IMMOFINANZ

Report on the 1st Half-Year

as of 31 October 2009

KEY DATA ON IMMOFINANZ AG

Corporate Data

	31 October 2009	Change in %	31 October 2008
Revenues in EUR mill.	361.9	-0.50 %	363.7
Results of operations (EBITDA) in EUR mill.	211.0	34.43 %	156.9
Operating profit (EBIT) in EUR mill.	224.6	112.15 %	-1,849.3
Earnings before tax (EBT) in EUR mill.	207.4	107.83 %	-2,647.6
Gross cash flow in EUR mill.	173.9	81.80 %	95.7
Equity in EUR mill. (including minority interest)	4,747.0	-16.76 %	5,702.4
Equity as a % of the balance sheet total	40.3 %	-2.81 %	41.5 %
Balance sheet total in EUR mill.	11,774.5	-14.35 %	13,747.3
Book value per share in EUR	4.96	-18.66 %	6.09
Net asset value per share in EUR	5.62	-20.58 %	7.07

Property Data

	31 October 2009	Change in %	31 October 2008
Number of properties – investment properties	1,674	-7.97 %	1,819
Book value of investment properties in EUR mill.	7,932.6	-10.65 %	8,877.9
Number of properties – properties under construction	96	-10.28 %	107
Book value of properties under construction in EUR mill.	717.0	-0.24 %	718.7
Number of properties – inventories	49	-16.95 %	59
Book value of property inventories in EUR mill.	246.4	-8.34 %	268.8
Lettable space in sqm	9,464,118	-10.98 %	10,631,095

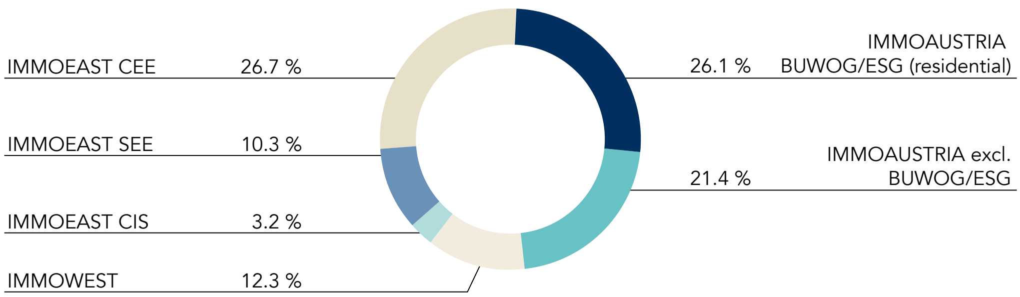
Stock Exchange Data

	31 October 2009	Change in %	31 October 2008
Earnings per share in EUR	0.18	105.51 %	-3.34
Share price at end of period in EUR	2.34	168.97 %	0.87
Number of shares	459,050,894	0.00 %	459,050,894
Market capitalisation at end of period in EUR mill.	1,074.1	168.97 %	399.3

Portfolio Structure

Distribution of investment properties (book values) by segments

As of 31.10.2009



Dear Shareholders,

IMMOFINANZ continued to face an extremely difficult market environment during the first half of the 2009/10 financial year. The ongoing economic crisis triggered a sharp drop in the demand for space – above all in commercial properties, e.g. the office, retail and logistics sectors – that was reflected in a downward shift in rents and higher vacancy rates.

Stabilisation of markets

On a positive note, the disaster scenarios predicted only several months ago by some experts for the European property markets have not been realised to date and are now unlikely to appear at all. In contrast: the markets are beginning to stabilise and signs of recovery have already been noted in individual sub-segments. The decline in property values that resulted from rising market yields came to halt during the second half of 2009, and this development has led to a notable increase in the interest of private and institutional investors in the property sector. In Austria and Germany, foundations and family offices as well as insurance companies and funds have again started to evaluate opportunities on the property market due to a lack of attractive alternative investments and growing worries over inflation, and this change in focus is now reflected in rising demand.

Restructuring of syndicated loan

The financial situation of IMMOFINANZ has also continued to improve. After the major liquidity problems were solved during the 2008/09 financial year and in the reporting period, negotiations with the syndicated loan banks over the restructuring of EUR 415 million of debt at the Group level were successfully completed in November.

Good development of key earnings figures

The positive development is reflected in the very good development of key earnings figures. At EUR 361.9 million after EUR 363.7 million revenues were still largely unchanged in the first half year compared to the same period the year before, but earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by 34.43% from EUR 156.9 million to EUR 211.0 million. Operating profit (EBIT) improved by more than EUR 2 billion to EUR 224.6 million, earnings before tax (EBT) rose by more than EUR 2.86 billion to EUR 207.4 million, cash flow increased by 81.80% to EUR 173.9 million.

The strong upward trend in the key earnings figures is attributed to three factors: restructuring and cost-cutting measures led to a strong rise in EBITDA, devaluations and writedowns totalled just a fraction of the previous year's value, and the financial result benefited from the appreciation of holdings in associated companies and of financial investments.

Against this backdrop, the restructuring and reorganisation of IMMOEAST and the entire IMMOFINANZ Group can now be actively pursued. The core of this corporate strategy is the optimisation of cash flow and income as well as the direction of all operating measures to meeting these goals.

Preparations for merger largely complete

The preparations for the merger of IMMOFINANZ and IMMOEAST are also largely complete. In a joint meeting of the management and supervisory boards of both companies on 17 December 2009 the merger was resolved upon on the basis of the interim balance sheets presented on this day. The merger is retroactively effective as of 30 April 2009, the end of the previous financial year. IMMOFINANZ is the receiving company, IMMOEAST the transferring company and IMMOEAST's shareholders receive three IMMOFINANZ shares for every two IMMOEAST shares. After registration of the merger the former minority shareholders of IMMOEAST will own a majority stake in the "new" IMMOFINANZ AG.

The shareholders of both companies will benefit from the merger: access to the capital market will be improved, the controlling interest for the minority shareholders of IMMOEAST AG will be eliminated, transparency will be increased through simplified structures and corporate governance will be improved. There will be substantial synergies and cost savings, and as a unified company IMMOFINANZ will be able to further consolidate its leading role on the Central and Eastern European real estate markets. We are therefore confident that the shareholders will approve the resolution to merge with the necessary 75 % majority at the extraordinary shareholders' meetings of IMMOFINANZ AG (20 January 2010) and IMMOEAST AG (21 January 2010).

Numerous discussions with potential investors and investment banks have shown that this merger is considered to be a necessary step for any future capital market measures. A stronger equity base will be required to realise the many development projects that were postponed because of the economic crisis and to take advantage of alternative opportunities when the market situation improves.

Positive operational business

The development of IMMOFINANZ business operations has also been positive. Numerous rental agreements for nearly 200,000 sqm of space were concluded in Austria and Eastern Europe. These transactions will allow cash flow to remain at the same strong level over the coming years. The sale of the office building "FWS12" in Duisburg (16,000 sqm) and of the office and hotel property Lenbachgärten in Munich (65,000 sqm) contributed substantially to strengthen liquidity.

A milestone was set after the reporting period with the opening of the Golden Babylon Rostokino shopping centre in Moscow. This facility has approx. 170,000 sqm of selling space, making it not only the largest single object realised by the IMMOFINANZ/IMMOEAST Group to date but also one of the largest shopping centres in Europe.

In summary, the second quarter of 2009/10 and the first half of the current financial year can be seen as a further step toward consolidation and the improvement of earnings. A sound foundation is now in place to also support the successful development of business during the second half-year.

Eduard Zehetner
Speaker of the Executive Board

Daniel Riedl MRICS
Member of the Executive Board

Michael Wurzinger MRICS
Member of the Executive Board

DEVELOPMENT OF BUSINESS

Revaluation Result

At EUR 23.9 million, the revaluation of properties brought a slightly positive result, while last year a depreciation of EUR 1.113 billion was necessary. This included depreciation on investment properties in the amount of EUR 92.6 million, while properties under construction were revalued by EUR 116.4 million.

In the 2009/10 financial year the revised IAS 40 concerning the valuation of development projects applies. These development projects were previously carried at amortised cost, but must now be stated at fair value. The revaluation of development projects by EUR 127.4 million in contrast to the EUR 11.0 in depreciations is solely attributed to the amendment in the IAS 40.

The currency-adjusted revaluation result was EUR 76.3 million.

Net yields of existing properties [1]

Segments	Office	Retail	Logistics	Residential
IMMOEAST CEE	7.0 %	7.4 %	7.8 %	–
IMMOEAST SEE	9.3 %	7.4 %	–	–
IMMOEAST CIS	–	12.5 %	14.0 %	–
IMMOAUSTRIA [2]	4.7 %	8.6 %	–	4.3 %
IMMOWEST	7.2 %	8.0 %	7.8 %	5.8 %

[1] Annualised net operating income (NOI) in relation to fair value

[2] Excluding BUWOG/ ESG

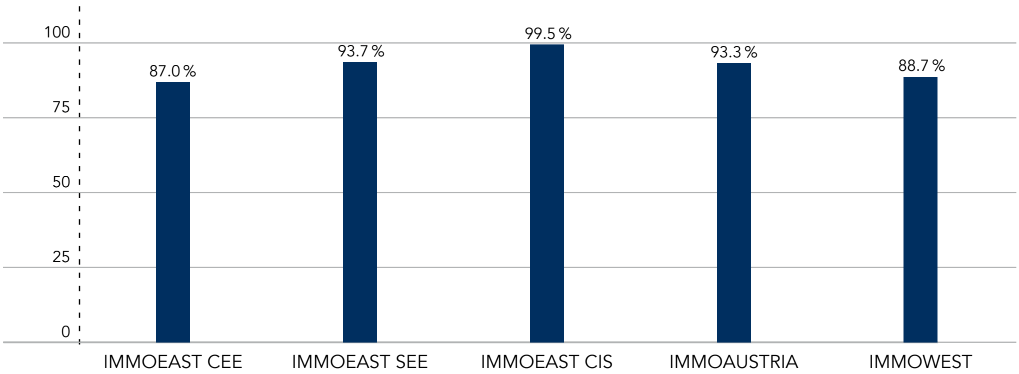
Development of Rents

The economic crisis had a palpable negative influence on the rental market in the countries relevant for IMMOEAST and the fallen demand in many cases created a tenants' market.

