

ANNUAL FINANCIAL REPORT
2012

Investing in living space



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Declaration pursuant to section 82(4)(3) Austrian Stock Exchange Act (BÖRSEG)

„STATEMENT OF ALL LEGAL REPRESENTATIVES

We confirm to the best of our knowledge that the consolidated 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 the development and performance of the business and the position of the group, together with a description of the principal risks and uncertainties the group faces. We confirm to the best of our knowledge that the separate financial statements give a true and

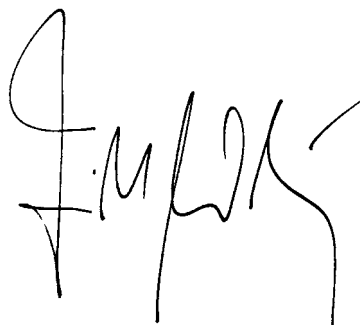
fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.”

Vienna, 08 April 2013

The Management Board



Ernst Vejdovsky m.p.



Friedrich Wachernig MBA m.p.

Management Report

Economic overview

Overall, the development of the global economy remained weak in 2012, although the pace of growth varied greatly from region to region. While economic activity picked up a bit in the US and the emerging markets, the Southeastern European countries struggled in particular with recession, which also impacted growth in the entire region.

In the US, the risk of the fiscal cliff threatened to hinder global economic growth, and conditions on the stock markets did not ease until a tentative agreement was reached in the US budget conflict. But the next challenge is bound to come when the president, the House of Representatives and the Senate of the United States have to reach a compromise regarding the debt ceiling, spending cuts and tax policy. Meanwhile, the recovery of the US real estate market continues and the unemployment rate is the lowest it has been since 2008. The US economy is projected to grow by roughly 2% in 2013.

In the eurozone, the debt crisis, a lack of demand and high unemployment were among the biggest problems in 2012. The austerity programmes implemented by the affected countries, the introduction of the European Stability Mechanism (ESM) and the measures taken by the European Central Bank (ECB) had a stabilising effect, and the tension on the financial markets diminished. At the moment, the European economy is benefiting

from a less restrictive budgetary policy than that seen in 2012. As a result, several EU member states may emerge from the recession around the middle of the year.

In Austria, economic growth also remained below expectations in 2012 as a result of international developments. However, growth was higher than that of the eurozone. According to reports by the Oesterreichische Nationalbank (OeNB), the Austrian economy appears to have bottomed out at the beginning of this year. In light of the weak stimulus from foreign trade, companies are being conservative with their investments. However, initial leading indicators point to a moderate improvement in export and investment activity. The Austrian Institute of Economic Research (WIFO) expects the Austrian economy to grow by 1.0% in 2013. Erste Group projects a GDP growth of 0.9% for Austria.

The global economy may experience a slight recovery this year. The World Bank expects global economic growth of roughly 2.4% and believes that the reversal will start in the emerging markets. Once again, the World Bank sees the greatest risk in the eurozone, where an upturn is not expected until the second half of the year at the earliest. Economic experts from Erste Group forecast growth of 0.4% for the eurozone in 2013.

Sources: Austrian Federal Economic Chamber (WKO), Austrian Institute of Economic Research (WIFO), Bank Austria, Budapest Research Forum, CBRE, Cushman & Wakefield, Das Wirtschaftsblatt, Der Spiegel, Der Standard, Deutscher Wirtschaftsdienst, Die Presse, Erste Group, European Chain Hotels Market Review, Hotstats.com by TRI Hospitality Consulting, Ifo World Economic Survey (WES), Institute for Advanced Studies (IHS), Jones Lang LaSalle, Michael Schick Immobilien – Berliner Zinshausmarktbericht, Oesterreichische Nationalbank (OeNB), Süddeutsche Zeitung, Vienna Tourist Board, Wallstreet-online.de, World Bank, www.hospitalitynet.org

Real estate market overview

AUSTRIA

Since 2008, prices for freehold flats and rents for apartments on the Austrian property market, especially in the provincial capitals, have increased markedly. This development is a result on the one hand of the raised demand and the scarce supply, and on the other hand of the increasing construction costs. According to experts, a further upward movement in prices is expected for 2013, which should, however, be much smaller than in previous years. Furthermore, the main reason for buying a flat is shifting more and more from investment to owner occupation.

In 2012, the Viennese office market was characterised by a high volume of completions – overall, 338,000 m² of office space (including total refurbishments) came onto the market. Despite the marked increase in take-up of 34.5% to about 345,000 m², vacancy rose to 6.6% in the course of the year. For 2013, considerably less completions and a lower take-up of approximately 260,000 m² are expected.

For the most part, the hotel market in Vienna could absorb the roughly 1,500 hotel rooms, which came onto the market in 2012. In fact, there was even a slight increase in occupancy. At the same time, Vienna saw a 2.2% year-on-year rise in overnight stays in 2012. Room revenues also improved, advancing by 10.2% in the period from January to November 2012 compared to 2011. The chain hotel segment posted a slight gain in occupancy, which rose by 1.4 percentage points to 70.7%, and an increase in net room rates, which climbed by 3.2% to roughly EUR 135. RevPAR, the average revenue per available room, grew by 5.3% to roughly EUR 96 in 2012. The average gross operating profit (GOP) per available room increased by 4.4% year-on-year.

The number of rooms in the mid-class and luxury segment is expected to increase further in the coming years. Although the number of overnight stays will also rise, it can be assumed that the higher number of rooms will put increased investment pressure on existing, older hotels as a result of greater competition.

GERMANY

In Berlin, demand for rental apartments and home ownership has outstripped supply for years now, which is why rents and prices continue to increase. According to forecasts, the population of the German capital is expected to grow markedly in the next few years, which should keep demand up, especially in the lower and middle segments, and should result in more building activity. The projected 10,000 new apartments per year still do not match demand, so further increases in rents and purchasing prices are expected unless the subsidy for residential development is expanded considerably. In recent years, Berlin has become the most liquid market for rental apartment buildings in Germany and therefore an important market for investors. In 2012, five properties were sold per day there.

The German office market recorded stable development in 2012. In the five most important cities (Berlin, Düsseldorf, Frankfurt, Hamburg and Munich), take-up decreased by 7.8%. However, vacancy declined year-on-year from 10.7% to 9.8% due to less completions and the growing rededication of office space. Demand is mainly focused on modern buildings in good locations.

CEE

In 2012, approximately 23,000 m² were completed on the Budapest office market, which is a 74% drop compared to 2011. Annual leasing activity decreased 13% year-on-year and amounted to about 345,000 m². While new lease agreements only accounted for 37%, renewals made up 50%. The vacancy rate stood at 21% at the end of Q4 – a slight decrease compared to Q3 but an increase of 180 basis points in comparison to the 19.2% at the end of 2011.

In Prague, eleven new A-class office buildings were delivered to the market in 2012. Nevertheless, the vacancy rate remained stable at around 12%. The trend of tenants moving to high-quality offices and thereby leaving secondhand space behind is likely to continue. Furthermore, the vacancy rate is expected to increase in Q4 2013 due to 78,000 m² being scheduled for completion in this quarter.

On the Bratislava office market, demand is still mainly focused on grade-A offices. In the previous year, the largest part of leasing activity was made up of renewals and renegotiations, which kept absorption rather low. New projects with 23,000 m² of space are expected to be completed in 2013. However, only a very small share is being built speculatively. As a result, vacancy, which stands at 12.5% at the moment, is expected to improve gradually.

In the second half of 2012, the chain hotel segment in Prague continued the upward trend seen in the first six months of the year. Overall, the average net room rates improved by 6.9% to roughly EUR 78 and RevPAR rose by 7.5% to roughly EUR 53. The gross operating profit (GOP) per available room showed a remarkable gain of 15% compared to 2011. In the previous years, the chain hotel segment was hit much harder by the economic crisis in Prague than in other European cities. A large surplus of hotel rooms led to a steep decline in occupancy and room rates. The surplus appears to have been absorbed now, and growing demand is once again allowing for significant increases in room rates.

Budapest's hotel market saw stable development despite the country's economic and financial challenges. Bratislava remains a challenging market. The average room rate fell by roughly 10% to around EUR 62 in 2012.

SEE

On the Bulgarian office market, investors and tenants alike are focusing on high-quality space and good prices. The market is characterised by a high vacancy rate, limited growth, and leasing activity being driven mainly by relocations to better quality properties with attractive incentive packages. Supply will continue to outstrip demand for some time to come. Among the forecasts for 2013 are a constant decrease of the vacancy rate, a further decline in new deliveries and an increase in rented A-class office space.

	Prime rents (EUR/m ² /month)		Prime yields (%)		Take-up 2012 (m ²)	Vacancy rate (%)
	Office	Retail	Office	Retail	Office	Office
Berlin	22.00 ¹	300.00 ¹	5.00 ¹	4.50 ¹	550,500 ⁵	8.5 ⁵
Bratislava	16.00 ¹	80.00 ^{1*}	7.25 ¹	7.00 ^{1*}	102,900 ¹¹	12.5 ⁸
Bucharest	18.50 ¹	50.00 ^{1*}	8.25 ¹	8.75 ^{1*}	235,900 ⁷	15.3 ⁷
Budapest	20.00 ¹	100.00 ^{1*}	7.50 ¹	7.00 ^{1*}	344,977 ³	21.0 ³
Hamburg	24.00 ¹	250.00 ¹	4.75 ¹	4.30 ¹	434,500 ⁵	7.8 ⁵
Prague	21.00 ¹	85.00 ^{1*}	6.50 ¹	6.25 ^{1*}	272,100 ⁴	11.9 ⁴
Sofia	12.50 ⁶	40.00 ⁶	9.50 ⁶	9.00 ⁶	96,900 ⁹	33.0 ⁹
Vienna	24.75 ¹	300.00 ¹	5.00 ¹	4.25 ¹	345,000 ²	6.6 ²
Zagreb	15.00 ¹	22.50 ^{1*}	8.30 ¹	8.25 ^{1*}	50,000 ¹⁰	15.5 ¹⁰

* Data for shopping centres. Data for the remainder of the locations is for high street retail.

¹ CBRE, Market View, EMEA Rents and Yields, Q4 2012

² CBRE, Market View, Vienna Office Market, Q4 2012

³ Budapest Research Forum, Office Market, Q4 2012

⁴ CBRE, Market View, Prague Office Market, Q4 2012

⁵ CBRE, Market View, Office Market Germany, Q4 2012

⁶ Cushman & Wakefield, Marketbeat, Office Snapshot Bulgaria, Q4 2012

⁷ Cushman & Wakefield, Marketbeat, Office Snapshot Romania, Q4 2012

⁸ Cushman & Wakefield, Marketbeat, Office Snapshot Slovakia, Q4 2012

⁹ Forton, Bulgarian Office Market, Q4 2012

¹⁰ Jones Lang LaSalle, Onpoint, Zagreb City Report Q4 2012

¹¹ CBRE Prague

The Bucharest office market is still tenant-oriented, which is indicated by landlords willing to offer various incentives. While new leases only accounted for 28% of take-up in 2012, renewals formed the largest part, at 68%. Although some new projects have been postponed, the vacancy rate increased to 15.3% in the course of the year because of tenants reducing space. Some important leases will expire in 2013 and 2014, which on the one hand should boost leasing activity and on the other hand, together with the smaller number of speculative developments, should support a slow decline in vacancy.

Total take-up on the Zagreb office market amounted to around 50,000 m² in 2012, which is a marked increase year-on-year. The office stock increased almost 10% in the course of the year, as approximately 80,000 m² came onto the market. As a consequence, vacancy increased from around 12% in 2011 to 15.5% at the end of Q4 2012.

Since Q4 2012, the Bulgarian retail market has had to deal with the third wave of new shopping centres and consequently with relocations and rent negotiations. The rental rates remained stable but are likely to see downward pressure due to the new projects.

Sales on the Romanian retail market increased continuously over the year. Due to the reduced number of projects in the pipeline, expansion opportunities are limited. Nevertheless, large international chains are still expanding because of advantages such as turnover rents and fit-out contributions provided by many landlords.

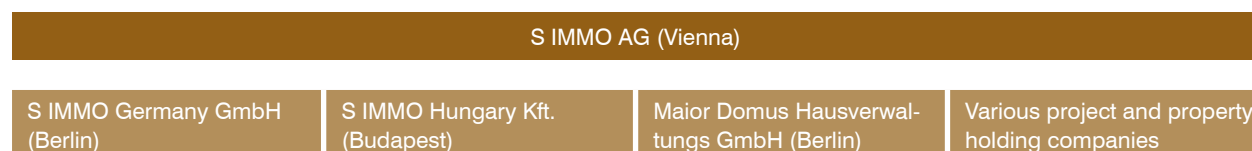
Group structure and strategy

BUSINESS ACTIVITIES AND CORPORATE STRUCTURE

S IMMO Group is an international real estate group headquartered in Vienna, Austria. The parent company, S IMMO AG, is Austria's longest-established property investment company and has been listed on the Vienna Stock Exchange since 1987. Its long-term strategic core shareholders are Erste Group and Vienna Insurance Group, two of the largest financial service

providers in Central and Southeastern Europe. In addition to its headquarters in Vienna, S IMMO Group also has offices in Berlin and Budapest, and during the year under review employed a total of 54 people in these three countries. In Germany, S IMMO Group also owns a property management company, Maior Domus. Additionally, there are numerous project and property holding companies in Central and Southeastern Europe that are part of the Group (see notes on pages 34–36).

S IMMO Group



The Company focuses its activities on long-term income-producing property investments through property acquisition, letting, management and sales as well as property project development in Austria, Germany and six countries in Central and Southeastern Europe. S IMMO does not engage in any research and development.

All major management functions as well as the management of the Austrian, Romanian, Bulgarian, Czech, Slovakian and Croatian properties are performed by S IMMO AG in Vienna. The subsidiaries in Germany and Hungary are responsible for local asset management and letting activities.

Portfolio structure

S IMMO concentrates its investment activities on four segments: office (38.8%), retail (26.5%), residential (21.1%) and hotels (13.6%). As at 31 December 2012, the portfolio consisted of a total of 218 properties, with a total usable space of roughly 1,300,000 m² and a carrying value of EUR 1,872.3m. The largest share of the property portfolio by market value is contributed by Austria with 32.6% and Germany with 26.9%. Properties in SEE make up 20.7%, and 19.8% come from CEE. The occupancy rate is a highly satisfactory 92.0% (2011: 92.5%). The overall rental yield comes to 6.7% (2011: 6.7%).

Overview of rental yields

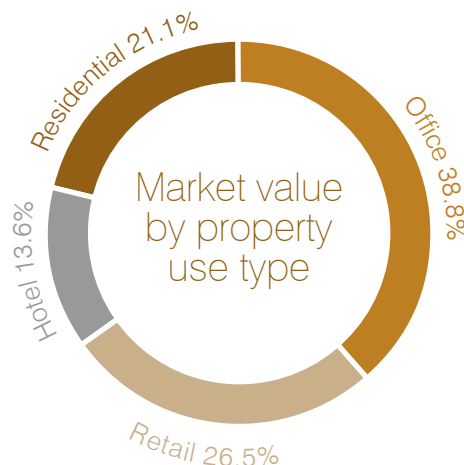
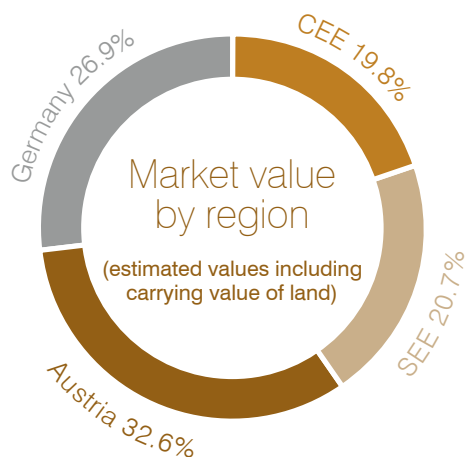
in %	31 December 2012	31 December 2011
Germany	6.2	6.2
Austria	5.8	5.6
SEE	8.1	8.5
CEE	7.6	7.6
Total	6.7	6.7

S IMMO currently serves over 6,800 tenants in its properties. Nearly all rental agreements are tied to the euro, and commercial rentals are also linked to the consumer price index. The average length of rental agreements of our top 25 tenants is around 8.8 years.

STRATEGY AND TARGETS

S IMMO's success is based on the strength of its property portfolio, which is split deliberately between four sectors. The focus of investment is on properties in capital cities within the European Union – from Berlin via Prague and Vienna to Bucharest, allowing us to take advantage of differences in property cycles. This strategy has proved successful in the past and will continue to be followed in the coming quarters.

S IMMO takes its responsibilities to society very seriously, particularly with respect to environmental, business and social issues (more on pages 14–16). We attach particular importance to outstanding quality and high property standards. Our properties are managed holistically and sustainably throughout their lives, so as to create added value for our investors. In managing the capital entrusted to us, our watchwords are prudence and responsibility, and we monitor our investments very carefully, using established criteria and processes.



Selection of new tenants 2012



We concentrate on enhancing profitability, improving our key performance indicators and further optimising the portfolio. Therefore we continue to watch our markets very closely, with the aim of disposing of properties in Germany at a profit and making attractive new acquisitions. New lettings of revitalised properties will also lead to increases in rental income.

Our property development activities in the coming months will be focused on the inner-city project Quartier Belvedere Central in Vienna. The first phase of the work is planned to begin towards the end of the year 2013, with excavation of the construction pit. At the same time, we shall be preparing selected building plots in Central and Southeastern Europe for potential development, so that construction can begin as soon as local market conditions are favourable.

The aim in our financing is to bring the loan to value ratio down to under 50% (as at 31 December 2012: 53%), and thus to push up the equity ratio. The continuing repurchases of S IMMO INVEST participating certificates will also contribute to this goal. The already lean organisational structure will be further optimised, which in turn will continue to increase efficiency. Starting in 2012, we have also changed our distribution policy, paying dividends to our shareholders so that they can share in the Group's success.

MANAGEMENT AND CONTROL

In 2012, S IMMO AG's Management Board consisted of three members, who were jointly responsible for directing the Group's affairs. Since 01 February 2013, the Management Board has consisted of two members. Their joint responsibilities are determined by statutory provisions, the articles of incorporation and the Group's internal rules and procedures. The Management Board is guided by the principles of responsible management, and its objective is to increase earnings performance and the value of the Group. In this, professional control and management based on general business and property-related indicators are of material importance. In the best interests of the Group and in line with S IMMO's commitment to good corporate governance, the Management Board works closely with the Supervisory Board. At year-end, the Supervisory Board consisted of eight members. Details about compliance with the Austrian Code of Corporate Governance are given on pages 71–74.

Business performance and results

S IMMO AG brought the financial year 2012 to a very successful conclusion, with major earnings indicators up in comparison with the previous year. Net income for the year was 22.5% higher, at EUR 26.0m (2011: EUR 21.2m), and EBIT increased by 15.7% to EUR 106.8m (2011: EUR 92.3m). The excellent results for the year and the best EBIT in S IMMO's history are a convincing demonstration of the Group's efficient management. Profit-oriented portfolio management, with successes in subsequent letting, a high occupancy rate and ongoing cost optimisation, are as important here as the high quality of the properties. These operating successes help to compensate for negative non-cash effects on the financial results and a smaller property portfolio.

Gross profit

In 2012, rental income amounted to EUR 118.5m (2011: EUR 125.9m). The decrease in rental income is attributable to the sale of properties. Revenues from hotel operations (revenues from hotels operated under management agreements) were

EUR 42.0m (2011: EUR 40.6m), resulting in a rise in gross profit from hotel operations, which grew from EUR 9.0m to EUR 9.9m, an increase of 9.1%.

Broken down by region, rental income was as follows: The largest share came from Germany with 27.2%, followed by SEE with 26.3%, Austria with 26.2% and CEE with 20.3%.

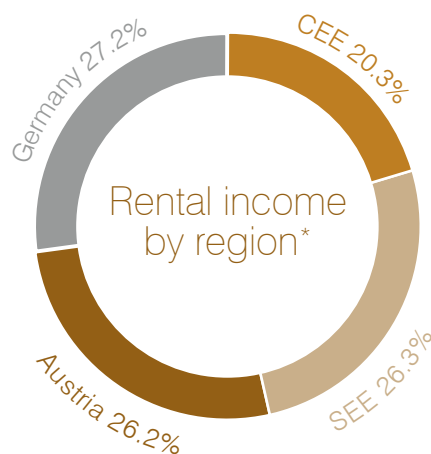
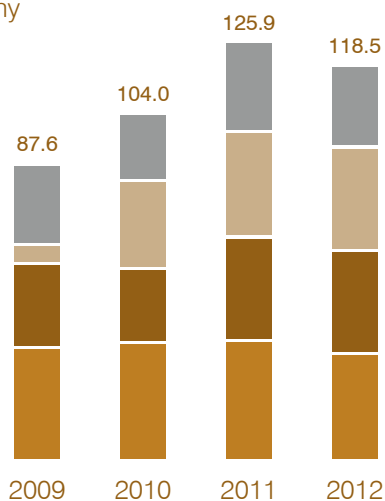
Rental income by property use type showed retail contributing 36.2%, followed by offices with 34.5%, residential with 22.5% and hotels with 6.8%. Results from the Vienna and Budapest Marriott Hotels, both operated under management agreements, are recognised as revenues from hotel operations.

Overall, gross profit was EUR 104.4m, compared with EUR 107.0m in the same period last year. As mentioned above, the main reason for the slight reduction was the sale of properties, which reduced the portfolio by 4.9% (5.8% at fair values as at 31 December 2011).

Total rental income*

EUR m

- CEE
- SEE
- Austria
- Germany



* not including Vienna Marriott Hotel and Budapest Marriott Hotel

* not including Vienna Marriott Hotel and Budapest Marriott Hotel

Successful property sales

In 2012, S IMMO AG took advantage of the excellent climate in the German and Austrian property markets and disposed of 21 properties at a profit. In detail, the disposals were as follows:

Vienna

- 1010 Vienna, Neutorgasse 4 – 8 (3 apartments)
- 1010 Vienna, Neutorgasse 2 (residential)
- 1050 Vienna, Bräuhausgasse 3 – 5 (office)
- 1130 Vienna, Amalienstrasse 48 (office)

Linz

- 4020 Linz, Rainerstrasse 6 – 8 (office)

Berlin

- 10435 Berlin, Kollowitzstrasse 100 (residential)
- 10555 Berlin, Alt Moabit 47 (residential)
- 10559 Berlin, Stephanstrasse 53 (residential)
- 10717 Berlin, Bundesallee 31a (residential)
- 10997 Berlin, Zeughofstrasse 20 (residential)
- 13585 Berlin, Lynarstrasse 37 (residential)
- 13585 Berlin, Neumeister Strasse 12 (residential)
- 13629 Berlin, Voltastrasse 1 (residential)
- 14193 Berlin, Cunostrasse 52 – 53 /
Friedrichsruher Strasse 31 – 33 (residential)

Hamburg

- 20457 Hamburg, Mönkedamm 7 (office)
- 22111 Hamburg, Billstedter Strasse 20 – 30 /
Oststeinbeker Weg 30 (residential)
- 22117 Hamburg, Möllner Landstrasse 117 – 121 (residential)
- 22337 Hamburg, Im Grüner Grunde 2 – 6 (residential)

Munich

- 81379 Munich, Tölzer Strasse 35 (office)

In the financial year 2012, total proceeds from these sales came to EUR 132.2m (2011: EUR 46.5m), meaning that S IMMO well exceeded its target of property sales of EUR 100m. The resulting gains on disposal amounted to EUR 10.8m (2011: EUR 11.6m). EBITDA for the year was EUR 98.8m (2011: EUR 101.4m), and the EBITDA margin increased from 48.8% in 2011 to just over 50% in 2012. EBITDA in relation to the property portfolio was 5.3%, which – compared with the international industry average of 4% – is an extraordinarily good result. This is also a proof of the efficient and profit-oriented asset management.

