
IMMOFINANZ

Report on the First Half Year
as of 31 October 2008

Securing liquidity
Successful sales
programme

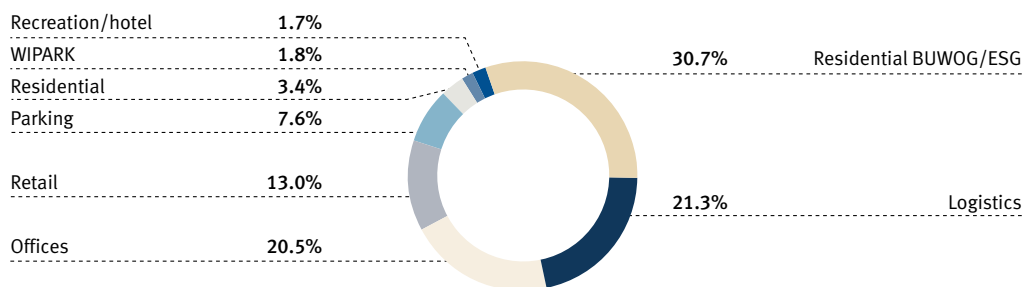
Management
New speaker of the
Executive Board and new CFO

Dividend
Executive Board to contest payout

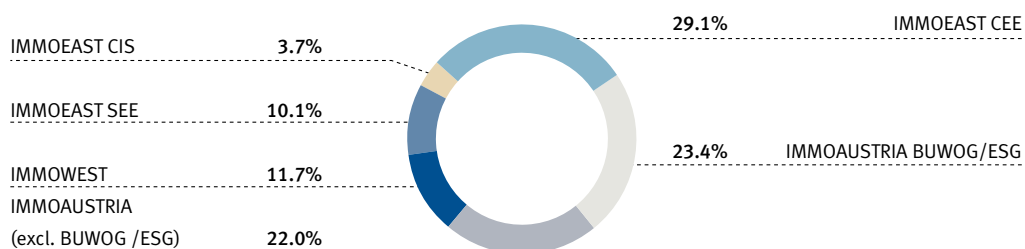
Key Data on IMMOFINANZ AG

	31 October 2008	Change	31 October 2007
Corporate Data			
Revenues in EUR mill.	363.7	14.1%	318.8
Results of operations (EBITDA) in EUR mill.	156.9	5.9%	148.1
Operating profit (EBIT) in EUR mill.	-1,849.3	-528.5%	431.6
Earnings before tax (EBT) in EUR mill.	-2,647.6	-719.3%	427.5
Gross cash flow in EUR mill.	95.7	11.3%	86.0
Equity in EUR mill. (including minority interests)	5,702.4	-27.3%	7,849.1
Equity as a % of the balance sheet total	41.5%	-19.4%	51.5%
Balance sheet total in EUR mill.	13,747.3	-9.8%	15,237.9
Book value per share in EUR	6.09	-33.4%	9.15
Net Asset Value per share in EUR	7.07	-37.5%	11.32
Property Data			
Number of properties - investment property	1,819	0.4%	1,812
Carrying value of investment property in EUR mill.	8,877.9	-7.9%	9,636.2
Number of properties - property under construction	107	20.2%	89
Carrying value of property under construction in EUR mill.	718.7	-15.4%	849.5
Number of properties - real estate inventories	59	181.0%	21
Carrying value of real estate inventories in EUR mill.	268.8	-20.5%	338.0
Lettable space in sqm	10,631,095	13.6%	9,358,617
Stock Exchange Data			
Earnings per share in EUR	-3.34	-842.2%	0.45
Share price at end of period in EUR	0.87	-89.4%	8.20
Number of shares	459,050,894	0.0%	459,001,443
Market capitalisation at end of period in EUR mill.	399.3	-89.4%	3,763.8

Sectoral distribution of IMMOFINANZ lettable space (sqm) as a % of total lettable space As of 31.10.2008



Regional distribution of IMMOFINANZ fair value as a % of total portfolio As of 31.10.2008



Dear Shareholders,

Since publication of the interim report for the first quarter of 2008/09, the business situation at IMMOFINANZ has changed dramatically. The harsh financial and economic crisis has, in combination with management decisions over the past years, led to a tight liquidity situation at the company.

Financial crisis and management decisions of the past lead to tense situation in liquidity

IMMOFINANZ has reacted to these developments with a comprehensive set of measures. These include the removal of both CEO and CFO and the appointment of a new speaker of the Board and CFO, a halt to the lion's share of development projects, the successful start of a sales programme involving the selective sale of properties and strategic investments, and the initiation of discussions with important banking partners on restructuring the company's debt.

The dramatic changes in the market environment are being met by a comprehensive reform of the company's business model. The business model of the future will be based on cash flow, and increasing profitability by cutting costs will play an important role.

Orientation of the business model toward cash flow and strengthening of profitability through systematic cost cuts

The company's corporate structure will also be subject to far-reaching changes, including clearly defined management responsibilities, a changed investment strategy and, last but not least, more transparency and stricter adherence to the rules of good corporate governance.

Despite a short-term focus on securing liquidity, the medium-term and long-term development of the real estate portfolio is nonetheless not being neglected, and sales are therefore only being conducted selectively and at fair prices. Prices within the range of current estimates by independent appraisers were received for those transactions that were concluded.

The progression of the sales programme is reason for optimism in any case. Starting at the end of November a series of properties was sold within a few days. This has considerably eased the liquidity situation. In the current talks the banks have welcomed the restructuring programme presented. Management at IMMOFINANZ is confident the lenders will approve the necessary lines of financing in order to actually implement the programme on a lasting basis.

Successful progression of sales programme, banks signal approval of restructuring measures

However, in order to secure the future success, it will also be necessary to come to terms with the company's history. In particular, this involves dealing with economically disadvantageous and possibly even unlawful financial transactions, and, of course, for the Executive Board and Supervisory Board to fully support the authorities in their investigations. We are confident that this will be an important contribution to winning back the trust of the capital markets and our shareholders following the dramatic falls in the share price over the past months.

Comprehensive and thorough rehabilitation of the past



Thomas Kleibl
Speaker of the Board



Daniel Joachim Riedl
Member of the Board



Michael Wurzinger
Member of the Board



Eduard Zehetner
CFO

Business Development

Key Corporate Data

High depreciation is primarily to blame for the decline in results

The corporate figures for IMMOFINANZ reflect the dramatic change in the environment on the real estate investment market. The resulting substantial depreciations comprise the greatest share of the decline in results. High losses were suffered, particularly in the second quarter.

At the same time operations and real estate rentals were thoroughly satisfying. IMMOFINANZ seamlessly continued the upward development it has reported for many years. At EUR 156.9 million the result of operations (EBITDA) of EUR 148.1 million from the first half year of 2007/08 was even slightly exceeded (up 5.9 %).

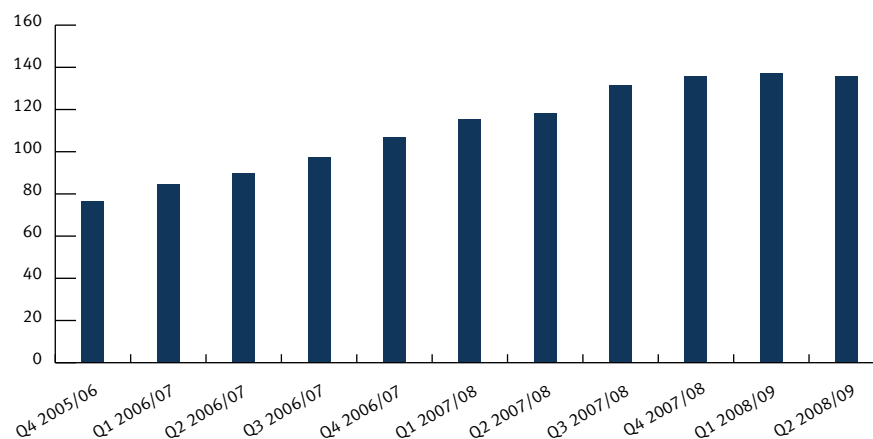
With revenues there was even very substantial growth with a plus of 14.1% from EUR 318.8 million to EUR 363.7 million. Gross cash flow increased by 11.2% compared to the same period the year before.

EBIT decreases to EUR -1,849.3 m, EBT to EUR -2,647.6 m

In contrast, operating profit (EBIT) showed extremely negative development. After a profit of EUR 431.6 million last year there was a loss of EUR 1,849.3 million reported this year. This is primarily blame for this were the losses from the revaluation of the real estate portfolio and writedowns for delayed or cancelled development projects, particularly in the IMMOEAST segment as well as the allocation to provisions for onerous contracts in all particularey.

As the investments in others companies and financial instruments also suffered a considerable loss, the financial result was clearly negative, which in turn put a strain on the earnings before tax (EBT). After a positive result of EUR 427.5 million in the same period last year, a loss of EUR 2,647.6 was posted in the first half of 2008/09. The consolidated result decreased to minus EUR 2,174.6 million after EUR 308.9 million the year before.

Rental Income (in EUR m.)



Fair Values and Yields

There was considerable depreciation at the end of the second quarter of the 2008/09 business year, with important regional differences in this regard.

The financial crisis, which also put the real estate investment market under serious pressure, is primarily responsible for this. Market yields rose throughout Europe, which led to a decline in fair value. This was also reflected in the valuation of the real estate portfolio of IMMOFINANZ.

With development projects there was market-related depreciation as well as writedowns due to the postponement or cessation of projects (planning costs for non-realised projects, building costs which have to some extent already been incurred contract dissolutions, etc). In total, 34 projects were delayed and 54 stopped. The majority of them are accounted for by IMMOEAST. As IMMOFINANZ controls IMMOEAST by a shareholding of 55 % of the shares, IMMOEAST is a fully consolidated entity, i.e. the IMMOEAST's results is entirely reflected in the IMMOFINANZ's result. Altogether the revaluation of investment properties during the reporting period was responsible for a minus of EUR 1,112.7 million (2007/08: EUR 296.7 m). Depreciations for development projects and real estate inventories led to a minus of EUR 364.3 million.

Real estate development companies and property funds in which IMMOFINANZ holds stakes have been hit especially hard by the crisis. The required depreciations for this are a part of the financial result and came to a total of EUR 736.6 million.