This development has also put greater pressure on rental income from IMMOFINANZ's property portfolio. With development projects losses must frequently be accepted in comparison with the income originally calculated. It is also taking longer now for the desired occupancy rate to be reached. As far as existing real estate is concerned, the negative effects are not as noticeable due to the continued high occupancy rate. However, on the occasion of renewals of lease contracts or the conclusion of new leases, a reduction in rent, usually in the form of rent-free periods, must frequently be offered.

Despite the challenging market environment rental income was widely stable at EUR 264.0 million compared to the same period in the 2008/09 business year (EUR 273.5 million).

Occupancy rate
As of 31.10.2009



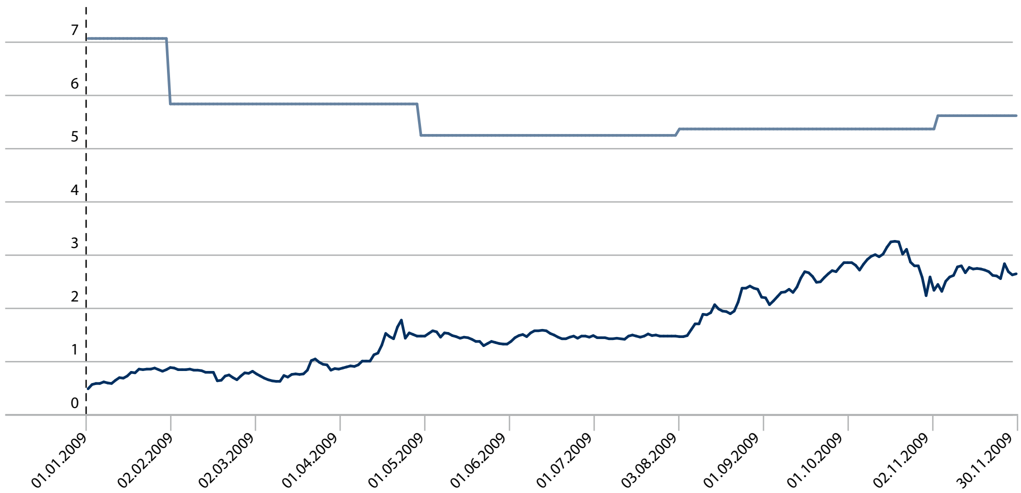
Investor Relations

Market indicators and share price development

In the second quarter (1 August 2009 to 31 October 2009) the share price rose again by a welcome 59.1 %. On 16 October the share price reached its highest value this financial year at EUR 3.26. On 31 October 2009 the share price was EUR 2.34.

The result per share in the 2nd quarter was 18 cents, net asset value (NAV) declined year-on-year by 20.6% to EUR 5.62, while in the 2nd quarter of 2009/10 NAV per share rose by 25 cents.

The book value per share rose in the 2nd quarter from EUR 4.88 to EUR 4.96.



Development of
IMMOFINANZ share vs. NAV

from 01.01.2009 to 30.11.2009

in EUR

IMMOFINANZ NAV per share

IMMOFINANZ share price

Investor Relations Activities

In the second quarter the speaker of the IMMOFINANZ Executive Board further intensified communications with the financial markets and participated in road shows and conferences in London, Zurich, Amsterdam and New York.

Information on the IMMOFINANZ share

Contact for investor relations	Margit Hermentin
Shareholders' telephone	+43 (0)5 7111
E-Mail	investor@immofinanz.com
Internet	www.immofinanz.com
Stock market	**Vienna Stock Exchange:** Standard Market, Prime Market segment, Ticker Symbol IIA
ISIN	AT0000809058
Reuters	IMFI.VI
Bloomberg	IIA AV
Included in the following indexes	WBI, ATX Prime, Immobilien-ATX, GPR 250

THE MARKET ENVIRONMENT

The Rental Market

Declining demand for commercial real estate

The economic crisis had a massive effect on European property markets during 2009. The demand for commercial properties fell sharply in nearly all countries, and many companies reduced the amount of space under rental. New rentals were concentrated primarily in good to middle quality objects with a favourable price/benefit ratio instead of the expensive prime properties that were the focus of demand up to 2008.

Rents under pressure

This trend increased the pressure on rental prices – despite a decline in the production of new space – especially in the higher categories and in older objects or properties at less desirable locations. In this environment, the mid-priced range proved to be the most stable. Vacancy rates also continued to rise in most markets.

Stabilisation, but no recovery

Economic forecasts for 2010 were recently revised upward by a substantial amount and the recession appears to be over – at least for the time being – but there are still no expectations of a rapid market recovery. However, the downward trend in rental prices and property values as well as the increase in vacancies should slow in comparison with 2009. Stable development or slight improvement is forecasted for a number of national markets, e.g. Poland.

Development in Austria above average

Austria, the home market of IMMOFINANZ and the location for more than 50 % of the portfolio, has managed to survive the economic crisis in relatively good condition. The decline in rents and increase in vacancies remained clearly below the European average.

In the **office segment**, average rents were generally stable with a slight decline in only the top category. Both supply and demand fell during 2009. The few new objects reported an acceptable level of rentals in spite of the crisis. The production of new space will continue to decline during 2010, and this development should have a stabilising effect on rents and occupancy rates in the portfolio properties. The generally difficult business climate has also led to an increase in the demand for older offices at more favourable conditions and, in turn, to an improvement in the occupancy rate in buildings that were difficult to let during boom periods.

Retail property market profits from continuing strong private consumption

The **retail market** has not been heavily affected by the economic crisis due to the surprising resilience of private consumption. The large retail chains are now concentrating on the optimisation of their branch networks instead of growth, but there has been no wave of shop closings. No major vacancies have been noted at good or very good locations, and in the specialty shopping centre segment – a key area of business for IMMOFINANZ – the trend toward site concentration continues. A positive factor for the existing facilities is the recent sharp drop in building permits for new objects.

Rising residential rents

The **residential market** has proved to be very stable throughout the crisis. Average rents continued to rise during 2009, with higher increases at good locations and lower demand for less attractive areas. The interest in condominiums is still high, particularly as an alternative for investors who are worried about inflation. This search for alternative investments has also been reflected in rising demand and higher prices for the traditional "Viennese apartment building".

The situation on the **eastern markets** differs widely. While the first signs of recovery have been noted in a number of Central European EU countries, the market outlook for South-Eastern Europe is significantly weaker. Ukraine has the most severe problems of the non-EU states in this region, and in Russia there is a distinct economic divide between the economic centres of Moscow and St. Petersburg and the rest of the country. According to CB Richard Ellis (CBRE), the demand for office space has fallen by 30 % year-on-year.

Eastern Europe: major differences country to country

Poland has become the model among the new EU countries. Relatively stable economic development has had a favourable influence on both the office and retail markets. The office market was clearly overheated up through mid-2008, but has since settled in at a satisfactory level with top rents of up to EUR 24 in the central business district of Warsaw and EUR 15 to 16 in other good locations. The capital city of Warsaw can demonstrate a top value with a vacancy rate of only 6 %. The mood on the retail market has also improved considerably. Top rents at prime locations have fallen by a substantial amount, but the demand for space in the higher quality segment is generally good and vacancies are minimal.

Bright spot Poland

The market situation in the **Czech Republic** is also satisfactory. The vacancy rate in Prague has risen to slightly more than 10 % and top rents are expected to decline further, but CB Richard Ellis is forecasting a slight decrease in vacancies during 2010 because of the sharp drop in new construction. Moreover, the average rents for quality objects have remained much more stable than top rental prices in the city centre. Although its key indicators are not as promising as the Czech Republic, Jones Lang LaSalle still considers **Slovakia** to be one of the most promising European markets for the future.

Good prospects for the Czech real estate market

The market situation in **Hungary** is extremely problematic. In particular, the retail sector has been negatively affected by a dramatic drop in the purchasing power of the Hungarian population. A recent study by CB Richard Ellis indicates that rents have fallen 15 to 30 % below the record 2007 level, and the trend is still pointing downward. The rental prices for space in specialty shopping centres – a segment in which IMMOFINANZ is heavily invested – have also declined, but to a much lesser extent than the market average.

Hungary: rents down by 15 to 30 %

In the two newest EU member states, **Romania and Bulgaria**, the market situation is also unsatisfactory. Romania is suffering above all from the after-effects of the boom that drove growth up to mid-2008 and produced a substantial volume of retail and office space at the peak of the crisis in 2009. The demand for new space totalled slightly more than 100,000 sqm in 2009, but failed to reach even one-third of the new offering for that year. The situation on the retail market in Bucharest can be classified as acceptable with a vacancy rate of roughly 5 %, but shopping centres in some regional cities now register up to 50 % vacancies.

Southeast Europe: major problems on the Romanian retail market

In **Russia**, the Moscow retail market is of particular importance for IMMOFINANZ. The overheating in this city, which had the highest retail rents in Europe during 2008, was abruptly halted and many lease extensions and new rentals were closed at substantially lower prices. The vacancy rate had risen to roughly 15 % by mid-year. However, the development of rental prices and vacancies in the various shopping centres is very different. For example, Colliers has noted no change in prices or only temporary declines in malls with higher customer frequency.

Russia: the wheat separates from the chaff

Stabilization of german office market on a low level

The office market in **Germany** began to stabilise during the third and fourth quarters after a very weak first half-year. This positive development reflects the fact that the German economy has reached the low point of the crisis, and also mirrors recent upward corrections to economic forecasts. The increase in vacancies has been stopped, above all in Berlin, Frankfurt and Düsseldorf, and the same also applies to rental prices in categories below the absolute top segment. However, the turnover of space on the major German office markets is substantially less than in 2008.