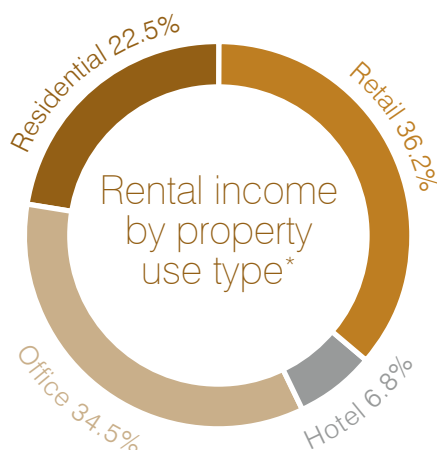
Property valuations

The overall revaluation results in 2012 came to EUR 16.8m (2011: EUR 0.1m), with differing trends region by region, just as in the previous year. Properties in Austria and Germany increased in value thanks to the continuing positive developments in both countries. In Central and Southeastern Europe, however, properties fell in value.

Revaluation results

EUR m	2012	2011
Germany	26.6	6.0
Austria	6.7	9.3
Central Europe	-7.0	-4.6
Southeastern Europe	-9.5	-10.6
Total	16.8	0.1

This contributed to an increase in EBIT of EUR 14.5m to EUR 106.8m in the financial year 2012 (2011: EUR 92.3m), an impressive improvement of 15.7% and a record-breaking EBIT for S IMMO. Compared with the last year before the crisis, 2007, EBIT has risen by more than EUR 6.8m.



* not including Vienna Marriott Hotel and Budapest Marriott Hotel

Consolidated net income up to EUR 26.0m

Financing costs (excluding participating certificate results) for the financial year 2012 amounted to EUR 61.8m (2011: EUR 51.5m), including a non-cash foreign exchange loss of EUR 2.0m (2011: foreign exchange gains of EUR 7.3m). The loss was attributable to the appreciation of the Hungarian forint and the Czech crown against the euro. The Romanian leu lost value in relation to the euro. Foreign exchange effects have hardly changed compared with the third quarter of 2012, since in the fourth quarter the functional currency was changed from the local currency to the euro for numerous companies (see notes page 36), which decreased the effects of currency fluctuations on the results.

In addition to the non-cash foreign exchange rate differences, the financing costs were also adversely affected by non-cash-effective derivative valuations amounting to around EUR 8.0m (2011: EUR 0). This expense was a result of loan repayments associated with various interest derivatives according to IFRS hedge accounting rules. The income entitlements of participating certificate holders for 2012 resulted in expenses of EUR 12.8m (2011: EUR 11.2m).

The Group's consolidated net income for the financial year 2012 came to a very satisfactory EUR 26.0m (2011: EUR 21.2m), a marked increase of 22.5% despite the portfolio being 4.9% smaller.

Funds from operations (FFO)

In the fourth quarter, FFO continued the positive development of the first three quarters, and in the financial year 2012 amounted to EUR 33.0m (2011: EUR 28.9m), an increase of 14.3% attributable in part to lower interest rates. The FFO yield was an impressive 10.1% of market capitalisation. In calculating FFO, the results for the period are adjusted for non-cash items such as depreciation and amortisation, valuation gains and losses on interest rate hedges and exchange rate differences.

Net operating income (NOI)

Because of the property disposals, NOI decreased slightly by 1.7% to EUR 97.5m (2011: EUR 99.3m). However, NOI margin increased by 1.8 percentage points (pp) to 49.6%.

Net operating income as at 31 December

	2012	2011	Change
NOI (EUR m)	97.5	99.3	-1.7%
NOI margin (%)	49.6	47.8	1.8 pp

Cash flow

The property disposals had an effect on cash flows. Operating cash flow for the financial year 2012 was EUR 92.2m (2011: EUR 96.0m). Cash flow from investing activities totalled EUR 113.1m (2011: EUR 4.5m), and from financing activities EUR -258.6m (2011: EUR -124.9m).

ASSETS AND FINANCES

The successful property sales meant that S IMMO Group's total assets as at 31 December 2012 were down compared with 31 December 2011, from EUR 2,175.4m to EUR 2,013.8m. Long-term property assets amounted to EUR 1,809.6m (2011: EUR 1,906.7m) and short-term property assets amounted to EUR 62.7m (2011: EUR 62.8m).

Cash and cash equivalents

At the balance sheet date, S IMMO Group's cash and cash equivalents totalled EUR 57.1m (2011: EUR 115.3m).

Shareholders' equity

During the past financial year, equity (excluding minorities) increased from EUR 474.0m to EUR 483.2m despite the dividend payment. This also reflects the valuation of derivative financial instruments and treasury shares not through profit or loss. The minority interests in equity decreased from EUR 29.1m to EUR 26.3m and for the most part relate to our partner in the Serdika Center project.

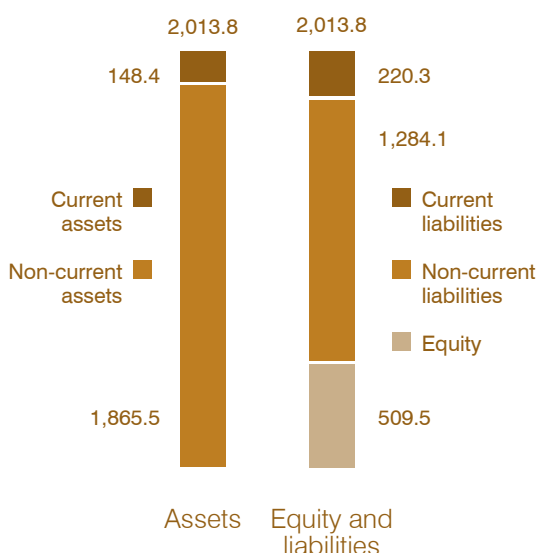
Finance management

The implementation of Basel III guidelines has forced financial institutions to adopt more restrictive lending policies. This has resulted in higher margins on the one hand and lower lending limits on the other. Despite this, S IMMO managed to succeed in carrying out all its planned refinancing and borrowing activities. S IMMO finances itself almost exclusively in euros. About 92% of the long-term financial liabilities are at variable interest rates pegged to the Euribor, and roughly 8% are at fixed interest rates. S IMMO hedges against possible changes in interest rates on variable rate loans using interest derivatives (caps, swaps, collars).

The successful property disposals allowed for a further reduction in financial liabilities: As at 31 December 2012, long-term financial liabilities amounted to EUR 973.4m (2011: EUR 1,103.4m), and short-term financial liabilities totalled EUR 180.4m (2011: EUR 208.9m). This resulted in a lower loan to value ratio of 53% at balance sheet date (2011: 57%). The long-term financial liabilities were matched by property assets of EUR 1,872.3m.

Balance sheet structure 2012

EUR m



Maturities of financial liabilities:

EUR m	2012	2011
Less than 1 year	180.4	208.9
1 to 5 years	472.5	328.9
More than 5 years	500.9	774.5

Net asset value (NAV)

During the year, balance sheet NAV increased again, and at 31 December 2012 stood at EUR 7.17 per share (31 December 2011: EUR 6.96 per share). In the medium and long term, the maturing interest hedging instruments will contribute to increasing balance sheet NAV. EPRA NAV is also up, and as at 31 December 2012 stood at EUR 9.18 per share (31 December 2011: EUR 8.70 per share). EPRA NAV represents the value of equity minus the effects that do not have a long-term impact on the business activities of the Group, such as valuations of derivatives and deferred taxes.

EUR m	2012	2011
Capital and reserves (without minorities)	483.2	474.0
Revaluation of other assets	21.6	15.5
Fair value of financial instruments (not through profit or loss)	83.2	73.5
Deferred tax liabilities	30.5	29.1
EPRA NAV	618.4	592.1
EPRA NAV (EUR per share)	9.18	8.70

Staff and responsibility

S IMMO's properties cater to one of the most basic human needs of living space: whether it is a home, a workplace or for leisure time. As a result, the Group regards itself as being very closely linked to society. This closeness forms the basis for S IMMO's responsible approach to business, environment and social issues.

EMPLOYEES

S IMMO's employees are not only the Group's most important asset in ensuring long-term success, but also provide an essential link to outside partners, shareholders, tenants and other stakeholders. This is why S IMMO attaches great importance to the continuing personal and professional education of its staff. Particular emphasis is placed on broadening industry-specific knowledge, such as by becoming members of the Royal Institution of Chartered Surveyors (RICS) or enrolling in real-estate-related master's degree programmes. In 2012, the average expenditures per employee for professional training and continuing education came to approximately EUR 900.

Broad range of work-life balance options

A well-balanced professional and private life obviously has a positive effect on employees' motivation, health and commitment. S IMMO is well aware of its responsibility in this respect and offers a comprehensive range of programmes and schemes to promote a pleasant working environment. These include flexible working hours, medical services and meal vouchers.

Benefiting from diversity

As an international Group, S IMMO AG has employees from a variety of countries, and it sees the resulting diversity of languages and cultures as a valuable resource. Our corporate culture is defined by lean management structures and close interdepartmental cooperation, while still allowing for individual growth and development. Proximity to the Management ensures open and efficient communication.

Employee statistics



Total number of employees: 84

HIGHEST PROPERTY STANDARDS

For S IMMO, satisfying corporate social responsibility starts with the Group's core business. Both in project development and when renovating existing properties or enhancing their energy efficiency, S IMMO applies the highest standards. This helps reduce operating costs and emissions, which improves tenant satisfaction and benefits the environment.

The extensive buildings refurbishment programme in Germany continued in 2012, and renovation work on seven more properties was completed. Since 2009, a total of 19 properties have been renovated sustainably. This has helped push the occupancy rate in Germany up from approximately 87% when the programme started to 93% at present.

Case study: renovation of a 19th-century residential building in Berlin Schöneberg

One of the properties renovated in 2012 was a 4,800 m² 19th-century residential building in Berlin Schöneberg. The renovation work included the façade, the roof and the stairwell as well as comprehensive renewal of the heating, electricity and plumbing systems. Significant reductions in heat loss were achieved, which in turn will reduce energy and operating costs. The commercial space on the ground floor is fully let, and rents for the high-end traditional apartments are significantly above the market average.

Green buildings – model of the future

Over and above S IMMO's high standards in general when constructing or renovating properties, the Group places a high value on green buildings. Environmentally friendly buildings not only mean economical use of all resources and low life-cycle costs but are increasingly demanded by both tenants and legislators. S IMMO is well aware of this trend and pays close attention to the sustainability criteria for international certifications, particularly in development projects.

S IMMO's Sun Offices building in Bucharest is not only BREEAM certified (BRE Environmental Assessment Method – the world's leading voluntary certification process for real estate) but also has a class-A energy efficiency certificate. Compared with older

buildings, the resources used for heating, hot water, cooling, ventilation and lighting and the associated CO₂ emissions are significantly reduced, as are the operating costs. Sun Plaza shopping centre, which is part of the same complex, is currently undergoing the green building certification process.

Moreover, the shopping mall Serdika Center in Sofia, which was awarded a DGNB certificate, won an SEE Green Building Award at the EuropaProperty SEE Real Estate Awards 2012 – a further proof of the building's outstanding quality.

RESPONSIBLE BUSINESS PRACTICES

Long-term, sustainable capital growth is at the core of S IMMO's strategy and is based on its high-quality property portfolio. Whereby, the Group deliberately invests in four segments and focuses on capital cities within the European Union. This allows the Company to benefit strategically from property cycles.

S IMMO attaches particular importance to staying close to its stakeholders, and this is expressed in a number of different ways: Extensive, easy-to-understand information, mutual respect and a culture of dialogue between equals are the basis for successful, long-term relationships. In 2012, S IMMO's mission statement was developed in a joint process. It is intended to serve as a guide for the staff, and at the same time to transmit the Group's values to the outside world. These include in particular the strength of S IMMO's team, which is known for its integrity, sense of tradition, quality, responsibility and consistency.

To ensure a maximum of fairness to our partners, and to avoid unlawful and ethically questionable business practices, S IMMO has strict internal guidelines for all procedures. S IMMO's most important regulations and business principles are currently being brought together in a code of conduct. In addition, since 2007, the Group has subscribed to the Austrian Code of Corporate Governance.

For more information on S IMMO's mission statement, please visit:
<http://www.simmoag.at/en/missionstatement>

SOCIAL RESPONSIBILITY

S IMMO's social activities are inspired by the principle of providing shelter and security: It supports organisations that provide care and accommodation to people in need of new homes. In these activities, the Group places a high value on long-term collaboration.

More information on our CSR projects:

www.simmoag.at/en/csr

www.kunstsupermarkt.at

www.caritas.at

www.nextroom.at/turn-on_12

www.sonnenmond.at

In 2012, S IMMO also focused on three student projects. Students from Nottingham Trent University spent a week in Vienna and Bratislava and were given comprehensive insight into S IMMO's real estate business and markets. For

several years, S IMMO has been collaborating with Danube University Krems, and the annual module abroad on portfolio optimisation – part of the real estate master's degree programme – is held at S IMMO Germany in Berlin. Friedrich Wachernig, member of S IMMO's Management Board, also gave a talk at the University of Applied Sciences Wiener Neustadt, in which he gave students a personal insight into day-to-day operations in the real estate business.

In 2012, the following additional projects were supported:

- In cooperation with Caritas:
 - Community centre in Esztergom, Hungary
 - House of hope and counselling, Romania
 - Day centre and mobile care in Pokrovan, Bulgaria
- Sonnenmond children's hospice, Austria
- Vienna Kunstsupermarkt art sales project, Austria
- Turn On architecture festival in Vienna, Austria

Outlook for 2013

In 2013, S IMMO will continue to work with Caritas, the Vienna Kunstsupermarkt and the Sonnenmond children's hospice. On the environmental front, the Group will participate in the City of Vienna's ÖkoBusiness Check, where the internal flows of energy, raw materials and waste are analysed and suggestions for possible improvements are made. Corporate volunteering projects in cooperation with Caritas are also planned.

Contacts

For more information on our CSR activities, please contact S IMMO's Corporate Communications team by phone on +43 (0)50 100-27522 or by e-mail at media@simmoag.at.

Risk and opportunity management

As an international real estate investment company, S IMMO Group is confronted with a wide variety of risks and opportunities that can influence both its operational business activities and its strategic corporate management. Through the ongoing identification, analysis, monitoring and management of risks and opportunities, the Group seeks to recognise negative developments and potentially profitable opportunities in good time so that they can be taken into account in its decision-making processes.

The Group's business model reflects deliberate investment activities in four segments (office, retail, residential and hotels). Hereby the Company manages and invests in properties in capital cities within the European Union – from Berlin to Bucharest. The purpose of this diversification is to spread risks broadly and to achieve the maximum number of opportunities. Opportunities result from the differing real estate cycles of individual property use types, but also from regional variations in economic development.

The Group's risk management comprises internal regulations and guidelines, regular reports at meetings with the Management Board, and standardised, groupwide control measures which serve to support the early identification, monitoring and control of risks. Major risk-related decisions are the responsibility of the Management Board, and investment projects above a certain size also require approval by the Supervisory Board. Both management bodies are kept informed about all risks through the Internal Control System.

The risks and opportunities discussed in this section have been reanalysed. For the most part, they are unchanged compared with the previous financial year.

Internal Control System (ICS)

The Internal Control System is used to monitor and control the following aspects of key business activities:

- the effectiveness and economic efficiency of operating activities,
- the reliability of financial reporting, and
- compliance with applicable statutory provisions.

Together with Internal Audit and compliance with stock exchange requirements, the ICS constitutes the Group's internal monitoring system. Core processes – in particular those relating to Group financial reporting – are set out in the internal processes database. This includes a risk management matrix, in which the relevant processes, the potential individual risks and the pertinent control procedures are defined.

The major ICS features relevant to the accounting process are:

- Clear, written division of responsibilities between Finance and Accounting and other functions (e.g. Treasury)
- Guidelines for the application of uniform accounting and valuation approaches in the consolidated financial statements, which are set out in the Group's IFRS Manual
- Assessment of risks that could lead to a material misstatement of transactions in the financial statements (e.g. incorrect classification of items in the Statement of Financial Position or the Income Statement)
- Appropriate control mechanisms built into the automated preparation of the consolidated financial statements
- Internal reporting to the Management and Supervisory Boards, including quarterly reports, segment and liquidity reports, and individual property reports when required
- Process-oriented control activities including a regular review of the correctness and completeness of accounting information and analysis of variances.

Internal Audit

The Group's Internal Audit is responsible for commissioning and coordinating audits of core business processes at S IMMO AG and its subsidiaries. These audits cover the effectiveness of these processes, existing risks and control weaknesses, and potential improvements in efficiency in cycles stretching over several years. The audits are carried out exclusively by reputable, external experts (Ernst & Young) and are based on the annual operational audit plan and the strategic multi-year plan, which are approved by the Management Board. The results of the audits are submitted to the Management Board. The audit plan and the results of the audits are also regularly communicated to the Audit Committee of the Supervisory Board.

Risk Overview

Group strategic risks	Real estate risks	Financial risks	Other risks
Business environment and industry risk Investment risk Capital market risk	Property portfolio risk Letting risk Development risk Property valuation risk	Liquidity risk Interest rate risk Financing risk Exchange rate risk	Tax risk Environmental risk Legal risk

INDIVIDUAL RISKS

Group strategic risks

S IMMO's business strategy entails strategic risks, which in turn can strongly influence the Group's strategy.

Business environment and industry risks

The economic climate in S IMMO's various markets influences the development of the corresponding real estate industry. Since the economic situation is subject to constant change, it is difficult to accurately foresee all of the risks that will arise. The Group currently sees the demand for office and retail space in Austria as stable or declining slightly, although S IMMO continues to enjoy an excellent occupancy rate. In Berlin, the Group is currently benefiting from a strong influx of people and the high degree of individual mobility. This means that the residential property market will continue to be attractive in 2013. Demand for office space in Germany is stable. The Group's hotel operations are also performing well. Property markets in Hungary and Southeastern Europe remain challenging – particularly in Bulgaria, where economic recovery will still take some time. Bucharest is currently showing signs of moderate improvement. There is a slight increase in demand, and the outlook for the coming years is encouraging. The difficulties in Bulgaria could have negative repercussions on the letting of office space and could also depress expected rental levels in the shopping centre.

Investment risk

Another major element of the Group's strategy is to focus on recognising potential investment risks in the selection of properties. In the preparatory phases of investment decisions, S IMMO Group attaches great importance to comprehensive internal and external analysis. The factors considered include the attractiveness of the location, local infrastructure and the credit ratings of tenants. There are also predetermined investment volume thresholds, above which investments require approval by the Supervisory Board. In the coming quarters, the Group will be focusing on the inner-city development project Quartier Belvedere Central, which centres on the new Vienna Central Station. In cooperation with its partners, S IMMO will be developing approximately 130,000 m² of gross floor space in several stages. Interest in this project is substantial, and preliminary discussions have already got off to a good start. Individual plots of development land in Central and Southeastern Europe are also being prepared for potential building activities in the future. In these cases, construction work will only begin as and when any appropriate pre-letting has been completed and local market conditions have improved. In this regard, there are no short-term plans for any sizeable investments yet.

Capital market risks

The capital markets are of particular importance to S IMMO. The Group takes every care to strengthen investors' trust in the S IMMO Share through transparent, timely and efficient communication. To ensure compliance with the requirements of the capital markets, S IMMO Group has introduced clearly defined compliance regulations with a code of good conduct for all staff and management bodies.

Real estate risks

Economically challenging times can lead to a decline in tenants' credit ratings, increases in outstanding rents, rising vacancy rates and loss of rental income.

Property portfolio risks

S IMMO Group counters property portfolio risks with deliberate investments in four segments and a focus on capital cities within the European Union. In the financial year 2012, these risks were not the same in all segments and countries. The residential property market in Austria and Germany performed positively, for example, which meant a reduction of the relevant risks in the Group's portfolio. Additionally, from a risk management perspective, the focus of business activities on countries with long-term development potential and on prime locations in capital cities within the European Union has contributed materially to the stability of the portfolio as a whole.

Letting risks

Letting risks are closely linked with the general economic environment in the various markets, which in turn makes these risks difficult to predict accurately. Present political and economic developments in Hungary, Romania and Bulgaria, for example, have resulted in riskier situations there than in the other EU countries. The emphasis on long-term tenancy agreements had a positive effect on the occupancy rate in the past financial year. As at 31 December 2012, the occupancy rate was 92.0%. The current economic climate and the published economic forecasts mean that letting risk (including renewal of existing agreements) will continue to be a factor to be reckoned with this year. This applies especially to the office buildings in Budapest and Sofia. In our two shopping centres in South-eastern Europe, we continue to be confronted with rent defaults. In some cases, the renewal of rental agreements will involve difficult negotiations.

Development risks

Development activities over the coming months will be concentrated on the Quartier Belvedere Central project, which is centred on the new Vienna Central Station and is part of one of the largest urban development projects currently under construction in Europe. In this case, the risk has been minimised because the project is in a prime location in Vienna and it is

being developed in cooperation with partners. Another favourable factor is that the development will take place in several stages. There is substantial interest in this project, which is why initial negotiations with potential tenants are promising. Our existing plots of development land in Central and Southeastern Europe are being prepared for potential building activities in the future. These preparations include obtaining zoning and building permits and organising architecture competitions. Construction work will only begin when the local market conditions permit and a specific level of pre-letting is achieved.

Property valuation risk

Property valuation risk is the risk of possible losses in value of the portfolio as a result of changed macroeconomic circumstances – outside the Group's control – and of circumstances affecting specific properties. S IMMO strives to identify possible risks in advance and to minimise any negative effects through optimal property and portfolio management. Changes in market values can have an adverse effect not only on profit, but also on equity and consequently on the share price and on the Group's credit rating.

Financial risks

For S IMMO Group, management of financial risks is principally concerned with the effects of liquidity risks, changes in interest rates, financing risks and currency risks.

Liquidity risks

In order to ensure adequate liquidity, the Group's Financing department works closely with Project Development, Asset Management and Acquisitions to coordinate the Group's cash flows, to test their plausibility and to continuously adapt them on the basis of ongoing liquidity planning. However, more restrictive equity and liquidity regulations for banks and the ongoing euro crisis could make refinancing difficult. Despite its mainly long-term loan agreements, S IMMO may be affected in particular when it comes to loan extensions and refinancing (see also financing risks). This risk can primarily arise when loan extensions or refinancings are delayed, or when the amounts available turn out to be smaller than expected. There are also liquidity risks if properties cannot be sold on time or have to be sold at lower prices.

Interest rate risk

External borrowings bear the risk of changing interest rates. For the moment, the European Central Bank is expected to leave the base rate largely unchanged. However, it cannot be ruled out that – because of the difficult economic situation and the tightened equity and liquidity requirements introduced with Basel III – banks will increase their spreads. S IMMO Group reduces the interest rate risk in the long term through interest rate hedging on its variable rate loans. As at 31 December 2012, 8% of loans were fixed-rate and 92% were variable rate loans – for the most part pegged to the three-month Euribor. S IMMO hedges its variable rate loans with derivative financial instruments (swaps, caps and collars). At the end of the year, all of the variable rate loans were hedged. The stress tests (see pages 63–64 for details) show that S IMMO Group is exposed to approximately one-third of potential interest rate changes. This means that despite hedging with derivative financial instruments, the Group would be exposed to higher financing costs if interest rates rise.

Financing risks

The banking sector continues to be under strain, which could lead to more restrictive bank lending policies, making refinancing more difficult. A rise in spreads is also a possibility. S IMMO Group reduces these financing risks by spreading its borrowing among different lenders (at the balance sheet date, 23 individual banks) and through long-term external financing. All borrowings must be approved by the Management Board or the Supervisory Board based on a system in which loans are graded according to their amount. As at 31 December 2012, the non-current liabilities to banks had an average weighted residual maturity of more than 7.8 years. This long-term borrowing is standard practice in the industry. Compliance with the contractual conditions of the loans is constantly monitored by S IMMO Group in close cooperation with the lending institutions. In the current economic climate, however, there is increasing risk of covenant violations (clauses in loan agreements that are based, for example, on the loan to value ratio). The Group ensures that the correct ratio is maintained between the amounts of loans and the market values of the properties (loan to value ratio). For the financial year under review, the Group's overall loan to value ratio was 53%. The target in the medium term is a loan to value ratio of under 50%, thereby reducing the cost of financing and the burden on the cash flow. Despite precise monitoring of financing instruments and relevant parameters, the possibility of

S IMMO being confronted with risks in refinancing cannot be excluded should the economy and the financing environment take a turn for the worse.