Negative financial result due to depreciation on real estate developers and real estate funds

Average yields of portfolio properties¹

	Residential	Office	Retail	Logistics
IMMOEAST CEE		7.36%	7.57%	8.53%
IMMOEAST SEE		8.14%	8.59%	8.00%
IMMOEAST CIS			12.00%	12.00%
IMMOAUSTRIA	5.83% ²	7.20%	9.28%	
IMMOWEST	7.67%	7.55%	7.70%	7.93 %

1) Annualised net operating income (NOI) in relation to book value

2) without BUWOG/ESG

Financing Structure and Securing Liquidity

**Long-term liabilities up from
EUR 6,722.2 m. to
EUR 7,067.6 mio.**

The long-term liabilities at IMMOFINANZ rose in the course of the first half of 2008/09 from EUR 6,722.2 million to EUR 7,067.6 million. In contrast, current liabilities remained nearly unchanged at EUR 977.3 million after EUR 968.9 million.

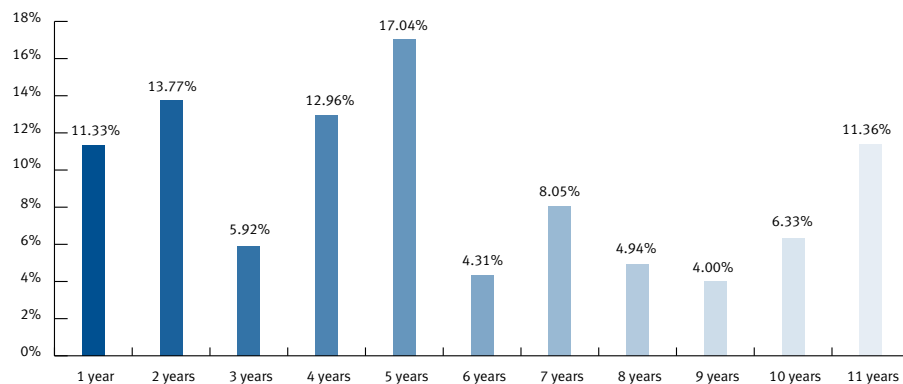
**Cancellation of projects, sales
and constructive negotiations
with banks**

Securing short- and medium-term liquidity is nevertheless the most important challenge for IMMOFINANZ at present due to the overall economic conditions. This also applies to the overall real estate industry. For this reason a series of measures is required which will secure and strengthen liquidity:

- Postponement and cessation of projects: in order to reduce the need for liquidity and accommodate the fact that banks are currently very restrictive in their handling of financing, withdrawing numerous financing commitments, a large number of projects not yet under construction have been postponed or cancelled altogether. In specific cases, even ongoing construction was interrupted. As a result of these measures, the need for liquidity will be considerably reduced by the end of the current business year.
- The sale of projects and portfolio properties: additional liquidity is created through the sale of properties and development projects. By the time the present interim report went to press total sales of EUR 160.5 million had been concluded for the 2008/09 business year.
- Strengthening financing structure: intensive talks are currently underway with creditor banks concerning additional project financing and extending existing credit facilities.

The equity ratio has fallen as a result of the portfolio's decline in fair value and simultaneous rise in liabilities, but at 41.5% (after 50.6% at the beginning of the business year) it is nevertheless at a sound level.

Liabilities based on Remaining Terms



The Financing of IMMOFINANZ affiliates through IMMOEAST

Since 2005 IMMOEAST has provided liquidity to the affiliates of IMMOFINANZ through corporate financing. As of 31 October 2008 the total amount was EUR 1.78 billion. The IMMOFINANZ Group used these funds for the acquisition and development of real estate as well as for stakes in real estate companies.

Liabilities to IMMOEAST total EUR 1.78 billion.

The changed interest corresponded to the conditions granted to IMMOFINANZ for the financing of third parties.

Due to the scarcity of liquidity at the IMMOFINANZ Group resulting from the financial crisis, the IMMOFINANZ affiliates affected are unable to repay the funds provided to them by IMMOEAST in the short term. As a component of the restructuring programme initiated by the new management at both companies, as rapid a settlement of the situation as possible has been agreed between IMMOFINANZ and IMMOEAST. For this reason, a concept is being developed which will provide a quick resolution to the debt situation.

Together companies seek rapid solution for outstanding amounts

Development of Rental Income

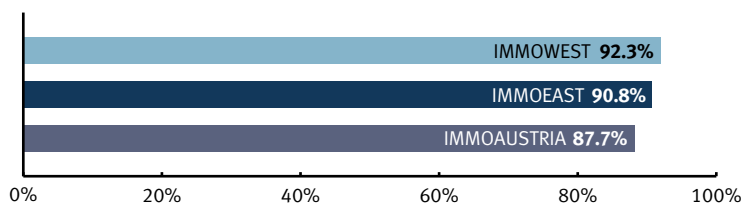
The relatively stable development of the rental business led to a steady increase in the rental income reported by IMMOFINANZ. In the majority of the markets important for IMMOFINANZ rent levels continued to rise.

In the annual comparison revenues from rent rose in the first half year by 16.7 % from EUR 223.8 million to EUR 272.9 million.

Rental revenues rise in annual comparison by 16.7 %

The current sales programme includes mainly portfolio properties which are let in full. For this reason the rental revenues will tend to decline in the subsequent periods.

Occupancy rate



Stock Exchange Data and Share Price Development

Result per share drops to EUR -3.34, NAV declines by 37.5% to EUR 7.07

The most important stock exchange data developed with the high losses in EBIT and EBT in the 2008/09 half year. The earnings per share declined year on year from a profit of EUR 0.45 to minus EUR 3.34. At EUR 7.07 net asset value (NAV) per share fell by 37.5 % to considerably below last year's level of EUR 11.32. Book value per share fell by 33.4 % from EUR 9.15 to EUR 6.09.

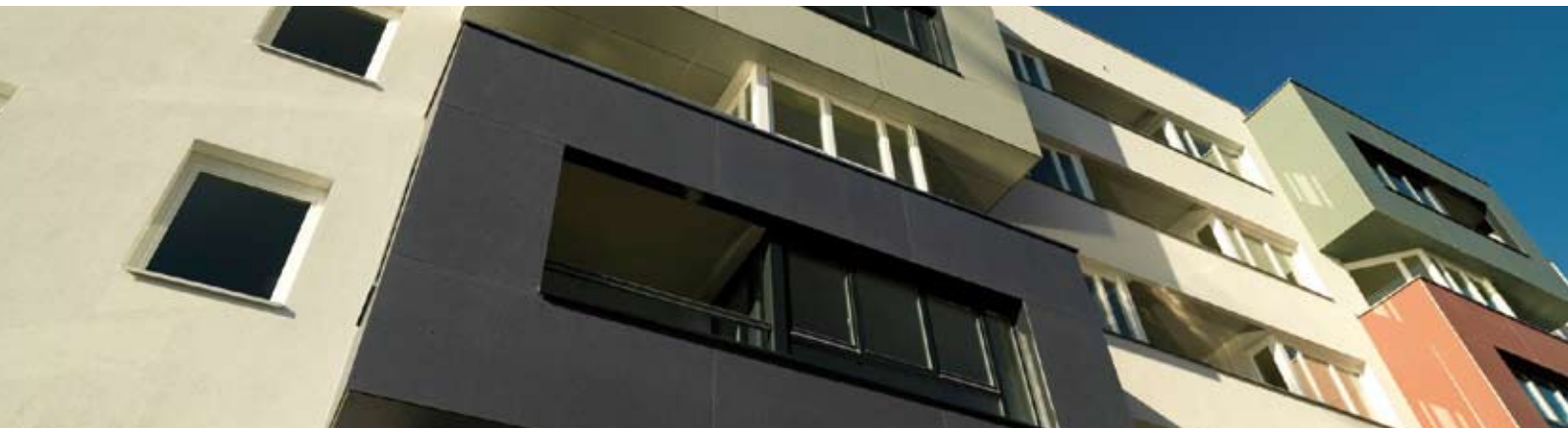
The downward movement of the share price was even stronger. In the reporting period the share price fell from EUR 7.09 on 30 April 2008 to EUR 0.87 at the end of the second quarter. After the reporting period the downward development continued, with a historical low of EUR 0.28 being reached on 13 November. Only in December there was a slight increase.

The considerable loss in share price also led to a corresponding decline in market capitalisation. IMMOFINANZ was only worth EUR 399.3 million on the market at the end of the reporting period. The gap between share price and book value as well as share price and NAV widened further. On the balance sheet date the share price was only 14.3 % of book value and 12.3 % of NAV.

Contesting the Dividend Decision

Dividend decision was rescinded

The Executive Board of IMMOFINANZ AG is legally contesting the decision of the general meeting on 23 September for payout of a dividend in the amount of 40 cents per share.



Sales Programme

An essential component of the measures for securing liquidity is the programme for the selective sale of properties from the real estate portfolio. The start for this was particularly successful. Although the financial crisis has slowed the progression of sales negotiations, several transactions were concluded for a total volume of EUR 160.5 million. Negotiations on additional sales of specific properties and portfolio segments are currently at an advanced stage. Furthermore, two properties in Warsaw were sold by the subsidiary IMMOEAST during the reporting period.

EUR 160.5 m in transactions concluded since the beginning of 2Q

From the perspective of IMMOFINANZ it is particularly important that the revenues from the sales are above the valuations by the external audits. The valuations of the sales in the IMMO-AUSTRIA segment at the end of the 2007/08 business year were even exceeded by an average of 3.8%. No losses in assets resulted from the sales.

Sales in the year 2008/2009

Object	Country	City	Primary use
City Point (U. Viaduktgasse)	A	Vienna	Office
Portfolio of apartment buildings (8 properties)	A	Vienna	Residential
Rosasgasse 13	A	Vienna	Residential
Getreidemarkt 10	A	Vienna	Residential
Passat	PL	Warsaw	Office
Mistral	PL	Warsaw	Office
Linke Wienzeile 244-246	A	Vienna	Office

New Management

New Appointments to the Supervisory and Executive Boards

General meeting elects seven new Supervisory Board members

In the second quarter of 2008/09 and subsequent to the reporting period there were significant personnel changes in management at IMMOFINANZ. Three of four Supervisory Board members resigned at the company's ordinary general meeting on 23 September. These were Supervisory Board Chairman Helmut Schwager and Supervisory Board members Michael Kaufmann and Klaus Hübner. Guido Schmidt-Chiari remained on the Supervisory Board.

At the general meeting seven new Supervisory Board members were elected, namely Vitus Eckert, Rudolf Fries, Michael Knap, Herbert Kofler, Nick van Ommen, Wolfgang Reithofer and Wolfgang Süßenbacher. Reithofer was elected chairman, Süßenbacher deputy chairman by the Supervisory Board.