Logistics: stable rents, but significant incentives required

The German logistics market, where IMMOFINANZ is represented by its subsidiary Deutsche Lagerhaus with a portfolio of approx. 1 million sqm of lettable space, was also negatively affected by the economic crisis in 2009. However, this market proved to be more stable than in most other European countries, e.g. in Central and Eastern Europe, Spain or France. According to the property service provider Savills, the highest top rents are currently registered in Munich (EUR 6.40/sqm), Frankfurt (EUR 5.90) and Hamburg (EUR 5.70). This does not represent a change in comparison with the previous year and was only maintained with significant incentives (especially rent-free periods). In general, high-quality properties at favourable locations were better able to stabilise rents and occupancy than simple warehouse objects. New rentals were concluded in part at substantial discounts compared with the previous contracts.

Rising rents on residential market in Berlin

The residential market in Germany produced considerably better results than the commercial property market in this country. In Berlin rents rose slightly year-on-year according to a report by Jones Lang LaSalle, with higher increases registered at less attractive and average locations. IMMOFINANZ owns in total 2.321 apartments in Berlin, mainly in the Spandau and Tempelhof area. A slight increase was also noted in the prices for condominiums. The residential market in Berlin will profit from steady population growth over the mid- and long-term, a situation with which residential construction is currently unable to keep pace (2008: +3,320 apartments).

The offers for residential properties (from average to very good locations) have once again started to reflect rising prices and – similar to the situation for the residential property investment market in total – underscore the general lack of alternative investments and fears of inflation.

The Property Investment Market

The free fall of real estate prices which shaped the European real estate markets into the first half of 2009 was considerably slowed in the second half of the year. This reflects the rising confidence that the economy has reached its low point as well as the fact that the losses incurred between mid-2008 and mid-2009 led to a solid price level substantially below the – to some extent overheated – values of the previous boom period.

Freefall of real estate prices largely stopped

The current EMEA investment analysis by the real estate services provider Colliers shows that the rise in market yields (reflected in declining real estate values) in the second half of 2009 has come to a standstill nearly everywhere. In the countries relevant for IMMOFINANZ prime yields in the office business are only rising in Slovakia. For properties in the B and C categories development is lagging behind and in these segments yields will continue to rise until far into 2010.

Market yields for Category "A" properties stabilised, weaker properties still under pressure

The yield gap between the country markets relevant for IMMOFINANZ rose considerably by annual comparison. While for Austria Colliers reports prime rents of less than five percent and thus scarcely higher than before the crisis, the prime yields in Russia and Ukraine are over ten percent.

Yield differences are considerably greater

Despite the stabilisation of yields, there is no reason to announce an all-clear. Real estate values came under pressure in the third and fourth quarter of 2009 due to declining rents and this development will also continue in a series of important submarkets such as Romania and Hungary in 2010.

Declining rents put pressure on property values

The current market volume is also unsatisfactory. According to Colliers, while it has risen in most of the IMMOFINANZ markets (exceptions: Austria, Hungary), liquidity is still very limited. For developers and investors it is therefore difficult to sell properties in order to enhance liquidity.

Low market volume limits sales opportunities

In contrast, the banks' willingness to provide financing has improved. Financing is being provided again for good properties as well as for development projects, but at considerably less attractive conditions than before the crisis.

SEGMENT AND PORTFOLIO REPORT

Overview of the IMMOFINANZ portfolio

	Revenues in EUR mill.	Book value in EUR mill.	Book value as a % of total portfolio
IMMOAUSTRIA	146.9	3,922.5	44.1 %
IMMOEAST	167.1	3,934.9	44.2 %
IMMOWEST	47.9	1,038.6	11.7 %
IMMOFINANZ TOTAL	**361.9**	**8,896.0**	**100.0 %**

IMMOFINANZ continued to focus on the restructuring and optimisation of its portfolio during the second quarter of the 2009/10 financial year. The completion of development projects as well as active asset and property management to improve earnings and increase the value of the portfolio remained the focal point of activities.

IMMOEAST

Important new and extended lettings

In spite of the extremely difficult market environment, IMMOEAST was able to conclude a number of major new contracts and lease agreements in Central and Eastern Europe during the first half of 2009/10. These successful results reflect the decentralisation of asset management. Roughly 145,000 sqm of new and follow-up contracts were concluded, above all in the office and logistics segments during the reporting period. Nearly 95 % of the expiring rentals and all major office leases were renewed at market conditions. These contracts are indexed to include inflation and have an average term of five years – and will make an important contribution to protecting cash flows over the coming years.

In **Hungary** follow-up rentals were concluded for 45,500 sqm of space, primarily through the renewal of leases in the Euro Business Park (logistics) and the Globe 13 (offices) in Budapest.

A total of 33,500 sqm was rented in the **Czech Republic**, whereby 20,000 sqm of this space represents the extension of a lease by Vodafone in the Vinice office building in Prague.

In **Slovakia** IBM renewed its lease for 18,000 sqm of space in the Millennium Tower II in Bratislava.

In **Poland** Ericsson extended its lease for 5,000 sqm in the Brama Zachodnia.

Rentals in **Romania** totalled 34,000 sqm for the first half of 2009/10, and were related above all to the extension of leases in the Iride Business Park by major tenants that include Raiffeisen, Procter & Gamble and others. In Bucharest, Vodafone renewed its lease for 17,000 sqm of office and logistics space in the Pipera facility. An extremely attractive anchor tenant was found for the Gold Plaza Shopping Center in Baia Mare, which is scheduled to open in autumn 2010: the Cora supermarket chain has signed a pre-letting agreement for approx. 7,500 sqm.

In **Moscow**, two new leases were signed for space in the Golden Babylon Shopping Centre – the textile retailer O'Stin rented 463 sqm and Centro (shoes and handbags) 436 sqm. Additionally, Starbucks signed an agreement for 124 sqm in the 5th Avenue Shopping Centre during October and opened its coffee shop during November.

STOP.SHOP.

In the Czech Republic, IMMOEAST acquired 100 % of the STOP.SHOP. in Tabor (8,409 sqm) and the STOP.SHOP. in Trebic (15,544 sqm). These retail parks have an occupancy rate of nearly 90 % and include tenants such as Hervis, Deichmann, dm Drogeriemarkt, C&A, KiK and New Yorker.

IMMOAUSTRIA

The **renovation of the lower ground floor in the Vienna Twin Tower** was completed during autumn 2009. This redesign give the reception and gastronomy area a new and more modern appearance: attractive portals for the gastronomy facilities, new flooring, an innovative lighting concept and inviting lounge and meeting areas create a friendly atmosphere. The orientation system was also improved with the addition of new bridge connections to the mall level. The public sanitary rooms were renovated and the building services were optimised. These measures have significantly increased the attractiveness of the entire lobby, gastronomy and entertainment areas in the Vienna Twin Tower.

A relaunch was started at the 6,800 sqm **retail park in Oberwart**. This project is intended to modernise the facility and also improve its general appearance. Planning has already been completed and the renovation will take place during winter 2009/10. The occupancy rate has improved as a result of the relaunch, with the addition of new tenants that include Fressnapf, Fussl and Takko.

In the **Office Center Gasometer in 1110 Vienna**, two new leases with 5- and 10-year contracts were signed for roughly 3,000 sqm of office space. These transactions raised the occupancy rate to 76 %.

New rentals in the office building **Am Spitz in 1210 Vienna** totalled 1,500 sqm, and were also based on 5- and 10-year contracts. The occupancy rate in this building now equals 87 %.

The **retail park at the Kornstrasse 6 in 4060 Linz-Leonding** was sold to the main tenant, the Lutz furniture chain, during October 2009. The purchase price for this 4,400 sqm facility amounted to EUR 2.15 million.

The occupancy rate of the **retail park in 4600 Wels** was raised to 100 % by the rental of 1,300 sqm to a sporting goods outlet.

At the **retail park at Triesterstrasse 282 in 1230 Vienna**, 1,300 sqm of the 3,700 sqm space were rented to a well-known cycling wholesaler. The facility is once again fully occupied as a result of this lease.

BUWOG

Construction on the **Heller Fabrik residential park** started on 15 October 2009. This project involves the creation of 239 modern subsidised apartments in several stages, and will include 147 condominiums and 92 rental apartments with a purchase option. The units range from 50 sqm to 130 sqm in size and have an open or glass-enclosed balcony or terrace.

The architectonic quality and diversity is extraordinary and reflects the cooperation with four well-known architectural firms – albert wimmer, lautner-kirisits, querkraft, hermann-valentiny. Housing subsidies, cost-optimised construction methods and a special financing concept make the price/value ratio nearly unequalled. All building sections meet or exceed the lowest energy standards, and one section will be built as a passive energy house. An underground garage with space for 334 cars will provide sufficient parking, and an adventure playground will offer the children exciting recreational opportunities.

The **Rennweg 54 project in the third district of Vienna** marks the entry of BUWOG into the segment of investment apartments. This object with 61 apartments ranging from 42 sqm to 83 sqm is an ideal residential location, only several hundred metres from the inner city with excellent connections to the public transportation system via tram line 71, the U3 underground line and the rapid transit railway. The park adjoining the Belvedere Palace is close by, and the excellent infrastructure with a wide range of shops, restaurants and recreational facilities provides additional benefits for future tenants. The many embassies in the neighbourhood will also contribute to the strong demand forecasted for this location.

IMMOWEST

Sale of the "FWS12" office property in Duisburg

In October a further step was taken to optimise the IMMOWEST portfolio with the sale of the "FWS12" office building in Duisburg to a special fund of Deka ImmobilienInvestment GmbH for EUR 35 million. This property is located in the centre of Duisburg, adjacent to the pedestrian zone. It has 16,000 m² of space and underground parking for 232 cars, and is fully let to five financially sound tenants through long-term contracts. Over 90 % of the space is rented to a corporation owned by the province of North Rhine-Westphalia and the Sparkasse Duisburg.

Sale of the Lenbachgärten project

Two office properties and a five-star-plus hotel in the Munich Lenbachgärten with 42,800 m² of lettable space and a value of more than EUR 200 million were successfully sold during September. This transaction represents the largest sale to date in 2009 on the German market. The buyer is the Munich family office AM alpha GmbH, which manages property investments for a number of wealthy German families.