Exchange rate risks

S IMMO Group's loans are almost entirely denominated in euros, and rental agreements are almost without exception linked to the euro. For this reason, exposure to direct cash-effective foreign exchange rate risks is minimal. However, short-term non-cash exchange rate exposures do affect the balance sheet. In the financial year 2012, these effects resulted in a loss of EUR 2.0m, which is disclosed as part of the financial results of S IMMO Group. An indirect medium-term exchange rate risk caused by changes in currency values cannot be excluded in certain affected markets.

Other risks

Tax risks

As an international real estate investment company, S IMMO Group is exposed to a multitude of varying, continually changing national tax regimes. Changes in local tax conditions (e.g. property-related taxes, sales tax, income tax) can lead to disproportionately high tax burdens and consequently constitute an earnings risk. In Austria, the first Stability Act 2012 (StabG) brought fundamental reforms to the taxation of property portfolios, which could have an impact on future transactions or lettings. Additionally, in 2012 the sales tax was increased in several countries (Hungary, the Czech Republic and Croatia). In Germany, the property transfer tax was changed. By continuously working with local experts, S IMMO strives to identify possible consequences early on, take them into account when making decisions and make appropriate accounting provisions for all known risks.

Environmental risks

Environmental risks can arise in connection with both standing properties and development projects. For example, amended legislation can make it necessary to remove or replace building materials. There is also the possibility that hazardous materials will need to be removed from development land, which in turn can lead to higher costs. S IMMO protects itself against these risks by carrying out detailed site analyses when acquiring or investing in property and if necessary by obtaining guarantees. S IMMO also acts responsibly by insisting on high-quality building materials and construction methods, both with its standing properties and with development projects.

Legal risks

Due to its business activities, S IMMO is exposed to a variety of legal risks, for example, as a result of unclear statutory requirements or incomplete agreements. This can sometimes lead to litigation. S IMMO minimises this risk by involving the Group's legal department in all major business transactions and by always taking professional local legal advice. There is currently open litigation mainly in Germany and Romania. For all legal risks, appropriate accounting provisions have been made as far as needed.

OVERALL STATEMENT ON THE RISK SITUATION

Overall, it is expected that the business climate in 2013 will continue to be difficult. Recovery is not expected until the second half of the year, and in some cases not until 2014. Economic conditions – above all, the problems in Europe, the USA and

China – will continue to influence capital markets. Shares are currently benefiting from less attractive government bonds, expansionary monetary policies, low interest rates and the weakness of the euro.

The continuing economic problems in some of S IMMO's markets affect mainly property valuations, rental income, financing costs and the ability to borrow in the capital markets, the Group's own liquidity, and our partners' ability to meet their financial obligations. There are also risks attached to individual properties. S IMMO guards against these risks by taking appropriate specific measures and seeking to minimise negative effects on earnings performance and operating activities. Deliberate investments in four segments and in capital cities within the European Union and careful monitoring of relevant key indicators for each property help to keep potential risks to a minimum.

Outlook

SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

In the first quarter 2013, S IMMO also took advantage of the good sales opportunities in the German property market and sold one residential building in Berlin and one office building in Bremen.

Moreover, in the first quarter, a further 65,604 shares in the amount of EUR 310,000 and 73,929 participating certificates in the amount of EUR 5,467,000 were repurchased.

ECONOMIC CLIMATE

In 2012, the European economy was overshadowed by the debt crises experienced by a number of member states. For the eurozone, the most important event was the entering into effect of the European Stability Mechanism (ESM) in October 2012. Although the recession in the eurozone grew worse towards the end of the year, there are initial signs that the economy is stabilising. Many economic experts predict that the recession will end in the first half of 2013 and will be followed by a period of moderate economic growth. For Austria and Germany, Erste Group predicts GDP growth of 0.9%. It anticipates GDP growth of 0.4% for the eurozone and 2.0% for the USA in 2013. Thanks to gradual improvements in the labour and housing markets, an increase in US consumer spending could bolster global growth. In particular, exports from the eurozone should benefit from this development. Forecasts by the Organisation for Economic Co-operation and Development (OECD) also support this assessment.

The World Bank expects the mild recession in the eurozone to continue in 2013, with negative economic growth of 0.1%. It does, however, consider that the danger of a severe financial crisis has largely been averted, since the member states and the European Central Bank (ECB) have taken the appropriate steps.

In addition to Cyprus, Greece, Italy and Spain, Southeastern Europe is also suffering under the current economic climate. Growth in the region has slowed. In the years before the financial crisis, economic growth in the former Eastern Bloc countries was an average of three to four percentage points higher than in the rest of Europe. That average is now down to around 1.5 percentage points. For 2013, the International Monetary Fund (IMF) predicts an increase in GDP of 2.5% for Romania and 1.5% for Bulgaria. However, for Austrian banks and insurance companies, Eastern Europe will remain a growth market. Raiffeisen Bank International (RBI) sees the greatest potential for growth in Poland, Russia, the Czech Republic, Slovakia and Romania.

Stronger growth is expected worldwide in 2014 – Erste Group is predicting 1% for the eurozone, 1.7% for Austria and 1.5% for Germany. The USA should do significantly better: The experts are predicting an increase of 2.5%.

BUSINESS DEVELOPMENTS

In 2013 – as in 2012 – S IMMO Group will again focus on improving earnings indicators. We will therefore continue to take advantage of the favourable conditions in the German residential market in order to successfully dispose of properties and to check attractive real estate opportunities and purchase where appropriate. We also expect continuing success in new lettings and higher rental income from refurbished objects in Germany. In Southeastern Europe, the focus will remain on letting the two office buildings in Sofia and Bucharest. While Bucharest is showing signs of economic recovery, the market for office space in Sofia continues to pose a challenge. We are also planning to continue to streamline the Group's organisation and further reduce costs. On the financing side, we are aiming to reduce the loan to value ratio to under 50% in the medium term.

In our Quartier Belvedere Central development project located next to the new Vienna Central Station, S IMMO and its partners will be constructing a mixture of office, hotel and retail properties with a gross floor space of around 130,000 m². Detailed negotiations with potential tenants are already under way. The first phase of development may begin towards the end of this year with the excavation of the construction pit. In addition, individual plots of development land in Central and Southeastern Europe are being prepared for potential building activities in the future. The necessary zoning permits are being acquired and architecture competitions are being held so that construction work can begin as soon as local market conditions become favourable.

In the capital markets, we are continuing with our share repurchase programme and our S IMMO INVEST participating certificate repurchase programme until both expire at the end of June 2013.

Disclosure pursuant to section 243a Austrian Commercial Code (UGB)

Under section 243a Austrian Commercial Code (UGB), the following information must be disclosed:

1. The issued share capital of the Company is EUR 247,509,361.86, divided into 68,118,718 no par value bearer shares. All shares are of the same class.
2. The articles of incorporation contain the following provisions: The voting rights of each shareholder at the Annual General Meeting are limited to 15% of the issued share capital. For this purpose, shares held by companies that together constitute a group for the purposes of section 15 Austrian Stock Corporation Act (AktG) are to be aggregated, as are shares held by third parties for the account of a relevant shareholder or the account of a company forming part of a group with that shareholder. Holdings of shares by shareholders exercising their voting rights in concert in virtue of an agreement or as part of coordinated behaviour are also to be aggregated.
3. On 24 September 2009, the Management Board received notification under section 91(1) Austrian Stock Exchange Act (BörseG) from Tri-Star Capital Ventures Ltd., an international investment company, that this company had increased its shareholding in Sparkassen Immobilien AG (now S IMMO AG) to 11.15% of the issued share capital with voting rights. The Company was also informed on 20 April 2009 by s Versicherung AG, a company forming part of Vienna Insurance Group, that its interest in Sparkassen Immobilien AG (now S IMMO AG) had reached 10.27%, thereby exceeding the 10% threshold for notification under section 91(1) BörseG. Finally, on 24 July 2012, the Company received notification from Erste Group Bank AG that this company had increased its interest in S IMMO AG, and that as of 20 July 2012, the 10% threshold foreseen under section 91(1) BörseG had been exceeded; Erste Group Bank AG's directly and indirectly held voting rights then amounted to 10.12%.
4. There are no shares with special control rights.
5. Employees who are shareholders exercise their voting rights at the Annual General Meeting directly.
6. The Management Board consists of two, three or four members. The members of the Management Board are appointed by the Supervisory Board by a three-quarters majority of the votes cast. Appointment to the Management Board is open only to those under the age of 65 at the time of appointment. The Supervisory Board consists of a maximum of ten members elected by the Annual General Meeting. Resolutions proposing increases in share capital that change the articles of incorporation are passed by a simple majority of the votes cast at the Annual General Meeting and by a simple majority of the shareholders voting on a resolution.
7. (a) In accordance with section 169 AktG, the Management Board, with the approval of the Supervisory Board, is authorised for a period of five years dating from the registration of this change in the articles of incorporation, that is, until 19 October 2017, to increase the share capital of the Company by up to EUR 123,754,680.93 in one or more tranches by issuing up to 34,059,359 ordinary bearer shares for a minimum issue price of 100% of the proportionate share of the issued capital. The issue may be for cash or for contributions in kind (not including contributions in kind made in exchange for the issue by the Company of participating certificates and entitlements of such certificates, or other entitlements). With the agreement of the Supervisory Board, the Management Board is authorised to fix the issue price, the terms and conditions of the issue and all other details of the implementation of the capital increase. In the event of a capital increase for contributions in kind (not including contributions in kind made in exchange for the issue by the Company of participating certificates and entitlements of such certificates, or other entitlements), the Management Board is authorised, with the approval of the Supervisory Board, to exclude shareholder subscription rights in part or in full.

(b) At the Annual General Meeting on 01 June 2012, the Management Board was authorised under the provisions of section 65(1)(8) AktG for a period of thirty months from the date of the passing of the resolution, that is, until 01 December 2014, to acquire shares in the Company up to the statutory maximum of 10% of the Company's share capital and, if appropriate, to cancel them. The Management Board was also authorised for a period of five years from the date of the passing of the resolution, that is, until 01 June 2017, with the approval of the Supervisory Board, to dispose of own shares (treasury shares) in a manner other than through the stock exchange or through a public offer and under exclusion of shareholders' subscription rights.

(c) In accordance with section 159(2)(1) AktG, the authorised capital is conditionally increased by up to EUR 123,754,680.93 by the issue of up to 34,059,359 new ordinary bearer shares (conditional capital). The conditional capital increase will only be put into effect to the extent that owners of convertible loan stock issued on the basis of the resolution of the Annual General Meeting on 01 June 2012 exercise their rights of conversion or subscription. The issue price and the conversion and/or subscription ratio are to be calculated on the basis of the market price of the Company's shares in accordance with standard market practice; the issue price may not be less than the proportionate interest in the share capital. With the approval of the Supervisory Board, the Management Board is authorised to determine all other details of the implementation of the conditional capital increase (in particular the issue price, the rights attached to the shares and the date of entitlement to dividends). The Supervisory Board is authorised to amend the articles of incorporation as required in connection with the issue of shares out of conditional capital or when the time authorised for the use of such capital expires.

(d) At the Annual General Meeting on 01 June 2012, in accordance with section 174 AktG, the Management Board was again authorised within five years of the passing of the resolution, that is, until 01 June 2017, to issue for cash, in one or more tranches, convertible loan stock carrying the right of conversion or subscription to up to 34,059,359 ordinary bearer shares in the Company representing a proportionate interest in the share capital of the Company of up to EUR 123,754,680.93. The Management Board was also authorised, with the approval of the Supervisory Board, to exclude subscription rights of existing shareholders to convertible loan stock, and to determine all other terms and conditions of the convertible bonds, including their issue price and the conversion procedures.

8. No significant agreements have been made in which the Company is involved and under which control of the Company will change hands, be modified or cease as a result of a takeover offer.

9. There are no special compensation agreements between the Company and members of the Management and Supervisory Boards or the Company's employees that would take effect in the event of a public takeover offer.

Consolidated financial statements

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Consolidated statement of financial position

as at 31 December 2012

Assets	NOTES	31 December 2012	31 December 2011
EUR '000			
NON-CURRENT ASSETS			
Properties held as financial investments			
Investment properties	3.1.1.	1,661,226	1,716,899
Development projects and undeveloped land	3.1.1.	20,157	55,480
		1,681,383	1,772,379
Owner-operated properties	3.1.2.	128,202	134,321
Other plant and equipment	3.1.2.	7,034	7,472
Intangible assets	3.1.2.	165	165
Goodwill	3.1.3.	10	10
Interests in associated companies		9,382	8,266 ¹⁾
Group interests		774	730 ¹⁾
Deferred tax assets	3.1.12.	38,504	33,532
		1,865,454	1,956,875
CURRENT ASSETS			
Properties held for sale	3.1.4.	62,700	62,800
Inventories	3.1.5.	4,150	7,097
Trade receivables	3.1.6.	10,560	9,943
Other accounts receivable	3.1.6.	8,116	15,987
Other assets		5,776	7,416
Cash and cash equivalents	3.1.7.	57,076	115,260
		148,378	218,503
		2,013,832	2,175,378

¹⁾ Adjusted

Equity and liabilities

EUR '000

NOTES

31 December 2012

31 December 2011

		31 December 2012	31 December 2011
SHAREHOLDERS' EQUITY			
	3.1.8.		
Share capital		244,705	246,341
Capital reserves		73,005	73,416
Other reserves		165,463	154,285
		483,173	474,042
Non-controlling interests	3.1.9.	26,323	29,088
		509,496	503,130
NON-CURRENT LIABILITIES			
Subordinated participating certificate capital	3.1.10.	222,483	230,797
Financial liabilities	5.2.2.	973,426	1,103,371
Provisions	3.1.11.	9,853	7,892
Other liabilities		9,358	9,717
Deferred tax liabilities	3.1.12.	68,966	62,600
		1,284,086	1,414,377
CURRENT LIABILITIES			
Financial liabilities	5.2.2.	180,352	208,888
Trade payables		6,807	9,900
Other liabilities		33,091	39,083
		220,250	257,871
		2,013,832	2,175,378

Consolidated income statement

for the year ended 31 December 2012

EUR '000	NOTES	2012	2011
Revenues	3.2.1.		
Rental income		118,535	125,943
Revenues from operating costs		36,170	41,257
Revenues from hotel operations		41,971	40,612
		196,676	207,812
Other operating income		6,860	7,737
Expenses directly attributable to properties	3.2.2.	-67,037	-76,982
Hotel operating expenses	3.2.2.	-32,112	-31,576
Gross profit		104,387	106,991
Income from property disposals		132,230	46,500
Carrying value of property disposals		-121,390	-34,916
Gains on property disposals	3.2.3.	10,840	11,584
Management expenses	3.2.4.	-16,408	-17,169
Earnings before interest, tax, depreciation and amortisation (EBITDA)		98,819	101,406
Depreciation and amortisation	3.2.5.	-8,765	-9,266
Gains on property valuation	3.2.6.	16,756	146
Operating result (EBIT)		106,810	92,286
Financing costs	3.2.7.	-61,803	-51,458
Participating certificates result	3.1.10.	-12,809	-11,185
Net income before tax (EBT)		32,198	29,643
Taxes on income	3.1.12.	-6,170	-8,398
Consolidated net income		26,028	21,245
of which attributable to shareholders in parent company		24,302	20,034
of which attributable to non-controlling interests		1,726	1,211
Earnings per share			
Undiluted = diluted	3.2.8.	0.36	0.29

Consolidated statement of total comprehensive income

for the year ended 31 December 2012

EUR '000	2012	2011
Consolidated net income	26,028	21,245
Change in value of cash flow hedges	-20,653	-24,224
Income tax related to other comprehensive income	3,962	5,049
Reclassification of derivative valuation effects through net income	6,019	0
Foreign exchange rate differences	2,472	-8,758
Total comprehensive income	17,828	-6,688
of which attributable to shareholders in parent company	17,945	-5,900
of which attributable to non-controlling interests	-117	-788

Consolidated cash flow statement

for the year ended 31 December 2012

EUR '000	2012	2011
Net income before tax (EBT)	32,198	29,643
Gains/losses on property valuation	-16,756	-146
Depreciation and amortisation	8,765	9,266
Gains/losses on property sales	-10,840	-11,584
Cash flow from sale of inventories	5,185	7,714
Taxes on income paid	-943	-1,546
Participating certificates result	12,809	11,185
Net interest	61,803	51,458
Operating cash flow	92,221	95,990
Changes in net current assets		
Receivables and other assets	8,715	20,102
Provisions and other non-current liabilities	-4,658	-2,162
Current liabilities	-8,980	-8,047
Cash flow from operating activities	87,298	105,883
Cash flow from investing activities		
Investments in property portfolio	-11,970	-30,876
Investments in tangible and intangible assets	-2,213	-1,226
Disposals of/investments in financial investments	-940	-3,895
Disposals of properties and property holding companies	127,045	38,786
Interest received and other financial income	1,217	1,736
Cash flow from investing activities	113,139	4,525

EUR '000	2012	2011
Consolidated cash flow statement (cont.)		
Cash flow from financing activities		
Purchase of own participating certificates	-9,538	-23,684
Purchase of own shares	-2,048	-1,330
Cash flows from increases/decreases in non-controlling interests	-2,648	-1,550
Increases/decreases in financing	-174,296	-28,348
Dividend payment	-6,767	0
Distribution to participating certificates	-11,186	-13,869
Interest paid	-52,138	-56,088
Cash flow from financing activities	-258,621	-124,869
Cash and cash equivalents at 01 January	115,260	129,721
Net change in cash and cash equivalents	-58,184	-14,461
Cash and cash equivalents at 31 December¹⁾	57,076	115,260

¹⁾ The effects of foreign exchange translation differences on cash and cash equivalents are not material and are therefore not disclosed separately.

Changes in consolidated equity

EUR '000	Share capital	Capital reserves	Foreign currency translation reserves	Hedge accounting reserves	Other reserves	Sub-total S IMMO shareholders	Non-controlling interests	Total
At 01 January 2012	246,341	73,416	-22,040	-55,627	231,952	474,042	29,088	503,130
Consolidated net income	0	0	0	0	24,302	24,302	1,726	26,028
Other comprehensive income	0	0	2,472	-8,829	0	-6,357	-1,843	-8,200
Repurchase of own shares	-1,637	-411	0	0	0	-2,048	0	-2,048
Decrease	0	0	0	0	0	0	-2,648	-2,648
Distribution for 2011	0	0	0	0	-6,767	-6,767	0	-6,767
At 31 December 2012	244,705	73,005	-19,568	-64,456	249,487	483,173	26,323	509,496
At 01 January 2011	247,509	73,578	-13,398	-38,335	211,918	481,272	31,426	512,698
Consolidated net income	0	0	0	0	20,034	20,034	1,211	21,245
Other comprehensive income	0	0	-8,642	-17,292	0	-25,934	-1,999	-27,933
Repurchase of own shares	-1,168	-162	0	0	0	-1,330	0	-1,330
Decrease	0	0	0	0	0	0	-1,550	-1,550
At 31 December 2011	246,341	73,416	-22,040	-55,627	231,952	474,042	29,088	503,130

Notes to the consolidated financial statements

for the year ended 31 December 2012

1. THE GROUP

S IMMO Group (S IMMO AG and its subsidiaries) is an international real estate group. The ultimate parent company of the Group, S IMMO AG, has its registered office and headquarters at Friedrichstrasse 10, 1010 Vienna, Austria. The Company has been listed on the Vienna Stock Exchange since 1992, since 2007 in the Prime Market Segment. It has subsidiaries in Austria, Germany, the Czech Republic, Slovakia, Hungary, Croatia, Romania, Bulgaria, Denmark and Cyprus. At 31 December 2012 S IMMO Group owned properties in all the above countries except Denmark and Cyprus. The Company's principal business is the acquisition, letting and sale of properties in different regions and market segments in order to achieve a balanced investment portfolio. Another business activity is the development and construction of properties in cooperation with project development partners.

2. ACCOUNTING AND VALUATION POLICIES

2.1. Accounting policies

The consolidated financial statements comply with the International Financial Reporting Standards, including the interpretations of the IFRS Interpretations Committee (former "IFRIC"), the application of which was mandatory in the European Union at the balance sheet date.

The accounting policies of all companies included in consolidation are based on the uniform accounting regulations of S IMMO Group. The financial year for all companies is the year ending on 31 December.

The consolidated financial statements are presented rounded to the nearest 1,000 euro (EUR '000 or kEUR). The totals of rounded amounts and the percentages may be affected by rounding differences caused by the use of computer software.

2.2. Consolidation group and basis of consolidation

The consolidated financial statements include all the companies (subsidiaries) over which the parent company has a controlling influence. A controlling interest exists where the parent company is in a position directly or indirectly to determine the financial and business policies of the subsidiary and to benefit from its activities. A subsidiary is consolidated from the time when the controlling influence is acquired, and deconsolidated when that influence ceases to exist.

Companies over which the parent company directly or indirectly exercises a significant influence are included at equity. A significant influence is assumed to exist where S IMMO AG holds between 20% and 50% of the voting rights.

The acquisition method is applied for initial consolidation, which means that the identifiable assets (mainly properties) and liabilities of the companies acquired, and the minority interests in them, are recognised at fair value.

As a general rule, S IMMO Group recognises minority interests as the proportionate share of identifiable net assets of the subsidiary. Goodwill is measured as the difference between the aggregate of the fair value of the consideration given together with the amount recognised for non-controlling interests and the fair value of the identifiable assets and liabilities (net assets) of the company acquired. The amount in excess of net assets is recognised as goodwill. If the amount is negative, after a further critical review of the recognition and measurement of the assets and liabilities acquired, it is recognised in profit or loss.

The acquisition date is the date on which control of the new acquisition is acquired. Costs incurred by S IMMO Group in the course of acquisition, such as fees for due diligence reviews, valuations and other consulting services are recognised as expenses of the period in which they are incurred.

For associated companies included at equity differences on capital consolidation are calculated in the same way as for consolidated companies. The proportionate share of the profit or loss for the year is included in the carrying value of the investment. In the event of distributions, the carrying value is reduced by the proportionate amount.

Apart from S IMMO AG, the consolidated financial statements include 66 (2011: 70) companies (property holding and intermediary holding companies), which are fully consolidated and directly or indirectly owned as well as controlled by S IMMO AG, and 4 (2011: 3) companies included at equity.

In the fourth quarter, CII Central Investments Imobiliara S.R.L. was included in the financial statements of S IMMO AG at equity for the first time. In the third quarter, SIAG Burstah Immobilien GmbH was merged into S IMMO Wohnimmobilien GmbH. In the fourth quarter, KJ EjendomneSyd APS was merged into S IMMO AG and HWI III ApS was merged into E.V.I. Immobilien Beteiligungs GmbH.

