15.04.2008		Q
Confidential Business s.r.l.	RO	Bucharest	200	RON	25.00%	15.04.2008		Q
Dalerise Limited	CY	Nicosia	2,000	EUR	100.00%	23.04.2008		V
Valecorp Limited	CY	Nicosia	2,000	EUR	100.00%	23.04.2008		V
BIG BOX Poprad s.r.o.	SK	Bratislava	300,000	SKK	100.00%	30.04.2008		V
Russia Development Fund L.P.	KY	George Town		EUR	100.00%	30.04.2008		V

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

Financial Liabilities

Conditions of Financial Liabilities

IMMOAUSTRIA

Country: Austria

Bank	Company	Currency	Nominal value or original credit in 1,000 ³⁾	Remaining liability as of 30.4.2008 in 1,000 ³⁾	Interest rate fixed / variable	Weighted average interest rate by country
Erste Bank der oesterreichischen Sparkassen AG	SelfStorage – Dein Lagerraum (Schweiz) AG	CHF	2,273.9	2,273.9	variable	5.24%
Erste Bank der oesterreichischen Sparkassen AG	SelfStorage – Dein Lagerraum (Schweiz) AG	CHF	3,160.0	3,160.0	variable	
Bank Austria AG	Immofinanz TCT Liegenschaftsverwertungs GmbH	CHF	1,701.6	1,134.4	variable	
Investkredit Bank AG	STAR Immobilien Treuhand- und Versicherungsmakler GmbH	CHF	1,750.9	1,650.9	variable	
Bank Austria AG	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Fischhof 3 KEG	EUR	8,813.4	4,028.7	variable	4.87%
IMMO-Bank AG	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Gumpendorferstrasse 81 KEG	EUR	2,688.9	1,986.1	variable	
IMMO-Bank AG	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungs- gesellschaft m.b.H. & Co Kaiserstrasse 57-59 KEG	EUR	3,052.3	2,064.8	variable	
Bank Austria AG	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	EUR	843.2	411.5	variable	
Bank Austria AG	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	EUR	996.2	486.1	variable	
Sparkasse Niederösterreich	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	EUR	5,944.1	5,034.2	variable	
Vorarlberger Landes- und Hypothekenbank AG	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	EUR	12,390.7	11,155.3	variable	
Vorarlberger Landes- und Hypothekenbank AG	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	EUR	3,197.6	2,892.4	variable	
Vorarlberger Landes- und Hypothekenbank AG	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	EUR	2,380.0	2,089.3	variable	
Vorarlberger Landes- und Hypothekenbank AG	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	EUR	1,526.1	1,380.8	variable	
Bank Austria AG	ARO Immobilien GmbH	EUR	10,208.8	8,312.0	variable	
IMMO-Bank AG	ARO Immobilien GmbH	EUR	732.0	732.0	variable	
Raiffeisen Zentralbank Österreich AG	Bauteile A+B Errichtungsges.m.b.H.	EUR	6,831.2	4,024.2	variable	
Raiffeisen Zentralbank Österreich AG	Bauteile A+B Errichtungsges.m.b.H.	EUR	85,753.9	49,266.7	variable	
Raiffeisen Zentralbank Österreich AG	Bauteile C+D Errichtungsges.m.b.H.	EUR	51,961.1	32,940.8	variable	
Bank Austria AG	City Parkgaragen Betriebsges.m.b.H.	EUR	407.0	179.8	variable	
Bank Austria AG	City Parkgaragen Betriebsges.m.b.H.	EUR	200.0	150.5	variable	
Bank Austria AG	City Parkgaragen Betriebsges.m.b.H.	EUR	4,200.0	4,057.1	variable	
Bank Austria AG	City Parkgaragen Betriebsges.m.b.H.	EUR	4,215.0	2,427.7	variable	
Bank Austria AG	City Parkgaragen Betriebsges.m.b.H.	EUR	4,215.0	486.4	variable	
Bank Austria AG	City Parkgaragen Betriebsges.m.b.H.	EUR	1,150.0	866.1	variable	
Investkredit Bank AG	EFSP Immobilienentwicklung GmbH	EUR	7,000.0	6,956.3	variable	
Oberbank AG	ESG Beteiligungs GmbH	EUR	40,682.0	37,135.0	variable	
Bank Austria AG	F & I Liegenschaftsvermietungs GmbH	EUR	12,499.7	9,919.8	variable	
Erste Bank der oesterreichischen Sparkassen AG	FMZ Rosental Betriebs GmbH	EUR	7,000.0	6,150.0	variable	
Bank Austria AG	Futur Immobilien GmbH	EUR	4,002.3	3,002.0	variable	
Vorarlberger Landes- und Hypothekenbank AG	Geiselbergstrasse 30-32 Immobilienbewirtschaftungsgesellschaft m.b.H.	EUR	9,589.2	7,845.0	variable	
Allgemeine Sparkasse Oberösterreich Bank AG	HM 7 Liegenschaftsvermietungs GmbH	EUR	2,376.9	2,376.9	variable	
Allgemeine Sparkasse Oberösterreich Bank AG	HM 7 Liegenschaftsvermietungs GmbH	EUR	7,200.0	7,200.0	variable	
Bank Austria AG	HM 7 Liegenschaftsvermietungs GmbH	EUR	594.1	153.0	variable	

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Bank Austria AG	HM 7 Liegenschaftsvermietungs GmbH	EUR	102.7	52.9	variable	
Bank Austria AG	HM 7 Liegenschaftsvermietungs GmbH	EUR	553.7	356.3	variable	
Oberbank AG	IMF Immobilienholding Gesellschaft m.b.H	EUR	53,278.0	48,633.0	variable	
Raiffeisenlandesbank Oberösterreich AG	IMF Immobilienholding Gesellschaft m.b.H	EUR	289,360.0	277,539.7	variable	
Raiffeisen Bausparkasse Gesellschaft mbH	IMMOFINANZ AG	EUR	55,000.0	54,650.1	variable	
Erste Bank der oesterreichischen Sparkassen AG	IMMOFINANZ ALPHA Immobilien Vermietungsgesellschaft m.b.H.	EUR	4,348.7	4,072.7	variable	
Raiffeisen Zentralbank Österreich AG	IMMOFINANZ ALPHA Immobilien Vermietungsgesellschaft m.b.H.	EUR	10,581.2	9,905.3	variable	
Raiffeisen Zentralbank Österreich AG	IMMOFINANZ ALPHA Immobilien Vermietungsgesellschaft m.b.H.	EUR	4,653.3	3,937.4	variable	
Vorarlberger Landes- und Hypothekbank AG	IMMOFINANZ ALPHA Immobilien Vermietungsgesellschaft m.b.H.	EUR	3,284.8	2,848.8	variable	
EURO HYPO	IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	EUR	2,906.9	1,966.3	variable	
Raiffeisen Zentralbank Österreich AG	IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	EUR	21,801.9	17,785.6	variable	
Raiffeisen Zentralbank Österreich AG	IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	EUR	11,991.0	9,953.6	variable	
Vorarlberger Landes- und Hypothekbank AG	IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	EUR	1,649.7	1,257.2	variable	
Vorarlberger Landes- und Hypothekbank AG	IMMOFINANZ Ismene Immobilien Vermietungs-Gesellschaft m.b.H.	EUR	27,252.3	22,092.5	variable	
Bank Austria AG	Immofinanz TCT Liegenschaftsverwertungs GmbH	EUR	3,861.9	3,700.0	variable	
Bank Austria AG	Immofinanz TCT Liegenschaftsverwertungs GmbH	EUR	3,383.1	3,046.2	variable	
Bank Austria AG	Immofinanz TCT Liegenschaftsverwertungs GmbH	EUR	457.5	418.1	variable	4.87%
Bank Austria AG	Immofinanz TCT Liegenschaftsverwertungs GmbH	EUR	702.0	529.3	variable	
Bank Austria AG	Immofinanz TCT Liegenschaftsverwertungs GmbH	EUR	1,253.5	1,215.0	variable	
Bank Austria AG	Immofinanz TCT Liegenschaftsverwertungs GmbH	EUR	2,825.6	2,725.0	variable	
Bank Austria AG	Immofinanz TCT Liegenschaftsverwertungs GmbH	EUR	2,592.6	2,383.2	variable	
Hypo Alpe Adria	Immofinanz TCT Liegenschaftsverwertungs GmbH	EUR	857.1	739.7	variable	
Hypo Alpe Adria	Immofinanz TCT Liegenschaftsverwertungs GmbH	EUR	218.0	197.2	variable	
Hypo Alpe Adria	Immofinanz TCT Liegenschaftsverwertungs GmbH	EUR	525.0	514.0	variable	
Hypo Alpe Adria	Immofinanz TCT Liegenschaftsverwertungs GmbH	EUR	5,087.1	4,621.1	variable	
Hypo Alpe Adria	Immofinanz TCT Liegenschaftsverwertungs GmbH	EUR	400.0	363.7	variable	
Hypo Alpe Adria	Immofinanz TCT Liegenschaftsverwertungs GmbH	EUR	4,000.0	3,754.5	variable	
Hypo Tirol	RHOMBUS Errichtungs- und Verwertungs GmbH & Co KG	EUR	20,241.7	20,241.7	variable	
Erste Bank der oesterreichischen Sparkassen AG	MARINA Handelsgesellschaft mbH	EUR	2,107.5	1,281.6	variable	
Bank Austria AG	RentCon Handels- und Leasing GmbH	EUR	3,500.0	2,925.3	variable	
Bank Austria AG	RentCon Handels- und Leasing GmbH	EUR	11,500.0	9,611.6	variable	
Vorarlberger Landes- und Hypothekbank AG	RentCon Handels- und Leasing GmbH	EUR	11,758.5	7,688.8	variable	
Bank Austria AG	REVIVA Am Spitz Liegenschafts AG	EUR	7,713.3	6,389.5	variable	
Bank Austria AG	REVIVA Am Spitz Liegenschafts AG	EUR	1,086.3	949.3	variable	
Bank Austria AG	REVIVA Am Spitz Liegenschafts AG	EUR	1,814.1	1,542.1	variable	
Bank Austria AG	REVIVA Am Spitz Liegenschafts AG	EUR	1,453.0	1,121.6	variable	
Bank Austria AG	REVIVA Am Spitz Liegenschafts AG	EUR	1,071.3	971.8	variable	
Bank Austria AG	REVIVA Am Spitz Liegenschafts AG	EUR	726.7	666.6	variable	
Bank Austria AG	REVIVA Am Spitz Liegenschafts AG	EUR	4,281.5	3,682.2	variable	
Bank Austria AG	REVIVA Am Spitz Liegenschafts AG	EUR	857.5	786.5	variable	
Bank Austria AG	REVIVA Am Spitz Liegenschafts AG	EUR	821.4	670.0	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	85.0	58.6	variable	