Gerling Quarter Development Project in Cologne

The former tenant Gerling relocated as planned on 30 September, and preparatory work for demolition began in October. Construction on this Cologne urban quarter with 80,000 m² of apartments, offices, gastronomy facilities and shops is scheduled to start during spring 2010.

Andreas Quarter Development Project in Düsseldorf

The current tenants, the Düsseldorf city courts and the province of North Rhine-Westphalia, will relocate as agreed by 30 April 2010. Demolition and construction on this listed building will begin shortly thereafter.

In the inner city of **Nuremberg** an **office building** with ground floor **retail shops** was acquired as of 15 September (total space: 6,400 m²).

A **logistics property in Nice**, France, was acquired as of 16 September. This fully occupied 17,500 m² object has numerous tenants as well as an excellent location.

After the reporting period

Opening of Golden Babylon Rostokino (Moscow)

This largest shopping mall in Europe opened as planned on 18 November in Moscow: the Golden Babylon Rostokino, in which IMMOFINANZ through its subsidiary IMMOEAST currently owns a stake of 50 %, has 170,000 sqm of lettable space. Leases have been concluded with well-known Russian and international brand retailers for 75 % of the space, and final negotiations are in progress for a further 15 %. A total of 136 tenants opened for business with the start of operations in the mall. The anchor tenants include leading retail chains such as Media Markt, H&M, Inditex (Zara, Zara Home), Maratex (ESPRIT, Orsay), and JamilCo (GUESS, Chevignon, Naf Naf, Levi's) as well as Lacoste, Cacharel, New Yorker, the Castorama building materials chain, the Finnish department house chain Stockmann and the Russian food hypermarket O'key. Rentals are expected to total EUR 100 million per year when the facility is fully occupied and will make a sustainable contribution to the optimisation of IMMOFINANZ cash flows after the facility is fully acquired.

Opening of STOP.SHOP.s in the Czech Republic

STOP.SHOP. retail parks were opened in the cities of Zatec and Usti Nad Orlici during November. IMMOEAST currently owns stakes of 50.5 % and 50 %, respectively, in these specialty shopping centres. Plans call for the acquisition of the remaining shares over the coming months.

An **office and commercial building** at a top location on the main shopping street in the inner city of **Hamburg** with 6,500 sqm of lettable space was acquired as of 30 November 2009. The major tenants are Adidas, WMF and Fossil.

Consolidated Income Statement

All amounts in TEUR	1 August 2009 – 31 October 2009	1 May 2009 – 31 October 2009	1 August 2008 – 31 October 2008	1 May 2008 – 31 October 2008 [2]	1 May 2009 – 31 October 2009 excl. foreign exchange effects [3]
Revenues	**175,486.8**	**361,881.8**	**182,049.1**	**363,687.2**	**361,881.8**
Other operating income [2]	30,812.0	58,088.7	15,403.4	59,394.9	58,088.7
Expenses related to properties [1]	-61,414.5	-123,229.7	-64,468.0	-133,919.9	-123,229.7
Other operating expenses [2]	-35,578.3	-66,060.7	-69,648.6	-116,939.4	-66,060.7
Personnel expenses	-5,670.3	-12,244.6	-5,758.2	-10,639.7	-12,244.6
Cost of goods sold	-1,509.5	-7,468.0	-4,261.9	-4,651.8	-7,468.0
Results of operations (EBITDA)	**102,126.2**	**210,967.5**	**53,315.8**	**156,931.3**	**210,967.5**
Revaluation of properties	10,815.6	23,858.7	-821,668.9	-1,112,672.3	76,342.4
Depreciation and amortisation [1]	-6,516.6	-10,203.5	-573,601.5	-576,957.6	-9,645.9
Addition to provision for onerous contracts	**0.0**	**0.0**	**-316,622.1**	**-316,622.1**	**0.0**
Operating profit (EBIT)	**106,425.2**	**224,622.7**	**-1,658,576.7**	**-1,849,320.7**	**277,664.0**
Net financing costs	-33,004.7	-57,045.0	-62,740.0	-92,694.4	-57,045.0
Other financial results	-47,483.8	12,938.3	-573,764.6	-472,449.8	-5,773.1
Share of profit/(loss) from associated companies	26,872.8	26,872.8	-233,135.9	-233,135.9	26,872.8
Financial results	**-53,615.7**	**-17,233.9**	**-869,640.5**	**-798,280.1**	**-35,945.3**
EARNINGS BEFORE TAX (EBT)	**52,809.5**	**207,388.8**	**-2,528,217.2**	**-2,647,600.8**	**241,718.7**
Income taxes	-25,548.0	-43,898.9	450,247.1	472,976.0	
Net profit for the period	**27,261.5**	**163,489.9**	**-2,077,970.1**	**-2,174,624.8**	
Due to equity holders of the parent company	**-659.2**	**84,531.3**	**-1,476,607.7**	**-1,551,099.8**	
Due to minority interests	**27,920.7**	**78,958.6**	**-601,362.4**	**-623,525.0**	
Basic earning per share in EUR	**0.00**	**0.18**	**-3.18**	**-3.34**	
Diluted earnings per share in EUR	**0.04**	**0.13**	**-2.46**	**-2.56**	

[1] Impairment charges to receivables were reclassified from 'expenses related to properties' to 'depreciation and amortisation'. The comparable prior year data (Q1 2008/09: TEUR 648.1) were adjusted accordingly.

[2] In order to improve comparability, TEUR 1.1 were reclassified between 'other operating income' and 'other operating expenses' in the prior year

[3] Only revaluation results and other financial results were adjusted for foreign exchange effects; the other components of earnings were not adjusted because this would have only been possible at unreasonable expense.

Statement of Comprehensive Income

All amounts in TEUR	1 May 2009 – 31 October 2009	1 May 2008 – 31 October 2008
Net profit for the period	**163,489.9**	**-2,174,624.8**
Other results recognised directly in equity		
Fair value reserve	4,739.0	-61,972.9
Deferred taxes recognised directly in equity	-161.2	16,172.6
Currency translation adjustment	14,518.5	51,987.6
Total other results recognised directly in equity	**19,096.3**	**6,187.3**
Total comprehensive income	**182,586.2**	**-2,168,437.5**
Due to equity holders of the parent company	**94,360.2**	**-1,549,239.4**
Due to minority interests	**88,226.0**	**-619,198.1**

The statement of comprehensive income is a requirement of the revised IAS 1. Please refer to section 1, Accounting and Valuation Principles.

Consolidated Balance Sheet as of 31 October 2009

All amounts in TEUR	31 October 2009	30 April 2009
Investment property	7,898,078.6	7,890,236.0
Property under construction	716,962.1	572,674.5
Other tangible assets	22,507.2	22,382.9
Intangible assets	190,775.3	185,018.3
Shares in associated companies	166,213.5	144,818.3
Other financial instruments	360,303.2	402,605.1
Receivables and other assets	664,386.0	629,106.3
Deferred tax assets	192,445.1	184,869.2
Non-current assets	**10,211,671.0**	**10,031,710.5**
Receivables and other assets	686,609.7	680,616.6
Properties held for sale	34,550.0	5,173.5
Inventories	246,376.4	236,466.8
Financial instruments	946.8	1,775.8
Cash and cash equivalents	594,320.1	712,987.1
Current assets	**1,562,803.0**	**1,637,019.9**
ASSETS	**11,774,474.0**	**11,668,730.4**
Share capital	476,579.0	476,579.0
Reserves	2,432,007.1	2,432,007.1
Revaluation reserve	113,084.4	113,619.7
Retained earnings and consolidated profit	-648,415.3	-736,431.4
Currency translation adjustment	-98,344.9	-104,418.0
	2,274,910.3	**2,181,356.4**
Minority interests	2,472,046.9	2,383,911.2
Equity	**4,746,957.2**	**4,565,267.6**
Long-term financial liabilities	4,670,519.7	4,548,211.3
Trade accounts payable	3,348.2	4,282.3
Provisions	149,553.9	171,026.8
Other liabilities	227,972.8	241,136.0
Deferred tax liabilities	847,101.4	794,197.0
Non-current liabilities	**5,898,496.0**	**5,758,853.3**
Short-term financial liabilities	818,981.7	1,008,490.7
Trade accounts payable	56,575.7	72,528.4
Provisions	90,421.8	92,570.3
Other liabilities	163,041.6	171,020.1
Current liabilities	**1,129,020.8**	**1,344,609.4**
EQUITY AND LIABILITIES	**11,774,474.0**	**11,668,730.4**

Statement of Changes in Equity

Financial Year 2009/10

All amounts in TEUR	Share capital	Capital reserves	Revaluation reserve	Retained earnings	Currency translation adjustment	Minority interests	TOTAL
Balance on 30 April 2009	**476,579.0**	**2,432,007.1**	**113,619.7**	**-736,431.4**	**-104,418.0**	**2,383,911.2**	**4,565,267.6**
Fair value reserve				4,419.0		320.0	4,739.0
Deferred taxes recognised directly in equity				-545.6		384.4	-161.2
Currency translation adjustment			-7.1	-49.9	6,012.5	8,563.0	14,518.5
Net income recognised directly in equity			**-7.1**	**3,823.5**	**6,012.5**	**9,267.4**	**19,096.3**
Net profit as of 31 October 2009				84,531.3		78,958.6	163,489.9
Total recognised income and expense for the period			**-7.1**	**88,354.8**	**6,012.5**	**88,226.0**	**182,586.2**
Distribution						-701.3	-701.3
Structural changes			-421.4	-304.8	-7.0	604.6	-128.6
Change in consolidation method/ addition to consolidation range			-106.8		67.6	-27.5	-66.8
Common Control Transactions				-33.9		33.9	0.0
BALANCE ON 31 OCTOBER 2009	**476,579.0**	**2,432,007.1**	**113,084.4**	**-648,415.3**	**-98,344.9**	**2,472,046.9**	**4,746,957.2**

Financial Year 2008/09

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 taxes 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**