Company	Location	Country	Nominal capital	(%)	Currency	Consolidation type
CEE Immobilien GmbH	Vienna	A	35,000	100	EUR	full
CEE PROPERTY-INVEST Immobilien GmbH	Vienna	A	48,000,000	100	EUR	full
CEE CZ Immobilien GmbH	Vienna	A	35,000	100	EUR	full
German Property Invest Immobilien GmbH	Vienna	A	35,000	100	EUR	full
Hotel DUNA Beteiligungs Gesellschaft m.b.H.	Vienna	A	145,346	100	EUR	full
AKIM Beteiligungen GmbH	Vienna	A	35,000	100	EUR	full
SO Immobilienbeteiligungs GmbH	Vienna	A	35,000	100	EUR	full
CEE Beteiligungen GmbH	Vienna	A	35,000	100	EUR	full
E.V.I. Immobilienbeteiligungs GmbH	Vienna	A	35,000	100	EUR	full
SIAG Berlin Wohnimmobilien GmbH	Vienna	A	3,982,500	99.74	EUR	full
E.I.A. eins Immobilieninvestitionsgesellschaft m.b.H.	Vienna	A	36,336	100	EUR	full
PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co. KG	Vienna	A	8,299,237	70	EUR	full
PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H.	Vienna	A	36,336	100	EUR	full
Neutorgasse 2–8 Projektverwertungs GmbH	Vienna	A	35,000	100	EUR	full
H.S.E. Immobilienbeteiligungs GmbH	Vienna	A	35,000	100	EUR	full
A.D.I. Immobilien Beteiligungs GmbH	Vienna	A	35,000	100	EUR	full
ISP Immobilienentwicklungs- und Verwertungsgesellschaft m.b.H.	Vienna	A	35,000	25	EUR	equity
BGM-IMMORENT Aktiengesellschaft & Co KG	Vienna	A	4,360,370	20.3	EUR	equity
VIERTEL ZWEI Hoch GmbH & Co KG	Vienna	A	100,000	100	EUR	full
VIERTEL ZWEI Plus GmbH & Co KG	Vienna	A	100,000	100	EUR	full
VIERTEL ZWEI Hotel GmbH & Co KG	Vienna	A	100,000	100	EUR	full
S IMMO Property Invest GmbH	Vienna	A	35,000	100	EUR	full
Hansa Immobilien EOOD	Sofia	BG	10,175	77	BGN	full

Company	Location	Country	Nominal capital	(%)	Currency	Consolidation type
CEE PROPERTY BULGARIA EOOD	Sofia	BG	20,000	100	BGN	full
Washington Project EOOD	Sofia	BG	20,000	50	BGN	equity
SIAG HOLDING LIMITED	Nicosia	CY	3,000	100	EUR	full
Areal CZ spol. s.r.o.	Prague	CZ	100,000	100	CZK	full
Eltima Property Company s.r.o.	Prague	CZ	100,000	100	CZK	full
REGA Property Invest s.r.o.	Prague	CZ	200,000	100	CZK	full
Tolleson a.s.	Prague	CZ	200,000	100	CZK	full
Lützow-Center GmbH	Berlin	D	25,000	100	EUR	full
Ikaruspark GmbH	Berlin	D	25,000	100	EUR	full
S IMMO Germany GmbH	Berlin	D	25,000	100	EUR	full
S Immo Geschäftsimmobilien GmbH	Berlin	D	25,000	100	EUR	full
S Immo Wohnimmobilien GmbH	Berlin	D	25,000	100	EUR	full
Markt Carree Halle Immobilien GmbH	Berlin	D	25,000	100	EUR	full
Tölz Immobilien GmbH	Berlin	D	25,000	100	EUR	full
Einkaufs-Center Sofia G.m.b.H. & Co KG	Hamburg	D	87,000,000	65	EUR	full
SIAG Deutschland Beteiligungs-Verwaltungs GmbH	Berlin	D	25,000	100	EUR	full
SIAG Deutschland Beteiligungs GmbH & Co. KG	Berlin	D	100,000	99.74	EUR	full
SIAG Leipzig Wohnimmobilien GmbH	Berlin	D	750,000	99.74	EUR	full
Maior Domus Hausverwaltung GmbH	Berlin	D	25,000	100	EUR	full
SIAG Property I GmbH	Berlin	D	25,000	100	EUR	full
H.W.I. I ApS	Århus	DK	939,000	100	EUR	full
H.W.I. IV ApS	Århus	DK	134,000	100	EUR	full
GERMAN PROPERTY INVESTMENT I APS (GPI I APS)	Århus	DK	17,000	99.71	EUR	full
GERMAN PROPERTY INVESTMENT II APS (GPI II APS)	Århus	DK	60,000	99.71	EUR	full
GERMAN PROPERTY INVESTMENT III APS (GPI III APS)	Århus	DK	17,000	99.71	EUR	full
Bank-garázs Ingatlanfejlesztési és Vagyonhasznosító Kft.	Budapest	H	500,000	100	HUF	full
CEE Property-Invest Ingatlan Kft.	Budapest	H	100,000,000	100	HUF	full
Maros utca Építési és Ingatlanhasznosítási Kft.	Budapest	H	500,000	100	HUF	full
Buda Kereskedelmi Központ Kft.	Budapest	H	3,000,000	100	HUF	full
Duna Szálloda Zrt.	Budapest	H	5,000,000	100	HUF	full
S IMMO Hungary Kft	Budapest	H	98,600,000	100	HUF	full
Szegedi út Ingatlankezelő Kft.	Budapest	H	500,000	100	HUF	full
Nagymező utcai Projektfejlesztési Kft.	Budapest	H	462,590,000	100	HUF	full
CEE Property-Invest Hungary 2003 Ingatlan Kft.	Budapest	H	3,000,000	100	HUF	full
CEE PROPERTY INVEST ROMANIA SRL	Bucharest	RO	1,000	100	RON	full
Societate Dezvoltare Comercial Sudului (SDCS) S.R.L.	Bucharest	RO	245,674,000	100	RON	full
VICTORIEI BUSINESS PLAZZA S.R.L.	Bucharest	RO	18,852,144	100	RON	full
DUAL Construct Invest S.R.L.	Bucharest	RO	2,000	82	RON	full
ROTER INVESTITII IMOBILIARE S.R.L.	Bucharest	RO	4,472,020	100	RON	full

Company	Location	Country	Nominal capital	(%)	Currency	Consolidation type
CII Central Investments Imobiliare S.R.L.	Bucharest	RO	1,816,000	47	RON	equity
Galvaniho Business Centrum s.r.o.	Bratislava	SK	7,000	100	EUR	full
Galvaniho 2 s.r.o.	Bratislava	SK	7,000	100	EUR	full
IPD - International Property Development s.r.o.	Bratislava	SK	33,000	100	EUR	full
SIAG Fachmarktzentren s.r.o.	Bratislava	SK	7,000	100	EUR	full
SIAG Hotel Bratislava s.r.o.	Bratislava	SK	7,000	100	EUR	full
Galvaniho 4 s.r.o.	Bratislava	SK	33,000	100	EUR	full
Eurocenter d.o.o.	Zagreb	HR	20,000	100	HRK	full

2.3. Reporting currency and currency translation

The Group's reporting currency is the euro. The functional currency of individual Group companies is determined by the economic environment in which they operate. Because circumstances have changed (the fair values, the lease agreements and the refinancing of rental properties will, from now on, be considered as based on the euro sustainably), the functional currency for most Group companies in Romania, Bulgaria, Hungary and the Czech Republic has been changed from the local currency to the euro with effect from the start of the fourth quarter of 2012, in accordance with IAS 21. In accordance with the provisions of IAS 21, the change is effective prospectively. The change affects properties with a total value of approximately kEUR 503,000 in the consolidated financial

statements for the year ended 31 December 2012. In our judgement the new approach results in a better presentation of S IMMO Group's financial position and financial performance.

For those Group companies for which the local currency remains the functional currency, functional currencies are translated into the reporting currency in accordance with IAS 21, as follows:

- Assets and liabilities at closing rate
- Income and expenses at the average rate for the period
- All resulting exchange differences are recognised in the foreign currency translation reserve under equity.

Foreign currencies have been translated using the following exchange rates:

	Czech Republic CZK	Hungary HUF	Bulgaria BGN	Romania RON	Croatia HRK
Closing rate 31 December 2012	25.151	292.300	1.956	4.445	7.558
Average rate 2012	25.219	285.546	1.956	4.494	7.533
Closing rate 31 December 2011	25.787	314.580	1.956	4.323	7.537
Average rate 2011	24.635	280.460	1.956	4.242	7.444

2.4. Newly applicable accounting regulations

2.4.1. New Standards and Interpretations

- Amendments to IFRS 1, First-time Adoption – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
- Amendments to IFRS 7, Financial Instruments: Disclosures – Transfers of Financial Assets
- Amendments to IAS 12, Income Taxes – Deferred Tax: Recovery of Underlying Assets

Effects of new or amended Standards on S IMMO Group:

The new or amended Standards applicable as of 01 January 2012 required no material changes to the consolidated financial statements. The accounting and valuation policies as well as calculation and presentation methods were not significantly different from those applied in the consolidated financial statements for the year ended 31 December 2011.

2.4.2. New Standards not yet mandatorily applicable at balance sheet date

For financial years beginning on or after 01 July 2012.

Endorsed for use in the EU and published in the Official Journal of the EU:

- Changes in IAS 1, Presentation of Financial Statements – Disclosure of Items Presented in Other Comprehensive Income

For financial years beginning on or after 01 January 2013.

Endorsed for use in the EU and published in the Official Journal of the EU:

- Changes in IFRS 7, Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities
- IFRS 10, Consolidated Financial Statements, and IAS 27, Separate Financial Statements (effective date per EU Commission: 01 January 2014)
- IFRS 11, Joint Arrangements, and IAS 28, Investments in Associates and Joint Ventures (effective date per EU Commission: 01 January 2014)

- IFRS 12, Disclosure of Interests in Other Entities (effective date per EU Commission: 01 January 2014)
- IFRS 13, Fair Value Measurement
- IAS 19, Employee Benefits
- IFRIC 20, Stripping Costs in Surface Mining

Not yet endorsed for use in the EU:

- Amendments to IFRS 1, First-time Adoption – Government Loans
- Amendments to IFRS 10, IFRS 11 and IFRS 12, Transition Guidance
- Improvements to IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34 (as part of the IASB's annual improvements process)

For financial years beginning on or after 01 January 2014.

Endorsed for use in the EU and published in the Official Journal of the EU:

- Amendments to IAS 32, Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities

Not yet endorsed for use in the EU:

- Amendments to IFRS 10, IFRS 12 and IFRS 27, Investment Entities

For financial years beginning on or after 01 January 2015.

Not yet endorsed for use in the EU:

- IFRS 9, Financial Instruments
- Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures – Mandatory Effective Date and Transition Disclosures

There is no voluntary early application of the above revisions and interpretations. Management is currently analysing the possible consequences of the revised Standards and Interpretations in the applicable years of initial application.

2.5. Changes in accounting and valuation policies

Apart from the change in the functional currency in some countries in the CEE and SEE regions described in chapter 2.3, there were no changes in the financial year 2012 in accounting and valuation policies or in the presentation of the financial statements. The adjustment of the functional currency as at 01 October 2012 has led to a non significant shift in terms of the currency differences between the income statement and the statement of comprehensive income.

2.6. Accounting and valuation policies**2.6.1. Properties held as financial investments**

It is industry practise to measure properties held as financial investments using the fair value model, under the option available in IAS 40. Properties held as financial investments are properties leased or rented out for the purpose of generating income or held for capital appreciation, together with undeveloped land. Properties acquired or being developed for disposal and properties used by the Group are not within the scope of IAS 40.

The application of the fair value model means that investment properties and undeveloped land are measured at fair value at the balance sheet date. The resulting changes in carrying values before revaluation are recognised as a profit or loss under revaluations.

Properties are recognised as assets of the company in question, in the relevant functional currency.

The diversity of the properties to which the fair value model is applied necessitates a careful choice of appropriate valuation models and different parameters for each individual property, so that factors such as location, use type, market environment, building quality, etc., are taken into account. The valuations generally use the earnings value method or the discounted cash flow method.

2.6.2. Owner-operated properties, other plant and equipment

Owner-operated properties consist mainly of hotels operated by S IMMO Group. The business of these hotels includes the rental of rooms and catering activities. These hotels are for the most part operated under management agreements, and consequently the risks associated with occupancy rates are in part borne by S IMMO Group. Hotels of this kind are outside the scope of IAS 40 (properties held as financial investments) and are therefore to be treated as tangible non-current assets under IAS 16.

Under IAS 16, owner-operated properties (including owner-managed hotels) and other non-current tangible assets are valued using the cost model. The properties are recognised on initial capitalisation at costs of acquisition or construction and in subsequent years written down to reflect scheduled depreciation and any impairment losses.

Where construction finance can be directly associated with these properties, the borrowing costs of qualifying properties during the period of construction are capitalised as part of acquisition and construction cost.

Depreciation is calculated on a straight-line basis over the expected useful lives of the assets, as follows:

	Expected useful lives (years)	
	from	to
Owner-operated hotels	25	33
Other plant and equipment	3	10

2.6.3. Goodwill

The goodwill disclosed in the balance sheet is the result of applying the acquisition method in accounting for the acquisition of companies. In accordance with IAS 36, the value of goodwill is based on the value of the company at the time of acquisition less accumulated amortisation. For interests in associated companies, goodwill is included in the carrying amounts of the investments.

2.6.4. Intangible assets

Intangible assets for the purpose of IAS 38 are identifiable non-monetary assets without physical substance. To qualify for recognition, an intangible asset must be identifiable and be under the control of the entity. It must be probable that future economic benefits from the assets will flow to the entity and its cost must be capable of being measured reliably.

Intangible assets with a limited useful life are subject to scheduled amortisation, calculated on the basis of the following useful lives:

	Expected useful lives (years)	
	from	to
Software	3	6

As required under IAS 36, the carrying values are also reviewed for impairment.

Intangible assets acquired for consideration are recognised at acquisition cost less scheduled straight-line amortisation and provision for any impairment losses.

S IMMO Group has not capitalised any internally generated intangible assets.

2.6.5. Properties held for disposal

Property held for disposal is not considered to be investment property within the scope of IAS 40 if it is Management's intention to dispose of the property in the near future and the negotiations for sale are already well-advanced.

In accordance with IFRS 5, property held for sale is as a general rule measured at the lower of carrying value and net realisable value.

IFRS 5 provides for an exception with respect to the measurement of properties held as financial investments: they are measured at market value. The special disclosure requirements under IFRS 5 are however applicable, so that properties held for sale must be shown under current assets.

It is intended to dispose of one property held in Austria and two in Germany. The carrying value of these at 31 December 2012 amounted to kEUR 62,700.

2.6.6. Financial instruments

2.6.6.1. Primary financial instruments

In accordance with IAS 39, S IMMO Group as a general rule classifies its financial instruments as follows:

- Financial assets and liabilities measurable at fair value through profit and loss
- Loans and receivables
- Financial assets held to maturity
- Available-for-sale financial assets
- Financial liabilities at amortised cost

Classification is based on the purpose for which the individual instrument is acquired and takes place at the time of acquisition.

S IMMO Group as a general rule classifies financial instruments into the following categories:

- Interests in associated companies
- Group interests
- Trade receivables
- Other accounts receivable
- Cash and cash equivalents
- Subordinated participating certificate capital
- Non-current financial liabilities
- Other non-current liabilities
- Current financial liabilities
- Trade payables
- Other current liabilities

The category *financial instruments and liabilities measurable at fair value through profit and loss* includes financial instruments held for trading purposes, financial instruments classified as such at the time of acquisition and all derivative financial instruments except those serving as hedges.

The assets classified under *loans and receivables* are financial instruments with fixed or determinable payment flows not traded in an active market. They include in particular trade receivables and other financial assets. Where their remaining maturities are less than 12 months they are disclosed under current assets, and otherwise under non-current assets.

Financial assets with fixed or determinable payment flows traded in an active market are disclosed under *financial assets held to maturity*. At the balance sheet date, S IMMO Group held no such instruments.

Available-for-sale financial assets comprise all financial assets not included in any other of the above categories or deliberately classified as *available-for-sale*. These financial instruments are disclosed as non-current assets unless it is Management's intention to dispose of them within the next 12 months.

The category *financial liabilities at amortised cost* comprises trade and other financial liabilities.

Additions to and disposals of financial instruments are recognised as of the applicable settlement dates. Financial assets in all categories are measured at fair value at the time of acquisition and – with the exception of those *recognised at fair value through profit and loss* – including transaction costs.

Where no fair value for financial instruments can reliably be established, they are disclosed at acquisition costs net of any impairment. Other liabilities-side financial instruments are measured at amortised cost.

The fair value of stock market listed financial instruments is their market price at the balance sheet date. For financial assets for which there is no active market the fair value is calculated with the aid of valuation models. This can involve the derivation of fair value from current transactions in similar financial instruments or from present values of future payment streams (*discounted cash flow models*), or the use of mathematical models.

2.6.6.2. Derivatives

S IMMO Group uses derivative financial instruments – interest rate caps, collars and swaps – to reduce the risks attendant on interest rate increases. These are measured at fair value. The fair value measurement of derivatives is based on estimates made by banks.

S IMMO Group's objects include the acquisition and development of property for rental or subsequent sale with the aim of generating positive net cash flows. Business activities are financed out of equity, and also by long-term borrowings in the form of mortgage loans and other financial liabilities. The bulk of the external financing consists of variable rate borrowings, with interest rates linked to 3-month, 6-month or 12-month Euribor as base rate.

S IMMO Group's fundamental risk management strategy is to hedge interest rate risk (i.e., the variability of the base rate) using offsetting hedges, in order to ensure fixed payment streams and to make property project forecasts more reliable. The purpose of cash flow hedging at S IMMO Group is to reduce the risk on existing variable rate loans, future reinvested funds and transactions expected to be very probable in the future (*forecast transactions*) by using offsetting derivatives. Cash flow hedging arrangements are used for this purpose.

Hedged risk

The interest rate risk hedged is a market interest rate, the Euribor, which is an identifiable component of the interest rate risk on interest-bearing financial liabilities that can be separately assessed.

Hedging instruments

S IMMO Group uses as hedging instruments only derivatives that, because they move in the opposite direction to the underlying transactions, convert the potential changes in cash flows, in particular from increases in interest rates into fixed payments streams. The hedging instruments used are interest rate derivatives such as interest rate swaps, caps and collars. The effective part of the change in fair value of these derivatives is recognised not through profit and loss but under other comprehensive income, the ineffective portion is recognised through profit and loss as part of the financing results. For the non-linear interest rate options used as hedges, only the intrinsic value is designated as a hedge. The time value, as ineffective, is recognised in the income statement as part of financing costs. For the collars, care is taken to ensure that there is no net short position.

The changes in the valuation of cash flow hedges recognised under equity are transferred to the income statement in the period in which the hedged underlying transaction affects profit and loss or when the requirements for recognition as a cash flow hedge are no longer met. In the financial year 2012, according to the regulations of IAS 39 derivative valuation effects of kEUR 6,019 from the equity was reclassified in the income statement.

So that the requirements for recognition as a cash flow hedge are met, at the time of the derivative transaction S IMMO Group documents the hedging relationship between the hedging instrument and the underlying transaction and the underlying hedging strategy. The effectiveness of the hedge is regularly assessed using both a priori and a posteriori tests.

2.6.7. Impairment of assets

2.6.7.1. Non-financial assets

For properties used by the owner (at present these are mostly hotels) and for other tangible assets and intangible assets, where there is evidence of impairment the recoverable amount is ascertained, in accordance with IAS 36. The recoverable amount is the higher of the fair value less costs to sell (net realisable value) and the value in use.

The fair value is the amount that would be obtained by the sale of the asset in an arm's length transaction between knowledgeable, willing and independent parties.

The value in use is the present value of the estimated future payment flows that can be expected from the continued use of an asset and its disposal at the end of its useful life.

If the recoverable amount is less than the carrying value of the asset, there is an impairment writedown to the recoverable amount through profit and loss.

In principle the recoverable amount should be calculated for each individual asset for which the value is to be measured. However, since payment flows cannot always be attributed to each asset directly, for the purpose of impairment tests assets are grouped into cash generating units (CGUs). The Group's hotels are treated as individual CGUs.

The impairment test for hotels is a two-stage process. The carrying value is first compared with the independent assessment of the hotel's fair value. If the carrying value exceeds the fair value, the question is then whether the value in use differs substantially from the fair value. If this is not the case, then the carrying value is written down to correspond to the fair value.

If the impairment subsequently disappears, the impairment loss is reversed through profit and loss, up to the lower of the new recoverable amount or the depreciated original cost of acquisition or construction. The Group had no such reversals of impairment losses in 2012 or the previous year.

Goodwill carried in the balance sheet is subjected to an impairment test on a yearly basis, in accordance with IAS 36.

2.6.7.2. Financial instruments

S IMMO Group reviews all its financial assets, with the exception of those measured at fair value through profit and loss, at every balance sheet date for any objective indications that any asset or group of assets may have suffered impairment.

For debt instruments of all kinds except those measured at fair value through profit and loss, an impairment is recognised if as a result of one or more events taking place after the initial recognition of the asset there is objective evidence that S IMMO Group will no longer be in a position to collect the payments relating to the asset. The amount of the impairment is calculated as the difference between the carrying value of the financial asset and the present value of the future cash flows, calculated using the original rate of interest on the asset. A subsequent disappearance of the factors causing the impairment and a recovery in value entails a reversal of the impairment loss.

Trade receivables

Where there are objective indications that individual receivables can not be recovered in full, provisions are raised for the amounts expected to be irrecoverable. S IMMO Group makes general provisions for doubtful individual debts on the basis of experience, generally applying the following principles:

- Receivables overdue by more than 3 months: 50% provision
- Receivables overdue by more than 1 year: 100% provision

The outstanding balances are constantly monitored by the responsible asset managers, so that appropriate measures can be taken in good time.

2.6.8. Other assets

Other assets are measured at cost less any impairment losses, which are recognised through profit and loss.

2.6.9. Cash and cash equivalents

Cash and cash equivalents comprise cash and sight deposits together with bank deposits with a maturity of up to three months at the time of the original deposit.

2.6.10. Other provisions

Other provisions are made where S IMMO Group has legal or constructive obligations to other parties arising from past events, where it is probable that the obligation will lead to an outflow of resources and where the amount of the obligation can be estimated reliably.

Provisions are made in the amounts representing the best possible estimates of the expense of meeting the obligations. Where the present value of the provision calculated using a market rate of interest differs materially from the nominal value, the present value is recognised.

Appropriate provisions have been made for unresolved legal disputes and other legal proceedings.

A provision is made for onerous contracts (provision for project and transaction risks) when the expected revenues from a contract are exceeded by the unavoidable costs of meeting the obligations under the contract. The amount of the provision is the lower of the cost of withdrawing from the contract and the net cost of completing it. Before separate provision for an onerous contract is made, impairments on assets connected with the contract are recognised.

2.6.11. Taxes

Tax provisions include both current taxes payable by the individual companies and deferred taxes.

In accordance with IAS 12, deferred taxes are recognised on all temporary differences between the carrying value of an asset or liability in the consolidated financial statements and the carrying value for tax purposes in the individual accounts of the Group's subsidiaries. Where it can with reasonable certainty be expected that a property can be disposed of without giving rise to a tax liability, no deferred tax is provided. Additionally, tax credits from tax loss carryforwards that are expected to be realisable are recognised as deferred tax assets.

Deferred taxes are calculated using the applicable tax rates at the balance sheet date, or where changes in tax law have already been adopted, at the rates applicable in future.

Deferred tax assets are recognised in connection with tax loss carryforwards only where in the Management's estimation it is probable that the losses will be able to be offset against future taxable profits of the relevant company.

Deferred tax assets and deferred tax liabilities within an individual company are only netted off where the company in question has a legally enforceable right to set tax assets and liabilities against each other, and where the deferred taxes relate to taxes on income assessable by the same tax authority on the same company.

2.6.12. Revenues

2.6.12.1. Rental income

Rental income is recognised evenly over the term of the rental agreement. One-time payments and waivers of rent are spread over the lifetime of rental agreements.

2.6.12.2. Revenues from hotel operations

Revenues from hotel operations consist largely of room rental income and catering income. Income is recognised in proportion to the services rendered at balance sheet date.

2.6.12.3. Income and costs from financial instruments

Income from financial investments includes interest, dividends and capital gains from the investment of funds and from investments in financial assets, together with reversals of impairment losses. Dividends are recognised at the time the resolutions authorising the dividend distribution are passed.

Financial expenses include interest and similar expenses on external borrowings, incidental costs, losses on disposal of financial assets, impairment losses, current hedging results and exchange rate gains and losses on the translation of euro denominated property values from euro into the local currency (if the local currency differs from the euro) and on the valuation of monetary assets and liabilities at individual company level.

Interest is accrued using the effective interest rate method.

The valuation of derivatives reflects gains and losses on the disposal or revaluation of interest caps, collars and swaps, which have not been recognised in equity.

Where applicable, short-term exchange gains or losses on the valuation of financial instruments are disclosed here.

2.6.12.4. Estimation and assumption uncertainties

The preparation of consolidated financial statements in accordance with IFRS requires estimates and assumptions by Management about future developments. These can have a material influence on the recognition and measurement of assets and liabilities, on information about other obligations at the balance sheet date and on disclosure of income and expenses during the financial year.

In the case of the following assumptions there is a not inconsiderable risk that they may result in a material adjustment of assets and liabilities in the next financial year.

■ The calculation of the fair value of properties held as financial investments has been based on expert valuations by internationally recognised valuers such as CBRE, PriceWaterhouseCoopers, DTZ, Colliers International, EHL and Dr. Heinz Muhr. The valuations have been prepared in compliance with International Valuation Standards. The values of these properties depend to a significant extent on present estimates of future rental trends and vacancy levels, and on interest rates used for discounting purposes. The valuations apply the earnings value method, on the basis of expected sustainable future rental yields and market interest rates (Austria: 3.0%–7.0%; elsewhere: 4.8%–11.0%). Properties held as financial assets had a carrying value of kEUR 1,681,383 (31.12.2011:kEUR 1,772,379).