Resignation of Supervisory Board Chairman Reithofer and deputy Süßenbacher

Just before the end of the reporting period, on 29 October, Supervisory Board Chairman Reithofer and Süßenbacher resigned. Since the Supervisory Board still consists of six members, the positions do not need to be refilled. Herbert Kofler was elected Supervisory Board Chairman, Michael Knap his deputy.

Kleibl new speaker of the board, Zehetner new CFO

There were also extensive changes on the Executive Board. CEO Karl Petrikovics stepped down from his functions on 6 October. Effective 13 October Thomas Kleibl became the new speaker of the board. After the reporting period CFO Christian Thornton also resigned; he was succeeded by Eduard Zehetner. As a result, the personnel on the Executive Boards of IMMOFINANZ and IMMOEAST are now largely distinct. Only Eduard Zehetner is CFO in both companies (and speaker of the board at IMMOEAST). The Executive Board of IMMOFINANZ consists of four members. In addition to Thomas Kleibl and Eduard Zehetner these include Daniel Riedl and Michael Würzinger, who were both appointed to the Executive Board on 1 July 2008.



Thomas Kleibl, 49, has worked in financial management at listed companies in Austria for more than ten years. After several functions at the Wienerberger building materials group he joined the airline firm Austrian Airlines in 2001, where he was CFO and, from 2005 to 2007, Chief Technology Officer as well.

Market Environment

Rental Market

On the whole, the rental markets relevant to IMMOFINANZ developed well over the reporting period. There has been no significant change in rental levels in the wake of the financial crisis, and demand for space has continued to remain strong.

Rental market showed satisfactory development, still no impact of the financial crisis in the reporting period

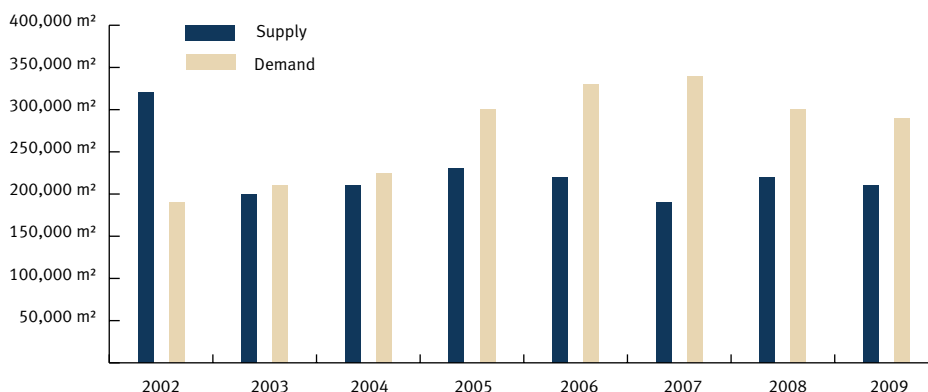
The Austrian office market proved to be stable - rental levels remained unchanged and several important leases were concluded in the third quarter of 2008, particularly in Vienna. Furthermore, those properties coming on to the market are enjoying high occupancy rates, including several properties that have been fully let either upon completion or shortly thereafter. High occupancy rates in new buildings are adversely affecting older office buildings, which are often only competitive after comprehensive modernisation works.

The market for retail space was similarly stable. Particularly with regard to retail parks, an area of significant importance to IMMOFINANZ, the trend towards a concentration of outlets and improvements in quality is continuing. Those locations that improve in quality continue to report high occupancy rates and rising rents. In contrast, small or poorly accessible retail parks are coming under more and more pressure.

Trend toward higher quality in the retail market centres

In the IMMOEAST segment, the office and retail markets developed satisfactorily in the third quarter. Significant annual increases in rents were registered in almost all important capital cities, with only Budapest, where rents have stagnated, an exception. Prices on Moscow's overheated retail market began to shrink. In general, the strong rises from the beginning of the year have been significantly weakened in the wake of the financial crisis.

Supply and demand for office space in Vienna



Source: CPB Immobilienrehand

The occupancy rates developed in a negative way. Despite increasing take-up, occupancy rates rose due to numerous completed projects throughout the region, up 2.1 percentage points to 8.1 percent according to Jones Lang LaSalle.

Supply of and demand for space will considerably decline due to the financial and economic crisis

The outlook for the future is somewhat mixed. On the one hand, the financial crisis is resulting in a radical cutback in the size of development portfolios, and the number of completed projects will continue to lag behind forecasts. On the other hand, growth rates have fallen significantly, which should have an effect on demand for office, retail and logistics space.

In Germany, by far the most important market for IMMOWEST, the effects of the financial and economic crisis were hardly noticeable. Rents remained stable and take-up remained at an impressive level. However, the sharp economic downturn casts a shadow over the future of the office market. Approximately one million square metres of deliveries will be completed in 2009, putting existing properties under pressure, and that current rental levels are not expected to be sustainable.

Decline in demand for logistics space in Germany anticipated

IMMOFINANZ is particularly well represented on the German logistics market, which is experiencing a similar situation: promising figures, but negative prospects. Demand for space is expected to weaken significantly, rents, particularly at non-prime locations, will come under pressure. In contrast, numerous speculative development projects have been stopped or postponed, which will have a somewhat positive impact.

Investment market

Slight to medium rise in yields, strong decline in transaction volume

Property investment markets across Europe have been characterised by a slight to medium rise in yields (and an associated fall in property prices), as well as a dramatic fall in transaction volume. These developments have affected all real estate sectors and types of properties, although prices have fallen less sharply for prime properties (Class A) than for Class B and C properties.

Austria has proved relatively robust in the face of the current crisis, once again underlining the stability of the market. Prime yields for Class A offices rose from 5.25 - 5.5 % to 5.5 - 5.9 % and from 5.5 - 6.5 % to 6.0 - 7.5 % for Class B offices. Yields for retail parks, another important market segment for IMMOFINANZ, only rose marginally, from 7.0 - 7.25 % to 7.5 - 7.75 %.

The IMMOEAST segment however suffered from a particularly high rise in yields, with investors looking to relocate their investments from emerging markets to established markets in a time of crisis. These negative developments were noticeable in all countries, particularly Romania.

CEE and SEE hit particularly hard by the financial crisis

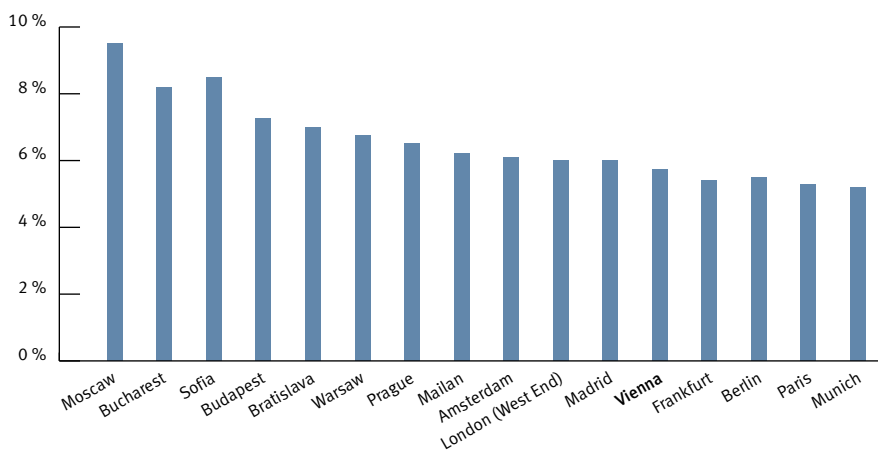
Far more dramatic than the rise in rents was the collapse in transaction volume. Only a very small number of transactions could be concluded in autumn 2008, partially as a result of the general financial crisis, but partially also due to a high degree of insecurity regarding actual fair market prices.

In Germany, IMMOWEST's core market, transaction volume also dropped by around 50 %. As investors have started to withdraw money on a large scale from the open-ended real estate funds that play a key role in Germany this trend is likely to continue.

Yields for Class A properties rose by up to 0.75 percentage points. Developments in the logistics sector are expected to be somewhat more stable. Yields are already high and rental levels are moderate – this is exactly what risk-averse investors are looking for.

0.75 percentage point rise in yield on the German office market, logistics market for security-oriented investors remains attractive

Prime yields (office), December 2008 in Europe



Source: CPB Immobilienreuehand

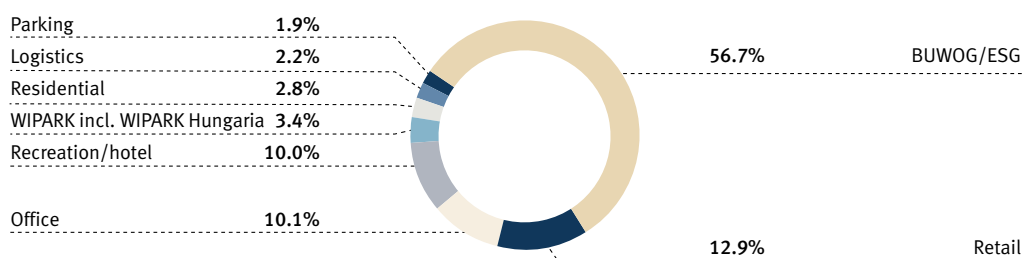
Asset and Portfolio Management

IMMOAUSTRIA

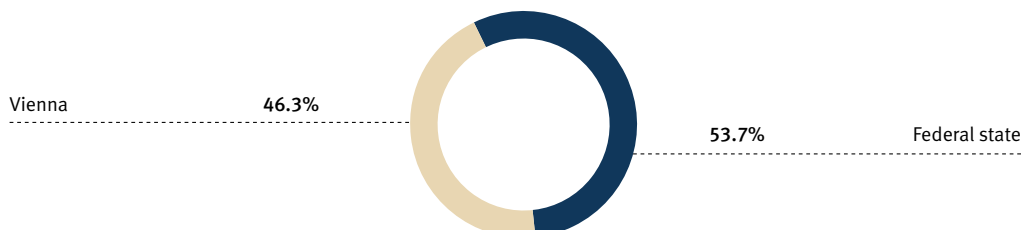
Key Data on IMMOAUSTRIA

	31.10.2008	Change in %	31.10.2007
Revenues in EUR mill.	150.7	4.14%	144.7
Number of properties	1,627	0.62%	1,617
Proportional share of lettable space in sqm	4,482,007	-1.11%	4,532,218
Lettable space as a % of the total portfolio	42.2%	-12.86%	48.4%
Book value of real estate portfolio in EUR mill.	4,257.7	-4.62%	4,464.0
Book value as % of the total portfolio	43.1%	0.13%	43.0%

Sectoral distribution of IMMOAUSTRIA lettable space (sqm) as a % of total lettable space As of 31.10.2008



Regional distribution of IMMOAUSTRIA as a % of total lettable space As of 31.10.2008



A, 1070 Vienna, Silk 7

Silk 7

“Silk 7”, an office and shopping property in Seidengasse in Vienna's 7th district was sold to a German property fund in October 2008. The 10,350 sqm property is almost fully let. The parties agreed to keep the sales price confidential.