Segment Reporting

Segmentation by regions

	IMMOAUSTRIA		IMMOEAST	
All ammounts in TEUR	**Q2 2009/10**	**Q2 2008/09**	**Q2 2009/10**	**Q2 2008/09**
Offices	22,144.4	25,804.8	58,663.3	60,354.8
Logistics/commercial	16,853.8	17,133.1	8,081.0	12,568.7
Retail	3,823.2	4,605.6	49,354.2	47,132.3
Recreation/hotel	3,800.5	2,452.6	245.1	278.9
Residential	54,049.9	51,326.5	24.1	22.7
Parking	2,314.5	8,496.5	3,237.2	3,450.5
Rental income	**102,986.3**	**109,819.1**	**119,604.9**	**123,807.9**
Sale of inventories	4,966.3	1,543.9	4,242.0	0.0
Operating costs charged to tenants	34,363.1	34,172.3	40,925.6	39,347.8
Other revenues	4,566.2	5,196.8	2,375.3	3,480.9
Revenues	**146,881.9**	**150,732.1**	**167,147.8**	**166,636.6**
Other operating income [1]	29,231.3	39,973.9	20,983.7	28,589.6
Expenses related to properties	-64,468.6	-69,575.5	-46,198.3	-53,426.7
Other operating expenses [1]	-26,903.5	-33,608.5	-24,980.7	-76,720.4
Personnel expenses	-6,186.9	-7,537.5	-2,888.0	-1,024.2
Cost of goods sold	-4,504.7	-1,395.3	-2,991.7	-3,018.7
Results of operations (EBITDA)	**74,049.5**	**78,589.2**	**111,072.8**	**61,036.1**
Revaluation of properties	3,038.5	-291,055.4	22,314.1	-758,849.4
Depreciation and amortisation	-3,424.3	-5,945.0	-6,399.2	-557,825.1
Addition to provision for onerous contracts	0.0	-5,767.5	0.0	-294,122.1
Operating profit (EBIT)	**73,663.7**	**-224,178.7**	**126,987.7**	**-1,549,760.4**
SEGMENT ASSETS	**5,299,212.2**	**6,511,956.0**	**5,573,610.3**	**9,136,361.3**
SEGMENT LIABILITIES	**2,803,754.0**	**4,997,173.7**	**2,488,804.7**	**2,802,330.0**

[1] In order to improve comparability, TEUR 1.1 were reclassified between ‚other operating income' and other ‚operating expenses' in the prior year.

IMMOWEST		Other and Group elimination		IMMOFINANZ Group	
Q2 2009/10	Q2 2008/09	Q2 2009/10	Q2 2008/09	Q2 2009/10	Q2 2008/09
5,770.0	5,817.9	0.0	0.0	86,577.7	91,977.5
24,335.1	23,683.3	0.0	0.0	49,269.9	53,385.1
853.6	615.2	0.0	0.0	54,031.0	52,353.1
3,113.1	2,980.5	0.0	0.0	7,158.7	5,712.0
6,902.3	6,262.4	0.0	0.0	60,976.3	57,611.6
469.6	543.0	0.0	0.0	6,021.3	12,490.0
41,443.7	**39,902.3**	**0.0**	**0.0**	**264,034.9**	**273,529.3**
141.1	260.2	0.0	0.0	9,349.4	1,804.1
5,878.4	6,022.2	0.0	0.0	81,167.1	79,542.3
388.9	133.8	0.0	0.0	7,330.4	8,811.5
47,852.1	**46,318.5**	**0.0**	**0.0**	**361,881.8**	**363,687.2**
17,453.3	2,393.8	-9,579.6	-11,562.4	58,088.7	59,394.9
-12,562.8	-10,917.7	0.0	0.0	-123,229.7	-133,919.9
-12,485.8	-9,583.6	-1,690.7	2,973.1	-66,060.7	-116,939.4
-1,515.6	-1,576.7	-1,654.1	-501.3	-12,244.6	-10,639.7
29.7	-1,481.5	-1.3	1,243.7	-7,468.0	-4,651.8
38,770.9	**25,152.8**	**-12,925.7**	**-7,846.9**	**210,967.5**	**156,931.3**
-1,493.9	-62,767.5	0.0	0.0	23,858.7	-1,112,672.3
-415.2	-13,142.9	35.2	-44.6	-10,203.5	-576,957.6
0.0	-16,732.5	0.0	0.0	0.0	-316,622.1
36,861.8	**-67,490.1**	**-12,890.5**	**-7,891.5**	**224,622.7**	**-1,849,320.7**
1,466,101.6	**1,822,644.9**	**-564,450.1**	**-3,723,656.7**	**11,774,474.0**	**13,747,305.5**
1,319,749.7	**1,342,991.5**	**415,208.3**	**-1,097,559.6**	**7,027,516.7**	**8,044,935.6**

Consolidated Cash Flow Statement

All amounts in TEUR	1 May 2009 – 31 October 2009	1 May 2008 – 31 October 2008
Earnings before tax	207,388.8	-2,647,600.8
Revaluation/amortisation/reversal of negative goodwill	33,972.1	1,673,670.3
Share of profit/(loss) from associated companies	-26,872.8	233,135.9
Gain/(loss) on the sale of non-current assets	-27,406.7	-8,641.2
Gains on the change in investments	-7,106.8	-10,287.3
Temporary changes in the fair value of financial instruments	-45,583.8	145,504.8
Income taxes paid	-5,119.1	-20,131.1
Net financing costs	56,041.7	90,253.2
Other non-cash income/(expenses)	-11,365.1	639,775.7
GROSS CASH FLOW	**173,948.3**	**95,679.5**
Receivables and other assets	-44,157.4	-208,969.2
Trade accounts payable	-18,079.2	7,217.4
Provisions (excl. provisions for taxes and onerous contracts)	6,016.0	2,395.4
Other liabilities	69,321.3	8,899.6
CASH FLOW FROM OPERATING ACTIVITIES	**187,049.0**	**-94,777.3**
Acquisition of property	-206,172.1	-420,963.2
Acquisition of property companies less cash and cash equivalents	-9,375.0	-61,692.1
Acquisition of other tangible assets	-1,926.3	-2,539.2
Acquisition of intangible assets	-1,050.8	-1,023.8
Acquisition of financial instruments	-28,436.0	-247,266.8
Proceeds from the sale of property companies less cash and cash equivalents	42,036.6	34,540.3
Proceeds from the sale of non-current assets	32,458.5	55,881.6
Proceeds from the sale of financial instruments	15,153.7	15,353.9
Interest income from financial instruments	4,911.6	25,701.6
CASH FLOW FROM INVESTING ACTIVITIES	**-152,399.8**	**-602,007.7**
Cash inflows from long-term financing	112,862.2	354,835.6
Cash inflows from capital increases	0.1	0.0
Cash outflows from changes in investments	-127.6	-914.2
Repayment of short-term debt	-100,543.4	-172,563.4
Repayment of long-term debt	-102,857.9	0.0
Interest expense	-67,901.6	-104,123.9
Distribution	-701.3	0.0
CASH FLOW FROM FINANCING ACTIVITIES	**-159,269.5**	**77,234.1**
Differences arising from foreign currency translation	5,124.2	2,081.0
CHANGE IN CASH AND CASH EQUIVALENTS	**-119,496.1**	**-617,469.9**
Cash and cash equivalents at the beginning of the period	714,762.9	1,181,331.6
Cash and cash equivalents at the end of the period	595,266.8	563,861.7
CHANGE IN CASH AND CASH EQUIVALENTS	**-119,496.1**	**-617,469.9**

NOTES

1. Accounting and Valuation Principles

The interim financial report of IMMOFINANZ AG as of 31 October 2009 was prepared in accordance with the International Financial Reporting Standards (IFRS) that were valid as of the balance sheet date, to the extent that these standards had been 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 interim financial report was prepared according to the rules of IAS 34.

For information on the IFRS applied by IMMOFINANZ AG at the time this interim financial report was prepared, see the consolidated financial statements as of 30 April 2009. There were no changes in the standards applied, with the exception of the points listed below.

The preparation of this interim financial report reflects the initial application of the revised IAS 40 (Investment Property), IAS 1 (Presentation of Financial Statements) and IAS 23 (Borrowing Costs), which are applicable to financial years beginning on or after 1 January 2009.

The changes to IAS 40 relate to the valuation of property under construction (development projects). These projects were previously valued at amortised cost, but must now be stated at fair value. This change in accounting policy had the following effect on the consolidated income statement of IMMOFINANZ AG: the development projects contained hidden reserves as of the balance sheet date on 30 April 2009, which were recognised through profit or loss during the first half of 2009/10. Beginning on 1 May 2009, changes in the fair value of these properties were included under revaluation results and totalled TEUR 116,446.5, respectively TEUR 121,611.3 after an adjustment for foreign currency effects (also see point 4.1 Revaluation), as of 31 October 2009.

One of the major changes to IAS 1 is the statement of comprehensive income, which presents the components of profit or loss recognised to the income statement as well as the components of income and expenses recognised directly in equity.

In accordance with the revised IAS 23, borrowing costs must be capitalised as of 1 January 2009. This revision did not lead to any change in accounting or valuation policies because it represents the method previously applied by IMMOFINANZ AG.

New expert opinions were not commissioned to establish the fair value of the IMMOFINANZ properties as of 31 October 2009.

The interim 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.

2. Consolidation range

2.1. Initial consolidations

The following acquisitions and newly founded companies were added to the IMMOFINANZ consolidation range as of 31 October 2009:

Segment	Country	Head-quarters	Company	Stake	Consolidation method	Initial consolidation
IMMOAUSTRIA	A	Vienna	Rennweg 54 OG	100.00 %	V	05.05.2009
IMMOAUSTRIA	A	Vienna	BUWOG – Facility Management GmbH	100.00 %	V	24.08.2009
IMMOAUSTRIA	A	Vienna	IMMOEAST Immobilien GmbH	100.00 %	V	07.10.2009
IMMOEAST	H	Budapest	Center Invest Bcsaba Kft.	100.00 %	V	14.07.2009
IMMOEAST	H	Budapest	STOP.SHOP. Kisvárda Kft.	100.00 %	V	14.07.2009
IMMOWEST	F	Paris	EURL DU LOGISTIQUES NICE	100.00 %	V	16.09.2009

V = Full consolidation

Immoeast Luxembourg 1 Sarl was sold by Immoeast Presto Beteiligungs GmbH to Immowest Beteiligungs GmbH as of 1 July 2009 und subsequently renamed Immowest Lux VIII Sarl. This represented a transaction under common control and therefore had no effect on assets or liabilities. However, there was a shift of TEUR 33.9 in equity between the shareholders of the parent company and minority interests.