Financial Liabilities

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Bank Austria AG	REVIVA Immobilien AG	EUR	252.9	174.4	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	351.4	332.7	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	108.1	102.4	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	253.6	178.0	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	510.1	481.2	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	370.6	142.4	fixed	
Bank Austria AG	REVIVA Immobilien AG	EUR	29.1	11.2	fixed	
Bank Austria AG	REVIVA Immobilien AG	EUR	135.2	57.5	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	393.5	167.5	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	298.0	253.5	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	59.6	44.4	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	592.2	561.0	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	799.4	621.1	fixed	
Bank Austria AG	REVIVA Immobilien AG	EUR	157.0	122.0	fixed	
Bank Austria AG	REVIVA Immobilien AG	EUR	497.1	386.2	fixed	
Bank Austria AG	REVIVA Immobilien AG	EUR	146.8	114.1	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	361.9	281.2	fixed	
Bank Austria AG	REVIVA Immobilien AG	EUR	392.6	343.6	fixed	
Bank Austria AG	REVIVA Immobilien AG	EUR	14.5	10.9	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	2,114.8	1,950.8	variable	
Bank Austria AG	REVIVA Immobilien AG	EUR	574.1	529.6	variable	
Erste Bank der oesterreichischen Sparkassen AG	REVIVA Immobilien AG	EUR	251.6	211.3	variable	
Erste Bank der oesterreichischen Sparkassen AG	REVIVA Immobilien AG	EUR	61.4	36.9	variable	
Erste Bank der oesterreichischen Sparkassen AG	REVIVA Immobilien AG	EUR	159.1	128.1	variable	
Erste Bank der oesterreichischen Sparkassen AG	REVIVA Immobilien AG	EUR	106.1	85.4	variable	
BKS	Selfstorage - Dein Lagerraum GmbH	EUR	1,300.0	1,300.0	variable	
BKS	Selfstorage - Dein Lagerraum GmbH	EUR	1,190.0	1,190.0	variable	
BKS	Selfstorage - Dein Lagerraum GmbH	EUR	1,278.6	1,278.6	variable	
Investkredit Bank AG	Selfstorage - Dein Lagerraum GmbH	EUR	2,700.0	2,700.0	variable	
Investkredit Bank AG	Selfstorage - Dein Lagerraum GmbH	EUR	2,300.0	2,300.0	variable	
Investkredit Bank AG	Selfstorage - Dein Lagerraum GmbH	EUR	1,800.0	1,800.0	variable	4.87%
Investkredit Bank AG	Selfstorage - Dein Lagerraum GmbH	EUR	1,900.0	1,900.0	variable	
Erste Bank der oesterreichischen Sparkassen AG	SelfStorage - Dein Lager Lagervermietungs GmbH	EUR	1,401.6	1,401.6	variable	
Erste Bank der oesterreichischen Sparkassen AG	SelfStorage - Dein Lager Lagervermietungs GmbH	EUR	581.4	256.7	variable	
Erste Bank der oesterreichischen Sparkassen AG	SelfStorage - Dein Lager Lagervermietungs GmbH	EUR	1,552.0	1,552.0	variable	
Erste Bank der oesterreichischen Sparkassen AG	SelfStorage - Dein Lager Lagervermietungs GmbH	EUR	1,200.0	1,200.0	variable	
Erste Bank der oesterreichischen Sparkassen AG	SelfStorage - Dein Lager Lagervermietungs GmbH	EUR	2,300.0	2,126.5	variable	
Erste Bank der oesterreichischen Sparkassen AG	SelfStorage - Dein Lager Lagervermietungs GmbH	EUR	587.4	587.4	variable	
Erste Bank der oesterreichischen Sparkassen AG	SelfStorage - Dein Lager Lagervermietungs GmbH	EUR	581.4	306.7	fixed	
Erste Bank der oesterreichischen Sparkassen AG	SelfStorage - Dein Lager Lagervermietungs GmbH	EUR	807.7	807.7	variable	
Erste Bank der oesterreichischen Sparkassen AG	SelfStorage - Dein Lager Lagervermietungs GmbH	EUR	1,375.0	393.8	variable	
Bank Austria AG	Selicastello Beta Liegenschaftsb. GmbH	EUR	12,400.0	2,290.0	variable	
Bank Austria AG	Selicastello Beta Liegenschaftsb. GmbH	EUR	8,310.9	8,072.1	variable	
Bank Austria AG	Selicastello Gamma Liegenschaftsb. GmbH	EUR	12,400.0	5,886.0	variable	
Bank Austria AG	Selicastello Gamma Liegenschaftsb. GmbH	EUR	30,927.9	30,927.9	variable	
Investkredit Bank AG	SL Immobilienprojekt GmbH	EUR	1,063.6	828.2	variable	
Investkredit Bank AG	SL Immobilienprojekt GmbH	EUR	2,540.2	1,988.9	variable	
Investkredit Bank AG	SL Immobilienprojekt GmbH	EUR	1,187.8	1,162.8	variable	
Investkredit Bank AG	SL Immobilienprojekt GmbH	EUR	460.8	280.0	variable	
Investkredit Bank AG	SL Immobilienprojekt GmbH	EUR	1,153.2	837.6	variable	
Erste Bank der oesterreichischen Sparkassen AG	SPE Liegenschaftsvermietung Gesellschaft m.b.H.	EUR	4,723.7	4,072.7	variable	
Raiffeisen Landesbank Steiermark	SPE Liegenschaftsvermietung Gesellschaft m.b.H.	EUR	2,483.2	1,790.0	variable	
Raiffeisen Landesbank Steiermark	SPE Liegenschaftsvermietung Gesellschaft m.b.H.	EUR	490.1	387.9	variable	

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Vorarlberger Landes- und Hypothekenbank AG	SPE Liegenschaftsvermietung Gesellschaft m.b.H.	EUR	1,482.5	959.3	variable	
Vorarlberger Landes- und Hypothekenbank AG	SPE Liegenschaftsvermietung Gesellschaft m.b.H.	EUR	3,030.5	1,976.7	variable	
EURO HYPO	Stephanshof LiegenschaftsverwaltungsGmbH	EUR	14,614.2	14,335.0	variable	
BKS	VIV Gebäudeerrichtungs GmbH	EUR	918.4	918.4	variable	
BKS	VIV Gebäudeerrichtungs GmbH	EUR	573.4	467.3	variable	
Bank Austria AG	Wienerberg City Errichtungsges.m.b.H.	EUR	42,668.0	39,417.7	variable	
EURO HYPO	Wienerberg City Errichtungsges.m.b.H.	EUR	36,336.4	35,235.6	variable	
Bank Austria AG	WIPARK Garagen AG	EUR	79,940.1	56,176.1	variable	
ABN Amro Trustees Limited	Enodia OEG	EUR	190,000.0	182,960.0	fixed	
ABN Amro Trustees Limited	Enodia OEG	EUR	37,500.0	37,500.0	fixed	
ABN Amro Trustees Limited	Enodia OEG	EUR	22,500.0	22,500.0	fixed	
West LB AG	Immofinanz Finance B. V.	EUR	415,000.0	415,000.0	variable	
diverse Kreditinstitute	BUWOG - Bauen und Wohnen Gesellschaft mbH	EUR	213,963.2	135,637.1	variable	
diverse Kreditinstitute	BUWOG - Bauen und Wohnen Gesellschaft mbH	EUR	129,936.3	64,125.7	fixed	
diverse Kreditinstitute	ESG Wohnungsgesellschaft mbH Villach	EUR	107,232.5	62,663.4	variable	
diverse Kreditinstitute	ESG Wohnungsgesellschaft mbH Villach	EUR	39,782.8	26,688.5	fixed	