Linke Wienzeile 244-246

Located in Vienna's 15th district on the U4 underground line, the 6,063 sqm office building was sold to an institutional investor for EUR 12.75 m in summer 2008. The property is fully let.

City Point

Following the reporting period, City Point was sold, one of IMMOFINANZ's largest office properties in Austria. Located in a prominent position at Wien Mitte railway station in Vienna's 3rd district, City Point provides 33,000 sqm of floor space for offices, shops, warehousing and a subterranean car park with 249 parking spaces. The buyer was an open-ended German real estate fund; the sales price was EUR 93 m.

Sales of apartment buildings

A portfolio consisting of eight apartment buildings in good locations within Vienna was also sold after the end of the reporting period to a Viennese real estate investor and developer. Two further properties were sold to private buyers. The ten buildings comprising over 32,000 sqm of housing space were sold for EUR 35.8 m.

Major leases in "Am Arenberg" office building in Salzburg.

Approximately 2,500 sqm in IMMOFINANZ's largest office property in the provincial capital of Salzburg were let to a renowned technology company. The building in Eberhard-Fugger-Straße offers a total of 4,480 sqm and is now 93% let.



A, Salzburg, "Am Arenberg"

BUWOG / residential park Heller and apartment building Attemsgasse

Heller residential park

Construction commenced at BUWOG's largest project since being acquired by IMMOFINANZ during the reporting period. 239 privately and state funded apartments are being constructed at Heller residential park in Vienna's 10th district. The project also includes a nursing home for 273 inhabitants, which has been let to the Viennese hospitals' association on a long-term lease. BUWOG is set to invest a total of EUR 100 m in this project, which is due for completion in 2010.



A, 1100 Vienna,
Heller residential park

Attemsgasse apartment building

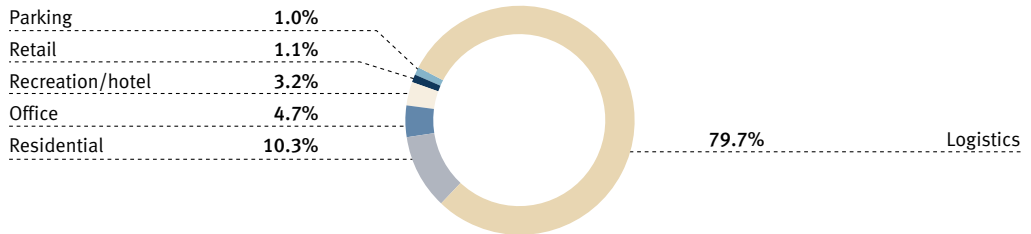
Attemsgasse 49, an apartment building in Vienna's 22nd district was completed in November. All 49 apartments were let upon completion.

IMMOWEST

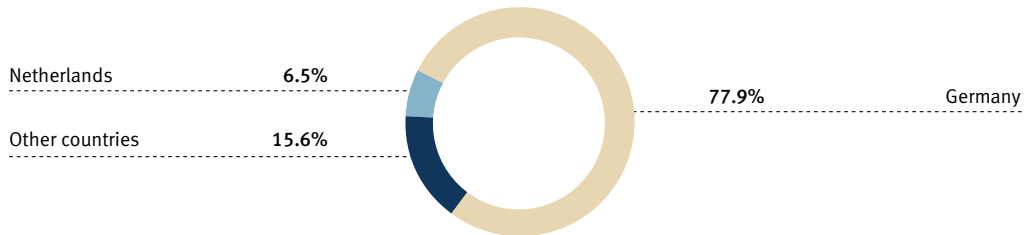
Key Data on IMMOWEST

	31.10.2008	Change in %	31.10.2007
Revenues in EUR mill.	46.3	22.09%	37.9
Number of properties	125	15.74%	108
Proportional share of lettable space in sqm	1,642,269	32.42%	1,240,223
Lettable space as a % of the total portfolio	15.4%	16.21%	13.3%
Book value of real estate portfolio in EUR mill.	1,150.8	8.97%	1,056.1
Book value as % of the total portfolio	11.7%	14.84%	10.2%

Sectoral distribution of IMMOWEST lettable space (sqm) as a % of total lettable space
As of 31.10.2008



Regional distribution of IMMOWEST as a % of total lettable space
As of 31.10.2008



D, Deutsche Lagerhaus in Neuss-Port



D, Stuttgart Logistic Center Vaihingen/Enz

Deutsche Lagerhaus

The following activities were completed within the scope of IMMOWEST's stake in Deutsche Lagerhaus, which invests in so-called trimodal (road, rail, water) logistics locations:

- **Neuss port**
The site at Neuss port was expanded by 4,500 sqm. The full 4,500 sqm were delivered to renowned shipping agent Dachser. The Neuss port property now provides a total of 14.700 sqm of floor space.
- **Nürnberg III**
The 32.750 sqm Nürnberg III logistics centre in Nuremberg was completed. Anchor tenants include Stute Verkehrstechnik, a subsidiary of shipping giants Kühne + Nagel.
- **Vaihingen/Enz (Stuttgart)**
The logistics centre at Vaihingen / Enz was completed, providing 47.200 sqm of floor space, 46 % of which has already been let to logistics company DSV. Negotiations concerning the remaining space have reached an advance stage with two further logistics companies.

Deutsche Lagerhaus' entire portfolio has now risen to 30 properties covering 944,000 sqm.

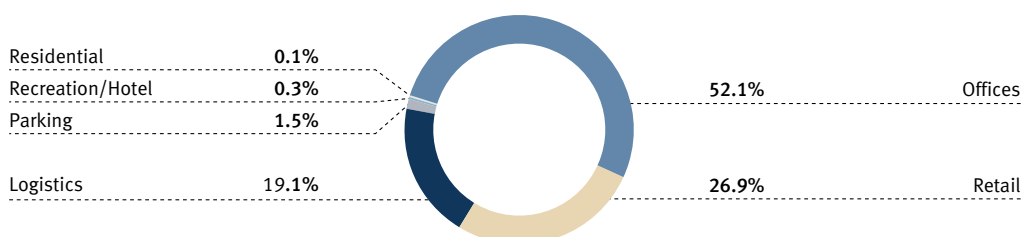
Friesenquartier (Cologne)

Adjusted to the current market situation - construction of the “Friesenquartier” multifunctional urban development project on the premises of insurance group HDI-Gerling’s headquarters in the centre of Cologne is being divided into several building phases. Further developments of the proposed design means that another 18,000 sqm of gross floor space could be added to the whole project. Creating a new mix of uses will secure the long-term value of the investment.

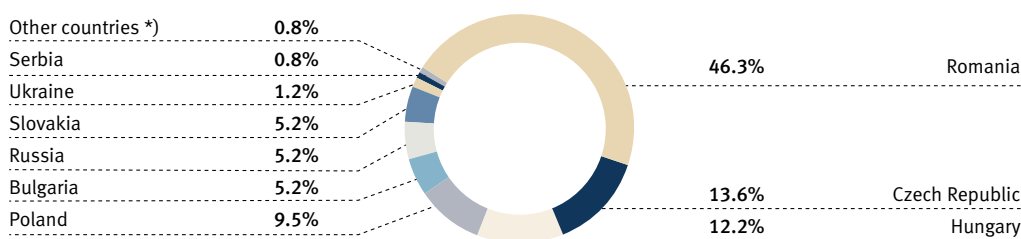
IMMOEAST

Key Data on IMMOEAST

	31.10.2008	Change in %	31.10.2007
Revenues in EUR mill.	166.6	22.41%	136.1
Number of properties	233	18.27%	197
Proportional share of lettable space in sqm	4,506,819	25.67%	3,586,176
Lettable space as a % of the total portfolio	42.4%	10.65%	38.3%
Book value of real estate portfolio in EUR mill.	4,456.9	-8.11%	4,850.5
Book value as % of the total portfolio	45.2%	-3.36%	46.8%



Sectoral distribution of IMMOEAST lettable space (sqm) as a % of total lettable space
As of 31.10.2008



Regional distribution of IMMOEAST as a % of total lettable space
As of 31.10.2008

*) Bosnia, Croatia, Slovenia

MISTRAL AND PASSAT (Warsaw)

The fully let Warsaw office buildings Mistral and Passat were sold to a group company of Wiener Städtische (Vienna Insurance Group). Both parties have agreed to keep the sales price confidential.

STOP.SHOP./Compations

Several STOP.SHOP retail parks were completed over the reporting period and in November. The completed retail parks comprised Nagykanizsa in Hungary, Legnica in Poland, Rakovnik in the Czech Republic and Ružomberok in Slovakia. All the new properties are fully let. The chain has now grown to 27 locations and 207.000 sqm of lettable space.

Szépövölgyi Business Park (Budapest)

The last unoccupied space at Szépövölgyi Business Park was let, meaning that all 10,051 sqm of floor space is now let. The new tenants include financial service provider Brokernet.

STOP.SHOP. Gödöllő

Construction of a retail park began in October in Gödöllő (Hungary), providing 8,760 sqm of floor space. Construction is scheduled for completion in April 2009.