2.2. Deconsolidations

The following companies were sold or liquidated during the reporting period:

Segment	Country	Headquarters	Company	Stake	Consolidation method	Date
IMMOEAST	L	Luxembourg	Immoeast Luxembourg 1 SARL	100.00 %	V	01.07.2009
IMMOEAST	L	Luxembourg	Multi-ImmoEast Central European Property Fund C.V.	45.00 %	Q	31.07.2009
IMMOEAST	L	Luxembourg	Immoeast Luxembourg 2 SARL	100.00 %	V	05.08.2009
IMMOEAST	PL	Warsaw	ImmoPoland Residential I Sp. Z o.o. w likwidacji	47.50 %	Q	09.10.2009
IMMOEAST	RO	Bucharest	NH Entity Corporation SRL	50.00 %	Q	01.08.2009
IMMOEAST	RO	Bucharest	NH Global Time SRL	50.00 %	Q	01.08.2009
IMMOEAST	RO	Bucharest	NH Pacific Corporation SRL	50.00 %	Q	01.08.2009
IMMOWEST	D	Frankfurt	Immowest Lenbachgärten 1 GmbH & Co. KG	100.00 %	V	09.09.2009
IMMOWEST	D	Frankfurt	Immowest Lenbachgärten 3 GmbH & Co. KG	100.00 %	V	09.09.2009
IMMOWEST	D	Frankfurt	Immowest Lenbachgärten 4 GmbH & Co. KG	100.00 %	V	09.09.2009
IMMOWEST	D	Frankfurt	Immowest Lenbachgärten 2 GmbH & Co. KG	100.00 %	V	10.09.2009
IMMOWEST	D	Frankfurt	Immowest Lenbachgärten 5 GmbH & Co. KG	100.00 %	V	10.09.2009
IMMOWEST	D	Frankfurt	Immowest Lenbachgärten 6 GmbH & Co. KG	100.00 %	V	10.09.2009
IMMOWEST	L	Luxembourg	IMF Luxemburg I S.à.r.l.	100.00 %	V	11.09.2009
IMMOWEST	L	Luxembourg	IMF Luxemburg II S.à.r.l.	100.00 %	V	11.09.2009
IMMOWEST	L	Luxembourg	IMF Luxemburg III S.à.r.l.	100.00 %	V	11.09.2009

V = Full consolidation, Q = Proportionate consolidation

2.3. Structural changes and transition consolidations

IMMOFINANZ purchased additional shares in the following companies during the first half of 2009/10:

				Before		After		
Segment	Country	Head-quarters	Company	Stake	Consolidation method	Stake	Consolidation method	Date
IMMOAUSTRIA	A	Vienna	REVIVA Am Spitz Liegenschafts AG	86.80 %	V	100.00 %	V	01.05.2009
IMMOEAST	CZ	Prague	STOP.SHOP.Rakovnik s.r.o.	50.00 %	Q	100.00 %	V	18.06.2009
IMMOEAST	CZ	Znaimo	Nakupni Centrum Trebic s.r.o.	50.50 %	Q	100.00 %	V	30.09.2009
IMMOEAST	CZ	Znaimo	Nakupni Centrum AVENTIN Tabor s.r.o.	50.50 %	Q	100.00 %	V	30.09.2009

V = Full consolidation, Q = Proportionate consolidation

The stake owned in REVIVA Am Spitz Liegenschafts AG equals 100 % less one share.

3. Notes to the Balance Sheet

3.1. Investment property

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

All amounts in TEUR	Investment properties
Balance on 1 May 2009	**7,711,569.7**
Change in consolidation range	-74,067.9
Change in consolidation method	16,245.5
Currency translation adjustments	40,413.7
Additions	102,687.9
Disposals	-13,499.1
Reclassification	55,965.6
Balance on 31 October 2009	**7,839,315.4**

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

All amounts in TEUR	Investment properties
Balance on 1 May 2009	**7,895,409.4**
Change in consolidation range	-66,780.4
Change in consolidation method	18,772.1
Currency translation adjustments	39,816.5
Additions	102,687.9
Disposals	-12,469.5
Revaluation	-92,587.8
Reversal of provisions for onerous contracts	-4,279.0
Reclassification	51,509.4
Balance on 31 October 2009	**7,932,078.6**

The development of the cost of property under construction is shown in the following table:

All amounts in TEUR	Property under construction
Balance on 1 May 2009	**808,712.5**
Change in consolidation range	-26,565.8
Change in consolidation method	814.1
Currency translation adjustments	732.5
Additions	103,484.2
Disposals	-1,147.1
Reclassification	-56,008.9
Balance on 31 October 2009	**830,021.5**

The development of the fair value of property under construction is shown in the following table:

All amounts in TEUR	Property under construction
Balance on 1 May 2009	**572,674.5**
Change in consolidation range	-26,565.8
Change in consolidation method	814.1
Currency translation adjustments	3,282.3
Additions	103,484.2
Disposals	-1,147.1
Revaluation	116,446.5
Reclassification	-51,476.6
Balance on 31 October 2009	**717,512.1**

3.2. Net asset value

Net asset value is calculated in accordance with Best Practices Policy Recommendation (6.3) of the European Public Real Estate Association (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 to equity 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.

The result of the calculation is as follows:

All amounts in TEUR	31 October 2009		30 April 2009		31 October 2008	
Equity before minority interests	2,274,910.3		2,181,356.4		2,796,852.8	
Goodwill	-185,886.9		-180,876.9		-246,733.8	
Deferred tax assets	-74,606.0		-184,869.2		-299,025.9	
Deferred tax liabilities	792,750.9	2,807,168.3	794,197.0	2,609,807.3	873,971.8	3,125,064.9
Property under construction (carrying value)	716,962.1		572,674.5		718,679.2	
Property under construction (fair value)	716,962.1	0.0	605,991.9	33,317.3	963,358.2	244,679.0
Inventories (carrying value)	246,376.4		236,466.8		268,847.3	
Inventories (fair value)	255,222.4	8,845.9	246,386.4	9,919.5	277,166.5	8,319.2
Properties held for sale (carrying value)	34,550.0		0.0		128,800.0	
Properties held for sale (fair value)	34,550.0	0.0	0.0	0.0	128,800.0	0.0
Shares in associated companies (carrying value)	166,213.5		144,818.3		302,530.2	
Shares in associated companies (fair value)	166,213.5	0.0	144,818.3	0.0	304,291.6	1,761.4
Minority interests		-237,829.0		-241,214.7		-133,628.8
Net Asset Value		**2,578,185.3**		**2,411,829.4**		**3,246,195.7**
Number of shares (in 1.000)		459,050.9		459,050.9		459,050.9
Net asset value per share (in EUR)		**5.62**		**5.25**		**7.07**

3.3. Book value per share

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

	31 October 2009	30 April 2009	31 October 2008
Equity before minority interests in TEUR	2,274,910.3	2,181,356.4	2,796,852.8
Number of shares (in 1,000)	459,050.9	459,050.9	459,050.9
Book value per share in EUR	**4.96**	**4.75**	**6.09**

3.4. Other financial instruments

"Other financial instruments" of TEUR 360,303.2 are comprised primarily of miscellaneous investments in other companies.

At the end of September the stakes in the Avalon Bay Value Added Fund were sold. The sale led to a loss in the amount of TEUR 770.4. The book value of the investment was TEUR 6,078.60.

The investment in the Bulgarian Prime Property BG Reit was sold during October 2009. This transaction generated a loss of TEUR 655.6. The book value of the disposal was TEUR 6,401.3.

Information on the valuation of IAS 39 investments is provided in section 4.5.

This position also includes TEUR 27,204.9 of originated loans, which were granted primarily to finance housing as part of the refugee programme that was coupled with the Austrian State Treaty as well as a loan for the construction of housing for federal civil servants that was granted to BUWOG Bauen und Wohnen GmbH.

This position also includes derivative financial instruments with a positive market value of TEUR 709.7.

3.5. Receivables and other assets

All amounts in TEUR	31 October 2009	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2009
Trade accounts receivable					
Rents receivable	36,194.0	35,471.0	718.9	4.1	36,738.4
Miscellaneous	25,862.8	25,859.9	0.0	2.9	34,793.8
Accounts receivable from joint venture partners	**393,985.7**	**22,442.5**	**277,680.8**	**93,862.4**	**366,224.3**
Accounts receivable from associated companies	**48,233.9**	**5,111.5**	**0.0**	**43,122.4**	**39,917.6**
Other receivables and assets					
Cash and cash equivalents, blocked	113,826.0	113,826.0	0.0	0.0	115,998.2
Financing	567,750.7	370,536.9	1,665.1	195,548.7	560,682.0
Tax authorities (transaction taxes)	58,192.2	20,179.9	38,012.3	0.0	64,413.8
Administrative duties	91.1	91.1	0.0	0.0	104.1
Property management	5,234.8	4,955.5	204.3	75.0	6,701.9
Tax authorities (income taxes)	10,415.5	10,355.5	60.0	0.0	14,693.8
Insurance	494.0	482.6	0.0	11.4	1,186.3
Commissions	4,126.4	1,754.7	2,009.4	362.3	3,932.3
Accrued interest	1,741.2	1,741.2	0.0	0.0	1,503.5
Costs for the procurement of funds	920.7	100.1	429.1	391.5	970.8
Outstanding purchase price receivables – sale of properties	22,318.1	22,190.7	127.4	0.0	17,049.1
Outstanding purchase price receivables – sale of stakes	6,629.2	6,611.2	0.0	18.0	4,863.6
Miscellaneous	54,979.4	44,899.4	4,073.0	6,007.0	39,949.3
TOTAL	**1,350,995.7**	**686,609.7**	**324,980.3**	**339,405.7**	**1,309,722.9**

Current receivables from financing transactions include TEUR 350,000.0 due from IMMOFINANZ Beteiligungs AG/ Constantia Packaging B.V.