IMMOWEST

Country: Switzerland

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Raiffeisen Zentralbank Österreich AG	St. Moritz Bäder AG	EUR	23,253.8	22,753.8	variable	4.26%
Westdeutsche Immobilien Bank	IMMOFINANZ Imm. Anlagen Schweiz AG	CHF	5,170.0	3,920.0	variable	4.13%
Westdeutsche Immobilien Bank	IMMOFINANZ Imm. Anlagen Schweiz AG	CHF	14,080.0	14,080.0	variable	
Raiffeisen Zentralbank Österreich AG	St. Moritz Bäder AG	CHF	2,475.0	1,587.8	variable	
Raiffeisen Zentralbank Österreich AG	St. Moritz Bäder AG	CHF	6,600.0	4,550.0	variable	
Raiffeisen Zentralbank Österreich AG	St. Moritz Bäder AG	CHF	9,800.0	6,750.0	variable	
Raiffeisen Zentralbank Österreich AG	St. Moritz Bäder AG	CHF	38,530.0	26,530.0	variable	

Country: Germany

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
IKB Deutsche Industrielkreditbank AG	Logistikpark Lahr GmbH u. Co KG	CHF	5,632.2	4,365.0	fixed	4.06%
Bayerische LB	LZB Bülach AG (ehem. Tessora Consulting AG)	CHF	31,000.0	30,380.0	variable	
Hypovereinsbank	Rheinische Lagerhaus GmbH	CHF	4,300.0	3,332.5	fixed	
Hypovereinsbank	Rheinische Lagerhaus GmbH	CHF	6,300.0	4,882.5	fixed	
Hypovereinsbank	Rheinische Lagerhaus GmbH	CHF	9,340.0	7,238.5	fixed	
SEB	Rheinische Lagerhaus Rheine GmbH	CHF	6,475.0	6,300.0	fixed	
EURO HYPO	Deutsche Lagerhaus Kirchheim GmbH u. Co KG	EUR	16,500.0	16,307.8	variable	4.94%
EURO HYPO	Deutsche Lagerhaus Bönen GmbH u. Co KG	EUR	4,500.0	4,367.3	fixed	
EURO HYPO	Deutsche Lagerhaus Bönen GmbH u. Co KG	EUR	10,668.9	10,004.1	fixed	
Bankhaus Lampe	Deutsche Lagerhaus Bremen I GmbH u. Co KG	EUR	9,000.0	8,568.0	fixed	
EURO HYPO	Deutsche Lagerhaus Freystadt GmbH u. Co KG	EUR	10,500.0	10,377.7	variable	
EURO HYPO	Deutsche Lagerhaus Gross-Gerau GmbH u. Co KG	EUR	8,300.0	8,203.3	variable	
IKB Deutsche Industrielkreditbank AG	Deutsche Lagerhaus Heusenstamm GmbH u. Co KG	EUR	500.0	498.5	variable	
IKB Deutsche Industrielkreditbank AG	Deutsche Lagerhaus Heusenstamm GmbH u. Co KG	EUR	7,225.0	7,067.9	variable	
IKB Deutsche Industrielkreditbank AG	Deutsche Lagerhaus Neuss GmbH u. Co KG	EUR	7,700.0	7,555.6	variable	
EURO HYPO	Deutsche Lagerhaus Nuremberg II GmbH u. Co KG	EUR	6,600.0	6,533.5	variable	

Financial Liabilities

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
EURO HYPO	Deutsche Lagerhaus Poing GmbH u. Co KG	EUR	15,700.0	14,366.9	variable	
EURO HYPO	Deutsche Lagerhaus Willich GmbH u. Co KG	EUR	11,000.0	10,925.8	variable	
Landesbank Hessen Thüringen	Frankonia Eurobau Andreasquartier GmbH	EUR	51,730.0	47,650.0	fixed	
Landesbank Hessen Thüringen	Frankonia Eurobau Andreasquartier GmbH	EUR	175.1	175.1	fixed	
Sparkasse KölnBonn	Frankonia Eurobau Friesenquartier GmbH	EUR	225,000.0	76,080.3	fixed	
Sparkasse KölnBonn	Frankonia Eurobau Friesenquartier II GmbH	EUR	71,457.9	71,457.9	fixed	
Corealcredit Bank AG	IMF Deutschland GmbH	EUR	6,400.0	5,263.6	fixed	
Corealcredit Bank AG	IMF Deutschland GmbH	EUR	6,400.0	584.0	fixed	
Corealcredit Bank AG	IMF Deutschland GmbH	EUR	6,400.0	89.2	fixed	
Corealcredit Bank AG	IMF Deutschland GmbH	EUR	2,330.0	1,965.1	fixed	
Corealcredit Bank AG	IMF Deutschland GmbH	EUR	11,000.0	7,709.2	fixed	
Corealcredit Bank AG	IMF Deutschland GmbH	EUR	6,500.0	5,695.3	variable	
Corealcredit Bank AG	IMF Deutschland GmbH	EUR	7,000.0	1,930.1	variable	
Deutsche Postbank AG	IMF Deutschland GmbH	EUR	12,876.0	10,904.2	variable	
Deutsche Postbank AG	IMF Deutschland GmbH	EUR	10,624.0	8,998.3	variable	
Münchener Hypothekenbank eG	IMF Deutschland GmbH	EUR	5,980.0	5,486.7	variable	
Münchener Hypothekenbank eG	IMF Deutschland GmbH	EUR	18,120.0	18,120.0	variable	
Münchener Hypothekenbank eG	IMF Deutschland GmbH	EUR	12,700.0	11,696.3	variable	
Münchener Hypothekenbank eG	IMF Deutschland GmbH	EUR	6,500.0	6,144.7		
IKB Deutsche Industrielkreditbank AG	Logistikpark Lahr GmbH u. Co KG	EUR	21,480.0	20,808.8	variable	
Bayern LB	Rheinische Lagerhaus GmbH	EUR	975.8	901.4	fixed	
EURO HYPO	Rheinische Lagerhaus GmbH	EUR	5,202.5	4,256.0	variable	
EURO HYPO	Rheinische Lagerhaus GmbH	EUR	6,602.3	5,480.5	fixed	
IKB Deutsche Industrielkreditbank AG	Rheinische Lagerhaus GmbH	EUR	10,650.0	9,372.0	variable	
Norddeutsche Landesbank	Rheinische Lagerhaus GmbH	EUR	1,682.1	1,296.5	fixed	
Norddeutsche Landesbank	Rheinische Lagerhaus GmbH	EUR	3,293.3	2,980.9	fixed	
Norddeutsche Landesbank	Rheinische Lagerhaus GmbH	EUR	3,204.0	3,204.0	fixed	
Stadtsparkasse Oberhausen	Rheinische Lagerhaus GmbH	EUR	920.3	796.0	fixed	
Stadtsparkasse Oberhausen	Rheinische Lagerhaus GmbH	EUR	3,458.9	2,441.6	fixed	
Westdeutsche Immobilien Bank	Rheinische Lagerhaus GmbH	EUR	244.8	221.9	fixed	
Westdeutsche Immobilien Bank	Rheinische Lagerhaus GmbH	EUR	254.2	236.4	fixed	
Westdeutsche Immobilien Bank	Rheinische Lagerhaus GmbH	EUR	451.6	353.7	fixed	
Westdeutsche Immobilien Bank	Rheinische Lagerhaus GmbH	EUR	468.8	367.1	fixed	
Sparkasse Hannover	Rheinische Lagerhaus Hannover GmbH u. Co KG	EUR	4,300.0	3,793.7	fixed	
SEB	Rheinische Lagerhaus Rheine GmbH	EUR	3,579.0	3,057.3	variable	
SEB	Rheinische Lagerhaus Rheine GmbH	EUR	1,544.4	1,522.7	variable	
SEB	Rheinische Lagerhaus Rheine GmbH	EUR	511.3	436.7	variable	
EURO HYPO	Rheinische Lagerhaus Wuppertal GmbH u. Co KG	EUR	5,200.0	4,809.3	fixed	
EURO HYPO	Rheinische Park GmbH	EUR	1,853.4	1,549.4	fixed	
EURO HYPO	Rheinische Park GmbH	EUR	363.0	307.7	fixed	
Westdeutsche Immobilien Bank	Rheinische Park GmbH	EUR	2,294.0	2,183.1	fixed	
Westdeutsche Immobilien Bank	Rheinische Park GmbH	EUR	575.2	492.5	variable	
Westdeutsche Immobilien Bank	Rheinische Park GmbH	EUR	703.0	601.9	fixed	
Allgemeine Hypothekenbank Rheinboden AG	Tempelhofer Feld AG	EUR	20,400.5	18,177.3	fixed	
Berliner Sparkasse (LBB). Landesbank Berlin	Tempelhofer Feld AG	EUR	2,914.4	2,541.6	fixed	
Berliner Sparkasse (LBB). Landesbank Berlin	Tempelhofer Feld AG	EUR	1,942.9	1,694.4	fixed	
Frankfurter Sparkasse	Tempelhofer Feld AG	EUR	697.9	525.8	fixed	
Frankfurter Sparkasse	Tempelhofer Feld AG	EUR	807.6	298.7	fixed	
Investitionsbank Berlin	Tempelhofer Feld AG	EUR	275.7	275.7	fixed	
Investitionsbank Berlin	Tempelhofer Feld AG	EUR	870.9	687.4	fixed	
Investitionsbank Berlin	Tempelhofer Feld AG	EUR	10.5	10.5	fixed	
Investitionsbank Berlin	Tempelhofer Feld AG	EUR	2,556.5	1,811.8	fixed	
Investitionsbank Berlin	Tempelhofer Feld AG	EUR	296.1	42.5	fixed	