■ Estimates of the long-term value of tangible and intangible assets are based on assumptions about the future. The calculation of recoverable amounts for the purpose of impairment tests is based on several assumptions, for example, about future net cash flows and discount rates. The carrying value of intangible assets amounted to kEUR 165 (31.12.2011: kEUR 165), that of other non-current assets to kEUR 7,034 (31.12.2011: kEUR 7,472). Owner-operated properties had a carrying value of kEUR 128,202 (31.12.2011: kEUR 134,321).

■ In estimating the value of financial instruments (in particular, derivatives) for which no active market exists, alternative valuation methods based on investment mathematics are employed. The parameters on which estimates of fair value are based depend in part on assumptions about the future. The carrying values of financial instruments are detailed in note 5.1.

■ The recognition of deferred tax assets for tax loss carryforwards is based on the assumption that taxable income earned in the future will be sufficient to enable existing loss carryforwards to be utilised. Deferred tax assets for tax loss carryforwards of kEUR 22,690 (31.12.2011: kEUR 21,425) have been recognised.

■ Obligations arising from sureties, guarantees and similar liabilities not included in the consolidated statement of financial position are regularly reviewed to ensure that they do not require to be so recognised and included.

Estimates and underlying assumptions are subject to ongoing review. Actual outcomes may differ from the assumptions and estimates made if developments in the business environment turn out differently to expectations. Changes are reflected in profit or loss as soon as the altered circumstances become known, and the assumptions are adjusted accordingly.

3. NOTES ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND CONSOLIDATED INCOME STATEMENT

3.1. Statement of financial position

3.1.1. Properties held as financial investments

EUR '000	Investment properties	Development projects and undeveloped land
As at 01 January 2011	1,810,322	55,989
Additions (including initial consolidations)	12,053	1,991
Disposals	-25,316	0
Changes in fair value	-17,360	-2,500
Reclassifications	-62,800	0
As at 31 December 2011	1,716,899	55,480
whereof pledged as security	1,684,951	0
Additions	6,544	1,977
Disposals	-55,957	0
Changes in fair value	23,940	-4,800
Reclassifications	-30,200	-32,500
As at 31 December 2012	1,661,226	20,157
whereof pledged as security	1,586,424	0

Additions by country were as follows:

Investment properties

EUR '000	31 December 2012	31 December 2011
Austria	1,246	324
Germany	2,900	9,827
Central Europe	2,277	1,766
Southeastern Europe	121	136
	6,544	12,053

Development projects and undeveloped land

EUR '000	31 December 2012	31 December 2011
Austria	0	0
Germany	0	0
Central Europe	617	147
Southeastern Europe	1,360	1,844
	1,977	1,991

Made up of:

Investment properties

EUR '000	31 December 2012	31 December 2011
Austria	529,391	568,390
Germany	473,482	513,385
Central Europe	302,438	305,855
Southeastern Europe	355,915	329,269
	1,661,226	1,716,899

Development projects and undeveloped land

EUR '000	31 December 2012	31 December 2011
Austria	0	0
Germany	0	0
Central Europe	5,639	6,322
Southeastern Europe	14,518	49,158
	20,157	55,480

In the financial year 2012, borrowing costs totalling kEUR 531 (2011: kEUR 395) were capitalised. These amounts related to properties still under construction and to properties completed during 2012 for the period prior to their completion.

3.1.2. Owner-operated properties, other plant and equipment and intangible assets

Changes in the acquisition costs of owner-operated hotels, other plant and equipment and intangible assets were as follows:

EUR '000	Owner-operated hotels	Other plant and equipment	Intangible assets	Total
Acquisition costs as at 01 January 2011	171,987	14,662	486	187,135
Additions	524	645	57	1,226
Disposals	0	0	-5	-5
As at 31 December 2011	172,511	15,307	538	188,356
Additions	381	1,762	70	2,213
Disposals	0	0	-5	-5
As at 31 December 2012	172,892	17,069	603	190,564

The development in the accumulated depreciation and amortisation of owner-operated hotels, other plant and equipment and intangible assets was as follows:

EUR '000	Owner-operated hotels	Other plant and equipment	Intangible assets	Total
Accumulated depreciation and amortisation as at 01 January 2011	31,232	5,593	307	37,132
Depreciation and amortisation	6,958	2,242	66	9,266
Disposals	0	0	0	0
As at 31 December 2011	38,190	7,835	373	46,398
Depreciation and amortisation	6,500	2,200	65	8,765
Disposals	0	0	0	0
As at 31 December 2012	44,690	10,035	438	55,163
Carrying value as at 01 January 2011	140,755	9,069	179	150,003
Carrying value as at 31 December 2011	134,321	7,472	165	141,958
Carrying value as at 31 December 2012	128,202	7,034	165	135,401

In the financial year 2012, no impairment losses on owner-occupied properties were necessary.

3.1.3. Goodwill

Changes in goodwill were as follows:

EUR '000	Goodwill
As at 01 January 2011	100
Additions – initial consolidation	0
Impairment losses	-90
As at 31 December 2011	10
Additions/disposals	0
Impairment losses	0
As at 31 December 2012	10

The goodwill arose on initial consolidation in the financial 2010 of VIERTEL ZWEI Hotel GmbH & Co KG, which forms part of the Austrian business segment.

3.1.4. Properties held for sale

EUR '000	Austria	Germany	Total
As at 01 January 2011	0	6,000	6,000
Reclassifications	16,250	46,550	62,800
Disposals	0	-6,000	-6,000
As at 31 December 2011	16,250	46,550	62,800
Reclassifications	33,000	29,700	62,700
Disposals	-16,250	-46,550	-62,800
As at 31 December 2012	33,000	29,700	62,700

The amount of kEUR 62,700 relates to one retail property in Bremen, one residential property in Berlin and one residential property in Vienna.

3.1.5. Inventories

Inventories consist mainly of freehold apartments under construction in Austria and are measured at cost.

3.1.6. Trade receivables and other accounts receivable

Trade receivables include rents receivable from tenants less any specific provisions required. These consist mainly of provisions against receivables in Southeastern Europe of kEUR 11,516 (2011: kEUR 10,750) and in Germany of kEUR 1,899 (2011: kEUR 2,705).

3.1.6.1. Receivables – due dates

EUR '000	2012		2011	
	Trade receivables	Other accounts receivable	Trade receivables	Other accounts receivable
Not yet due	5,841	5,786	4,869	11,268
Less than 3 months overdue	3,068	533	3,757	1,323
3 to 12 months overdue	1,615	481	1,045	2,186
More than 1 year overdue	36	1,316	272	1,210
Total	10,560	8,116	9,943	15,987

3.1.6.2. Other accounts receivable

EUR '000	31 December 2012	31 December 2011
Current tax credits	2,182	4,629
Property management agents clearing accounts	1,268	1,484
Present value of rental guarantee	831	923
Loan subsidies outstanding	119	233
Accrued interest and interest rate caps and collars	30	259
Receivables from property disposals	0	2,583
Other assets	3,686	5,876
	8,116	15,987

3.1.7. Cash and cash equivalents

EUR '000	31 December 2012	31 December 2011
Bank balances	56,853	115,033
Cash in hand	223	227
	57,076	115,260

3.1.8. Shareholders' equity

The nominal capital of the Group's parent company was unchanged from the previous year and amounted to kEUR 247,509. The share capital is fully paid up.

On 31 May 2012, the share repurchase programme set into effect in October 2011 ended. In June 2012, an additional share repurchase programme was approved, which will expire on 27 June 2013 at the latest. In the financial year 2011, 321,550 shares were repurchased at a total price of kEUR 1,330 and in the financial year 2012, this amounted to 450,441 shares at a total price of kEUR 2,048.

The Management Board is authorised to increase the share capital of the Company by up to kEUR 123,755 by issuing new ordinary bearer shares (conditional capital). The issue may be for cash or for contributions in kind.

Details of share capital

EUR '000	31 December 2012	31 December 2011
Total share capital	246,341	247,509
Treasury shares (nominal)	-1,637	-1,168
	244,705	246,341

Changes in share capital

	31 December 2012	31 December 2011
Number of shares		
Authorised share capital as at 01 January	67,797,168	68,118,718
Repurchase of own shares	-450,441	-321,550
Issue of new shares	0	0
Treasury shares sold	0	0
Issued share capital at 31 December	67,346,727	67,797,168

The shares are listed in the Prime Market Segment of the Vienna Stock Exchange.

The nominal share capital is divided into 68,118,718 ordinary fully paid up bearer shares of no par value.

The bearer shares confer on the shareholders the usual rights provided for under the Austrian Stock Corporation Act (AktG). These include the right of a dividend payment approved by the Annual General Meeting and the right to vote at the Annual General Meeting.

The capital reserves of kEUR 73,005 (31.12.2011: kEUR 73,416) are restricted reserves in the meaning of section 229(5) Austrian Commercial Code (UGB).

The other reserves of kEUR 249,487 (31.12.2011: kEUR 231,952) shown in the statement of changes in consolidated equity consist in the main of released capital reserves together with accumulated retained results. The foreign currency reserve of kEUR -19,568 (31.12.2011: kEUR -22,040) is made up of the currency translation differences in accordance with IAS 21. The hedge accounting reserve of kEUR -64,456 (31.12.2011: kEUR -55,627) comprises the valuation differences on cash flow hedges recognised under equity.

Additional information on capital management

S IMMO Group manages its capital with the aim of maximising its returns by optimising the relationship between equity and debt. At the same time, care is taken to ensure that all Group companies can operate on a going concern basis.

The Group's capital consists of bank and financial liabilities, equity provided by the shareholders in the parent company and subordinated participating certificates, described in more detail in note 3.1.10. There are no provisions in the articles of incorporation concerning capital structure.

The shareholders' equity consists of the shares in issue, capital and other reserves and the consolidated net profit, as shown in the statement of Changes in Consolidated Equity.

The capital structure is under constant review, and the costs of capital and the risks attaching to each type of capital are taken into account. The Group will continue to optimise the capital structure, by issuing and repaying debt and as appropriate issuing and repurchasing shares.

The Group's overall strategy is essentially the same as in 2011.

3.1.9. Non-controlling interests

The minority interests of kEUR 26,323 (31.12.2011: kEUR 29,088) relate principally to Einkaufszentrum Sofia G.m.b.H. & Co KG (35% interest).

3.1.10. Subordinated participating certificates

The terms of the agreement for S IMMO INVEST participating certificates were changed retroactively with effect from 01 January 2007 and the S IMMO INVEST Participating Certificates Fund was dissolved (resolution of the meeting of the holders of the participating certificates of 11 June 2007 and resolution of the Annual General Meeting of 12 June 2007).

Under the amended agreement, the holders of the participating certificates receive an annual income entitlement (interest) calculated as follows:

$$\frac{\text{(Participating certificate capital + profit brought forward)}}{\text{Average property portfolio (not including development projects)}} \times \text{Consolidated EBIT}$$

To the extent that the interest under the terms of the Participating Certificates Agreement is not paid out, it is added to the profit carried forward into the next year.

For the financial year 2012 the total share of earnings was kEUR 12,018 (2011: kEUR 10,595).

As at 31 December 2012 there were 2,773,962 participating certificates in issue. The total entitlements of participating certificate holders as of that date were EUR 80.20 (2011: EUR 79.44) per certificate, made up as follows:

EUR '000	Participating certificate capital	Profit brought forward	Profit for the period	Share of undisclosed reserves on property portfolio	Total
Participating certificates capital – 01 January 2012	211,137			1,720	212,857
Profit brought forward 01 January 2012		7,345			7,345
Income entitlements of participating certificate holders from 2011			10,595		10,595
Distribution – 18 May 2012			-11,186		-11,186
Change in profit brought forward pursuant to Clause 5(6), Participating Certificates Agreement		-591	591		0
Repurchase and retirement of 131,464 participating certificates	-9,553	-306		-78	-9,937
Income entitlements of participating certificate holders			12,018		12,018
Allocation of undisclosed reserves on property portfolio				791	791
Participating certificates capital as at 31 December 2012	201,584	6,449	12,018	2,433	222,483
Per participating certificate (EUR)	72.67	2.32	4.33	0.88	80.20

Previous year:

EUR '000	Participating certificate capital	Profit brought forward	Profit for the period	Share of undisclosed reserves on property portfolio	Total
Participating certificate capital – 01 January 2011	234,352			1,254	235,606
Profit brought forward 01 January 2011		12,762			12,762
Income entitlements of participating certificate holders from 2010			9,452		9,452
Distribution – 28 April 2011			-13,869		-13,869
Change in profit brought forward pursuant to Clause 5(6), Participating Certificates Agreement		-4,417	4,417		0
Repurchase and retirement of 319,458 participating certificates	-23,215	-999		-124	-24,339
Income entitlements of participating certificate holders			10,595		10,595
Allocation of undisclosed reserves on property portfolio				590	590
Participating certificates capital as at 31 December 2011	211,137	7,345	10,595	1,720	230,797
Per participating certificate (EUR)	72.67	2.53	3.65	0.59	79.44

The participating certificates mature on 31 December 2029. With effect from 31 December 2017, both the holders and the Company may annually give notice of redemption of the participating certificates in whole or in part.

3.1.11. Provisions

EUR '000	01 January 2012	Released	Utilised	Increased	31 December 2012
Project and transaction risks	5,200	-2,200	0	1,500	4,500
Taxes on income	274	-45	-34	2,546	2,741
Other provisions	2,418	0	-740	934	2,612
	7,892	-2,245	-774	4,980	9,853

The provision for project and transaction risks relates to risks in respect of projects currently being carried out.

Other provisions consisted mainly of personnel provisions and provisions for management fees.

3.1.12. Taxes on income

3.1.12.1 Current and deferred taxes on income

Tax expense was made up as follows:

EUR '000	2012	2011
Current taxes	-2,974	-1,546
Deferred taxes	-3,196	-6,852
	-6,170	-8,398

Taxes on income comprise income tax on the taxable income of the individual companies included in consolidation for the financial year, adjustments to prior years' tax, and changes in deferred taxes.

The reconciliation of income tax at the standard rate to the income tax disclosed in the financial statements is as follows:

EUR '000	01 – 12/2012	01 – 12/2011
Profit before taxes	32,198	29,643
Income tax expense at the standard Austrian tax rate of 25%	-8,050	-7,411
Effects of differing foreign tax rates	1,678	268
Reductions in tax relating to tax neutral income	5,870	9,296
Increases in tax relating to non-deductible expenses	-5,668	-10,550
Tax expense as disclosed	-6,170	-8,398

3.1.12.2. Deferred taxes

In accordance with IAS 12, the provision for deferred taxation is calculated using the balance sheet liability method: For all temporary differences between the values for balance sheet purposes in the IFRS consolidated statement of financial position and the current values for tax purposes for the individual companies, deferred tax must be provided. Temporary differences can be either:

- *taxable temporary differences*, which will result in taxable amounts in the calculation of taxable income or tax loss in future periods, when the carrying value of the asset is realised or the liability is settled, or
- *deductible temporary differences*, which will result in tax deductible amounts in the calculation of taxable income or tax loss in future, when the carrying value of the asset is realised or the liability is settled.

As a general principle, a deferred tax asset or liability must be recognised for all taxable temporary differences. There are exceptions for the recognition of goodwill in an initial consolidation or the initial recognition of an asset or liability in a business transaction which is not a business combination and which at the time of the transaction, does not affect the profit or loss either under IFRS or for tax purposes.

Temporary differences between values in the IFRS consolidated statement of financial position and the corresponding values for tax purposes had the following effects on deferred taxes as shown in the consolidated statement of financial position.

EUR '000	2012		2011	
	Assets	Liabilities	Assets	Liabilities
Properties held as financial investments	1,710	-76,316	1,326	-69,478
Financial instruments	21,737	-43	17,792	-40
Other items	1,037	-1,277	974	-1,067
Tax loss carryforwards	22,690	0	21,425	0
	47,174	-77,636	41,517	-70,585
Netting	-8,670	8,670	-7,985	7,985
Deferred tax assets (+) / liabilities (-)	38,504	-68,966	33,532	-62,600

No deferred tax assets have been recognised for tax loss carryforwards totalling kEUR 130,113.

3.1.12.3. Measurement

Deferred taxes are calculated on the basis of the tax rates in force or expected to apply in the relevant countries at the time of realisation. Changes in tax legislation in force or approved at the balance sheet date are taken into account. The tax rates used in calculating deferred taxes were as follows:

	Tax rate for 2012	Tax rate for 2013
Austria	25.00%	25.00%
Germany	29.40% ¹	29.40% ¹
Czech Republic	19.00%	19.00%
Slovakia	19.00%	23.00%
Hungary	19.00% ²	19.00% ²
Croatia	20.00%	20.00%
Romania	16.00%	16.00%
Bulgaria	10.00%	10.00%

¹ The tax rate in Germany can vary, depending on whether the company is liable to business tax or not. An average tax rate has therefore been used.

² The tax rate in Hungary is progressive: Up to a taxable amount of HUF 500,000,000, the tax rate is 10%, thereafter 19%.

Deferred taxes are only recognised for the property subsidiaries to the extent that a tax burden is expected to arise on the rental or sale of the properties involved.

3.2. Income statement**3.2.1. Revenues**

EUR '000	2012	2011
Rental income – office property	40,855	43,691
Rental income – residential property	26,699	28,022
Rental income – retail property	42,870	44,937
Rental income – hotels	8,111	9,293
	118,535	125,943

3.2.2. Operating costs and expenses from properties and hotel operations

These costs and expenses are expenses in connection with non-current property assets.

EUR '000	2012	2011
Expenses directly attributable to properties		
Operating costs	-42,643	-45,988
Repairs and maintenance	-11,696	-14,071
Provisions on trade receivables	-4,097	-8,051
Commissions	-3,738	-3,808
Other	-4,863	-5,064
	-67,037	-76,982

Expenses of kEUR 156 were attributable to properties not yet generating income (2011: kEUR 729).

The expenses of hotel operations are largely made up of expenses for food, beverages, catering supplies, hotel rooms, licences and management fees, maintenance, operating costs, commissions, personnel expenses and advertising.

3.2.3. Gains on property disposals

EUR '000	2012	2011
Disposal proceeds		
Properties held as financial investments	62,483	32,486
Properties held for sale	64,562	6,300
Inventories	5,185	7,714
	132,230	46,500
Carrying value of property disposals		
Properties held as financial investments	-55,957	-25,316
Properties held for sale	-62,800	-6,000
Inventories	-2,633	-3,600
	-121,390	-34,916
Gains on property disposals		
Properties held as financial investments	6,526	7,170
Properties held for sale	1,762	300
Inventories	2,552	4,114
	10,840	11,584

3.2.4. Management expenses

Management expenses are expenses not directly attributable to properties; they were made up as follows:

EUR '000	2012	2011
Personnel expenses	-6,533	-6,581
Legal, audit, valuation and consultancy costs	-3,412	-4,077
Management fees and administration expenses	-1,620	-1,582
Advertising and promotional expenses	-1,191	-1,205
Other taxes and charges	-905	-932
Other	-2,747	-2,792
	-16,408	-17,169

Fees invoiced by the Group's auditors in 2012 totalled kEUR 239 (2011: kEUR 219). Of this, kEUR 163 (2011: kEUR 160) was the cost of the annual audit and kEUR 76 (2011: kEUR 59) was for tax consulting services.

The average number of employees in 2012 was 521 (2011: 532), including hotel staff. Personnel expenses for the hotels are disclosed under hotel operations.

The personnel expenses disclosed here are salaries of the Group's employees other than the hotel staff. The amount also includes performance related bonuses paid to certain employees under individual agreements.

Defined contribution plans

As required by law, S IMMO Group pays 1.53% of the relevant monthly salaries into an employees' severance pay and pensions fund for all employees who joined the Group after 31 December 2002. Personnel expenses in 2012 included contributions of kEUR 47 (2011: kEUR 40) paid into the fund.

They also included kEUR 242 (2011: kEUR 131) expenses for pensions.

Defined benefit plans following termination of employment

For persons employed before 01 January 2003, S IMMO Group is obliged under the statutory provisions to make a one-time severance payment to any employee whose employment is terminated by the employer or who reaches the age of retirement while employed. The benefit entitlements are dependent on the number of years of service and the level of remuneration at the time of the entitlement arising, and amount to between two and 12 months' salary. Provision is made for these obligations. Personnel expenses in 2012 included revenue of kEUR 1 (2011: expense of kEUR 27) for this purpose.

3.2.5. Depreciation and amortisation

This item comprises depreciation and amortisation on owner-operated properties, other plant and equipment, and intangible assets, and was made up as follows:

EUR '000	2012	2011
Owner-operated properties	-6,500	-6,958
Other plant and equipment	-2,200	-2,242
Intangible assets	-65	-66
	-8,765	-9,266

3.2.6. Gains/losses on property valuation

Gains and losses on revaluation include all increases and decreases in value on properties held as financial investments, and were made up as follows:

EUR '000	2012	2011
Changes in fair value		
Increases	61,302	37,861
Decreases	-42,161	-57,721
Impairment losses		
Owner-operated properties	0	0
Goodwill	0	-90
Other	-2,385	20,096
	16,756	146

Other operating income from property valuations consists of the change in provisions for project and transaction risks and building cost settlements.

Gains and losses on revaluation by region were as follows:

EUR '000	2012	2011
Austria	6,665	9,286
Germany	26,560	5,981
Central Europe	-6,994	-4,551
Southeastern Europe	-9,475	-10,570
	16,756	146

3.2.7. Financing costs

EUR '000	2012	2011
Bank interest expenses (incl. settled derivatives)	-52,138	-56,088
Derivative valuation effects through net income	-7,807	-3,295
Exchange differences	-1,977	7,328
Other financing and interest expense	-1,497	-1,455
Bank interest income	624	681
Income from investments	593	447
Other financing and interest income	399	924
	-61,803	-51,458

3.2.8. Earnings per share

The earnings per share ratio compares the consolidated net profit with the average number of shares in circulation during the year.

		2012	2011
Equity share of consolidated net profit	EUR '000	24,302	20,034
Average number of shares in circulation	Units	67,582,321	68,072,797
Undiluted earnings	EUR	0.36	0.29
Diluted earnings	EUR	0.36	0.29

Diluted and undiluted earnings per share are the same, since there are no potentially dilutive financial instruments in issue.

4. OPERATING SEGMENTS

An operating segment is defined as having the following characteristics:

- It engages in business activities in which it may earn revenue and incur expenses.
- Its operating results are reported regularly to the enterprise's chief operating decision maker, who uses the information to allocate resources to it and to review its performance.
- Separate financial information is available for the segment.

For S IMMO Group, therefore, segmentation is on the basis of regions. The four regions selected are as follows.

Austria: This operating segment includes all the Group's Austrian subsidiaries.

Germany: This operating segment includes the German subsidiaries and also the subsidiaries in Denmark, which are property ownership companies holding properties in Germany.

Central Europe: This operating segment comprises the subsidiaries in Slovakia, the Czech Republic and Hungary.

Southeastern Europe: This operating segment includes the subsidiaries in Bulgaria, Croatia and Romania, and the subsidiary in Cyprus, which is related to the Group companies in Romania.

Each segment is operationally independent of the others, since each must take the local market and business environment into account. The Group's CFO (board level) has been nominated as the chief operating decision maker with responsibility for segment operations. He is responsible for allocation of resources to the individual segments and for reviewing their performance. Quarterly management reports are prepared for each operating segment and submitted to the CFO.

EUR '000	Austria	
	2012	2011
Rental income	31,062	31,029
Revenues from operating costs	7,298	8,204
Revenues from hotel operations	24,671	23,885
Total revenues	63,031	63,118
Other operating income	3,781	5,430
Property operating expenses	-13,394	-15,319
Hotel operating expenses	-19,713	-19,109
Gross profit	33,705	34,120
Gains on property disposals	6,105	5,026
Management expenses	-9,948	-9,959
EBITDA	29,862	29,187
Depreciation and amortisation	-3,196	-3,631
Gains/losses on property valuation	6,665	9,286
EBIT	33,331	34,842
Non-current assets as at 31 December	626,758	663,372
Non-current liabilities (incl. participating certificates in Austria) as at 31 December	663,238	706,434

In preparing and presenting the segment information, the same disclosing, accounting and valuation policies are applied as for the consolidated financial statements.