“Miscellaneous other receivables and assets“ include VAT receivables and receivables arising from financing as well as accruals for operating expenses and other items.

3.6. Derivative financial instruments

The derivative financial instruments used by IMMOFINANZ AG to hedge interest rate and foreign exchange risk are recorded as independent transactions and not as hedge transactions. Derivative financial instruments are stated at market value, and 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 acquired by IMMOFINANZ since 1 May 2009:

Company	Derivative	Currency	Beginning	End	Financial institution	Fixed interest rate	Hedge	Currency	Reference value 31 October 2009 in 1,000	Market value 31 October 2009 in TEUR
Deutsche Lagerhaus Essen GmbH u. Co KG	SWAP	EUR	26.05.2009	30.05.2014	National-Bank Aktiengesellschaft	2.95 %	Interest rate	EUR	7,500.0	-118.6
Deutsche Lagerhaus International GmbH	SWAP	CHF	27.04.2009	31.12.2014	UBS	1.77 %	Interest rate	CHF	15,000.0	-173.1
IMMOWEST Beteiligungs GmbH	SWAP	EUR	11.09.2009	31.07.2013	EUROHYPO AG	2.21 %	Interest rate	EUR	58,000.0	-4,497.3
Deutsche Lagerhaus Niederaula GmbH u.Co KG	FX FORWARD	EUR/ CHF	01.09.2009	30.03.2011	IKB International S.A.	-	Foreign currency (CHF)	CHF	2,631.0	89.1

Information on the existing derivative financial instruments is provided in the consolidated financial statements as of 30 April 2009.

Derivatives with a positive market value are included on the balance sheet under "other financial instruments". Derivatives with a negative market value are shown on the balance sheet under "other liabilities".

3.7. Financial liabilities

Werte in TEUR	31 October 2009	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2009
Liabilities arising from the issue of convertible bonds	1,019,664.7	24,582.3	818,274.8	176,807.6	1,030,299.1
Amounts due to financial institutions	4,007,068.2	750,678.4	1,674,616.0	1,581,773.8	4,052,276.8
Thereof guaranteed	0.0	0.0	0.0	0.0	0.0
Thereof secured by collateral	3,440,476.3	693,498.9	1,202,625.4	1,544,352.0	3,546,898.1
Thereof not secured by collateral	566,591.9	57,179.5	471,990.6	37,421.8	505,378.8
Amounts due to local authorities	370,684.2	18,886.5	78,661.5	273,136.2	373,644.9
Liabilities arising from finance leases	76,891.4	16,042.5	26,282.1	34,566.8	80,230.9
Liabilities arising from the issue of bonds	3,038.8	153.1	2,885.7	0.0	3,042.3
Financial liability, limited partnership interest	7,795.1	7,758.7	0.0	36.4	7,488.7
Other financial liabilities	4,359.0	880.2	2,842.7	636.1	9,719.3
TOTAL	**5,489,501.4**	**818,981.7**	**2,603,562.8**	**2,066,956.9**	**5,556,702.0**

The key conditions of financial liabilities as of 31 October 2009 are as follows:

	Currency	Interest rate fixed/variable	Remaining liability per company in 1,000	Remaining liability per company in TEUR	Consolidated remaining liability per company [1] in 1,000	Consolidated remaining liability per company [1] in TEUR	Balance sheet in TEUR
Liabilities arising from the issue of convertible bonds	**EUR**					**1,097,700.0**	**1,019,664.7**
Amounts due to financial institutions	CHF	variable	176,796.5	117,083.8	164,467.3	108,918.7	
(Loans and cash advances)	CHF	fixed	42,866.5	28,388.4	42,866.5	28,388.4	
	CZK	variable	6,696.6	253.1	3,381.8	127.8	
	EUR	variable	3,431,685.2	3,431,685.2	3,011,749.0	3,011,749.0	
	EUR	fixed	538,305.0	538,305.0	453,095.3	453,095.3	
	PLN	variable	17,795.6	4,197.1	12,456.9	2,937.9	
	RON	variable	16,262.8	3,782.0	12,059.9	2,804.6	
	USD	variable	108,272.8	73,157.3	100,844.8	68,138.4	
	USD	fixed	144,192.0	97,427.0	79,028.2	53,397.4	
	EUR	variable	206,065.5	206,065.5	206,065.5	206,065.5 [2]	
	EUR	fixed	80,924.5	80,924.5	80,924.5	80,924.5 [2]	
Total liabilitites due to financial institutions				**4,581,268.8**		**4,016,547.6**	**4,007,068.2 [3]**
Amounts due to local authorities	**EUR**	**fixed**	**569,498.0**	**569,498.0**	**569,498.0**	**569,498.0 [2]**	**370,684.2 [4]**
Liabilities arising from the issue of bonds	EUR	variable	1,453.5	1,453.5	1,453.5	1,453.5 [2]	
	EUR	fixed	1,453.5	1,453.5	1,453.5	1,453.5 [2]	
Total liabilities from the issue of bonds				**2,906.9**		**2,906.9**	**3,038.8**
Finance leases	**EUR**					**117,533.3**	**76,891.4 [5]**
Financial liability, limited partnership interest							**7,795.1**
Others							**4,359.0**
Total							**5,489,501.4**

[1] Excl. associated companies

[2] Relates to BUWOG Bauen und Wohnen Gesellschaft mbH and ESG Wohnungsgesellschaft mbH

[3] Discounted present value of the interest advantage from low-interest government loans in BUWOG Bauen und Wohnen Gesellschaft mbH and ESG Wohnungsgesellschaft mbH

[4] Discounted present value of the interest advantage of liabilities to local authorities in the BUWOG Bauen und Wohnen Gesellschaft mbH and ESG Wohnungsgesellschaft mbH

[5] Discounted interest component of finance leasing liabilities

Incentive Program for the Members of the Executive Board of IMMOEAST AG and IMMOFINANZ AG

In the course of 2009 IMMOFINANZ AG has repurchased 269 convertible bonds 2014 (CB2014) and 480 convertible bonds 2017 (CB2017) for the total amount of EUR 74,900,000 at a discount of the nominal value. 82 pieces of repurchased CB2014 and 88 pieces of repurchased CB2017 were sold as part of a planned long-term incentive program to members of the Executive Board of IMMOFINANZ AG and IMMOEAST AG. To finance the purchase of the convertible bonds a loan of approximately one million euro was granted to the members of the Board each under the planned long-term incentive program on arm's length terms and the repayment claims of IMMOFINANZ AG for the granted loans were secured by the disposed convertible bonds.

3.8. Other liabilities

All amounts in TEUR	31 October 2009	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2009
Present value of derivative financial instruments (liabilities)	90,065.5	0.0	90,065.5	0.0	105,351.6
Rental and lease prepayments	60,350.2	42,175.2	16,029.5	2,145.5	54,805.3
Tax authorities (transaction taxes)	11,590.3	11,533.0	3.3	54.0	15,924.7
Property management	4,280.8	4,240.8	0.0	40.0	5,276.6
Amounts due to joint venture partners	30.6	1.9	0.0	28.7	44.1
Participation rights and silent partners' interests	1,802.2	810.2	0.0	992.0	1,778.4
Amounts due to associated companies	52.4	52.4	0.0	0.0	102.9
Tax authorities (income taxes)	972.2	972.2	0.0	0.0	1,234.2
Construction and refurbishment	21,498.3	14,732.0	5,184.0	1,582.3	17,255.9
Income received from the sale of rental rights	345.5	210.1	106.5	28.9	461.2
Outstanding purchase prices (share deals)	17,497.9	17,451.1	46.8	0.0	20,141.1
Outstanding purchase prices (acquisition of properties)	2,675.9	0.0	2,675.9	0.0	19,367.9
Miscellaneous	179,852.6	70,862.7	52,368.9	56,621.0	170,412.2
TOTAL	**391,014.4**	**163,041.6**	**166,480.4**	**61,492.4**	**412,156.0**

The „liabilities arising from outstanding purchase prices (share deals)" represent amounts due in connection with the acquisition of companies. This position includes a liability of TEUR 3,492.3 in connection with the acquisition of Atrium Park Kft. In addition, TEUR 5,177.3 are related to the purchase of a 50 % stake in Caterata Limited, TEUR 2,667.5 to the purchase of a 100 % stake in Brno Estates a.s. and TEUR 2,622.0 to the purchase of various STOP.SHOP. retail parks in Hungary and Slovakia.

Miscellaneous liabilities include TEUR 42,367.1 of financing and deposits owed by BUWOG Bauen und Wohnen Gesellschaft mbH, ESG Wohnungsgesellschaft mbH Villach and "Heller Fabrik" Liegenschaftsverwertungs GmbH.

4. Notes to the Income Statement

4.1. Revaluation

Revaluations totalling TEUR 23,858.7 were recognised to the IMMOFINANZ AG investment properties as of 31 October 2009. Detailed information on revaluation results is provided in the following table:

	1 May 2009 – 31 October 2009		1 May 2008 – 31 October 2008	
All amounts in TEUR	**Investment property**	**Property under construction**	**Investment property**	**Property under construction**
Revaluation	39,415.9	127,404.1	71,835.7	0.0
Impairment charges	-132,003.7	-10,957.6	-1,184,507.9	0.0
TOTAL	**-92,587.8**	**116,446.5**	**-1,112,672.3**	**0.0**

The revaluation of property under construction resulted from the initial application of the revised IAS 40 and reflects the difference between amortised cost and fair value. These revaluations totalled TEUR 127.404,1 and were related above all (TEUR 96,694.15) to the Golden Babylon Rostokino shopping centre project, which is located at a prime inner city site in Moscow and was opened on 18 November 2009.

4.2. Impairment

Impairment charges of TEUR 1,032.2 were recorded to inventories during the reporting period.