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Investitionsbank Berlin	Tempelhofer Feld AG	EUR	422.3	340.8	fixed	
Investitionsbank Berlin	Tempelhofer Feld AG	EUR	25.8	25.8	fixed	
Investitionsbank Berlin	Tempelhofer Feld AG	EUR	1,079.3	820.5	fixed	

Country: Italy

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Lehman / Hatfield Philips	IMMOWEST PROMTUS Holding GmbH	EUR	64,400.0	55,551.8	variable	6.65

Country: Netherlands

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Fortis Bank N.V.	City Box Holding B.V.	EUR	1,500.0	934.4	variable	5.92%
Fortis Bank N.V.	City Box Properties B.V.	EUR	3,750.0	3,110.4	variable	
Fortis Bank N.V.	City Box Properties B.V.	EUR	38,500.0	38,500.0	variable	
PVF Achmea Bank	City Box Properties B.V.	EUR	15,800.0	15,800.0	variable	

Country: USA

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Bank of Amerika N.A.\$	IMF Investments 105 LP	USD	36,300.0	1,726.1	variable	5.99%
Bank of Amerika N.A.\$	IMF Investments 106 LP	USD	3,346.0	2,798.2	variable	
Compass Bank	IMF Investments 205 LP	USD	35,300.0	28,361.5	variable	

IMMOEAST

Country: Czech Republic

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
HVB Bank Czech Republic a.s.	Prague Office Park I s.r.o.	CHF	5,580.0	3,960.5	fixed	4.35%
HVB Bank Czech Republic a.s.	Prague Office Park I s.r.o.	CHF	1,995.0	1,717.7	fixed	
HVB Bank Czech Republic a.s.	Prague Office Park I s.r.o.	CHF	2,400.0	1,408.8	fixed	
Investkredit Bank AG	ODP Office Development Praha spol.s.r.o.	CHF	3,000.6	2,236.0	variable	
Investkredit Bank AG	WEGE spol.s.r.o.	CHF	1,500.3	1,118.0	variable	
Oberbank AG	VALDEK Praha spol.s.r.o.	CHF	2,640.7	1,871.3	variable	
Investkredit Bank AG	Nakupni Centrum Trebic s.r.o.	CZK	9,910.4	9,910.4	variable	6.42%
Investkredit Bank AG	STOP.SHOP. Uherske Hradiste s.r.o.	CZK	25,206.0	3,044.3	variable	
Investkredit Bank AG	STOP.SHOP. Hranice s.r.o.	CZK	31,010.1	6,212.3	variable	
Investkredit Bank AG	STOP.SHOP. Zatec s.r.o.	CZK	12,880.0	530.0	variable	
Aareal Bank AG	Airport Property Development a.s.	EUR	10,455.9	10,455.9	variable	5.86%
Aareal Bank AG	Airport Property Development a.s.	EUR	760.0	612.2	variable	
Aareal Bank AG	Airport Property Development a.s.	EUR	460.0	204.3	variable	
Bank Austria AG	Diamant Real spol. s.r.o.	EUR	46,000.0	45,851.0	variable	
Bank Austria AG	E.N.G. Property a.s.	EUR	4,499.2	4,476.4	variable	
Bank Austria AG	E.N.G. Property a.s.	EUR	4,424.3	552.3	fixed	

Financial Liabilities

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Bank Austria AG	J.H. Prague a.s.	EUR	10,122.8	2,661.5	fixed	
Bank Austria AG	J.H. Prague a.s.	EUR	10,438.1	10,438.1	variable	
Bank Austria AG	JUNGMANNOVA ESTATES a.s.	EUR	11,331.6	1,950.6	fixed	
Bank Austria AG	JUNGMANNOVA ESTATES a.s.	EUR	11,697.9	11,697.9	variable	
Bank Austria AG	NP Investments a.s.	EUR	27,823.0	27,823.0	variable	
Bank Austria AG	NP Investments a.s.	EUR	26,840.3	5,090.6	fixed	
Bank Austria AG	PAN Development a.s.	EUR	6,323.8	1,098.1	fixed	
Bank Austria AG	PAN Development a.s.	EUR	6,478.8	6,449.2	variable	
Bank Austria AG	PERL INVEST a.s.	EUR	5,399.0	5,372.6	variable	
Bank Austria AG	PERL INVEST a.s.	EUR	5,287.7	662.9	fixed	
Bank Austria AG	RHP Development s.r.o.	EUR	23,500.0	23,496.1	variable	
Bank Austria AG	STOP.SHOP. Pribram s.r.o.	EUR	1,076.3	1,023.1	variable	
Bank Austria AG	STOP.SHOP. Pribram s.r.o.	EUR	3,048.2	1,336.7	variable	
Bank Austria AG	STOP.SHOP. Pribram s.r.o.	EUR	600.0	292.6	variable	
Bank Austria AG	STOP.SHOP. Rakovnik s.r.o.	EUR	836.6	761.2	variable	
Bank Austria AG	STOP.SHOP. Rakovnik s.r.o.	EUR	2,385.9	183.4	variable	
Bank Austria AG	STOP.SHOP. Rakovnik s.r.o.	EUR	600.0	51.7	variable	
Erste Bank der oesterreichischen Sparkassen AG	Aragonit s.r.o.	EUR	6,000.0	5,170.0	variable	
HVB Bank Czech Republic a.s.	ATLAS 2001 CR s.r.o.	EUR	10,006.0	8,731.0	variable	
HVB Bank Czech Republic a.s.	ATLAS 2001 CR s.r.o.	EUR	2,335.1	2,037.5	variable	
HVB Bank Czech Republic a.s.	ATLAS 2001 CR s.r.o.	EUR	6,908.9	6,028.6	variable	
HVB Bank Czech Republic a.s.	Atom Centrum a.s.	EUR	15,120.0	13,694.8	variable	
HVB Bank Czech Republic a.s.	BB C - Building A. k.s.	EUR	2,482.4	2,482.4	variable	
HVB Bank Czech Republic a.s.	BB C - Building A. k.s.	EUR	1,412.7	1,151.6	variable	
HVB Bank Czech Republic a.s.	BB C - Building A. k.s.	EUR	25,625.0	25,625.0	variable	
HVB Bank Czech Republic a.s.	BB C - Building B. k.s.	EUR	2,593.2	2,593.2	variable	
HVB Bank Czech Republic a.s.	BB C - Building B. k.s.	EUR	17,664.6	17,664.6	variable	
HVB Bank Czech Republic a.s.	BB C - Building C. k.s.	EUR	2,096.4	2,096.4	variable	
HVB Bank Czech Republic a.s.	BB C - Building C. k.s.	EUR	13,792.0	13,792.0	variable	
HVB Bank Czech Republic a.s.	BB C - Building Gamma a.s.	EUR	47,175.0	46,463.0	variable	
HVB Bank Czech Republic a.s.	Centre Investments s.r.o.	EUR	200.0	172.0	fixed	
HVB Bank Czech Republic a.s.	Centre Investments s.r.o.	EUR	600.0	454.2	fixed	
HVB Bank Czech Republic a.s.	Centre Investments s.r.o.	EUR	1,998.0	1,453.8	fixed	
HVB Bank Czech Republic a.s.	Centre Investments s.r.o.	EUR	1,871.0	1,335.0	fixed	
HVB Bank Czech Republic a.s.	SB Praha 4 spol.s.r.o.	EUR	7,792.1	2,782.8	variable	
HVB Bank Czech Republic a.s.	SB Praha 4 spol.s.r.o.	EUR	1,733.3	932.1	variable	
HVB Bank Czech Republic a.s.	SB Praha 4 spol.s.r.o.	EUR	1,489.9	1,357.7	variable	
Investkredit Bank AG	Brno Estates a.s.	EUR	15,900.0	15,420.4	variable	
Investkredit Bank AG	Nakupni Centrum Trebic s.r.o.	EUR	9,450.0	4,110.8	variable	
Investkredit Bank AG	ODP Office Development Praha spol.s.r.o.	EUR	2,071.7	1,507.5	variable	
Investkredit Bank AG	SBF Development Praha spol.s.r.o.	EUR	17,300.0	16,026.8	variable	
Investkredit Bank AG	SBF Development Praha spol.s.r.o.	EUR	24,500.0	1.6	variable	
Investkredit Bank AG	SBF Development Praha spol.s.r.o.	EUR	4,500.0	4,055.1	variable	
Investkredit Bank AG	STOP.SHOP. Uherske Hradiste s.r.o.	EUR	3,484.0	3,254.7	variable	
Investkredit Bank AG	STOP.SHOP. Hranice s.r.o.	EUR	4,184.0	3,118.2	variable	
Investkredit Bank AG	STOP.SHOP. Zatec s.r.o.	EUR	4,140.0	21.7	variable	
Investkredit Bank AG	WEGE spol.s.r.o.	EUR	936.5	680.6	variable	
Oberbank AG	ABLO Property s.r.o.	EUR	24,000.0	21,600.0	variable	
Oberbank AG	NF 23 spol. s.r.o.	EUR	2,411.5	2,351.2	variable	
Oberbank AG	VALDEK Praha spol. s.r.o.	EUR	2,383.3	1,931.0	variable	
Oberbank AG	VALDEK Praha spol. s.r.o.	EUR	195.5	42.3	variable	
Oberbank AG	VALDEK Praha spol. s.r.o.	EUR	3,694.2	3,235.0	variable	
Raiffeisen Zentralbank Österreich AG	Delta Park a.s.	EUR	15,500.0	12,725.0	variable	
Raiffeisenlandesbank Oberösterreich AG	Stavební a inženýrská společnost spol. s.r.o.	EUR	32,000.0	9,108.7	variable	