PL, Warsaw, Mistral



H, Budapest, Szepovölgyi Business Park

IMMOFINANZ AG

Consolidated Balance Sheet as of 31 October 2008

	31 October 2008 in TEUR	30 April 2008 in TEUR
Assets		
Investment property	8,749,069.2	9,636,190.4
Property under construction	718,679.2	849,490.9
Other tangible assets	22,788.6	23,182.0
Intangible assets	252,064.6	330,796.4
Shares in associated companies	302,530.2	531,498.9
Other financial instruments	659,695.1	1,169,418.4
Receivables and other assets	681,125.4	639,021.4
Deferred tax assets	299,025.9	59,740.7
Non-current assets	11,684,978.2	13,239,339.1
Inventories	268,847.3	338,046.5
Investment property held for sale	128,800.0	0.0
Receivables and other assets ¹	1,100,818.3	809,682.6
Financial instruments	1,724.5	502,675.2
Cash and cash equivalents ¹	562,137.2	678,656.4
Current assets	2,062,327.3	2,329,060.7
ASSETS	13,747,305.5	15,568,399.8
Equity and liabilities		
Share capital	476,579.0	476,527.7
Capital reserves	2,415,719.1	2,415,451.5
Revaluation reserve	109,374.6	109,364.0
Retained earnings and consolidated profit	-242,615.5	1,346,405.9
Currency translation adjustment	37,795.6	480.6
	2,796,852.8	4,348,229.7
Minority interests	2,905,517.1	3,528,981.4
Equity	5,702,369.9	7,877,211.1
Long-term financial liabilities	5,728,075.4	5,464,402.3
Trade accounts payable	4,423.8	7,135.4
Provisions	319,414.3	2,709.3
Other liabilities	141,763.3	112,087.8
Deferred tax liabilities	873,971.8	1,135,913.2
Non-current liabilities	7,067,648.6	6,722,248.0
Short-term financial liabilities	488,761.1	464,502.6
Trade accounts payable	88,545.9	78,353.0
Provisions	59,834.1	68,360.5
Other liabilities	340,145.9	357,724.6
Current liabilities	977,287.0	968,940.7
EQUITY AND LIABILITIES	13,747,305.5	15,568,399.8

¹) Cash and cash equivalents of the second degree were transferred from cash and cash equivalent to receivables and other assets in the reporting period. This change was also made for the previous year's figures.

IMMOFINANZ AG

Consolidated Income Statement

All amounts in TEUR	1 May 2008 - 31 October 2008	1 August 2008 - 31 October 2008	1 May 2007 - 31 October 2007	1 August 2007 - 31 October 2007
Revenues	363,687.2	182,049.1	318,805.4	165,862.6
Other operating income	59,396.0	15,403.4	52,645.2	25,068.7
Expenses related to properties	-133,919.9	-63,819.9	-104,209.3	-51,581.1
Other operating expenses	-116,940.5	-69,648.6	-105,987.0	-51,073.9
Personnel expenses	-10,639.7	-5,758.2	-8,472.1	-4,139.4
Cost of goods sold	-4,651.8	-4,261.9	-4,694.9	-3,931.5
Results of operations (EBITDA)	156,931.3	53,963.9	148,087.3	80,205.4
Revaluation of properties	-1,112,672.3	-821,668.9	296,684.3	179,804.1
Depreciation and amortisation	-576,957.6	-574,249.6	-13,168.3	-2,865.8
Allocation to provisions for onerous contracts	-316,622.1	-316,622.1	0.0	0.0
Operating profit (EBIT)	-1,849,320.7	-1,658,576.7	431,603.3	257,143.7
Net financing costs	-92,694.4	-62,740.0	-80,453.7	-42,706.6
(Income)/loss on financial instruments	-472,449.8	-573,764.6	76,368.6	41,830.6
Share of (profit)/loss from associated companies	-233,135.9	-233,135.9	0.0	0.0
Financial results	-798,280.1	-869,640.5	-4,085.1	-876.0
Earnings before tax (EBT)	-2,647,600.8	-2,528,217.2	427,518.2	256,267.7
Income taxes	472,976.0	450,247.1	-118,581.0	-88,082.5
Net profit for the period	-2,174,624.8	-2,077,970.1	308,937.2	168,185.2
Due to equity holders of the parent company	-1,551,099.8	-1,476,607.7	207,024.1	113,390.4
Due to minority interests	-623,525.0	-601,362.4	101,913.1	54,794.8
Basic earnings per share in EUR	-3.34	-3.18	0.45	0.25
Diluted earnings per share in EUR	-2.56	-2.46	0.42	0.22

IMMOFINANZ AG

Consolidated Cash flow Statement

All amounts in TEUR	1 May 2008 – 31 October 2008	1 May 2007 – 31 October 2007
Earnings before tax	-2,647,600.8	427,518.2
Revaluation/amortisation/reversal of negative goodwill	1,673,670.3	180,204.8
Share of (profit)/loss from associated companies	233,135.9	0.0
(Gain)/loss on the sale of non-current assets	-8,641.2	-13,029.1
Gains on the change in investments	-10,287.3	-12,350.0
Temporary changes in the fair value of financial instruments	145,504.8	-67,659.9
Income taxes paid	-20,131.1	-12,986.1
Net financing costs	90,253.2	82,394.5
Other non-cash income/(expenses)	639,775.7	-498,044.9
Gross cash flow	95,679.5	86,047.5
Receivables and other assets	-208,969.2	-198,543.8
Trade accounts payable	7,217.4	16,892.9
Provisions (excl. tax provisions and provisions for onerous contracts)	2,395.4	23,027.9
Other liabilities	8,899.6	-118,051.1
Cash flow from operating activities	-94,777.3	-190,626.6
Acquisition of investment property	-420,963.2	-326,027.6
Acquisition of property companies less cash and cash equivalents	-61,692.1	-471,711.5
Acquisition of other tangible assets	-2,539.2	4,793.4
Acquisition of intangible assets	-1,023.8	-1,029.3
Acquisition of financial instruments	-247,266.8	-270,765.5
Granting of financing	0.0	-833,436.8
Proceeds from the sale of property companies less cash and cash equivalents	34,540.3	37,734.2
Proceeds from the sale of non-current assets	55,881.6	93,900.9
Proceeds from the sale of financial instruments	15,353.9	75,000.7
Interest income from financial instruments	25,701.6	48,311.3
Cash flow from investing activities	-602,007.7	-1,643,230.2
Cash inflows from long-term financing	354,835.6	143,965.5
Cash inflows from capital increases	0.0	1,218,894.9
Cash outflows from changes in investments	-914.2	-118,174.5
Repayment of short-term debt	-172,563.4	632,908.1
Interest expense	-104,123.9	-78,548.9
Distribution	0.0	-116,700.2
Cash flow from financing activities	77,234.1	1,682,344.9
Differences arising from foreign currency translation	2,081.0	-38,928.9
Change in cash and cash equivalents	-617,469.9	-190,440.8
Cash and cash equivalents at the beginning of the period	1,181,331.6	1,567,913.0
Cash and cash equivalents at the end of the period	563,861.7	1,377,472.2
Change in cash and cash equivalents	-617,469.9	-190,440.8

IMMOFINANZ AG

Statement of Changes in Equity

2008/2009

All amounts in TEUR	Share capital	Capital reserves	Revaluation reserve	Retained earnings	Currency translation adjustment	Minority interests	Total
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
Fair value reserve				-52,640.1		-9,332.8	-61,972.9
Deferred tax assets/liabilities recognised directly in equity				13,839.4		2,333.2	16,172.6
Currency translation adjustment				146.3	40,514.8	11,326.5	51,987.6
Net income recognised directly in equity				-38,654.4	40,514.8	4,326.9	6,187.3
Net profit as of 31 October 2008				-1,551,099.8		-623,525.0	-2,174,624.8
Total recognised income and expense for the period				-1,589,754.2	40,514.8	-619,198.1	-2,168,437.5
Capital increase	51.3	267.6			-34.1	-21.1	263.7
Structural changes			-6.7	732.8	16.5	-1,571.1	-828.5
Change in consolidation method/addition to consolidation range			17.3		-1,869.7	-1,525.6	-3,378.0
Deconsolidations					-1,312.5	-1,148.4	-2,460.9
Balance on 31 October 2008	476,579.0	2,415,719.1	109,374.6	-242,615.5	37,795.6	2,905,517.1	5,702,369.9

2007/2008

All amounts in TEUR	Share capital	Capital reserves	Revaluation reserve	Retained earnings	Currency translation adjustment	Minority interests	Total
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				5,286.1		7,797.0	13,083.1
Deferred tax assets/liabilities recognised directly in equity				-1,825.3		-1,958.2	-3,783.5
Currency translation adjustment				659.3	-3,106.1	4,786.8	2,340.0
Net income recognised directly in equity				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				308,984.8	-3,106.1	80,798.7	386,677.4
Capital increase						1,404,467.0	1,404,467.0
Cost of capital increase						-58,161.1	-58,161.1
Distribution				-151,470.5		-3,126.6	-154,597.1
Structural changes			669.3	30,600.2	4,135.8	-219,590.0	-184,184.7
Change in consolidation method/addition to consolidation range			6.6	-86.5	-5,736.0	-108,336.1	-114,152.0
Deconsolidations					-2,127.2	-745.3	-2,872.5
Equity component of convertible bond		84,699.8					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

IMMOFINANZ AG

Segment Reporting

Segmentation by Region

All amounts in TEUR	IMMOAUSTRIA		IMMOEAST	
	Q2 2008/09	Q2 2007/08	Q2 2008/09	Q2 2007/08
Offices	25,804.8	23,264.0	60,354.8	53,035.3
Logistics / commercial	21,738.7	21,377.4	59,328.7	42,120.6
Recreation / hotel	2,452.6	2,144.3	0.0	0.0
Residential	51,326.5	49,578.7	22.7	24.5
Parking	8,496.5	8,068.8	3,450.5	2,765.0
Rental income	109,819.1	104,433.2	123,156.7	97,945.4
Sale of inventories	1,543.9	962.5	0.0	5,474.2
Operating costs charged to tenants	34,172.3	34,026.1	39,347.8	28,004.1
Other revenues	5,196.8	5,314.5	4,132.1	4,707.7
Revenues	150,732.1	144,736.3	166,636.6	136,131.4
Other operating income	39,974.8	21,825.2	28,589.6	22,088.0
Property-related expenses	-69,575.5	-62,003.1	-53,426.7	-33,344.4
Other operating expenses	-33,609.4	-15,588.9	-76,720.4	-57,520.1
Personnel expenses	-7,537.5	-6,596.3	-1,024.2	-227.8
Cost of goods sold	-1,395.3	-789.6	-3,018.7	-3,790.8
Result of operations (EBITDA)	78,589.2	81,583.6	61,036.2	63,336.3
Revaluation of properties	-291,055.4	92,412.0	-758,849.4	155,481.1
Depreciation and amortisation	-5,945.0	-2,457.0	-557,825.1	-9,022.6
Allocation to provisions for onerous contracts	-5,767.5	0.0	-294,122.1	0.0
Operating profit (EBIT)	-224,178.7	171,538.7	-1,549,760.4	209,794.5
Segment assets	6,511,956.0	6,706,605.8	9,136,361.3	10,154,267.2
Segment liabilities	4,997,173.7	5,231,842.8	2,802,330.0	2,245,120.5