Major customers

Because of the large number of customers, no single customer is responsible for more than 10% of S IMMO Group's total revenues.

Germany		Central Europe		Southeastern Europe		Total	
2012	2011	2012	2011	2012	2011	2012	2011
32,260	36,337	24,019	26,793	31,194	31,784	118,535	125,943
10,512	13,335	7,216	7,186	11,144	12,532	36,170	41,257
0	0	17,300	16,727	0	0	41,971	40,612
42,772	49,672	48,535	50,706	42,338	44,316	196,676	207,812
2,279	1,834	459	321	341	152	6,860	7,737
-22,545	-29,104	-8,487	-9,843	-22,611	-22,716	-67,037	-76,982
0	0	-12,399	-12,467	0	0	-32,112	-31,576
22,506	22,402	28,108	28,717	20,068	21,752	104,387	106,991
4,735	6,558	0	0	0	0	10,840	11,584
-4,153	-4,545	-1,417	-1,206	-890	-1,459	-16,408	-17,169
23,088	24,415	26,691	27,511	19,178	20,293	98,819	101,406
-234	-164	-4,235	-4,350	-1,100	-1,121	-8,765	-9,266
26,560	5,981	-6,994	-4,551	-9,475	-10,570	16,756	146
49,414	30,232	15,462	18,610	8,603	8,602	106,810	92,286
475,052	513,956	373,831	381,382	389,813	398,165	1,865,454	1,956,875
266,086	290,974	203,332	245,136	151,431	171,833	1,284,086	1,414,377

5. OTHER INFORMATION

5.1. Financial instruments

5.1.1. Categories

S IMMO Group classifies its financial instruments as follows:

31 December 2012 Carrying values EUR '000	Derivatives	Available for sale	Held to maturity	Loans and receivables	Other	Financial liabilities at amortised cost	Total
ASSETS							
Investments in associates / Group interests		10,156					10,156
Trade receivables				10,560			10,560
Other financial assets	30			2,862	5,224		8,116
TOTAL ASSETS	30	10,156	0	13,422	5,224	0	28,832
EQUITY AND LIABILITIES							
Non-current liabilities							
Subordinated participating certificate capital						222,483	222,483
Financial liabilities	97,021					876,405	973,426
Other liabilities						9,358	9,358
Current liabilities							
Financial liabilities						180,352	180,352
Trade payables						6,807	6,807
TOTAL EQUITY AND LIABILITIES	97,021	0	0	0	0	1,295,405	1,392,426

31 December 2011							Financial liabilities at amortised cost	Total
Carrying values EUR '000	Derivatives	Available for sale	Held to maturity	Loans and receivables	Other			
ASSETS								
Investments in associates / Group interests		8,996 ¹⁾						8,996
Trade receivables				9,943				9,943
Other financial assets	259			3,534	12,194			15,987
TOTAL ASSETS	259	8,996	0	13,477	12,194		0	34,926
EQUITY AND LIABILITIES								
Non-current liabilities								
Subordinated participating certificate capital							230,797	230,797
Financial liabilities	76,786						1,026,585	1,103,371
Other liabilities							9,717	9,717
Current liabilities								
Financial liabilities							208,888	208,888
Trade payables							9,900	9,900
TOTAL EQUITY AND LIABILITIES	76,786	0	0	0	0		1,485,887	1,562,673

¹⁾ Adjusted

For the most part the carrying values are measured at fair value. The non-current and current financial liabilities contain fixed interest loans amounting to kEUR 73,947 (2011: kEUR 92,787).

5.1.2. Hierarchy of fair values determination

The following analysis classifies financial instruments measured at fair value on the basis of the method of valuation, for which purpose a hierarchy of three levels is used:

Level 1:	Quoted prices for similar assets or liabilities listed on an active market (without adjustment)
Level 2:	Market inputs for assets or liabilities that are observable either directly (e.g., prices) or indirectly (e.g., derived from prices) other than Level 1 inputs
Level 3:	Inputs for assets or liabilities not based on observable market data

31 December 2012

EUR '000	Level 1	Level 2	Level 3	Total
Other financial assets				
Derivatives	0	30	0	30
Financial liabilities				
Derivatives	0	97,021	0	97,021

31 December 2011

EUR '000	Level 1	Level 2	Level 3	Total
Other financial assets				
Derivatives	0	259	0	259
Financial liabilities				
Derivatives	0	76,786	0	76,786

5.1.3. Derivatives

S IMMO Group's derivative financial instruments are measured at fair value. As at 31 December 2012, derivatives disclosed under other receivables amounted to kEUR 30 (2011: kEUR 259) and derivatives disclosed under non-current financial liabilities totalled kEUR 97,021 (2011: kEUR 76,786).

EUR '000	31 December 2012				31 December 2011			
	Nominal	Positive fair value	Negative fair value	Maturity	Nominal	Positive fair value	Negative fair value	Maturity
Swaps	0	0	0	more than 1 year	0	0	0	more than 1 year
	275,000	0	-48,485	1 to 5 years	78,813	0	-8,840	1 to 5 years
	182,470	0	-27,777	more than 5 years	382,680	0	-49,079	more than 5 years
Caps	0	0	0	more than 1 year	85,000	51	0	more than 1 year
	276,439	30	0	1 to 5 years	280,746	208	0	1 to 5 years
	108,650	0	-2,804	more than 5 years	108,760	0	-1,878	more than 5 years
Collars	200,000	0	-17,956	1 to 5 years	200,000	0	-16,988	1 to 5 years
Total	1,042,559	30	97,021		1,135,999	259	-76,786	

In the financial year 2012, an expense of kEUR 20,653 (2011: revenue of kEUR 24,224) was recognised under equity with non effecting profit and loss, and a revenue of kEUR 188 (2011:

kEUR 3,295) was recognised in the income statement as part of the financial results. A total of kEUR 6,019 (2011: kEUR 0) was reclassified from equity affecting profit and loss.

5.2. Risk management

5.2.1. Exchange and interest rate risk

Since S IMMO Group's rental contracts are mostly linked to the euro and almost all of its loans are denominated in euro, the exchange rate risk is considered to be low.

At 31 December 2012, 92% of the Group's borrowings consisted of variable rate loans and 8% were fixed rate loans. The variable rate loans are protected with hedging instruments such as caps, collars and swaps.

The stress test (based on the position as at 31 December 2012) shows that increases in the base rate (Euribor) have only an effect of roughly one third on the Group's financing costs. For example, a 100 BP increase in Euribor increases financing costs by only 30 BP.

Stress test (parallel shift in interest curve)	3-month Euribor	Cost of funding	Differential cost of funding	Interest sensitivity
Interest shift + 400 BP	4.19%	5.68%	111 BP	28%
Interest shift + 300 BP	3.19%	5.45%	88 BP	29%
Interest shift + 200 BP	2.19%	5.17%	60 BP	30%
Interest shift + 100 BP	1.19%	4.87%	30 BP	30%
Interest shift + 50 BP	0.69%	4.72%	15 BP	30%

5.2.2. Liquidity and lender risks

S IMMO Group manages liquidity and lender risks actively. As part of managing and monitoring liquidity, all maturities are subject to continual review, and if required appropriate adjustments are made as part of the rolling budget process. In order to minimise liquidity risks, the Group ensures that a balanced relationship is maintained between the amounts of loans and the market values of the individual properties. In past years the loan to value ratio was around 60%. To keep lender risks to a minimum, S IMMO Group works with a total of 23 different, well-known financial institutions in Austria and Germany.

	Percentage of bank liabilities
Erste Group	38%
Other Austrian banks	45%
Insurance companies	11%
German banks	6%

5.2.2.1. Maturity analysis of financial liabilities

31 December 2012

EUR '000	Subordinated participating certificate capital	Financial liabilities	Trade payables	Other liabilities
Remaining maturity less than 1 year	0	180,352	6,807	33,091
Remaining maturity between 1 and 5 years	0	472,484	0	9,358
Remaining maturity over 5 years	222,483	500,942	0	0
	222,483	1,153,778	6,807	42,449

31 December 2011

EUR '000	Subordinated participating certificate capital	Financial liabilities	Trade payables	Other liabilities
Remaining maturity less than 1 year	0	208,888	9,900	39,083
Remaining maturity between 1 and 5 years	0	328,918	0	9,717
Remaining maturity over 5 years	230,797	774,453	0	0
	230,797	1,312,259	9,900	48,800

5.2.3. Borrower risks

The amounts disclosed as assets represent the maximum default risk since there are no significant netting agreements.

Default risks on receivables from tenants and purchasers of properties are – to the extent recognised – the subject of provisions, the basis of which is explained in note 2.6.7.2.

5.3. Rental agreements

The tenancy agreements concluded by S IMMO Group are classified as operating leasing under IFRS. These tenancy agreements generally contain provisions specifying that rents and other fees are

- tied to the euro
- with capital values linked to international indexes.

Total future minimum leasing payments (nominal value) from operating leasing agreements are as follows:

EUR '000	2012	2011
Following year	90,286	91,607
Following 2–5 years	261,067	264,433
More than 5 years	265,498	293,487
	616,850	649,527

The planned changes to accounting for lease relations according to IFRS are expected to have an insignificant effect on the consolidated financial statement of S IMMO, because this proposed standard on property, which is accounted for at fair value according to IAS 40, will probably not be applicable.

5.4. Pending litigation

In S IMMO Group there were a number of open legal disputes at balance sheet date, however the amounts involved were not significant and even in total the amount was not material in Management's estimation.

5.5. Related party disclosures

For S IMMO Group related parties are as follows:

- S IMMO Group's managing bodies
- Erste Group
- Vienna Insurance Group
- Arealis Liegenschaftsmanagement GmbH

Erste Group and Vienna Insurance Group are S IMMO AG's strategic core shareholders. Arealis Liegenschaftsmanagement GmbH is a subsidiary of Erste Group and Vienna Insurance Group.

S IMMO Group's managing bodies were as follows:

Management Board of S IMMO AG

Ernst Vejdovsky, Vienna
 Friedrich Wachernig MBA, Vienna
 Holger Schmidtmayr MRICS, Vienna (until 31 January 2013)

Supervisory Board of S IMMO AG

Martin Simhandl, Vienna (Chairman)
 Gerald Antonitsch, Vienna
 (first deputy chairman)
 Franz Kerber, Graz (second deputy chairman)
 Christian Hager, Krems
 Erwin Hammerbacher, Vienna
 Michael Matlin MBA, New York
 Wilhelm Rasinger, Vienna
 Ralf Zeitlberger, Vienna

In 2012, the remuneration received by members of the Management Board totalled kEUR 1,121 (2011: kEUR 934). This included expenses for pensions of kEUR 201 (2011: kEUR 117), contributions to the employee severance pay and pensions fund of kEUR 14 (2011: kEUR 9). Members of the Supervisory Board received remuneration amounting to kEUR 107 (2011: kEUR 123). Members of subsidiaries' supervisory boards received no remuneration. Neither members of the Management Board nor Supervisory Board members received either loans or advances, and no guarantees have been given on their behalf.

Erste Group provides S IMMO Group mainly with administrative, commission and financial services, while Vienna Insurance Group mostly provides financial and insurance services.

There were the following receivables and payables with Erste Group and Vienna Insurance Group at the end of the year:

EUR '000	31 December 2012	31 December 2011
Other receivables	1,123	1,292
Bank balances	34,159	92,289
Receivables	35,283	93,581

Bank balances consist mainly of current accounts balances and time deposits at interest rates of between 0.2% and 1.5%.

EUR '000	31 December 2012	31 December 2011
Non-current liabilities to banks	416,702	425,658
Non-current financial liabilities	51,469	61,593
Current bank and financial liabilities	45,632	103,150
Trade payables	88	668
Other liabilities	236	963
Liabilities	514,128	592,032

The financial liabilities and liabilities to banks were at interest rates of between 0.9% and 7.0% and for the most part with residual maturities of more than 5 years.

There were the following material expenses and income in connection with Erste Group and Vienna Insurance Group in the financial years 2011 and 2012:

EUR '000	2012	2011
Commissions	50	60
Management fees	881	1,383
Bank loan interest and other interest and bank charges	24,887	29,125
Other expenses	1,749	2,183
Expenses	27,566	32,751
EUR '000	2012	2011
Rent and service charges	372	1,081
Bank interest	161	261
Other interest income	85	267
Income	618	1,609

Under an agreement dated 14 January 2003 Erste Group Immorent AG has given S IMMO Group a rental guarantee for the property at Gasgasse 1–7, A-1150 Vienna. The fee charged for this guarantee was kEUR 3,000.

Properties management for the majority of the Austrian properties is provided by Arealis Liegenschaftsmanagement GmbH, Vienna, in which Erste Group and Vienna Insurance Group each have a 50% interest.

5.6. Significant events after balance sheet date

In the first quarter 2013, a further 65,604 shares at a price of kEUR 310 as well as 73,929 participating certificates at a price of kEUR 5,467 were repurchased.

Moreover, one office property in Bremen and one residential property in Berlin were sold and committed.

Vienna, 08 April 2013

Management Board

Ernst Vejdovsky m.p.

Friedrich Wachernig MBA m.p.

Auditors' Report

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the consolidated financial statements of S IMMO AG, Vienna, for the year ended 31 December 2012. These consolidated financial statements comprise the consolidated balance sheet as at 31 December 2012, and the consolidated income statement and statement of total comprehensive income, the statement of changes in stockholders' equity and the cash flow statement, all for the year ended 31 December 2012, together with the notes to the consolidated financial statements.

Management's responsibility for the consolidated financial statements

Management is responsible for group accounting and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of consolidated financial statements that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility and the statutory audit

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and in accordance with the International Standards on Auditing (ISAs) published by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). These standards require that we comply with ethical requirements and that we perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatements.

An audit involves the performance of procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making these risk assessments the auditor considers internal controls relevant to the preparation and fair presentation of consolidated financial statements in order to design audit procedures appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

An audit also includes evaluating the appropriateness of the accounting and valuation policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as of 31 December 2012 and of its financial performance and its cash flows for the fiscal year from 01 January 2012 to 31 December 2012 in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Comments on the Management Report for the Group

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to section 243a Austrian Commercial Code (UGB) are appropriate. In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures pursuant to section 243a UGB are appropriate.

Vienna, 08 April 2013

Deloitte Audit Wirtschaftsprüfungs GmbH

Erich Kandler m.p. Auditor

p.p. Wolfgang Arndorfer m.p. Auditor

This English translation of the audit report was prepared for the client's convenience only. It is no legally relevant translation of the German audit report.

Dear Shareholders,



Martin Simhandl

In 2012, S IMMO AG once again posted excellent results, showing a significant increase in profits. This was all the more impressive given the economic climate in the European Union, where the debt crisis and austerity measures in several member states continued to weigh down market sentiment during the reporting period. There were increases in key performance indicators such as profit, EBIT and EBT, which were attributable to various factors including leasing

successes, further reductions in costs and profitable property sales. With respect to the capital markets, I am pleased to report that in June 2012, S IMMO AG paid its shareholders a dividend for the first time. The new dividend policy marks what is intended to be a long-term change in strategy.

As in the years before, the Supervisory Board advised and assisted the Company and the Management Board in all the Group's undertakings during the financial year 2012. In the meetings of the Supervisory Board and its committees, we discharged our duties under the law, the Company's articles of incorporation and the Group's internal rules and procedures, and advised and supervised the Management Board in the performance of its management duties.

The Supervisory and Management Boards of S IMMO AG met four times during the year under review to discuss the Group's economic situation, its risk management, its strategic direction and its business development, especially in light of the persisting challenges posed by the market environment. At each meeting, the Management Board reported to the Supervisory Board in full on the state of the Group's affairs and finances as well as on strategic issues.

Between six and eight Supervisory Board members were present at each of the four Supervisory Board meetings, representing an average attendance rate of 90.1%.

S IMMO AG has subscribed to the Austrian Code of Corporate Governance since 2007. The obligations in the Code go beyond the statutory requirements applicable to public limited companies; they are adopted voluntarily and they are designed to ensure even greater transparency in reporting. In 2012, the Supervisory Board carried out a self-evaluation to review the efficiency of its work, and in particular, its organisation and working procedures.

The Supervisory Board has formed three committees: the Management Board Committee, the Audit Committee and the Working Committee. The duties and composition of the committees are detailed in the corporate governance part of this report (pages 71–74). In the Supervisory Board and in the committee meetings, no agenda items were discussed without the participation of Management Board members. In addition to the Supervisory Board meetings, there were two circular resolutions approved in writing.

The Working Committee held two meetings to consider property disposals and acquisitions planned during the year and approved one circular resolution in writing. The Audit Committee met twice in the financial year 2012 to monitor the accounting process and Group auditing activities, the effectiveness of the internal control and risk management systems, the audit system and the compliance report. The Management Board Committee did not meet during the year under review, but did approve a circular resolution in writing.

In preparation for the Supervisory Board's nomination of auditors for the Company's individual and consolidated annual financial statements, the Audit Committee reviewed the documentation submitted by Deloitte Audit Wirtschaftsprüfungs GmbH evidencing their right to practise as auditors. A written report confirmed that there were neither grounds for exclusion, nor any circumstances that could give rise to concerns about conflicts of interest. A schedule of the total remuneration paid to Deloitte by S IMMO AG relating to the preceding financial year, itemised by categories of services, was requested and inspected. It was also confirmed that Deloitte complies with the legally required quality assurance measures for maintaining audit quality. The Audit Committee reported to the Supervisory Board on its work and its findings in these matters. The Supervisory Board therefore proposed to the Annual General Meeting the appointment of Deloitte Audit Wirtschaftsprüfungs GmbH as

auditors of the Company's individual and consolidated annual financial statements for the financial year 2012. In preparation of a nomination of auditors for the Company's individual and consolidated financial statements for the financial year 2013 for the Annual General Meeting, an invitation to tender for the provision of auditing services in respect of the individual and consolidated annual financial statements of S IMMO AG and various major Group companies for the financial year 2013 was issued.

The Audit Committee received the submission of the annual financial statements for 2012 by the Management Board together with the management report and the corporate governance report. The Committee inspected the statements and reports, and approved them on the basis of the audit reports by Deloitte Audit Wirtschaftsprüfungs GmbH. In the course of this review, the Management Board's proposal for distribution of profits was discussed and approved. The Audit Committee also reviewed the consolidated annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS) for 2012 together with the Group management report. On the basis of its review and discussions, the Audit Committee recommended to the Supervisory Board the acceptance of the Company's annual financial statements and their adoption in accordance with section 96(4) Austrian Stock Corporation Act (AktG), and the acceptance of the Group's consolidated financial statements. The Supervisory Board discussed in detail and reviewed the annual financial statements for 2012, including the management and corporate governance reports, the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) for 2012 together with the consolidated management report, and the distribution of profits proposed by the Management Board.

The audit reports prepared by Deloitte Audit Wirtschaftsprüfungs GmbH on the annual financial statements for 2012 together with the management report and on the consolidated annual financial statements for 2012 together with the Group management report were also reviewed by the Audit Committee and the full Supervisory Board and discussed in detail with Deloitte Audit Wirtschaftsprüfungs GmbH. There were no objections raised by Deloitte Audit Wirtschaftsprüfungs GmbH in the course of their audit of the annual financial statements and the management reports of the Company and the Group for the year ended 31 December 2012. Deloitte Audit Wirtschaftsprüfungs GmbH has confirmed that the annual financial statements for 2012 comply with the statutory requirements and give a true and fair view of the assets and finances of S IMMO AG as at 31 December 2012 and of its earnings for the year ended on that date, and are in accordance with generally accepted Austrian accounting

principles. The management report is consistent with the annual financial statements for 2012. Deloitte Audit Wirtschaftsprüfungs GmbH has also confirmed that the consolidated annual financial statements for 2012 comply with the statutory requirements and give a true and fair view of the assets and finances of the Group as at 31 December 2012 and of its earnings and cash flows for the year ended on that date, and are in accordance with IFRS standards. The Group management report is consistent with the consolidated financial statements for 2012. The requirements under section 243a Austrian Commercial Code (UGB) have been complied with.

The review by the Audit Committee and Supervisory Board gave no grounds for objection. The Supervisory Board declares that it had nothing to add to the audit reports by the auditors. The Supervisory Board therefore resolved to accept the annual financial statements for 2012 and the management report prepared by the Management Board, and had no objections to the consolidated annual financial statements for 2012 and the Group management report prepared in accordance with IFRS, and to the Management Board's proposal for the distribution of profits. In accordance with section 96(4) Austrian Stock Corporation Act (AktG), the annual financial statements for 2012 were therefore adopted.

The Supervisory Board will propose to the Annual General Meeting that the Management Board's proposal for the distribution of profits be adopted, and that the Management and Supervisory Boards be discharged from liability.

The Supervisory Board would like to thank the Management Board and staff of S IMMO AG for their hard work on a daily basis and dedication during the past year. And in this connection, I should like to express my particular thanks to Holger Schmidtmayr, whose appointment expired at the end of January 2013, for his years of devoted service and his work as a member of S IMMO AG's Management Board. I wish him all the best in his future business and private life.

Vienna, April 2013

The Supervisory Board



Martin Simhandl
Chairman

Corporate Governance Report

The Austrian Code of Corporate Governance contains rules for the management and control of an enterprise and therefore forms the basis of responsible management. In 2012, S IMMO AG again complied with the requirements of the Code.

CLEAR COMMITMENT TO THE AUSTRIAN CODE OF CORPORATE GOVERNANCE

The fundamental principles underlying good corporate governance are an integral part of what S IMMO AG stands for. From its beginnings in 1987, the main principles of S IMMO AG's business strategy have been sustainability, long-term growth and transparency. This is why the Management and Supervisory Boards work closely and efficiently together. The

Company's corporate communications and investor relations activities are based on openness and transparency.

Information about corporate governance:

www.simmoag.at/en/cgk

www.corporate-governance.at

TRANSPARENT COMMUNICATION AND REPORTING

The provision of transparent, prompt information to its shareholders, analysts and all other interested parties – while observing the provisions of company law and stock exchange regulations – is a cornerstone of S IMMO AG's corporate strategy. Important business events and information relevant to the Company's performance are published immediately in the form of ad hoc and press releases. Additionally, all important announcements, annual and interim reports as well as presentations are published on S IMMO AG's website at once.

As a member of the European Public Real Estate Association (EPRA), S IMMO AG has adopted the guidelines and standards of that organisation. These cover the disclosure of information, ethical principles and industry standards. EPRA's guidelines are

COMPLIANCE STATEMENT

Since 2007, S IMMO AG has been expressly committed to complying with the provisions and recommendations of the Austrian Code of Corporate Governance (ÖCGK). The full rules and regulations for responsible management and leadership of enterprises can be found on the website of the Austrian Working Group for Corporate Governance.

The key elements of corporate governance at S IMMO AG are described on pages 71–74. Additional information is contained in the Supervisory Board report on pages 69–70. To avoid repetition, some aspects are discussed in other parts of the Annual Report, to which reference is then made elsewhere.

Continuously updated information on corporate governance is posted on S IMMO AG's website: www.simmoag.at/en/cgk

The rules of the Austrian Code of Corporate Governance are as follows:

1. L Rules (legal requirements): L Rules are based on mandatory statutory requirements.
2. C Rules (comply or explain): C Rules should be complied with. According to the Code, any non-compliance must be explained and justified.
3. R Rules (recommendations): R Rules are recommendations. Non-compliance needs neither be disclosed nor justified.

S IMMO AG fully complies with all L Rules.

Referring to L Rule 60, S IMMO AG is fully committed to the advancement of women in management positions. Within the Group, around 52% of the staff are women, and in senior management positions, roughly 20% of the managers are women. S IMMO AG has taken specific measures to ensure that when filling senior managerial positions, the advancement of women will also be given greater emphasis in future. Given the existing long-term appointments, specific measures to appoint women to the Management and Supervisory Boards are not currently under consideration. With the Group's best interests in mind, the emphasis when making appointments to the Boards has been on the maximum possible degree of professional skill and international experience. Considerations such as gender are only taken into account as a secondary factor. Where appropriate, however, when men and women are equally qualified and experienced, S IMMO AG will give preference to women.

S IMMO AG also complies with almost all the C Rules, with the exceptions explained below.

C Rule 16: "The management board shall consist of more than one person, and shall have a chairperson."

based on International Financial Reporting Standards (IFRS) and provide specific accounting recommendations for listed real estate companies. In the interests of transparent and comparable reporting, S IMMO AG implements these recommendations in the detailed notes to the consolidated financial statements.