Country: Hungary

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Bank Austria AG	Arpad Center Kft.	EUR	6,500.0	5,132.0	variable	6.02%
Bank Austria AG	Globe 13 Kft.	EUR	21,000.0	16,530.0	variable	
Bank Austria AG	Lentia Real (1) Kft.	EUR	10,800.0	8,608.0	variable	
Bank Austria AG	Szepevölgyi Business Park Kft.	EUR	10,500.0	9,190.0	variable	
CIB Bank ZRT	Atrium Park Kft.	EUR	28,529.2	28,285.1	variable	
CIB Bank ZRT	Atrium Park Kft.	EUR	20,663.6	14,677.3	variable	
CIB Bank ZRT	Atrium Park Kft.	EUR	938.1	938.1	variable	
Erste Bank der oesterreichischen Sparkassen AG	C. E. P. D. Kft.	EUR	26,750.0	23,807.5	variable	
Erste Bank der oesterreichischen Sparkassen AG	DH Logistik Kft.	EUR	4,400.0	3,756.1	variable	
Erste Bank der oesterreichischen Sparkassen AG	Globe 3 Ingatlanfejlesztő Kft.	EUR	7,000.0	6,840.0	variable	
Erste Bank der oesterreichischen Sparkassen AG	Optima A Kft.	EUR	8,000.0	7,900.0	variable	
Erste Bank der oesterreichischen Sparkassen AG	West Gate Üzleti Park Fejlesztő Kft.	EUR	14,938.0	14,938.0	variable	
MKB Bank Lt.	STOP.SHOP. BCS Kft.	EUR	9,358.5	6,936.6	variable	
Raiffeisen Zentralbank Österreich AG	Office Campus Budapest Kft.	EUR	12,990.0	12,752.5	variable	
Raiffeisenlandesbank Oberösterreich AG	Center Invest International Kft.	EUR	8,200.0	7,990.5	variable	
Raiffeisenlandesbank Oberösterreich AG	Center Invest Kft.	EUR	8,900.0	7,625.9	variable	
Raiffeisenlandesbank Oberösterreich AG	Center Invest Kft.	EUR	12,900.0	10,400.0	variable	
Raiffeisenlandesbank Oberösterreich AG	Center Invest Kft.	EUR	7,281.8	5,749.4	variable	
Raiffeisenlandesbank Oberösterreich AG	Center Invest Kft.	EUR	12,650.0	12,467.5	variable	
Raiffeisenlandesbank Oberösterreich AG	Center Invest Kft.	EUR	13,650.0	12,366.3	variable	
Raiffeisenlandesbank Oberösterreich AG	Center Invest Kft.	EUR	6,400.0	5,805.2	variable	
Unicredit Bank Hungary Zrt.	Euro Businesspark Kft.	EUR	15,880.0	15,189.6	variable	
Unicredit Bank Hungary Zrt.	Euro Businesspark Kft.	EUR	13,154.3	12,393.1	variable	
Unicredit Bank Hungary Zrt.	SAS Inter Kft.	EUR	9,056.0	7,791.3	variable	
Unicredit Bank Hungary Zrt.	SAS Inter Kft.	EUR	200.0	86.5	variable	
Unicredit Bank Hungary Zrt.	SAS Inter Kft.	EUR	500.0	231.8	variable	
CIB Bank ZRT	Atrium Park Kft.	HUF	800,000.0	313,815.3	variable	8.78%
MKB Bank Lt.	STOP.SHOP. BCS Kft.	HUF	200,000.0	44,000.0	variable	
MKB Bank Lt.	STOP.SHOP. BCS Kft.	HUF	99,929.7	99,929.7	variable	

Country: Poland

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Aareal Bank AG	MBP I Sp. z o.o.	EUR	148,425.0	141,661.7	variable	5.25%
Bank Austria AG	Blizzard Real Sp. z o.o.	EUR	25,217.5	17,538.1	variable	
Bank Austria AG	Passat Real Sp. z o.o.	EUR	15,100.0	13,264.4	variable	
Bank Austria AG	RONDO OFFICE PROJECT Sp. z o.o.	EUR	36,500.0	8,921.0	variable	
Bank Austria AG	Taifun Real Sp. z o.o.	EUR	10,066.5	7,842.8	variable	
Erste Bank der oesterreichischen Sparkassen AG	Al Sp. z o.o.	EUR	12,950.0	1,397.9	variable	
Erste Bank der oesterreichischen Sparkassen AG	ARE 4 Sp. z o.o.	EUR	10,400.0	8,675.6	variable	
Erste Bank der oesterreichischen Sparkassen AG	ARE 5 Sp. z o.o.	EUR	12,700.0	2,975.4	variable	
Erste Bank der oesterreichischen Sparkassen AG	ARE 8 Sp. z o.o.	EUR	7,200.0	6,696.0	variable	
Erste Bank der oesterreichischen Sparkassen AG	Atlantis Invest Sp. z o.o.	EUR	12,950.0	8,104.1	variable	
Erste Bank der oesterreichischen Sparkassen AG	Central Bud Sp. z o. o.	EUR	9,800.0	8,416.2	variable	
Erste Bank der oesterreichischen Sparkassen AG	Cirrus Real Sp. z o.o.	EUR	2,350.0	1,459.6	variable	
Erste Bank der oesterreichischen Sparkassen AG	Equator Real Sp. z o.o.	EUR	30,200.0	24,417.3	variable	
Erste Bank der oesterreichischen Sparkassen AG	Immofinanz Polska Sp. z o.o.	EUR	9,000.0	7,580.0	variable	
Erste Bank der oesterreichischen Sparkassen AG	Nimbus Real Sp. z o.o.	EUR	2,500.0	1,453.9	variable	
Erste Bank der oesterreichischen Sparkassen AG	Ol Sp. z o.o.	EUR	6,739.0	5,292.9	variable	
Erste Bank der oesterreichischen Sparkassen AG	Omega Invest Sp. z o.o.	EUR	3,712.9	2,797.3	variable	

Financial Liabilities

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Erste Bank der oesterreichischen Sparkassen AG	Secure Bud Sp. z o.o.	EUR	12,700.0	8,085.3	variable	
Erste Bank der oesterreichischen Sparkassen AG	Zenith Real Sp. z o.o.	EUR	2,500.0	2,038.4	variable	
Investkredit Bank AG	Flex Invest Sp. z o.o.	EUR	1,600.0	1,600.0	variable	
Investkredit Bank AG	Flex Invest Sp. z o.o.	EUR	4,894.5	4,590.4	variable	
Landesbank Hessen Thüringen	IO-1 Building Sp. z o.o.	EUR	45,000.0	45,000.0	variable	
Landesbank Hessen Thüringen	Nowe Centrum Sp. z o.o.	EUR	168,117.1	168,117.1	variable	
Landesbank Hessen Thüringen	Xantium Sp. z o.o.	EUR	56,058.9	56,058.9	variable	
Bank Zachodni WBK S.A.	Debowe Tarasy Sp. z o.o. II sp.k.	PLN	62,000.0	31,698.5	variable	6.10%
Bank Zachodni WBK S.A.	Debowe Tarasy Sp. z o.o. II sp.k.	PLN	9,000.0	2,444.4	variable	
Bank Zachodni WBK S.A.	Debowe Tarasy Sp. z o.o. III sp.k.	PLN	75,000.0	6,090.3	variable	
Bank Zachodni WBK S.A.	Silesia Residential Project Sp. z o.o.	PLN	6,000.0	5,311.8	variable	
Bank Zachodni WBK S.A.	Silesia Residential Project Sp. z o.o.	PLN	51,662.2	44,632.6	variable	
Raiffeisen	Residea Sigma Sp. z o.o.	PLN	9,411.7	9,411.7	variable	
Erste Bank der oesterreichischen Sparkassen AG	Atlantis Invest Sp. z o.o.	USD	805.1	683.1	variable	4.26%
Erste Bank der oesterreichischen Sparkassen AG	Omega Invest Sp. z o.o.	USD	15,284.1	11,540.0	variable	
Investkredit Bank AG	Flex Invest Sp. z o.o.	USD	18,388.5	17,197.5	variable	