IMMOWEST		Other items and group eliminations		IMMOFINANZ Group	
Q2 2008/09	Q2 2007/08	Q2 2008/09	Q2 2007/08	Q2 2008/09	Q2 2007/08
5,817.9	5,790.2	0.0	0.0	91,977.5	82,089.4
24,298.5	19,124.5	0.0	0.0	105,365.9	82,622.5
2,980.5	1,986.9	0.0	0.0	5,433.1	4,131.2
6,262.4	3,963.5	0.0	0.0	57,611.6	53,566.7
543.0	562.0	0.0	0.0	12,490.0	11,395.8
39,902.3	31,427.1	0.0	0.0	272,878.1	233,805.7
260.2	201.2	0.0	0.0	1,804.1	6,637.9
6,022.2	6,242.1	0.0	0.0	79,542.3	68,272.3
133.8	67.2	0.0	0.0	9,462.7	10,089.4
46,318.5	37,937.6	0.0	0.0	363,687.2	318,805.4
1,110.2	3,682.6	-10,278.6	5,049.4	59,396.0	52,645.2
-10,917.7	-8,861.8	0.0	0.0	-133,919.9	-104,209.3
-9,583.6	-15,778.5	2,972.9	-17,099.5	-116,940.5	-105,987.0
-1,576.7	-1,553.9	-501.3	-94.2	-10,639.7	-8,472.1
-197.9	-114.5	-39.9	0.0	-4,651.8	-4,694.9
25,152.8	15,311.5	-7,846.9	-12,144.3	156,931.3	148,087.3
-62,767.5	48,791.1	0.0	0.0	-1,112,672.3	296,684.3
-13,142.9	-1,053.3	-44.6	-635.3	-576,957.6	-13,168.3
-16,732.5	0.0	0.0	0.0	-316,622.1	0.0
-67,490.1	63,049.3	-7,891.5	-12,779.6	-1,849,320.7	431,603.3
1,822,644.9	1,770,746.0	-3,723,656.7	-3,393,703.5	13,747,305.5	15,237,915.4
1,342,991.5	1,048,510.2	-1,097,559.6	-1,136,665.0	8,044,935.6	7,388,808.5

1. Accounting and Valuation Principles

The interim report as of 31 October 2008 was prepared in accordance with the principles of the latest version of the International Financial Reporting Standards to the extent that they have been adopted into European Union legislation through the procedure set forth in Art. 6 Para. 2 of IAS regulation 1606/2002. For information on the IFRS applied by IMMOFINANZ AG at the time this interim report was prepared, please refer to the consolidated financial statements of the company as of 30 April 2008.

All newly acquired companies were initially recognised in accordance with IFRS 3.61 and 3.62 as of the date of acquisition. If time permitted, the opening balance sheets for these newly acquired companies were subjected to an audit in order to meet the requirements of IFRS 3.62 (a).

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

All interim profits – resulting primarily from the transfer of company stakes or properties between group affiliates – were eliminated.

2. Consolidation Range

2.1 Initial consolidations

The following new acquisitions were made and companies founded by IMMOFINANZ AG by 31 October 2008:

Country	Company	Headquarters	Date of initial consolidation	Share	Consolidation method
IMMOAUSTRIA					
A	ARO Eferding Immobilien GmbH	Vienna	13.06.2008	100.00%	V
A	IMMOFINANZ MONTAIGNE Liegenschaftsvermietungs GmbH	Vienna	19.06.2008	100.00%	V
A	TG Planungs- und Errichtungs GmbH	Vienna	26.06.2008	76.00%	V
SK	BUWON s.r.o.	Bratislava	01.08.2008	50.00%	Q
IMMOWEST					
D	Immowest Betriebsvorrichtungen GmbH	Frankfurt	25.08.2008	100.00%	V
D	Immowest Lenbachgärten 1 GmbH & Co. KG	Frankfurt	25.08.2008	100.00%	V
D	Immowest Lenbachgärten 2 GmbH & Co. KG	Frankfurt	25.08.2008	100.00%	V
D	Immowest Lenbachgärten 3 GmbH & Co. KG	Frankfurt	25.08.2008	100.00%	V
D	Immowest Lenbachgärten 4 GmbH & Co. KG	Frankfurt	25.08.2008	100.00%	V
D	Immowest Lenbachgärten 5 GmbH & Co. KG	Frankfurt	25.08.2008	100.00%	V
D	Immowest Lenbachgärten 6 GmbH & Co. KG	Frankfurt	25.08.2008	100.00%	V
D	Immowest Primus GmbH	Frankfurt	25.08.2008	100.00%	V
D	Immowest Spandau 1 GmbH & Co. KG	Frankfurt	25.08.2008	100.00%	V
D	Immowest Spandau 2 GmbH & Co. KG	Frankfurt	25.08.2008	100.00%	V
D	Immowest Spandau 3 GmbH & Co. KG	Frankfurt	25.08.2008	100.00%	V
D	Immowest Spandau Primus GmbH	Frankfurt	25.08.2008	100.00%	V
L	Immowest Lux V S.à.r.l.	Luxembourg	29.05.2008	100.00%	V
L	Immowest Lux VI S.à.r.l.	Luxembourg	29.05.2008	100.00%	V
L	Immowest Lux VII S.à.r.l.	Luxembourg	29.05.2008	100.00%	V
USA	IMF Investments 307 LP	Houston	01.05.2008	90.00%	Q
IMMOEAST					
CY	ABSTEM Holdings Ltd.	Nicosia	01.05.2008	100.00%	V
CY	Duist Holdings Ltd.	Nicosia	06.06.2008	100.00%	V
CY	Vitrust Ltd.	Nicosia	19.06.2008	100.00%	V
CY	Bivake Consultants Ltd.	Nicosia	01.07.2008	100.00%	V

CY	Fawna Limited	Nicosia	15.09.2008	50.00%	Q
CY	Vastator Limited	Nicosia	15.09.2008	50.00%	Q
CY	Boondock Holdings Ltd	Nicosia	24.10.2008	100.00%	V
CY	Oscepar Consultants	Nicosia	24.10.2008	100.00%	V
CY	Loundaumcy Investments Ltd	Nicosia	29.10.2008	100.00%	V
CY	Rekramext Holdings Ltd	Nicosia	29.10.2008	100.00%	V
H	Center Invest DEB Kft.	Budapest	30.06.2008	100.00%	V
H	Haller Kert Kft.	Budapest	23.07.2008	100.00%	V
SK	IM Slovensko s.r.o.	Bratislava	12.09.2008	100.00%	V
UA	TOV Arsenal City	Kiev	15.09.2008	49.99%	Q
UA	TOV Vastator Ukraine	Kiev	15.09.2008	49.99%	Q

F = Full consolidation, P = Proportional consolidation

2.2 Structural Changes and Deconsolidations

Structural changes represent the impact of shifts in investments between the parent company IMMOFINANZ AG 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 and partial deconsolidation measures or successive share purchases without transitional consolidations that lead to a shift in the earned equity (either from the group’s share in the 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.

In the first half year of the 2008/09 business year there were two deconsolidations in the sphere of IMMOEAST: on 5 September 2008 the stakes in Passat Real Sp.z.o.o. and the stakes in Blizzard Real Sp.z.o.o. were sold and deconsolidated.

In the sphere of IMMOWEST the IMF Investments No. 310 Ltd. were liquidated and deconsolidated.

As of 31 October 2008 the remaining stakes in S.C. Red Project One s.r.l. were acquired. There were no other major structural changes during the reporting period.

2.3 Effects of initial and transition consolidations

The following assets and liabilities were included at fair value following the acquisition of real estate companies (initial recognition) or the acquisition of additional shares (transition consolidation):

All amounts in TEUR	1 May 2008 – 31 October 2008	1 May 2007 – 31 October 2007
Cash and cash equivalents	7,662.2	32,076.1
Non-current assets	92,550.0	668,684.1
Current assets	16,329.4	19,045.6
Liabilities	-89,454.2	-369,322.7
Minority interests	-8.4	-1,680.7
Currency translation adjustments	3,356.1	6,267.0
Acquired net assets	30,435.1	355,069.4
(Negative) goodwill	45,256.6	196,363.7
Outstanding purchase price	-6,337.4	-47,645.4
Purchase price paid in cash	69,354.3	503,787.7
Less cash and cash equivalents acquired	-7,662.2	-32,076.1
Net purchase price paid for property companies	61,692.1	471,711.5

The purchase prices in the amount of TEUR 69,354.3 for property companies were paid in cash.

3. Notes to the Balance Sheet

3.1 Investment properties

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

All amounts in TEUR	Investment property
Balance on 1 May 2008	8,051,719.4
Change in consolidation range	18,113.7
Change in consolidation method	3,205.7
Currency translation adjustments	48,869.7
Additions	223,018.1
Disposals	-43,766.0
Reclassification	-21,679.2
Balance on 31 October 2008	8,279,481.4

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

All amounts in TEUR	Investment property
Balance on 1 May 2008	9,636,190.4
Change in consolidation range	18,603.9
Change in consolidation method	3,860.2
Currency translation adjustments	45,727.1
Additions	223,018.1
Disposals	-43,766.0
Revaluation	-1,112,672.3
Reclassification	-21,892.2
Balance on 31 October 2008	8,749,069.2

3.2 Net Asset Value

Net asset value was calculated in accordance with the Best Practices Policy Recommendations (6.3) of the European Public Real Estate Association based on the following premise.

The equity shown in the IFRS financial statements (excluding minority interests) is adjusted by the difference between the book value of the property, which does not qualify for the measurement at fair value. If financial instruments are not assessed at fair value, an adjustment to equity is made. In a last step, deferred tax assets and deferred tax liabilities are set off against equity.