COMPOSITION, ACTIVITIES AND PROCEDURES OF THE MANAGEMENT AND SUPERVISORY BOARDS

The Management and Supervisory Boards are fully conscious of their responsibility for ensuring long-term sustainable value creation and the continuing success of the Group. The intensive, ongoing dialogue between the two Boards is the basis of efficient and competent management.

In 2012, the Management Board consisted of three members, who were jointly responsible for managing the Company's day-to-day affairs. Since 01 February 2013, the Management Board has consisted of two members. The Management Board discusses current business developments several times a week and holds regular Management Board meetings. There is an ongoing exchange of information with the managers responsible

for the various departments.

The Management Board also provides the Supervisory Board with information about all material aspects of the progress of business and all strategic considerations. Collaboration between the two Boards is governed by the Austrian Stock Corporation Act (AktG), the Company's articles of incorporation as well as the rules and procedures established by the Supervisory Board.

As at 31 December 2012, the Supervisory Board consisted of eight members.

The Supervisory Board regularly reviews the management of the Company's affairs. In its meetings, the Supervisory Board monitors the management of the business as well as the finances, strategy, performance and risk management of the Company. It is responsible for decision-making as provided by statute, the Company's articles of incorporation as well as its internal rules and procedures. The Supervisory Board has formed committees, which are listed below. During the year

European Public Real Estate Association (EPRA):
www.epra.com

The Supervisory Board has not appointed a chairperson of the Management Board, because it is of the opinion that the duties and responsibilities of all members of the Management Board are of equal importance, and because it believes that the Company is adequately represented by individual Management Board members with collective authority.

C Rule 31: "The fixed and performance-related compensation of each member of the management board shall be disclosed separately in the annual report."

The total remuneration of the Management Board and its Members is disclosed in this report. The separate disclosure of the fixed, variable and other components of their individual remuneration remains the personal decision of each Management Board member. In the Management Board's opinion, such disclosure does not provide significant information for investors.

C Rule 41: "The supervisory board shall appoint a Nominations Committee."

Appointments to vacant positions on the Management Board are matters of importance, and – together with the issue of succession planning – are therefore discussed by the full Supervisory Board.

C Rule 45: "Members of the supervisory board may not exercise man-aging body functions in other companies that are in competition with the company."

Certain members of the Supervisory Board of S IMMO AG also serve on the boards of similar companies or perform executive functions in Erste Group Bank AG, its wholly owned subsidiary Erste Group Immoent AG or Vienna Insurance Group. All members of the Supervisory Board are obliged to disclose any conflicts of interest arising from their activities as members of the Supervisory Board without delay. In any event, the Company considers the extensive knowledge of the industry and the networks of certain Supervisory Board members to be an advantage from which it can benefit.

C Rule 49: "The company shall disclose in its annual report details of the objects and remuneration of contracts and agreements requiring approval under L Rule 48. Summary disclosure of agreements of similar kinds is permissible."

The Company may enter into contractual relationships with individual members of the Supervisory Board, or with businesses in which Supervisory Board members have an interest or exercise a management body function. To the extent that such contractual agreements require the approval of the Supervisory Board under section 95 Austrian Stock Corporation Act (AktG) and L Rule 48, approval has been sought and obtained. The details of such contracts and agreements are not disclosed for reasons of competition. All such contracts and agreements are concluded on normal market conditions.

under review, there were four Supervisory Board meetings. At these, between six and eight Board members were present, representing an average attendance rate of 90.1%.

SUPERVISORY BOARD COMMITTEES

Audit Committee

The functions of the Audit Committee include monitoring the accounting and reporting process and the work of the auditors, monitoring the effectiveness of the Internal Control System and the risk management system, and monitoring the process of auditing the Group's financial statements. The Audit Committee consisted of the following members: Martin Simhandl (Chairman), Gerald Antonitsch, Erwin Hammerbacher, Ralf Zeitlberger and Wilhelm Rasinger (alternate). In virtue of their experience and specialist knowledge of finance and accounting, Martin Simhandl and Ralf Zeitlberger are the Committee's financial experts. The Audit Committee met twice during the year under review.

Management Board Committee (Remuneration Committee)

The Management Board Committee is responsible for negotiating, concluding and amending contracts with the Management Board. The Committee consisted of the following members: Martin Simhandl (Chairman), Gerald Antonitsch and Franz Kerber. The Management Board Committee did not meet during the year under review.

Working Committee

The Working Committee has certain approval rights on behalf of the Supervisory Board. These are limited to a certain value and are practised in cases where it is impractical for the entire Supervisory Board to give approval either due to lack of time or organisational constraints. This is common for the purchase and sale of company properties (up to a certain risk level) as defined in the Supervisory Board's rules and procedures. The members of the Working Committee were Gerald Antonitsch (Chairman), Erwin Hammerbacher, Franz Kerber and Ralf Zeitlberger. The Working Committee met twice during the year under review.

STATEMENT OF INDEPENDENCE

S IMMO AG's Supervisory Board has established the following criteria for the independence of its members as required under C Rule 53 of the Austrian Code of Corporate Governance:

- A Supervisory Board member should not in the preceding five years have been a member of the Management Board or an executive officer of S IMMO AG or one of its subsidiaries.
- A Supervisory Board member should not maintain, or in the preceding year have maintained, a business relationship of material importance to that Supervisory Board member with S IMMO AG or one of its subsidiaries. This applies also to business relationships with enterprises in which the Supervisory Board member has a material interest. The approval of individual transactions by the Supervisory Board in accordance with L Rule 48 does not automatically mean that a person is not independent.
- A Supervisory Board member should not in the preceding three years have served as statutory auditor of S IMMO AG, or have had an interest in, or been an employee of the auditing firm.
- A Supervisory Board member should not be a member of the management board of another company where a member of the Management Board of S IMMO AG is a member of that company's supervisory board.
- A Supervisory Board member should not be a close family member (direct descendant, spouse, domestic partner, parent, uncle, aunt, sibling, nephew, niece) of a member of the Management Board or of persons in any of the positions described above.

For the financial year 2012, the following members of the Supervisory Board, who together constitute the majority of the Supervisory Board, are independent in the meaning of C Rule 53 and C Rule 54 of the Code of Corporate Governance. These members satisfy the Supervisory Board's criteria for independence.

Current independent members of the Supervisory Board

Martin Simhandl (in the meaning of C Rule 53)
 Franz Kerber (in the meaning of C Rules 53 and 54)
 Christian Hager (in the meaning of C Rules 53 and 54)
 Erwin Hammerbacher (in the meaning of C Rule 53)
 Michael Matlin MBA (in the meaning of C Rule 53)
 Wilhelm Rasinger (in the meaning of C Rules 53 and 54)
 Ralf Zeitlberger (in the meaning of C Rule 53)

DIRECTORS' DEALINGS

Under section 48d(4) Austrian Stock Exchange Act (BörseG), S IMMO AG is required to report all share purchases and sales by members of management bodies or persons in close relationships with them. In accordance with the requirements of the Code, dealings by members of the Management and Supervisory Boards (directors' dealings) are disclosed on S IMMO AG's website (www.simmoag.at/en) under Investor Relations/Corporate Governance/Directors' Dealings. In the financial year 2012, there were neither purchases nor sales of shares or participating certificates made by any of the above persons.

D&O INSURANCE

Pursuant to a resolution of the Annual General Meeting 2009, a directors and officers liability insurance policy has been in force since 01 September 2009. Under this policy, claims by the Company, the shareholders or third parties against members of managing bodies or executive officers of the Company for damages arising from breaches of the duty of care are insured. The costs of the insurance are borne by the Company.

REMUNERATION OF THE SUPERVISORY BOARD

Members of the Supervisory Board received a total remuneration amounting to EUR 106,500 (2011: EUR 123,336).

Total Management Board remuneration 2012

Simhandl	EUR	18,000
Antonitsch	EUR	15,500
Kerber	EUR	14,500
Hammerbacher	EUR	13,000
Hager	EUR	10,500
Matlin	EUR	10,000
Rasinger	EUR	12,000
Zeitberger	EUR	13,000
Total	EUR	106,500

Supervisory Board members received neither loans nor advances, and no guarantees have been given on their behalf.

REMUNERATION OF THE MANAGEMENT BOARD

During the financial year 2012, the total remuneration of the Management Board amounted to EUR 1,121,100 (2011: EUR 934,000). The total remuneration consisted of a fixed as well as a variable component making up approximately 80% of the fixed remuneration in 2012. Profit participation is dependent on the achievement of quantitative and qualitative targets, such as consolidated earnings, letting successes and the volume of property sales. The total remuneration includes contributions to pension funds of EUR 74,400 (2011: EUR 73,800), contributions to the employees severance pay and pension fund of EUR 14,300 (2011: EUR 9,000) as well as an increase of the pension accrual for Mr. Vejdovszky in the amount of EUR 126,600 (2011: EUR 43,000).

Total Management Board remuneration 2012

Vejdovszky	EUR	488,200
Wachernig	EUR	316,500
Schmidtmayr	EUR	316,400
Total	EUR	1,121,100

S IMMO AG has no stock option scheme at present and no individual severance entitlements for Management Board members.

AUDITORS

By resolution of the Annual General Meeting 2012, Deloitte Audit Wirtschaftsprüfungs GmbH was appointed as statutory auditors. The auditors assist the Supervisory Board in assessing whether appropriate accounting policies have been applied, and whether the accounts and financial statements conform with the applicable statutory regulations and are reasonable and reliable. The auditors must immediately report to the Supervisory Board on any deficiencies revealed by the audit. This also applies to any discrepancies in the compliance statement made by the Supervisory and Management Boards in connection with the Austrian Code of Corporate Governance.



Ernst Vejdovszky



Friedrich Wachernig

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Lagebericht für das Geschäftsjahr 2012

Geschäftstätigkeit der S IMMO AG

Die S IMMO AG ist eine international tätige Immobilieninvestment- und entwicklungsgesellschaft mit Sitz in Wien und Notiz an der Wiener Börse. Sie ist als Konzernleitgesellschaft der S IMMO Gruppe direkt bzw. über Tochterunternehmen indirekt in den Segmenten Österreich, Deutschland, Zentral- und Südosteuropa tätig. In ihrem Portfolio hält die Gesellschaft unmittelbar bzw. mittelbar über Tochterunternehmen Büro-, Geschäfts- und Wohnflächen sowie Hotels. Das Unternehmen verfolgt das Ziel, den Unternehmenswert im Sinne seiner Aktionäre durch langfristige, ertragreiche Immobilieninvestments bzw. Immobilienprojektentwicklungen nachhaltig zu steigern. Unter dieser Prämisse entwickelt es das Portfolio beständig weiter und optimiert es durch aktives Asset Management. Das dichte Netzwerk der Kernaktionäre und Entwicklungspartner sowie der Mitarbeiter und lokalen Partner ermöglicht es der S IMMO AG, Marktchancen optimal zu nutzen.

Management

Alle wesentlichen Steuerungsfunktionen sowie das Management der österreichischen, tschechischen, slowakischen, rumänischen, bulgarischen sowie kroatischen Immobilien werden von der S IMMO AG in Wien ausgeübt. Die Tochtergesellschaften in Deutschland und Ungarn sind für das Asset Management und die Vermietungsaktivitäten vor Ort zuständig. Ergänzend werden einige Unternehmensfunktionen über Dienstleistungsverträge geregelt. Dies betrifft einige administrative Bereiche wie IT und Cash Management.

Zweigniederlassungen

Der Firmensitz der S IMMO AG ist in Wien. Es bestehen keine Zweigniederlassungen.

Forschung und Entwicklung

Die S IMMO AG betreibt keine Forschung und Entwicklung

Geschäftsverlauf

Die Umsatzerlöse sind im Geschäftsjahr mit TEUR 22.499 (2011: TEUR 22.959) nahezu unverändert geblieben. Die sonstigen betrieblichen Erträge sind mit TEUR 13.144 (2011: TEUR 5.741) insbesondere aufgrund von Immobilienveräußerungen deutlich gestiegen.

Die sonstigen betrieblichen Aufwendungen sind von TEUR 6.727 auf TEUR 8.354 gestiegen.

Das Finanzergebnis beträgt TEUR 23.865 (2011: TEUR 11.656), was im Wesentlichen auf die höheren Beteiligungserträge im Geschäftsjahr 2012 in Höhe von TEUR 36.103 (2011: TEUR 20.447) sowie auf die Auflösung von Wertberichtigungen auf Ausleihungen an verbundene Unternehmen im Ausmaß von TEUR 21.888 (2011: TEUR 0) zurückzuführen ist.

Die Bilanzsumme ist von TEUR 1.059.433 auf TEUR 975.657 zum Bilanzstichtag 31.12.2012 gesunken. Das Grundkapital beträgt unverändert zum Vorjahr TEUR 247.509. Das Eigenkapital hat sich zum Bilanzstichtag von TEUR 337.062 auf TEUR 366.358 erhöht. Die Eigenkapitalquote betrug zum 31.12.2012 38% (31.12.2011: 32%).

Die Verbindlichkeiten gegenüber Kreditinstituten haben sich im laufenden Geschäftsjahr von TEUR 241.861 auf TEUR 175.644 deutlich reduziert. Davon haben TEUR 69.015 eine Restlaufzeit von bis zu einem Jahr.

Auf dem Kapitalmarkt wurden nach wie vor durch das Genussschein- bzw. Aktienrückkaufprogramm wichtige Akzente gesetzt, die auch im Jahr 2013 fortgesetzt werden. Auf Grund der Differenz zwischen dem inneren Wert unserer Aktie und dem aktuellen Kurs sehen wir den Rückkauf der Aktien als gutes Investment. Durch den Erwerb der Genussscheine (ebenfalls unter seinem inneren Wert) setzen wir einen wichtigen Schritt zur weiteren Vereinfachung der Kapitalstruktur und zur Steigerung des Unternehmenswerts für unsere Aktionäre.

Immobilienportfolio in Österreich – wesentliche Ereignisse 2012

In Österreich konnte die S IMMO AG ihr bestehendes Portfolio weiter optimieren. So konnten im Geschäftsjahr 2012 folgende Objekte mit Gewinn veräußert werden: Bräuhausgasse 3 - 5, Amalienstraße 48 (beide in Wien), Rainerstraße 6 - 8 (in Linz).

Daneben konzentriert sich die S IMMO AG auf das Entwicklungsprojekt Quartier Belvedere, eines der größten innerstädtischen Bauvorhaben Europas rund um den zukünftigen Hauptbahnhof in Wien, welches gemeinsam mit namhaften Partnern realisiert wird.

Voraussichtliche Entwicklung

Aktuell liegt der Fokus auf der Ertragssteigerung des Portfolios und dem Abbau von Verbindlichkeiten; zur Erreichung dieser Ziele werden mittelfristig verstärkte Verkaufsanstrengungen unternommen werden.

Grundsätzlich prüft die S IMMO AG auch kontinuierlich Ankaufsmöglichkeiten, die das Portfolio sinnvoll ergänzen. Im vergangenen Jahr gab es keine passenden Angebote die den Preisvorstellungen und Investitionskriterien der Gesellschaft entsprochen hätten.

Für das Geschäftsjahr 2013 erwartet die S IMMO AG eine weitere positive Entwicklung.

Risikomanagement

Als Konzernmuttergesellschaft eines internationalen Immobilien-Investmentkonzerns ist die S IMMO AG mit einer Vielzahl von Risiken und Chancen konfrontiert, die einerseits Einfluss auf die operative Geschäftstätigkeit und andererseits auf die strategische Unternehmensführung haben können. Durch die kontinuierliche Identifizierung, Analyse, Steuerung und Überwachung der Risiken und Chancen versucht die Gesellschaft, negative Entwicklungen und potenzielle Erfolgsfaktoren rechtzeitig zu erkennen und diese in den Entscheidungsprozessen zu berücksichtigen.

Das Geschäftsmodell des Unternehmens sieht eine nach Regionen und Nutzungsarten ausgerichtete Portfoliostrategie vor. Diese Diversifizierung dient einerseits der breiten Risikostreuung, andererseits der Chancenoptimierung. Die Chancen ergeben sich durch die verschiedenen Immobilienzyklen bei einzelnen Nutzungsarten, aber auch durch die regionalen Unterschiede in der wirtschaftlichen Entwicklung.

Das Risikomanagement umfasst neben internen Regelungen und Richtlinien laufende Berichte im Rahmen von regelmäßigen Jour Fixes an den Vorstand sowie Kontrollmaßnahmen, die im gesamten Unternehmen etabliert sind und der Früherkennung, Steuerung sowie Überwachung von Risiken dienen. Der Vorstand trifft die wesentlichen risikorelevanten Entscheidungen. Investitionsvorhaben unterliegen ab einer bestimmten Größenordnung zusätzlich der Genehmigung durch den Aufsichtsrat. Beide Organe werden über Risiken sowie über das Interne Kontrollsystem informiert.

Die in diesem Abschnitt dargestellten Risiko- und Chancengruppen wurden im Zuge einer Analyse neu bewertet. Im Wesentlichen sind die Risiken und Chancen im Vergleich zum Vorjahr gleich geblieben.

Unternehmensstrategische Risiken

Strategische Risiken sind sehr eng mit der Geschäftsstrategie der S IMMO AG verbunden und können diese auch gegebenenfalls stark beeinflussen. Dazu zählen das Umfeld- und Branchenrisiko, das Investitionsrisiko und das Kapitalmarktrisiko.

S IMMO AG, Wien

Internes Kontrollsystem

Für wesentliche Geschäftsprozesse besteht ein Internes Kontrollsystem (IKS), das gemeinsam mit der internen Revision und der (börsenrechtlichen) Compliance das interne Überwachungssystem der Gesellschaft bildet. Wesentliche konzernweite Kernprozesse sind in der internen Prozessdatenbank erfasst. Diese beinhaltet eine Risiko-Kontroll-Matrix, in der die Abläufe, die potenziellen Einzelrisiken und die zugeordneten Kontrollschritte definiert sind.

Interne Revision

Die Interne Revision der S IMMO AG beauftragt und koordiniert Prüfungen wesentlicher Geschäftsprozesse der S IMMO AG bzw. ihrer lokalen Tochtergesellschaften hinsichtlich ihrer Funktionsfähigkeit, bestehender Risiken und Kontrollschwächen sowie möglicher Effizienzverbesserungspotenziale in mehrjährigen Zyklen. Diese Prüfungen werden ausschließlich von renommierten, externen Experten durchgeführt. Grundlage für die Revisionsprüfungen bildet der vom Vorstand genehmigte operative Jahresrevisionsplan bzw. der strategische Mehrjahresplan. Die Ergebnisse der Prüfungen werden an den Vorstand berichtet. Darüber hinaus wird der Prüfungsausschuss des Aufsichtsrats regelmäßig über den Revisionsplan sowie die Ergebnisse der durchgeführten Revision informiert.

Erläuterung der Einzelrisiken

Investitionsrisiko

Ein wesentlicher Bestandteil der Unternehmensstrategie zielt darauf ab, bei der Auswahl von Immobilien potenzielle Investitionsrisiken zu erkennen. Vor diesem Hintergrund setzt die S IMMO Gruppe im Vorfeld einer Investitionsentscheidung auf umfassende interne und externe Analysen. Dabei werden zum Beispiel Faktoren wie Attraktivität des Standorts, Infrastruktur und Bonität der Mieter herangezogen. Darüber hinaus sind klare Limits festgelegt, ab welchem Investitionsvolumen eine Genehmigung des Aufsichtsrats erforderlich ist.

Kapitalmarktrisiko

Der Kapitalmarkt ist für die S IMMO AG von besonderer Wichtigkeit. Das Unternehmen bemüht sich, das Vertrauen der Anleger in die S IMMO Aktie durch transparente, zeitnahe und effiziente Kommunikation

S IMMO AG, Wien

zu stärken. Zur Sicherstellung der Kapitalmarkt-Compliance verfügt die S IMMO Gruppe über eine Compliance-Ordnung mit klar definierten Wohlverhaltensregeln für Mitarbeiter und Organe sowie einer Definition der Funktionen des Compliance-Verantwortlichen.

Immobilienpezifische Risiken

Wirtschaftlich herausfordernde Zeiten können zu Bonitätsverschlechterungen von Mietern, erhöhten Mietrückständen, steigenden Leerstandsrate und Mietausfällen führen.

Immobilienportfoliorisiko

Dem Immobilienportfoliorisiko begegnet die S IMMO Gruppe mit einer breiten Streuung nach Regionen und Nutzungsarten. Dieses Risiko war im Berichtsjahr nicht in allen Segmenten und Ländern gleichermaßen ausgeprägt: Der Wohnbau etwa hat sich positiv entwickelt, was zu einer Reduktion entsprechender Risiken geführt hat. Darüber hinaus hat aus Risikosicht die Ausrichtung der Geschäftstätigkeit auf Länder mit langfristigen Entwicklungspotenzial sowie auf Hauptstädte der Europäischen Union wesentlich zu einem stabilen Gesamtportfolio im Konzern beigetragen.

Vermietungsrisiko

Das Vermietungsrisiko ist stark mit der allgemeinen wirtschaftlichen Lage in den einzelnen Märkten verknüpft und damit auch mit entsprechenden Planungsunsicherheiten behaftet. Der Fokus auf langfristige Vermietung hat sich im vergangenen Geschäftsjahr als risikominimierend erwiesen. Auch im laufenden Jahr bleibt auf Grund der wirtschaftlichen Situation und der veröffentlichten Wirtschaftsprognosen ein Verwertungsrisiko bestehen.

Entwicklungsrisiko

Das Entwicklungsrisiko hat sich durch Abschluss der Entwicklungsprojekte im Geschäftsjahr 2010 deutlich reduziert. Im laufenden Jahr ist der Bau neuer Entwicklungsprojekte nicht geplant. Mittelfristig konzentrieren wir uns auf das Projekt Quartier Belvedere Central – eines der größten Stadtentwicklungsprojekte Europas rund um den Hauptbahnhof in Wien. Bei diesem Projekt ist die Entwicklung der einzelnen Bauteile in mehreren Phasen vorgesehen.

S IMMO AG, Wien

Immobilienbewertungsrisiko

Das Immobilienbewertungsrisiko beschreibt das Risiko von negativen Wertschwankungen des Immobilienportfolios, die sich auf Grund von geänderten makroökonomischen Gegebenheiten – außerhalb des Einflussbereichs des Unternehmens – und immobilispezifischen Faktoren ergeben können. Die S IMMO AG versucht mögliche Risiken vorausschauend zu erkennen und etwaige negative Effekte durch eine optimale Immobilienbewirtschaftung und Portfoliosteuerung zu minimieren. Kommt es zu dauerhaften Wertminderungen können diese in weiterer Folge nicht nur das Ergebnis, sondern auch das Eigenkapital und somit die Kreditwürdigkeit der Gesellschaft negativ beeinflussen.

Finanzielle Risiken

Die Steuerung von finanziellen Risiken beinhaltet für die S IMMO Gruppe vor allem den Umgang mit Liquiditäts-, Zinsänderungs-, Finanzierungs- und Währungsrisiken.

Liquiditätsrisiko

Zur Sicherstellung der Liquidität werden die Zahlungsströme des Unternehmens von der Finanzierungsabteilung auf Basis einer laufenden Liquiditätsplanung in Zusammenarbeit mit den Bereichen Projektentwicklung, Asset Management und Akquisition koordiniert, auf Plausibilität geprüft und laufend angepasst. Auf Grund von verschärften Eigenkapital- und Liquiditätsvorschriften für Banken und der anhaltenden Euro-Krise könnte es allerdings zu Schwierigkeiten bei Refinanzierungen kommen. Die S IMMO kann dadurch trotz überwiegend langfristig abgeschlossener Kreditverträge hauptsächlich bei Kreditverlängerungen und Refinanzierungen betroffen sein (siehe auch Finanzierungsrisiko). Das Risiko kann primär auftreten, wenn es bei Kreditverlängerungen oder Refinanzierungen zu Verzögerungen kommt oder diese in einer geringeren Höhe als erwartet erfolgen. Ein Liquiditätsrisiko besteht ebenso bei nicht rechtzeitig realisierten Verkäufen von Immobilien oder Veräußerungen zu geringeren Preisen.