Country: Slovakia

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Bank Austria AG	BIG BOX Nove Zamky s.r.o.	EUR	740.6	740.6	variable	5.61%
Bank Austria AG	BIG BOX Nove Zamky s.r.o.	EUR	3,261.9	3,261.9	variable	
Bank Austria AG	STOP.SHOP. Lucenec s.r.o.	EUR	1,800.0	1,792.6	variable	
Bank Austria AG	STOP.SHOP. Lucenec s.r.o.	EUR	2,688.7	2,688.7	variable	
Bank Austria AG	STOP.SHOP. Lucenec s.r.o.	EUR	500.0	134.3	variable	
Bank Austria AG	STOP.SHOP. Ruzomberok s.r.o.	EUR	1,300.0	1,300.0	variable	
Bank Austria AG	STOP.SHOP. Zvolen s.r.o.	EUR	1,465.6	1,465.6	variable	
Bank Austria AG	STOP.SHOP. Zvolen s.r.o.	EUR	1,450.0	963.5	variable	
Erste Bank der oesterreichischen Sparkassen AG	TriGranit Centrum a.s.	EUR	42,167.0	26,257.1	variable	
Erste Bank der oesterreichischen Sparkassen AG	TriGranit Centrum a.s.	EUR	5,000.0	2,378.3	variable	
Hypo Real Estate Bank International AG	Polus a.s.	EUR	22,000.0	20,987.5	variable	
Hypo Real Estate Bank International AG	Polus a.s.	EUR	113,000.0	113,000.0	variable	
Slovenska sporitelna a.s.	Polus Tower 2 a.s.	EUR	36,000.0	33,311.5	variable	
Tatra banka, a.s.	BIG BOX Poprad s.r.o.	EUR	4,416.0	2,981.1	variable	
Tatra banka, a.s.	BIG BOX Trencin s.r.o.	EUR	4,976.5	3,518.8	variable	
UniBanka a.s.	SCT s.r.o.	EUR	4,400.0	4,062.7	variable	

Country: Romania

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Bank Austria AG	PBT Invest s.r.l.	EUR	13,950.0	6,627.1	variable	6.79%
Bank Austria AG	S.C. Almera New Capital s.r.l.	EUR	1,236.0	1,182.9	variable	
Bank Austria AG	S.C. Almera New Capital s.r.l.	EUR	700.0	700.0	variable	
Bank Austria AG	S.C. Almera New Capital s.r.l.	EUR	634.1	452.9	variable	
Bank Austria AG	S.C. Almera New Capital s.r.l.	EUR	1,215.0	683.6	variable	
Bank Austria AG	S.C. Almera New Capital s.r.l.	EUR	1,945.4	393.9	variable	
Bank Austria AG	S.C. Almera New Capital s.r.l.	EUR	3,000.0	621.9	variable	
EFG Private Bank SA	S.C. Meteo Business Park s.r.l.	EUR	3,450.0	3,450.0	variable	
EFG Private Bank SA	S.C. Meteo Business Park s.r.l.	EUR	5,000.0	5,000.0	variable	

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
EFG Private Bank SA	S.C. Stupul de Albine s.r.l.	EUR	1,600.0	1,600.0	variable	
EFG Private Bank SA	S.C. Stupul de Albine s.r.l.	EUR	2,800.0	2,800.0	variable	
Erste Bank der oesterreichischen Sparkassen AG	S.C. Baneasa 6981 s.r.l.	EUR	6,250.0	6,195.5	variable	
Erste Bank der oesterreichischen Sparkassen AG	S.C. Baneasa 6981 s.r.l.	EUR	10,600.0	10,504.2	variable	
Erste Bank der oesterreichischen Sparkassen AG	S.C. Dacian Second s.r.l.	EUR	2,200.0	2,092.9	variable	
Erste Bank der oesterreichischen Sparkassen AG	S.C. Dacian Second s.r.l.	EUR	8,800.0	7,831.3	variable	
Erste Bank der oesterreichischen Sparkassen AG	SC EFG Urban Achizitii s.r.l.	EUR	20,000.0	20,000.0	variable	
European bank for reconstruction and development	IRIDE S.A.	EUR	14,007.1	6,955.7	variable	
European bank for reconstruction and development	IRIDE S.A.	EUR	17,955.9	14,968.4	variable	
European bank for reconstruction and development	IRIDE S.A.	EUR	22,500.0	20,725.3	variable	
Hypo Real Estate Bank International AG	Cora GS s.r.l.	EUR	19,670.0	19,670.0	variable	
Investkredit Bank AG	FMZ TM s.r.l.	EUR	2,625.0	2,326.8	variable	
Investkredit Bank AG	FMZ TM s.r.l.	EUR	1,882.0	1,481.8	variable	
Investkredit Bank AG	SAM FMZ s.r.l.	EUR	2,950.0	2,363.3	variable	
Investkredit Bank AG	SBACARO s.r.l.	EUR	4,216.0	3,736.8	variable	
Investkredit Bank AG	SBACARO s.r.l.	EUR	10,184.0	8,158.7	variable	
Orszagos Takarekpenztar es Kereskedelmi Bank Rt.	Polus Transilvania Companie de Investitii S.A.	EUR	81,538.4	80,495.0	variable	
OTP	Roua Vest SRL	EUR	4,300.0	4,082.2	variable	
Raiffeisen Bank s.a.	S.C. S-Park Offices s.r.l.	EUR	41,000.0	37,385.2	variable	
Unicreditbank	Long Bridge BUH SA	EUR	750.0	11.7	variable	
Unicreditbank	Long Bridge BUH SA	EUR	200.0	14.4	variable	
Unicreditbank	Long Bridge BUH SA	EUR	1,200.0	385.0	variable	
Unicreditbank	Long Bridge BUH SA	RON	1,985.2	1,985.2	variable	12.89%
Unicreditbank	Long Bridge BUH SA	RON	240.9	240.9	variable	

Country: Croatia

Bank	Company	Currency	Nominal value or original credit in 1,000 ¹⁾	Remaining liability as of 30.4.2008 in 1,000 ¹⁾	Interest rate fixed / variable	Weighted average interest rate by country
Generali Versicherung AG	IMMOEAST Projekt Caelum Holding GmbH	EUR	10,500.0	7,690.5	variable	5.04%

Statement by the Executive Board

The members of the Executive Board hereby confirm to the best of their knowledge that the consolidated financial statements of the IMMOFINANZ Group as of 30 April 2008, which were prepared in accordance with International Financial Reporting Standards (IFRS), provide a true and fair view of the financial position and financial performance of all companies included in the consolidation.

Moreover, the group management report as of 30 April 2008 provides a true and fair view of the financial position and financial performance of the IMMOFINANZ Group. It also portrays important events of the financial year as well as the effects of these events on the consolidated financial statements, and describes the principal risks and uncertainties of the financial year.

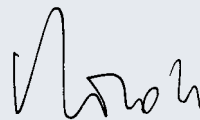
These consolidated financial statements were completed and signed by the Executive Board of IMMOFINANZ AG on 22 August 2008.

Vienna, 22 August 2008

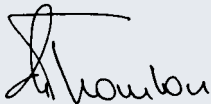
The Executive Board of IMMOFINANZ AG



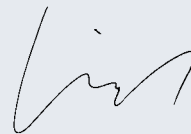
Karl Petrikovics
Chairman



Daniel Joachim Riedl
Member



Christian Thornton
Member



Michael Wurzinger
Member

Independent Auditor's Report

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of IMMOFINANZ AG, Vienna, Austria, for the financial year from 1 May 2007 to 30 April 2008. Those financial statements comprise the balance sheet as at 30 April 2008, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

Our audit did not give rise to any objections. Based on the results of our audit in our opinion the consolidated financial statements present fairly, in all material respects, the financial position of the group as of 30 April 2008 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Report on Other Legal Requirements

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

In our opinion, the Group Management Report is consistent with the consolidated financial statements.

Vienna, 22 August 2008


KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Yann-Georg Hansa
Austrian Chartered Accountant

Helmut Kerschbaumer
Austrian Chartered Accountant

Valuation Certificates

IMMOAUSTRIA



IMMOFINANZ AG
Value Letter of the BUWOG and ESG portfolio
April 2008

Dr. Martin Schweiger, Head of Group Accounting
IMMOFINANZ AG
Gaudenzdorfer Gürtel 67/2,
A – 1120 Vienna,
Austria

Monday, 11 August 2008

Colliers Cross-border Valuation GmbH,
Donauheugasse 10/14-15,
A 1010 Vienna, Austria

Dear Dr. Schweiger,


With reference to the requirement of IMMOFINANZ AG (Client) of 8 January 2008, Colliers Cross-border Valuation GmbH has prepared its valuation of the property portfolio of BUWOG and ESG based on the analysis of their existing and potential future projects. Please note that the valuation does not include balance sheet items of the holding.

Value of BUWOG residential portfolio (€)	1.433.092.558,20
Value of ESG residential portfolio (€)	557.956.762,12
Value of BUWOG special properties (€)	27.502.660
Value of ESG special properties (€)	30.000
Value of the BUWOG office (€)	8.670.240
Value of the ESG office (€)	2.692.106
Value of the ESG Lands (€)	4.511.011
Value of the Development Lands (€)	68.078.208
Total (€)	2.302.333.554,05

Total Market Value of the portfolio: €2,302,333,554.05 (Two Billion Three Hundred Two Million Three Hundred and Thirty-three Thousand Five Hundred and Fifty-four Euros)


The above value is exclusive of VAT.