The result of the calculation is as follows:

All amounts in TEUR	31 October 2008		30 April 2008		31 October 2007	
Equity before minority interests	2,796,852.8		4,348,229.7		4,198,838.0	
Goodwill	-246,733.8		-326,335.4		-392,710.9	
Deferred tax assets	-299,025.9		-59,740.7		-81,935.2	
Deferred tax liabilities	873,971.8	3,125,064.9	1,135,913.2	5,098,066.8	1,058,156.2	4,782,348.1
Property under construction (carrying value)	718,679.2		849,490.9		685,583.6	
Property under construction (fair value)	963,358.2	244,679.0	1,213,624.3	364,133.4	1,248,381.0	562,797.4
Inventories (carrying value)	268,847.3		338,046.5		169,758.1	
Inventories (fair value)	277,166.5	8,319.2	426,347.2	88,300.7	223,247.6	53,489.5
Residual value of forward purchase contracts and investments carried at cost		0.0		67,616.4		80,252.0
Investment property held for sale (carrying value)	128,800.0		0.0		0.0	
Investment property held for sale (fair value)	128,800.0	0.0	0.0	0.0	0.0	0.0
Shares in associated companies (carrying value)	302,530.2		531,498.9		459,671.2	
Shares in associated companies (fair value)	304,291.6	1,761.4	536,054.4	4,555.5	525,304.9	65,633.7
Minority interests		-133,628.8		-322,586.3		-347,737.5
Net Asset Value		3,246,195.7		5,300,086.5		5,196,783.3
Number of shares (in 1,000)		459,050.9		459,001.4		459,001.4
Net asset value per share (in EUR)		7.07		11.55		11.32

Book value per share is calculated by dividing equity before minority interests by the number of shares:

	31 October 2008	30 April 2008	31 October 2007
Equity before minority interests in TEUR	2,796,852.8	4,348,229.7	4,198,838.0
Number of shares (in 1,000)	459,050.9	459,001.4	459,001.4
Book value per share in EUR	6.09	9.47	9.15

3.3 Shares in associated companies

All amounts in TEUR	31 October 2008	30 April 2008
Shares in associated companies	302,530.2	531,498.9

The shares in associated companies were subjected to an impairment test, which for IMMOEAST resulted in a 25% depreciation of the stake in TriGranit Holding Ltd in the amount of TEUR 233,135.9.

3.4 Other Financial Instruments

Other financial instruments in the amount of TEUR 659,695.1 are comprised primarily of miscellaneous financial investments in other companies.

Other loans are comprised primarily of loans for financing residential properties in the scope of the refugee programme following the signing of the Austrian State Treaty as well as loans granted to BUWOG Bauen und Wohnen GmbH for the creation of housing for federal employees.

At TEUR 313,792.1 the IMMOEAST segment accounts for a considerable share of other financial instruments.

Investments in Heitman Central Europe Property Partners II and Polonia Property Fund Ltd. are revalued without recognition through profit or loss. An impairment charge in the amount of TEUR 20,570.5 was recorded.

The investments valued through profit or loss include primarily the 31.07 % stake in Adama Holding Public Ltd. and FF & P Russia Real Estate Ltd., Global Emerging Property Fund, Eastern Property Holdings Ltd. and FF & P Russia Real Estate Development Fund.

With financial instruments in the amount of TEUR 320,592.8 the IMMOWEST segment makes a significant contribution to the overall amount. Among the investments valued outside profit or loss an impairment charge in the amount of TEUR 32,069.6 was necessary.

Significant investments recognised through profit or loss include Fondo Immobili Pubblici, Morgan Stanley Real Estate Special Fund III, L.P., TMW Asia Property Fund I GmbH & Co. KG, Asia Property Fund II GmbH & Co KG and Carlyle Realty Halley Coinvestment IV, L.P.

Derivative financial instruments with a positive market value of TEUR 7,965.8 are also reported here.

3.5 Receivables and other assets

All amounts in TEUR	31 October 2008	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2008
Trade accounts receivable					
Rents receivable	36,603.4	34,521.7	1,735.6	346.1	36,067.8
Miscellaneous	65,164.7	64,888.7	146.6	129.4	35,393.9
Accounts receivable from joint venture partners	368,247.1	16,190.8	20,725.8	331,330.5	173,399.2
Accounts receivable from associated companies	41,479.6	1,604.7	0.0	39,874.9	138,646.7
Other receivables and assets					
Financing	757,227.3	533,103.6	20,845.2	203,278.5	810,693.6
Fiscal authorities (transaction taxes)	79,471.2	46,271.7	33,199.5	0.0	65,293.6
Fiscal authorities (income taxes)	10,361.8	10,333.8	28.0	0.0	10,019.8
Property management	4,402.5	4,295.1	20.3	87.1	6,541.6
Accrued interest	4,295.1	4,292.0	0.0	3.1	1,977.9
Insurance	538.3	507.7	30.6	0.0	956.2
Administrative duties	15,141.3	15,141.3	0.0	0.0	101.1
Commissions	5,519.1	2,874.1	2,196.8	448.2	4,087.7
Lease incentives	11,225.8	2,745.6	5,734.9	2,745.3	10,580.2
Outstanding purchase price receivables from the sale of properties	4,129.8	1,040.0	3,089.8	0.0	12,348.1
Outstanding purchase price receivables from the sale of shares	94.6	55.8	0.0	38.8	82.9
Costs for the procurement of funds	1,003.5	100.5	411.5	491.5	1,004.1
Restricted cash	313,044.9	313,044.9	0.0	0.0	77,921.5
Miscellaneous	63,993.7	49,806.3	5,396.4	8,791.0	63,588.1
Total	1,781,943.7	1,100,818.3	93,561.0	587,564.4	1,448,704.0

Outstanding purchase price receivables from the sale of real estate inventories are reported under trade accounts receivable and originate in their entirety from the sale of apartments owned by BUWOG Bauen und Wohnen Gesellschaft mbH.

Outstanding purchase price receivables from the sale of real estate from the sale of shares are reported under other receivables and assets and are primarily attributed to the sale of investment properties in the IMMOAUSTRIA segment.

Miscellaneous current receivables arising from financing include TEUR 512,616.4 with respect to IMMOFINANZ Beteiligungs AG / Constantia Packaging B.V. Non-current receivables arising from financing include TEUR 93,841.0 with respect to the trust company IMMOFINANZ Corporate Finance Consulting GmbH and largely represent project financings. Receivables in the amount of TEUR 37,718.8 with respect to subsidiaries of Constantia Privatbank AG are also included.

These positions also include ancillary costs for the future acquisition of company stakes in special purpose vehicles and loans to third parties in the scope of project financing.

3.6 Derivative Financial Instruments

Derivative financial instruments used by IMMOFINANZ to hedge interest rate and foreign exchange risk are recorded as independent transactions and not as hedge transactions. Valuation is based on current market value. Changes in market value are recognized as income or expenses in the financial results.

Derivative financial instruments contracted by IMMOFINANZ since 1 May 2008 report the following market values and conditions:

Company	Derivative	Currency	Beginning	End	Financial institution *)	fixed interest rate/ exchange rate	Reference interest rate	Hedge	Currency	Reference value 31 October 2008 in 1.000	Market value 31 October 2008 in EUR
IMMOWEST											
Rhein Park GmbH	SWAP	EUR	30.06.2008	29.06.2018	EUROHYPO AG	4,620%	3M-EURIBOR	Interest rate	EUR	1,536.8	-40.7
Immowest Lux I S.a.r.l.	SWAP	EUR	30.09.2008	29.06.2018	EUROHYPO AG	4,580%	3M-EURIBOR	Interest rate	EUR	28,000.0	-636.7
IMF Luxemburg I S.à.r.l.	SWAP	EUR	01.09.2008	31.07.2013	EUROHYPO AG	4,510%	3M-EURIBOR	Interest rate	EUR	58,000.0	-1.551.6
IMMOEAST											
FMZ TM s.r.l.	CAP	EUR	15.09.2008	30.06.2010	Österreichische Volksbanken AG	5.000%	3M-EURIBOR	Interest rate	EUR	1,507.5	4.8
SAM FMZ s.r.l.	CAP	EUR	23.06.2008	30.06.2010	Österreichische Volksbanken AG	5.500%	3M-EURIBOR	Interest rate	EUR	2,788.8	4.4
ORA Development s.r.l.	CAP	EUR	23.06.2008	30.06.2010	Österreichische Volksbanken AG	5.500%	3M-EURIBOR	Interest rate	EUR	3,206.7	5.1
S.C. Capri Trade S.r.l.	SWAP	EUR	27.08.2008	31.12.2012	ERSTE BANK	4,494%	3M-EURIBOR	Interest rate	EUR	16,000.0	-535.6
S.C. Bucharest	SWAP	EUR	27.08.2008	31.12.2012	ERSTE BANK	4,500%	3M-EURIBOR	Interest rate	EUR	27,500.0	-920.6
Corporate Center S.r.l.											
Grand Centar	SWAP	EUR	13.10.2008	31.10.2013	Unicredit Bank Austria AG	4,420%	3M-EURIBOR	Interest rate	EUR	30,000.0	-645.6
Atom Centrum a.s.	SWAP	EUR	31.12.2008	30.09.2013	Unicredit Bank Czech Republic a. s.	4,295%	3M-EURIBOR	Interest rate	EUR	1,077.3	-18,5

*) Abbreviations: ERSTE BANK: ERSTE BANK DER OESTERR. SPARKASSEN AG

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

The market value represents the amount 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.

Derivatives with a positive market value are reported under the balance sheet position “other financial instruments.” Derivatives with a negative market value are reported in the balance sheet under “other liabilities.”

3.7 Financial liabilities

All amounts in TEUR	31 October 2008	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2008
Liabilities arising from the convertible bond	1,303,279.4	40,837.8	1,861.6	1,260,580.0	1,299,944.1
Amounts due to financial institutions	4,378,300.0	371,591.4	1,528,020.7	2,478,687.9	4,095,573.1
Thereof guaranteed	0.0	0.0	0.0	0.0	0.0
Thereof secured by collateral	4,234,678.9	350,643.5	1,451,196.6	2,432,838.8	3,889,161.8
Thereof not secured by collateral	143,621.1	20,947.9	76,824.1	45,849.1	206,411.3
Liabilities to local authorities	381,023.3	18,659.7	77,462.3	284,901.3	378,868.0
Liabilities arising from financing leasing	75,205.5	11,761.8	37,566.3	25,877.4	83,828.5
Liabilities arising from the issue of bonds	3,060.3	153.2	2,907.1	0.0	3,063.6
Financial liabilities arising from a limited partnership interest	8,375.6	8,349.3	0.0	26.3	7,400.1
Other financial liabilities	67,592.4	37,407.9	9,197.0	20,987.5	60,227.5
Total	6,216,836.5	488,761.1	1,657,015.0	4,071,060.4	5,928,904.9

The key conditions of financial liabilities as of 31 October 2008 are illustrated as follows:

	Currency	Nominal value in 1.000	Interest rate fixed/ variable	Effective interest rate
Liabilities arising from the convertible bond	EUR	750,000.0	fixed	4.36%
	EUR	750,000.0	fixed	5.18%
Amounts due to financial institutions (Debt financing and short-term loans)	CHF	175,606.6	variable	4.17%
	CHF	69,709.9	fixed	4.15%
	CZK	121,399.8	variable	5.69%
	EUR	5,041,839.8	variable	5.92%
	EUR	846,488.6	fixed	4.35%
	HUF	1,000,000.0	variable	9.35%
	PLN	215,662.2	variable	6.03%
	RON	14,316.0	variable	13.14%
	RSD	1,047,260.5	variable	9.62%
	USD	116,123.7	variable	5.70%
	EUR	327,854.0	variable	4.88% *)
	EUR	166,211.3	fixed	4.01% *)
Liabilities to local authorities	EUR	772,468.4	fixed	1.06% *)
Liabilities arising from the issue of bonds	EUR	1,453.5	variable	4.88% *)
	EUR	1,453.5	fixed	5.80% *)