All amounts in TEUR	1 May 2009 – 31 October 2009	1 May 2008 – 31 October 2008
Impairment charges to property under construction	0.0	249,253.8
Impairment charges to inventories	1,032.2	115,006.8
Impairment charges to goodwill	0.0	128,315.1
Impairment charges to receivables	7,120.3	81,141.5
Other impairment charges	2,051.0	3,240.4
TOTAL	**10,203.5**	**576,957.6**

4.3. Other operating income

All amounts in TEUR	1 May 2009 – 31 October 2009	1 May 2008 – 31 October 2008
Reversal of negative goodwill	161.8	0.2
Income from the disposal of properties	19,035.7	8,630.7
Expenses charged on	1,104.2	9,418.9
Reversal of provisions	3,396.5	3,408.9
Insurance compensation	431.9	506.5
Income from deconsolidations	7,107.0	10,287.3
Miscellaneous	26,851.6	27,142.4
TOTAL	**58,088.7**	**59,394.9**

Income from the disposal of investment properties was related primarily to the BUWOG/ESG portfolio.

The prior year figures were adjusted by TEUR 1.1 through a reclassification between miscellaneous other operating income and miscellaneous other operating expenses to make the data comparable.

4.4. Other operating expenses

All amounts in TEUR	1 May 2009 – 31 October 2009	1 May 2008 – 31 October 2008
Administration	24,048.2	55,261.6
Legal, auditing and consulting fees	13,110.1	15,777.6
Commissions	1,326.2	5,046.4
Penalties	1,944.3	2,453.9
Taxes and duties	6,655.8	7,506.0
Advertising	3,527.1	5,481.5
Costs charged on	455.6	7,032.1
Rental and lease expenses	320.3	593.2
Translations	21.2	45.2
Expert opinions	4,034.6	6,612.9
Remuneration for Supervisory Board	192.1	85.9
Miscellaneous	10,425.2	11,043.1
TOTAL	**66,060.7**	**116,939.4**

Information on the reclassification of the prior year figures is provided in section 4.3.

4.5. Financial results

All amounts in TEUR	1 May 2009 – 31 October 2009	1 May 2008 – 31 October 2008
Interest and similar income	56,964.8	67,148.9
Interest and similar expenses	-114,009.8	-159,843.3
Net financing costs	**-57,045.0**	**-92,694.4**
Profit/(loss) on financial instruments and proceeds on the disposal of financial instruments	28,814.2	-4,862.8
Share of profit/(loss) from investments in other companies	6,496.3	3,131.2
Valuation of financial instruments at fair value through profit or loss	-42,913.0	-503,492.4
Income from distributions	1,829.4	7,478.6
Currency translation adjustments	18,711.4	25,295.6
Other financial results	**12,938.3**	**-472,449.8**
Share of profit/(loss) from associated companies	**26,872.8**	**-233,135.9**
Financial results	**-17,233.9**	**-798,280.1**

Profit or loss on financial instruments and proceeds on the disposal of financial instruments include expenses of TEUR 12,754.3 and income of TEUR 6,439.6 that are attributable to derivative financial instruments. Furthermore, the profit/loss on financial instruments includes income from the repurchase of convertible bonds in the amount of TEUR 37,447.6. Convertible bonds for a nominal value of TEUR 57,900.0 were repurchased.

The position “valuation of financial instruments at fair value through profit or loss” includes impairment charges to IAS 39 Investments. Impairment charges were recognised to Bluehouse Accession Property II (TEUR 1,679.1), Russian Development Fund (TEUR 8,205.1), FF&P Russia Real Estate Ltd. (TEUR 6,855.2), Global Emerging Property Fund (TEUR 5,651.0), FF&P Development Fund (TEUR 3,291.8), Dikare Holdings Ltd. (TEUR 2,291.7) Carlyle Realty IV Partners (TEUR 2,508.4), MGP Asia Fund III, L.P. (TEUR 2,820.0) and Triseas Korea Property Fund, L.P. (TEUR 1,681.7).

Financial results were also influenced by high foreign exchange differences. Strong fluctuations were noted in the Polish Zloty and the Hungarian Forint, which increased in relation to the Euro.

Profit or loss from associated companies is comprised chiefly of profit totalling TEUR 28,568.8 from TriGranit Holding Ltd. and a loss of TEUR 1,747.5 from GAIA Real Estate Investments S.A.

4.6. Income taxes

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

All amounts in TEUR	1 May 2009 – 31 October 2009	1 May 2008 – 31 October 2008
Income tax expense	-9,246.2	-9,113.9
Deferred taxes	-34,652.7	482,089.9
TOTAL	**-43,898.9**	**472,976.0**

Cash payments for income taxes totalled TEUR 5,119.1 during the first half of 2009/10. Additionally, impairment charges of TEUR 8,162.0 were recognised to deferred tax assets during the reporting period.

5. Notes to the Interim Financial Statements

The balance sheet total rose by a slight 0.9 % or EUR 105.7 million over the level at 30 April 2009. This increase resulted primarily from the recognition of hidden reserves in development projects following the application of the revised IAS 40.

The first half of the 2009/10 financial year showed a consistently positive trend for IMMOFINANZ AG. Despite the portfolio adjustment last year, revenues were kept stable in every segment. Compared to the first half of the previous year, revenues fell by a total of 0.5 %. EBITDA rose by 34.4 % or EUR 54.0 million.

Revaluation results amounted to EUR 23.9 million (31 October 2008: EUR -1,112.7 million) and comprises minus EUR 92.6 million for investment properties and plus EUR 116.4 million for property under construction. The revaluations of EUR 127.4 million recognised to these development projects are contrasted by impairment charges of EUR 11.0 million, and resulted entirely from the change in IAS 40.

The revaluation results and financial results reported by IMMOFINANZ AG for the first two quarters of 2009/10 were strongly influenced by foreign exchange effects. After an adjustment for these foreign exchange effects, revaluation results equalled EUR 76.3 million and financial results EUR -35.9 million.

IMMOFINANZ AG recorded a positive net profit of EUR 163.5 million as of 31 October 2009 (31 October 2008: EUR -2,174.6 million).

6. Subsequent Events

After 12 months of negotiations with a bank consortium comprising Raiffeisen Zentralbank Österreich AG, WestLB, Landesbank Hessen-Thüringen, BNP Paribas, Eurohypo AG, Landesbank Baden-Württemberg, Oberbank AG, Credit Suisse, Investkredit Bank AG and Allgemeine Sparkasse Oberösterreich Bankaktiengesellschaft, the IMMOFINANZ Group was able to reach an agreement to restructure an unsecured loan of EUR 415 million.

This loan was arranged by WestLB and Raiffeisen Zentralbank Österreich AG in 2006 and had a term extending up to the 2012/13 financial year. The restructuring of the loan will produce positive results for the IMMOFINANZ Group, above all through significantly improved documentation that reflects the property business with the elimination or a substantial increase in the thresholds for the financial covenants and default criteria as well as the extensive cancellation of repayment obligations due to the sale of portfolio objects. In return a voluntary repayment of EUR 100 million in 2009/10 and EUR 75 million in 2010/11 will be made. This loan is secured by a guarantee provided by IMMOFINANZ AG and in part by properties in the CEE region.

On 17 December 2009 the supervisory board and the management board of IMMOFINANZ AG and IMMOEAST AG unanimously resolved upon a merger between IMMOEAST AG as transferring company and IMMOFINANZ AG as receiving company effective retroactive dated 30 April 2009 ("Merger Due Date"). The merger has to be approved by the shareholders' meetings of both companies with a majority of 75 percent of the votes cast and will become effective upon registration with the commercial register. The extraordinary shareholders' meetings of the companies will take place on 20 January 2010 (IMMOFINANZ AG) and 21 January 2010 (IMMOEAST AG). The exchange ratio for the minority shareholders of IMMOEAST AG has been agreed between the management boards with three IMMOFINANZ AG shares for two IMMOEAST AG shares. The share exchange will take place upon registration of the merger with the companies register. The valuation of both companies has been based on the "Net Asset Value" (NAV) of each company as of the agreed valuation due date 31 October 2009. Further, the agreed exchange ratio has been verified with discounted cash flow valuations of the companies.

With the merger all of IMMOEAST AG's assets and liabilities will be transferred via universal legal succession to IMMOFINANZ AG and IMMOEAST AG will extinguish. Further, IMMOFINANZ AG will increase its share capital by up to EUR 589 million against contribution in kind and will issue up to 567.4 million new shares to the minority shareholders of IMMOEAST AG. Thereby the IMMOEAST AG minority shareholders will acquire the majority of IMMOFINANZ AG. Further, it has been resolved upon by the respective boards to spin off IMMOEAST AG's business operations and its shareholdings by downstream merger into the recently newly established IMBEA IMMOEAST Beteiligungsverwaltung AG, a 100 percent subsidiary of IMMOEAST AG. The spin off shall become effective prior to the merger. Therewith a holding company for the IMMOEAST operations as well as the promise of guarantee extended by IMMOEAST AG for the benefit of the convertible bonds 2009-2011 issued by IMMOFINANZ AG will remain in place.

The conversion period for the 2011 convertible bond began on 01.12.2009, whereby it is up to IMMOFINANZ whether shares of IMMOFINANZ AG, IMMOEAST AG or liquid assets are surrendered.

In the scope of the OIK portfolio, an office building was acquired in Hamburg, Mönckebergstr. 13 on 26 November for EUR 35.6 million (excluding incidental expenses) by Immowest Lux V S.a.r.l. and Immowest Lux VI S.a.r.l. On 16.12.2009 the office building in Duisburg, Friedrich-Wilhelm-Straße 12-14 was sold.

7. Statement by the Executive Board

We confirm to the best of our knowledge that the 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 and that the group management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the interim financial statements and of the principal risks and uncertainties for the remaining six months of the financial year.

This half-yearly interim report has been subjected neither to a complete audit nor to an audit review.

Vienna, 17 December 2009

The Executive Board

Eduard Zehetner
Speaker

Daniel Riedl MRICS
Member

Michael Wurzinger MRICS
Member

Cover photo: **Gerling Quartier** Cologne D

Imprint

IMMOFINANZ AG
Gaudenzdorfer Gürtel 67
1120 Vienna, Austria
T +43 (0)5 7111
F +43 (0)5 7111 – 8888
www.immofinanz.com

Design and Layout: M'CAPS Advertising