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IMMOFINANZ AG
Value Letter of the BUWOG and ESG portfolio
April 2008

VALUATION & CONSULTING



Value Letter of the BUWOG and ESG portfolio
on behalf of
IMMOFINANZ AG
April 30, 2008

Page 1 of 3



IMMOFINANZ AG
Value Letter of the BUWOG and ESG portfolio
April 2008

We call attention to the fact that during the development of our calculations we have acted in a conservative manner. All costs and expenses associated with running of the business were accounted for in our model.

We would like to mention that this letter serves only as a summary statement to our portfolio analysis. The full reports, as well as any and all information available pertaining to the individual properties are available for review and analysis in our Valuation Web System: (<http://buwog.ecbv.es>).


We call attention to the fact that during the development of our calculations we have acted in a conservative manner.


We hope that our summary will be satisfactory for IMMOFINANZ AG's present purposes.

Should you need any additional information regarding the valuation of the subject properties, we would be glad to discuss it with you.

Respectfully submitted by,

Colliers Cross-border Valuation GmbH.




 János Hidasi Ábel Tóthás Balázs Ákos

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SACHVERSTÄNDIGENKONSORTIUM
ZUR BEWERTUNG DES IMMOBILIENBESITZES DER IMMOFINANZ IN ÖSTERREICH UND EUROPA

IMMOFINANZ AG
Bankgasse 2
1010 Wien

Wien, 03.07.2008

Bewertungsbericht Portfolio Österreich
ImmoAustria


Sehr geehrte Damen und Herren!

Sie erhalten vom bestellten Sachverständigenkonsortium die Einzelbewertung aller Liegenschaften sowie eine Zusammenstellung der Schätzwerte zum Bilanzstichtag 30.04.2008 aller bezeichneten Objekte der ImmoAustria.

Für die Darstellung des Schätzwertes (auftragsgemäß des „Fair Value“) wurden die beigegebenen auch erarbeiteten bzw. abgerufenen Dokumente auf Richtigkeit und Plausibilität geprüft und für Zwecke der Wertermittlung zusammengeführt, ausgewertet und als Grundlage für die Schätzungen verwendet. Die Bewertung erfolgte in Beachtung der IAS-40 in Auslegung der Definition für den „Fair Value“: *Jener wahrscheinliche Betrag zu dem ein Investment Property zwischen sachverständigen und vertragswilligen, sowie voneinander unabhängigen Geschäftspartnern auf einem aktiven Markt getauscht werden kann.*

Die Sachverständigen versichern, dass die Auftragsbefreiung zur Liegenschaftsbewertung ausschließlich nach neutralen Gesichtspunkten und vollkommen unbeeinflusst vom Auftraggeber bzw. von allfälligen persönlichen Interessen erfolgte.

Die Auswahl der Bewertungsmethodik ist abgestimmt auf die speziellen Eigenschaften des jeweiligen Objektes, in der Folge von der technischen und wirtschaftlichen Beurteilung durch die unterzeichneten Experten und letztendlich in erfassbarer Abstimmung mit dem Liegenschaftsmarkt für jeweils ähnliche Assets. Alle angewandten Methoden sind wissenschaftlich begründet, entsprechen voll der aktuellen Verkehrsauffassung und stellen aus neutraler sachverständiger Beurteilung den tatsächlichen Fair Value zum Bewertungsstichtag dar.

 ALLGEMEIN BEISETZTE GERICHTLICH ZERTIFIZIERTE SACHVERSTÄNDIGE
FÜR IMMOBILIEN-, BAUWESEN- UND LIEGENSCHAFTEN ALLER ART IN
ÖSTERREICH SOWIE IM WEST- UND OSTEUROPÄISCHEN RAUM

Seite 2 von 2

Nähere Erläuterungen, sowohl zur Auswertung der Gutachtensgrundlagen, wie auch zur Bewertungsmethodik sind den jeweiligen Gutachtensteilen der einzelnen Objekte vorangestellt.


Der Zweck der Gutachten war jeweils die für den Stichtag gültige Erfassung des Fair Value zwecks Darstellung in der Bilanzierung des Unternehmens, in Übereinstimmung mit den International Accounting Standards (IAS-40).

Zusammenfassend wird der Fair Value aller in der Liste erfassten Liegenschaften bzw. Liegenschaftsanteile zum Bilanzstichtag 30.04.2008 vom Konsortium eingeschätzt mit


ImmoAustria incl. Wipark	rd. € 1.957.443.750,--
Forstinger	rd. € 105.209.000,--
Gesamt	rd. € 2.062.652.750,--

Alle unterzeichneten gerichtlich zertifizierten Sachverständigen betonen ihre volle Unabhängigkeit, verweisen auf den von ihnen geleisteten Sachverständigen-Eid und versichern, die Wertermittlung nach bestem Wissen und Gewissen vorgenommen zu haben.


Die Sachverständigen



Dipl. Ing. Wolfgang
Foglar-Deinhardstein
1060 Wien



Dipl. Ing.
Anton Wallner
8051 Graz



Ing. Dkfm. Peter Steppan
1140 Wien

IMMOWEST

Atisreal
AN DER IMMOFINANZ AG

Consult & Valuation

Mr Thomas Hetz MRICS
 Managing Director
 IMMOFINANZ AG
 Bankgasse 2
 1010 Wien
 Austria

Stefan Widmann MRICS
 Managing Director
 Phone: +43-69-2 58 99-4 53
 Fax: +43-69-2 58 99-4 44
 stefan.widmann@atisreal.com
 Frankfurt am Main, 21 August 2008

■ **Value letter for the Market Values of 64 properties of the IMMOFINANZ AG in Germany and Switzerland**

Dear Mr Hetz,

We refer to the instruction dated 08 August 2008 to provide the results of our valuation of 64 properties in Germany and Switzerland for accounting purposes. The portfolio is divided into three sub-portfolios of the companies BMV Immobilien Management und Verwaltung Deutschland GmbH, Deutsche Lagerhaus GmbH & Co KG and Frankonia Eurobau AG. The properties are predominantly office, storage and logistic buildings. Six of the properties are developments.

In accordance with standard property market practice in normal business transactions the Market Values were usually derived from their investment values. The definition of Market Value (MV) is that set by the International Valuation Standards Committee (International Valuation Standards (IVS 2005) and adopted by the European Group of Valuers Association (European Valuations Standards EVS 2003) as well as the Royal Institution of Chartered Surveyors (Valuation Standards PS 3.2). Where applicable additional development sites have been taken into account with comparable land values. Properties under construction have been valued with the land value plus the invested construction costs on the date of valuation. Undeveloped sites have been valued with their land value only. According to this contract we may inform you about the Gross Market Value/Fair Value.

Within the course of drawing up the valuation report, Atisreal Consult acted for the IMMOFINANZ AG in the capacity of an external valuer, as defined by the International Valuation Standards, Code of Conduct, No. 6.3, 6.5 and IVS 1. Market Value Terms, No. 5.1.8. Atisreal Consult has and had no personal or business relationship, direct or indirect with the client that could or might lead to a conflict of interest.

Atisreal Consult GmbH
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 E-Mail: stefan.widmann@atisreal.com

Atisreal
AN DER IMMOFINANZ AG

This value letter is not an independent valuation and has to be regarded only in connection with the Atisreal valuation report, issued 20 August 2008 as at date of valuation 30 April 2008. Further details and the conditions and special assumptions can be taken out of the before mentioned valuation report. Under consideration of these conditions and special assumptions the cumulated Gross Market Value for the subject portfolio as of the date of valuation 30 April 2008 is assessed as:

513,599,408 EUR

 (in words: nine-hundred-thirteen million five-hundred-ninety-nine thousand four-hundred-eight Euro)

With respect to the purchasers costs is the Net Market Value for the subject portfolio as at the date of valuation 30 April 2008 assessed as:


866,403,376 EUR


 (in words: eight-hundred-sixty-six million four-hundred-three thousand three-hundred-seventy-six Euro)

We trust that this value letter meets with your requirements. Please do not hesitate to contact us if you have any questions.

Kind regards

Atisreal Consult GmbH



 Stefan Widmann MRICS
 Managing Director


 Wolfgang Fink MRICS
 Associate Director

Value letter for the Market Values of 64 properties of the IMMOFINANZ AG in Germany and Switzerland as of 21 August 2008

Page 2 of 2

Valuation Certificates



ImmoFinanz AG
Value Letter – Investment properties in Switzerland, existing self storage facilities/developments in the Netherlands, in Germany and in Austria
April 2008

August 11th, 2008

Dr. Martin Schweiger – Head of Group Accounting
IMMOFINANZ AG
Gaiselsandstrasse Gürsel 67/2
A – 1120 Vienna,
Austria

Dear Dr. Schweiger,

In accordance with your request, we herewith submit the results of our valuation referring to the real estate portfolio of IMMOFINANZ AG located in Switzerland (Kempinski 5 star hotel complex and self storage premises), existing self storage facilities/developments in the Netherlands, in Germany and in Austria. For the purpose of the valuation and limited economic due diligence of the property portfolio, we have analyzed both the existing properties and the projects under development. Specifically, we were to fully analyze and identify the Fair Values of the existing properties and the Residual Values of the proposed developments, as well as the Gross Development Values and costs of development in case of the latter.