*) Concerns BUWOG Bauen und Wohnen Gesellschaft mbH und ESG Wohnungsgesellschaft mbH

3.8 Other liabilities

All amounts in TEUR	31 October 2008	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2008
Fair value of derivative financial instruments	130,110.0	130,110.0	0.0	0.0	123,234.0
Rental and lease prepayments	61,059.6	40,521.0	18,069.0	2,469.6	47,864.0
Fiscal authorities (transaction taxes)	14,117.1	14,117.1	0.0	0.0	11,487.2
Property management	6,928.1	6,835.2	92.9	0.0	9,000.9
Amounts due to joint venture partners	32,476.5	3.5	31,588.9	884.1	6.0
Special dividend rights and silent partner investments	1,150.8	157.1	0.0	993.7	1,127.1
Fiscal authorities (income taxes)	2,094.2	2,094.2	0.0	0.0	1,551.2
Payments received for construction and refurbishing	29,396.6	24,404.0	3,812.9	1,179.7	21,838.8
Income received from the sale of rental rights	173.1	173.1	0.0	0.0	173.1
Outstanding purchase prices (share deals)	22,722.5	22,649.0	71.9	1.6	37,277.3
Outstanding purchase prices (asset deals)	21,067.4	18,965.8	2,101.6	0.0	18,251.5
Miscellaneous	160,613.3	80,115.9	37,462.3	43,035.1	198,001.3
Total	481,909.2	340,145.9	93,199.5	48,563.8	469,812.4

Liabilities to joint venture partners are represented by project financing from the joint venture partner and involve HEPP III Luxembourg MBP s.a.r.l. in the amount of TEUR 23,488.7 and VTI Varna Trade Invest OOD in the amount of TEUR 8,100.1.

Liabilities arising from open purchase prices (for the acquisition of shares) represents liabilities due in connection with the acquisition of companies. For example, TEUR 4,129.4 is for the acquisition of 100% of Atrium Park Kft. Another TEUR 3,763.3 account for the acquisition of 100 % of the stake in Brno Estates a.s. and TEUR 1,125.01 for the acquisition of Taifun Real Sp.z.o.o.

4. Notes to the income statement

4.1 Revaluation

Impairment charges of TEUR 1,112,672.3 were charged to the investment properties of IMMOFINANZ AG as of 31 October 2008.

All amounts in TEUR	1 May 2008 – 31 October 2008	1 May 2007 – 31 October 2007
IMMOEAST	-758,849.4	155,481.1
IMMOAUSTRIA	-291,055.4	92,412.0
IMMOWEST	-62,767.5	48,791.1
Revaluation results	-1,112,672.3	296,684.3

4.2 Depreciation

In addition to the impairment charges recognised to investment properties, a writedown of development projects was necessary in all segments.

Extensive depreciation, particularly in the sphere of IMMOEAST, was also necessary for inventories, goodwill and receivables:

All amounts in TEUR	1 May 2008 – 31 October 2008	1 May 2007 – 31 October 2007
Impairment charges to property under construction	249,253.8	0.0
Impairment charges to inventories	115,006.8	0.0
Impairment charges to goodwill	128,315.1	9,054.9
Impairment charges to receivables	81,141.5	1,089.2
Other impairment charges	3,240.4	3,024.2
Total	576,957.6	13,168.3

4.3 Allocation to provisions for onerous contracts

All amounts in TEUR	1 May 2008 – 31 October 2008	1 May 2007 – 31 October 2007
IMMOEAST	294,122.1	0.0
IMMOAUSTRIA	5,767.5	0.0
IMMOWEST	16,732.5	0.0
Total	316,622.1	0.0

In addition to the impairment losses, provisions for onerous contracts from agreements on the future acquisition of shares in special purpose vehicles were to be included in all segments.

4.4 Other operating income

All amounts in TEUR	1 May 2008 – 31 October 2008	1 May 2007 – 31 October 2007
Reversal of negative goodwill	0.2	4,392.6
Disposal of non-current assets	8,630.7	12,897.0
Expenses charged on	9,418.9	3,804.7
Reversal of provisions	3,408.9	698.7
Insurance compensation	506.5	274.1
Income on deconsolidations and transition consolidations	10,287.3	12,351.3
Miscellaneous	27,143.5	18,226.7
Total	59,396.0	52,645.2

Income from the sale of non-current assets is largely accounted for by the BUWOG / ESG portfolio.

Income from deconsolidation originates from the sale of the stakes in Passat Real Sp.z.o.o. and the stakes in Blizzard Real Sp.z.o.o. as well as from IMF Investments No. 301, Ltd.

4.5 Other operating expenses

All amounts in TEUR	1 May 2008 – 31 October 2008	1 May 2007 – 31 October 2007
Administration	55,261.6	53,883.1
Legal, audit and consulting expenses	15,777.6	11,347.2
Commissions	5,046.4	3,266.0
Penalties	2,453.9	788.3
Taxes and duties	7,506.0	4,038.0
Advertising	5,481.5	5,591.8
Expenses charged on	7,032.1	147.0
Rental and lease expenses	593.2	396.7
Translations	45.2	58.1
Expert opinions	6,612.9	2,200.0
Supervisory Board remuneration	85.9	0.0
Miscellaneous	11,044.2	24,270.7
Total	116,940.5	105,987.0

4.6 Financial results

All amounts in TEUR	1 May 2008 – 31 October 2008	1 May 2007 – 31 October 2007
Interest and similar income	67,148.9	51,708.5
Interest and similar expenses	-159,843.3	-132,162.3
Net financing costs	-92,694.4	-80,453.7
(Profit)/loss on financial instruments and disposals of financial instruments	-4,862.8	11,445.3
Share of (profit)/loss from other companies	3,131.2	74.4
Valuation of financial instruments at fair value through profit or loss	-503,492.4	260.6
Income from distributions	7,478.6	26,339.5
Currency translation differences	25,295.6	34,867.3
Income from the reversal of contingent liabilities	0.0	3,381.5
(Profit)/loss on financial instruments	-472,449.8	76,368.6
Share of (profit)/loss from associated companies	-233,135.9	0.0
Financial results	-798,280.1	-4,085.1

The financial result is primarily influenced by the impairments in the area of financial instruments assessed at fair value through profit or loss as well as the associated companies.

The result on financial instruments and the disposal of financial instruments includes expenses in the amount of TEUR 11,449.8 and income in the amount of TEUR 3,967.0, which are attributed to derivative financial instruments.

The income from distributions position represents the distributions from investments classified as financial instruments in accordance with IAS 39.

4.7 Income taxes

Income taxes include taxes paid or owed by the individual companies of the group as well as deferred taxes.

All amounts in TEUR	1 May 2008 – 31 October 2008	1 May 2007 – 31 October 2007
Income tax expense	-9,113.9	-15,226.2
Deferred taxes	482,089.9	-103,354.8
Total	472,976.0	-118,581.0

The actual cash outflow for income taxes totals TEUR 20,131.1 during the reporting period. Deferred taxes include income in the amount of TEUR 290,710.7 resulting from the revaluation of investment property.

Other significant deferred tax income results from the depreciation on financial instruments carried at fair value through profit or loss and writedowns for receivables as well as allocation to provisions for onerous contracts.

5. Notes on the Interim Financial Statements

The balance sheet total decreased by 11.7% or EUR 1,821.1 million compared to 30 April 2008. Group revenue increased by 14.1% from EUR 318.8 million to EUR 363.7 million compared to 31 October 2007.

Compared to the half year of the prior year the operating profit (EBIT) fell 528.5% due to the considerable decline in the revaluation result and extensive unscheduled writedowns for real estate assets under construction and real estate inventories and the impairment of goodwill and receivables as well as the provisions for onerous contracts to be factored in.

The financial result also declined from EUR -4.1 million to EUR -798.3 million due to the depreciation on financial instruments carried at fair value through profit or loss on the one hand and on the shares in associated companies on the other hand. EBITDA rose slightly compared to the prior period.

The increasing operational strength of IMMOFINANZ, which is demonstrated in particular by the 11.2% rise in gross cash flow from EUR 86.0 million to EUR 95.7 million is positive.

As of 31 October 2008 IMMOFINANZ AG shows a consolidated result of EUR -2,174.6 million (October 2007: EUR 308.9 million).

6. Events after the balance sheet date

After the reporting date CFO Christian Thornton announced his resignation, which went into effect on 21 November. On the same day Eduard Zehetner was appointed CFO.

Intensive talks continued with creditor banks beyond the end of the reporting period. Together with IMMOEAST and involving corporate consultants, auditors and legal advisors, on 15 December 2008 IMMOFINANZ presented a restructuring concept to the essential creditor banks including a business plan and a positive concept for continuation of the Executive Board. The concepts were positively received by the banks and in subsequent detailed talks the relevant support measures reviewed.

On 5 December 2008 eleven properties including City Point Vienna as well as ten apartment complexes were sold from the IMMO-AUSTRIA segment.

Furthermore, on 18 December 2008 the agreements were signed on the sale of the entire S+B Group, which comprises about 30 companies. Through its subsidiary IMMOEAST IMMOFINANZ held a joint stake of 50 % in the joint holding S+B CEE. The majority of the S+B portfolio included development projects in Romania, Poland and the Czech Republic.

7. Statement by the Executive Board

We confirm to the best of our knowledge that these interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards.

Vienna, 19 December 2008

The Executive Board



Thomas Kleibl
Speaker of the Board

Daniel Joachim Riedl
Member of the Board

Michael Wurzinger
Member of the Board

Eduard Zehetner
CFO

**Information
on IMMOFINANZ shares**

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Vienna Stock Exchange Symbol	IIA
ISIN	AT0000809058
Reuters	UMFI VI
Datastream	O:IMMO 866289
Bloomberg	IIA AV
Included in the following indexes	WBI, ATX Prime, Immobilien ATX, DJ Euro Stoxx, DJ Euro Stoxx Real Estate, DJ Stoxx Real Estate, DJ Stoxx Mid 200, DJ Euro Stoxx Mid.

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