Please note that the valuation does not include balance sheet items of the holding.

Through the present letter we assert that we have no interest in the subject properties, either present or prospective, and that our employment and compensation are not contingent upon our findings and valuation. The valuation is subject to the assumptions and limiting conditions included in the individual reports. Based on these assumptions, we estimate the total fair value of the subject properties, as of April 30th, 2008, to be:


€480,562,842
(Four Hundred Eighty Million Five Hundred and Sixty-two Thousand Eight Hundred and Forty-two Euros)

The above value is exclusive of VAT.

We call attention to the fact that during the development of our calculations we have acted in a conservative manner.


We would like to mention that this letter serves only as a summary statement to our portfolio analysis. The full reports, as well as any and all information available pertaining to the individual properties are available for review and analysis in our Valuation Web System (<http://www.colliers.hu>).

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ImmoFinanz AG
Value Letter – Investment properties in Switzerland, existing self storage facilities/developments in the Netherlands, in Germany and in Austria
April 2008

VALUATION & CONSULTING



Value Letter
on behalf of
IMMOFINANZ AG
April 30. 2008

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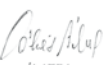



ImmoFinanz AG
Value Letter – Investment properties in Switzerland, existing self storage facilities/developments in the Netherlands, in Germany and in Austria
April 2008

We hope that our summary will be satisfactory for IMMOFINANZ AG's present purposes.

Should you need any additional information regarding the valuation of the subject properties, we would be glad to discuss it with you.

Respectfully submitted by,
Colliers Magyarorszag Kft.




János Hidas Ábel Tóth Balla Ákos

Page 3 of 3

IMMOEAST

Immoeast AG
 Letter of Value – Romanian Portfolio
 April 2008

August 11th, 2008

Attn: Dr. Marin Schweiger – Head of Group Accounting
 IMMOEAST AG
 Bankgasse 2, A-1010 Vienna
 Austria

Dear Dr. Schweiger,

RE: Valuation of the real estate portfolio owned by Immoeast AG in Romania as of April 30th, 2008.

In accordance with your request, we herewith submit the results of our valuation referring to the real estate properties of Immoeast AG located in Romania. For the purpose of the valuation and limited economic due diligence of the property portfolio, we have analyzed both the existing properties and the projects under development. Specifically, we were to fully analyze and identify the Market Values of the existing properties and the Residual Values of the proposed developments, as well as the Gross Development Values and costs of development in case of the latter.

Please note that the valuation does not include balance sheet items of the holding.

Through the present letter we assert that we have no interest in the subject properties, either present or prospective, and that our employment and compensation are not contingent upon our findings and valuation. The valuation is subject to the assumptions and limiting conditions included in the individual reports. Based on these assumptions, we estimate the total value of the subject properties, as of April 30th, 2008, to be:


EUR 1,964,440,136.

One Billion Nine Hundred Sixty Four Million Four Hundred Forty Thousand and One Hundred Thirty Six Euros

The above value is exclusive of VAT.


We call attention to the fact that during the development of our calculations we have acted in a conservative manner.

We would like to mention that this letter serves only as a summary statement to our portfolio analysis. The full reports, as well as any and all information available pertaining to the individual properties are available for review and analysis in our Virtual Data Room (www.colliers.ro/vdr).




Page 2 of 3 Our Knowledge is your Property

VALUATION & CONSULTING



IMMOEAST AG
LETTER OF VALUE – ROMANIA
 April 30, 2008


 Our Knowledge is your Property

Immoeast AG
 Letter of Value – Romanian Portfolio
 April 2008

We hope that our summary will be satisfactory for IMMOEAST AG's present purposes.

Should you need any additional information regarding the valuation of the subject properties, we would be glad to discuss it with you.

Respectfully submitted,

Colliers International

Colliers international



Page 3 of 3 Our Knowledge is your Property

Valuation Certificates

Immoeast AG
Letter of Value – Central Eastern and Southern Europe except Romanian Portfolio
April 2008

August 11th, 2008

Dr. Martin Schweiger – Head of Group Accounting
IMMOEAST AG
Gaudenzdorfer Gürtel 67/2,
A – 1120 Vienna,
Austria

Dear Dr. Schweiger,

RE: Valuation of the real estate portfolio owned by Immoeast AG in CEE as of April 30th, 2008.

In accordance with your request, we herewith submit the results of our valuation referring to the real estate portfolio of Immoeast AG located in Central Eastern and Southern Europe except Romania. For the purpose of the valuation and limited economic due diligence of the property portfolio, we have analyzed both the existing properties and the projects under development. Specifically, we were to fully analyze and identify the Fair Values of the existing properties and the Residual Values of the proposed developments, as well as the Gross Development Values and costs of development in case of the latter.

We have directly included the cost of financing and the developer profit in our calculation model for the properties that have been acquired by IMMOEAST AG, since May, 2007.

Please note that the valuation does not include balance sheet items of the holding.

Through the present letter we assert that we have no interest in the subject properties, either present or prospective, and that our employment and compensation are not contingent upon our findings and valuation. The valuation is subject to the assumptions and limiting conditions included in the individual reports. Based on these assumptions, we estimate the total fair value of the subject properties, as of April 30th, 2008, to be:

€5,881,931,526
(Five Billion Eight Hundred Eighty-one Million Nine Hundred and Thirty-one Thousand Five Hundred and Twenty-six Euros)

The above value is exclusive of VAT.


We call attention to the fact that during the development of our calculations we have acted in a conservative manner.

We would like to mention that this letter serves only as a summary statement to our portfolio analysis. The full reports, as well as any and all information available pertaining to the individual properties are available for review and analysis in our Valuation Web System (<http://www.colliers.hu>).

Page 2 of 3

Immoeast AG
Letter of Value – Central Eastern and Southern Europe except Romanian Portfolio
April 2008

VALUATION & CONSULTING



Value Letter
on behalf of
IMMOEAST AG
April 30, 2008

Page 1 of 3

Immoeast AG
Letter of Value – Central Eastern and Southern Europe except Romanian Portfolio
April 2008

We hope that our summary will be satisfactory for IMMOEAST AG's present purposes.

Should you need any additional information regarding the valuation of the subject properties, we would be glad to discuss it with you.

Respectfully submitted by,


János Hidasi

Ábel Tökés

Balla Ákos

Colliers Magyarország Kft.

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Glossary

ATX: Austrian Traded Index.

ATX Prime: Includes all shares in the Prime Market segment of the Vienna Stock Exchange.

Cash EBIT margin: Cash EBIT (=EBIT, depreciation, amortisation, revaluation of properties and reversal of negative goodwill) in relation to revenues.

Cost model: IFRS accounting method for property, which is similar to the method required by the Austrian Commercial Code and calls for annual depreciation independent of fair value.

DAX: German stock index.

Discounted cash flow method: Method used to determine value through the discounting of payment flows.

Diversification: Distribution of property investments among various sectors and geographic regions to minimise risk.

Earnings per share: Net profit divided by the weighted average number of shares outstanding.

EBIT: Earnings before interest and tax, or operating profit.

EBITDA: Earnings before interest, tax, depreciation and amortisation

EBT: Earnings before tax.

EPRA: European Public Real Estate Association, an organisation of listed property companies in Europe.

Fair value model: IFRS accounting method for property, which is based on actual realisable market value.

Fair value: The market value of property as determined by independent valuation experts.

Gearing: Ratio of net debt to equity.

Gross cash flow: Increase or decrease in cash and cash equivalents arising from cash inflows and outflows during the business year.

IAS 40: IAS 40 provides enterprises with an option for recording real estate held as investment property; companies may choose between a fair value model and a cost model (also see definitions of fair value model and cost model).

IATX: Branch index for property stocks in the ATX.

IFRS and IAS: International Financial Reporting Standards and International Accounting Standards.

ISIN: International Security Identification Number (code number for stocks and bonds).

Market capitalisation: The market value of a stock corporation (stock price x number of shares).

Net operating income (NOI): Direct payment flows allocated to a property, which are also used in determining its value.

NNNAV: Triple net asset value; NAV adjusted for deferred taxes (present value)

Return on capital employed (ROCE): NOPAT (Net operating profit after tax) in relation to capital employed.

Return on equity (ROE): The rate of return on shareholders' investments.

P/E ratio: Price/earnings ratio, an indicator of the market valuation of a stock.

Stock performance: Development of the value of a stock.

Financial Calendar

23 September 2008	15th Annual General Meeting
25 September 2008	Report on the First Quarter as of 31 July 2008
29 December 2008	Report on the First Six Months as of 31 October 2008
26 March 2009	Report on the First Three Quarters as of 31 January 2009

Contact for investor relations: Margit Hermentin
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Imprint

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Klaus Vyhnaček, Franco Winter
Photo front page: A, Vienna, Business Park Vienna

Disclaimer:

This annual report includes assumptions and forecasts that were based on information available up to the copy deadline on 10 August 2008. If the assumptions underlying these forecasts are not realised or risks as described in the risk report should in fact occur, actual results may differ from the results expected at this time. This annual report does not represent a recommendation to buy or sell shares in IMMOFINANZ AG.

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