Zinsänderungsrisiko

Bei Fremdfinanzierungen können Risiken durch die Veränderung der Zinsniveaus auftreten. Derzeit wird allerdings erwartet, dass die Europäische Zentralbank den Leitzins vorerst weitgehend unverändert lässt. Dennoch kann auch nicht ausgeschlossen werden, dass Banken auf Grund der angespannten

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wirtschaftlichen Situation sowie der erhöhten Eigenkapital- und Liquiditätsvorschriften durch Basel III ihre Margen anheben. Das Zinsänderungsrisiko reduziert die S IMMO AG langfristig durch Zinsabsicherungen ihrer variabel verzinsten Kredite. Zur Absicherung variabel verzinsten Kredite verwendet die S IMMO derivative Finanzinstrumente (Swaps, Caps und Collars). Die durchgeführten Stresstests zeigen, dass die S IMMO an Änderungen des Zinsniveaus mit etwa einem Drittel partizipiert, was zur Folge hat, dass die Gesellschaft im Falle von Zinssteigerungen – trotz Absicherung durch derivative Finanzinstrumente – höheren Finanzierungskosten ausgesetzt wäre.

Finanzierungsrisiko

Die nach wie vor angespannte Situation des Bankensektors könnte zu einer restriktiven Kreditvergabepolitik von Banken führen und somit die Refinanzierung erschweren. Dieses Finanzierungsrisiko minimiert die S IMMO AG durch Streuung ihrer Kreditgeber sowie langfristige Fremdkapitalaufbringung, wobei eine Kontrolle der Kreditaufnahmen mittels nach Beträgen gestaffelter Genehmigungspflichten des Vorstands bzw. Aufsichtsrats erfolgt. Per 31.12.2012 hatten die langfristigen Konzernbankverbindlichkeiten eine durchschnittlich gewichtete Restlaufzeit von mehr als 8,9 Jahren. Die Langfristigkeit der Finanzierung entspricht der branchenüblichen Praxis. Die Einhaltung der Vertragsbedingungen wird von der S IMMO AG – in engem Kontakt mit kreditvergebenden Finanzinstituten – laufend überwacht. Trotz eines genauen Monitorings der Finanzierungsinstrumente und der relevanten Parametern kann es bei entsprechender negativer Entwicklung des Finanzierungsumfelds nicht ausgeschlossen werden, dass die S IMMO AG mit erheblichen Gefahren im Bereich der Refinanzierung konfrontiert werden könnte.

Fremdwährungsrisiko

Kreditfinanzierungen der S IMMO AG sind ausschließlich in Euro denominiert und die Mietverträge sind ausschließlich an den Euro gebunden. Daher besteht kein unmittelbares Fremdwährungsrisiko.

Sonstige Risiken

Umweltrisiko

Umweltrisiken können sowohl in Zusammenhang mit Bestandsimmobilien als auch mit Entwicklungsprojekten auftreten. Beispielsweise können geänderte Gesetze das Entfernen oder den

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Austausch von Materialien notwendig machen. Ebenso kann die Entsorgung gefährlicher Substanzen auf einem Entwicklungsgrundstück erforderlich sein. Das wiederum kann zu zusätzlichen Kosten führen. Die S IMMO AG sichert sich gegen dieses Risiko dadurch ab, dass bei Akquisitionen und Investitionen genaue Standortanalysen durchgeführt und gegebenenfalls Garantieerklärungen eingeholt werden. Weiters agiert die S IMMO AG verantwortungsvoll sowohl bei Bestandsimmobilien als auch bei Entwicklungsprojekten, indem auf höchste Standards bei Materialien und Bauweisen geachtet wird.

Rechtsrisiko

Die S IMMO AG ist auf Grund ihrer Geschäftstätigkeit einer Vielzahl von rechtlichen Risiken ausgesetzt, die sich beispielsweise aus Rechtsstreitigkeiten mit Mietern oder Projektpartnern oder aus dem Erwerb bzw. der Veräußerung von Immobilien ergeben können. Aktuelle Rechtsrisiken sind, soweit erforderlich, durch entsprechende bilanzielle Maßnahmen abgedeckt.

Gesamtaussage zur Risikosituation

Zusammenfassend kann gesagt werden, dass das Geschäftsjahr 2013 von einem noch immer schwierigen Wirtschaftsumfeld geprägt sein wird. Eine Erholung ist erst für das zweite Halbjahr, teilweise sogar erst für 2014 zu erwarten. Das wirtschaftliche Umfeld – allen voran die Probleme in Europa, den USA und China – wird auch Einfluss auf die Kapitalmärkte haben. Aktien profitieren allerdings derzeit von weniger attraktiven Märkten für Staatsanleihen, expansiver Geldpolitik, niedrigen Zinsen und dem angeschlagenen Euro.

Die weiterhin angespannte wirtschaftliche Situation in einigen Märkten der S IMMO AG hat hauptsächlich Auswirkungen auf Immobilienbewertungen, Mieteinnahmen, Finanzierungskosten und mögliche Finanzierungen auf dem Kapitalmarkt, die eigene Liquidität, aber auch die Zahlungsfähigkeit der Partner. Zusätzlich ergeben sich Risiken aus den einzelnen Immobilien. Die S IMMO AG begegnet den genannten Risiken mit gezielten Maßnahmen und versucht damit, negative Auswirkungen auf die Ertragslage und die operative Geschäftstätigkeit zu minimieren. Durch eine gezielte Diversifikation sowie durch ein sorgfältiges Monitoring relevanter Kenngrößen für jede Immobilie wird potenziellen Risiken laufend entgegengewirkt.

Finanzielle und nicht-finanzielle Leistungsindikatoren

Strategisches Ziel ist die nachhaltige Steigerung des Unternehmenswertes. Zentrale finanzielle Leistungsindikatoren (Kennzahlen) sind dabei für den Gesamtkonzern u.a. der NAV pro Aktie, die Loan to Value (LTV) Ratio sowie der FFO (Funds from Operations).

Für die S IMMO AG wurden folgende finanzielle Leistungsindikatoren identifiziert:

		2012	2011
Eigenkapitalquote	%	38	32
EBIT	TEUR	9.269	3.726

Diese Finanzkennzahlen werden zur Steuerung des operativen Geschäfts durch mehrere nicht finanzielle Leistungsindikatoren (Leerstandsrate, Portfoliostreuung, Standortqualität) ergänzt.

Informationen gemäß § 243a Unternehmensgesetzbuch (UGB)

Gemäß § 243a Unternehmensgesetzbuch (UGB) sind die folgenden Informationen anzugeben:

- 1.) Das Grundkapital der Gesellschaft beträgt EUR 247.509.361,86 und ist aufgeteilt in 68.118.718 auf Inhaber lautende Stückaktien. Es gibt keine unterschiedlichen Aktiengattungen.
- 2.) Die Satzung enthält folgende Regelung: Das Stimmrecht jedes Aktionärs in der Hauptversammlung ist mit 15 % der ausgegebenen Aktien beschränkt. Hierbei sind die Aktien von Unternehmen, die miteinander einen Konzern im Sinne des § 15 Aktiengesetz (AktG) bilden, zusammenzurechnen, ebenso die Aktien, die von Dritten für Rechnung des betreffenden Aktionärs oder eines mit ihm konzernmäßig verbundenen Unternehmens gehalten werden. Zusammenzurechnen sind weiters Aktienbestände von Aktionären, die bei der Ausübung der Stimmrechte auf Grund eines Vertrags oder auf Grund abgestimmten Verhaltens gemeinsam vorgehen.
- 3.) Der Vorstand hat am 24.09.2009 von der Tri-Star Capital Ventures Ltd., einer internationalen Investmentgesellschaft, eine Mitteilung gemäß § 91 Abs. 1 Börsegesetz (BörseG) erhalten, wonach das Unternehmen die Beteiligung an der S IMMO AG auf 11,15 % des stimmberechtigten Grundkapitals aufgestockt hat. Die Gesellschaft wurde weiters von der s Versicherung AG, einem Konzernunternehmen der Vienna Insurance Group, am 20.04.2009 informiert, dass deren Beteiligung an der S IMMO AG mit 10,27 % die Meldegrenze von 10 % gemäß § 91 Abs. 1 BörseG überschritten hat. Zuletzt erhielt das Unternehmen am 24.07.2012 eine Information von der Erste Group Bank AG, wonach diese ihre Beteiligung an der S IMMO AG erhöht habe und am 20.07.2012 die im § 91 Abs. 1 BörseG vorgesehene Anteilsschwelle von 10 % der Stimmrechte überschritten habe; der nunmehr (unmittelbar und mittelbar) gehaltene Stimmrechtsanteil der Erste Group Bank AG beträgt 10,12 %.
- 4.) Es gibt keine Aktien mit besonderen Kontrollrechten.
- 5.) Arbeitnehmer, die im Besitz von Aktien sind, üben bei der Hauptversammlung ihr Stimmrecht unmittelbar aus.

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6.) Der Vorstand besteht aus zwei, drei oder vier Mitgliedern. Die Mitglieder des Vorstandes werden vom Aufsichtsrat mit Drei-Viertel-Mehrheit der abgegebenen Stimmen bestellt. Eine Bestellung zum Vorstand ist letztmalig vor Erreichen des 65. Lebensjahres möglich. Der Aufsichtsrat besteht aus höchstens zehn, von der Hauptversammlung gewählten Mitgliedern. Satzungsändernde Beschlüsse über ordentliche Kapitalerhöhungen beschließt die Hauptversammlung mit einfacher Mehrheit der abgegebenen Stimmen und mit einfacher Mehrheit des bei der Beschlussfassung vertretenen Grundkapitals.

7.) a) Der Vorstand ist für fünf Jahre nach Eintragung dieser Satzungsänderung, somit bis 19.10.2017, ermächtigt, gemäß § 169 AktG mit Zustimmung des Aufsichtsrats, das Grundkapital der Gesellschaft um bis zu EUR 123.754.680,93 durch Ausgabe von bis zu 34.059.359 Stück auf Inhaber lautenden Stammaktien zum Mindestausgabekurs von 100 % des anteiligen Betrags jeder Aktie am Grundkapital gegen Bar- oder Sacheinlagen (ausgenommen Sacheinlage gegen von der Gesellschaft ausgegebene Genussscheine und Forderungen aus diesen Genussscheinen oder sonstige Forderungen) in einer oder mehreren Tranchen zu erhöhen und den Ausgabekurs, die Ausgabebedingungen und die weiteren Einzelheiten der Durchführung der Kapitalerhöhung im Einvernehmen mit dem Aufsichtsrat festzusetzen; im Falle einer Kapitalerhöhung gegen Sacheinlage (ausgenommen Sacheinlage gegen von der Gesellschaft ausgegebene Genussscheine und Forderungen aus diesen Genussscheinen oder sonstigen Forderungen) ist der Vorstand ermächtigt, mit Zustimmung des Aufsichtsrats das Bezugsrecht der Aktionäre ganz oder teilweise auszuschließen.

b) In der ordentlichen Hauptversammlung vom 01.06.2012 wurde dem Vorstand die Ermächtigung erteilt, nach den Bestimmungen des § 65 Abs. 1 Z 8 AktG für die Dauer von 30 Monaten ab dem Datum der Beschlussfassung, somit bis 01.12.2014, eigene Aktien im gesetzlich zulässigen Höchstaussmaß bis zu 10 % des Grundkapitals der Gesellschaft zu erwerben und gegebenenfalls einzuziehen. Der Vorstand wurde auch ermächtigt, für die Dauer von fünf Jahren ab Beschlussfassung, somit bis 01.06.2017, mit Zustimmung des Aufsichtsrats für die Veräußerung der eigenen Aktien auch eine andere Art als über die Börse oder durch ein öffentliches Angebot unter Ausschluss des Bezugsrechts der Aktionäre zu beschließen.

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c) Das Grundkapital wird gemäß § 159 Abs. 2 Z 1 AktG um bis zu EUR 123.754.680,93 durch Ausgabe von bis zu 34.059.359 Stück neuen auf Inhaber lautende Stammaktien bedingt erhöht (bedingtes Kapital). Die bedingte Kapitalerhöhung wird nur insoweit durchgeführt, als Inhaber von auf der Grundlage des Hauptversammlungsbeschlusses vom 01.06.2012 ausgegebenen Wandelschuldverschreibungen von dem ihnen eingeräumten Umtausch- und/oder Bezugsrecht Gebrauch machen. Der Ausgabebetrag und das Umtausch- und/oder Bezugsverhältnis sind unter Berücksichtigung marktüblicher Berechnungsmethoden, sowie des Kurses der Aktien der Gesellschaft, zu ermitteln (Grundlagen der Berechnung des Ausgabetrages); der Ausgabebetrag darf nicht unter dem anteiligen Betrag des Grundkapitals liegen. Der Vorstand ist ermächtigt, mit Zustimmung des Aufsichtsrats die weiteren Einzelheiten der Durchführung der bedingten Kapitalerhöhung (insbesondere Ausgabebetrag, Inhalt der Aktienrechte, Zeitpunkt der Dividendenberechtigung) festzulegen. Der Aufsichtsrat ist ermächtigt, Änderungen der Satzung, die sich durch die Ausgabe von Aktien aus dem bedingten Kapital oder auf Grund des Ablaufs der Frist zur Ausnutzung des bedingten Kapitals ergeben, zu beschließen.

d) In der ordentlichen Hauptversammlung vom 01.06.2012 wurde der Vorstand gemäß § 174 AktG neuerlich ermächtigt, innerhalb von fünf Jahren ab Beschlussfassung, somit bis 01.06.2017 mit Zustimmung des Aufsichtsrats, Wandelschuldverschreibungen, mit denen ein Umtausch- oder Bezugsrecht auf bis zu 34.059.359 Stück auf Inhaber lautende Stammaktien der Gesellschaft mit einem anteiligen Betrag am Grundkapital von bis zu EUR 123.754.680,93 verbunden ist, in einer oder mehreren Tranchen auch verbunden mit einer Ermächtigung des Vorstands mit Zustimmung des Aufsichtsrats das Bezugsrecht der Aktionäre für die Wandelschuldverschreibungen auszuschließen, gegen Barwerte auszugeben und alle weiteren Bedingungen der Wandelschuldverschreibungen, die Ausgabe und das Umtauschverfahren festzusetzen.

8.) Es gibt keine bedeutenden Vereinbarungen, an denen die Gesellschaft beteiligt ist und die bei einem Kontrollwechsel in der Gesellschaft infolge eines Übernahmeangebots wirksam werden, sich ändern oder enden.

9.) Es gibt keine Entschädigungsvereinbarungen zwischen der Gesellschaft und ihren Vorstands- und Aufsichtsratsmitgliedern oder Arbeitnehmern für den Fall eines öffentlichen Übernahmeangebots.

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Ereignisse nach dem Bilanzstichtag

Im ersten Quartal 2013 wurden weitere 65.604 Aktien zu einem Preis von rd. TEUR 310 sowie 73.929 Genussscheine zu einem Preis von rd. TEUR 5.467 zurückgekauft.

Darüber hinaus gab es keine weiteren wesentlichen Ereignisse nach dem Bilanzstichtag.

Wien, am 08. April 2013

Der Vorstand:

Mag. Ernst Vejdovsky

Mag. Friedrich Wachernig

Gewinn- und Verlustrechnung für das Geschäftsjahr 2012
Beträge in EUR

	2012	Vorjahr (in TEUR)
1. <u>Umsatzerlöse</u>	22.498.682,40	22.959
2. <u>sonstige betriebliche Erträge</u>		
a) Erträge aus dem Abgang vom Anlagevermögen mit Ausnahme der Finanzanlagen	8.285.131,29	2.353
b) Erträge aus der Auflösung von Rückstellungen	2.790.609,87	721
c) übrige	<u>2.068.049,74</u>	<u>2.668</u>
3. <u>Aufwendungen für sonstige bezogene Herstellungsleistungen</u>	-7.333.614,64	-7.377
4. <u>Personalaufwand</u>		
a) Gehälter	-3.039.183,40	-3.260
b) Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen	-46.623,67	-67
c) Aufwendungen für Altersversorgung	-241.502,08	-131
d) Aufwendungen für gesetzlich vorgeschriebene Sozialabgaben sowie vom Entgelt abhängige Abgaben und Pflichtbeiträge	-647.381,99	-628
e) sonstige Sozialaufwendungen	<u>-28.538,48</u>	<u>-46</u>
5. <u>Abschreibungen</u>		
a) auf immaterielle Gegenstände des Anlagevermögens und Sachanlagen	-6.681.804,33	-6.739
6. <u>sonstige betriebliche Aufwendungen</u>		
a) Steuern, soweit sie nicht unter Z 18 fallen	-475.880,64	-142
b) übrige	<u>-7.878.557,80</u>	<u>-6.585</u>
7. <u>Zwischensumme aus Z 1 bis 6</u>	<u>9.269.386,27</u>	<u>3.726</u>
8. <u>Erträge aus Beteiligungen</u> (davon aus verbundenen Unternehmen: EUR 35.510.143,69; i.Vj.: TEUR 20.000)	36.102.968,47	20.447
9. <u>Erträge aus Ausleihungen des Finanzanlagevermögens</u> (davon aus verbundenen Unternehmen: EUR 7.395.744,93; i.Vj.: TEUR 9.952)	7.395.744,93	9.985
10. <u>sonstige Zinsen und ähnliche Erträge</u> (davon aus verbundenen Unternehmen: EUR 1.404.333,78; i.Vj.: TEUR 2.406)	2.033.439,02	10.958
11. <u>Erträge aus dem Abgang von und der Zuschreibung zu Finanzanlagen und Wertpapieren des Umlaufvermögens</u>	21.888.000,00	0
12. <u>Aufwendungen aus Finanzanlagen</u>	-1.000.000,00	0
a) Abschreibungen: EUR 1.000.000 (i. Vj.: TEUR 0)		
b) Aufwendungen aus verbundenen Unternehmen: EUR 1.000.000; i. Vj.: TEUR 0)		
13. <u>Zinsen und ähnliche Aufwendungen</u> (davon betreffend verbundene Unternehmen: EUR 2.020.352,49; i.Vj.: TEUR 2.544)	-29.745.840,04	-18.549
14. <u>Ergebniszuweisung Genussscheine</u>	-12.018.045,00	-10.595
15. <u>Zuweisung anteilige stille Reserven im Immobilienvermögen für die Genussscheine</u>	<u>-791.038,09</u>	<u>-590</u>
16. <u>Zwischensumme aus Z 8 bis 15</u>	<u>23.865.229,29</u>	<u>11.656</u>
17. <u>Ergebnis der gewöhnlichen Geschäftstätigkeit</u>	<u>33.134.615,56</u>	<u>15.382</u>
18. <u>Steuern vom Einkommen</u> (davon Ertrag aus Steuerumlage: EUR 3.195.184,50, i.Vj.: TEUR 288)	<u>2.720.376,13</u>	<u>390</u>
19. <u>Jahresüberschuss</u>	<u>35.854.991,69</u>	<u>15.772</u>
20. <u>Auflösung unsteuerter Rücklagen</u>	203.078,16	203
21. <u>Zuweisung zu Gewinnrücklagen</u>	-4.796.037,85	-6.975
22. <u>Gewinnvortrag aus dem Vorjahr</u>	<u>2.237.968,00</u>	<u>-</u>
23. <u>Bilanzgewinn</u>	<u>33.500.000,00</u>	<u>9.000</u>
davon Ausschüttungssperre	21.888.000,00	0

Anhang zum Jahresabschluss 31.12.2012

I. Bilanzierungs- und Bewertungsmethoden

Der Jahresabschluss zum 31. Dezember 2012 wurde unter Beachtung der Grundsätze ordnungsmäßiger Buchführung und der Generalnorm, ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Unternehmens zu vermitteln, erstellt. Die Bilanzierung, die Bewertung und der Ausweis der einzelnen Posten des Jahresabschlusses wurden nach den allgemeinen Bestimmungen der §§ 196 bis 211 UGB unter Berücksichtigung der Sondervorschriften für Kapitalgesellschaften der §§ 221 bis 235 UGB vorgenommen.

Bei der Aufstellung des Jahresabschlusses wurden die Grundsätze der Vollständigkeit und der ordnungsmäßigen Bilanzierung eingehalten. Bei der Bewertung wurde von der Fortführung des Unternehmens ausgegangen.

Bei Vermögensgegenständen und Schulden wurde der Grundsatz der Einzelbewertung angewendet. Dem Vorsichtsprinzip wurde Rechnung getragen, indem insbesondere nur die am Abschlussstichtag verwirklichten Gewinne ausgewiesen wurden. Alle erkennbaren Risiken und drohende Verluste, die im Geschäftsjahr oder in einem der früheren Geschäftsjahre entstanden sind, wurden berücksichtigt.

1. Anlagevermögen

1.1 Immaterielles Anlagevermögen

Erworbene immaterielle Vermögensgegenstände werden zu Anschaffungskosten bewertet, vermindert um planmäßige Abschreibungen entsprechend der Nutzungsdauer. Die planmäßigen Abschreibungen werden linear angenommen. Als Nutzungsdauer wird ein Zeitraum von 4 Jahren zugrunde gelegt. Die Abschreibung des Firmenwertes erfolgt auf die Geschäftsjahre, in denen er voraussichtlich genutzt wird.

1.2 Sachanlagevermögen

Das Sachanlagevermögen wurde zu Anschaffungs- und Herstellungskosten abzüglich Investitionszuschüssen und bisher aufgelaufenen und im Berichtsjahr planmäßig fortgeführten Abschreibungen bewertet. Zur Ermittlung der Abschreibungssätze wird generell die lineare Abschreibungsmethode gewählt. Der Rahmen der Nutzungsdauer beträgt für die einzelnen Anlagengruppen:

Gebäude: 33 bis 50 Jahre
Hardware: 4 Jahre
Betriebs- und Geschäftsausstattung: 5 bis 10 Jahre

Im Geschäftsjahr 2012 mussten keine außerplanmäßigen Abschreibungen vorgenommen werden.

Geringwertige Vermögensgegenstände (Wirtschaftsgüter gemäß § 13 EStG 1988) werden im Jahr der Anschaffung sofort voll abgeschrieben. Bilanziell wurde diese Abschreibung gemäß § 226 Abs 3 UGB als Abgang dargestellt.

1.3 Finanzanlagen

Die Finanzanlagen sind zu Anschaffungskosten abzüglich außerplanmäßiger Abschreibungen unter Beachtung des gemilderten Niederstwertprinzips bewertet. Im Geschäftsjahr wurde ein Konzerndarlehen iHv T€ 1.000 außerplanmäßig abgeschrieben.

2. Umlaufvermögen

2.1 Forderungen und sonstige Vermögensgegenstände

Die Forderungen wurden zum Nennwert bzw. Barwert bewertet. Bei der Bewertung von Forderungen wurden erkennbare Risiken durch individuelle Abwertungen berücksichtigt. Soweit erforderlich, wurde die späte Fälligkeit durch Abzinsung berücksichtigt.

Die Bewertung der Guthaben bei Kreditinstituten erfolgte mit dem Nennwert.

2.2 Rechnungsabgrenzungsposten

Die aktiven und passiven Rechnungsabgrenzungsposten wurden mit dem Nennwert bewertet.

3. Rückstellungen

3.1. Abfertigungsrückstellungen

Die Rückstellung für die Abfertigungen wurde nach der finanzmathematischen Methode mit einem Rechnungszinssatz von 3% auf Basis eines Pensionsantrittsalters von 63,0 Jahren für Männer und 60,0 Jahren für Frauen ermittelt.

3.2 Pensionsrückstellungen

Die Berechnung der Pensionsrückstellungen erfolgte nach den anerkannten Regeln der Versicherungsmathematik und unter Beachtung der Vorschriften gemäß der International Financial Reporting Standards.

3.3 Sonstige Rückstellungen

Die Steuer- und sonstigen Rückstellungen berücksichtigen unter Beachtung des Imparitäts- und Höchstwertprinzips alle erkennbaren Risiken und ungewissen Verbindlichkeiten in Höhe jenes Betrages, der nach vernünftiger kaufmännischer Beurteilung hierfür notwendig ist.

4. Verbindlichkeiten

Die Verbindlichkeiten sind mit dem Rückzahlungsbetrag unter Bedachtnahme auf den Grundsatz der Vorsicht bewertet.

5. Änderungen von Bilanzierungs- und Bewertungsmethoden

Im Geschäftsjahr 2012 wurden keine Abweichungen von bislang gewählten Bilanzierungs- und Bewertungsmethoden vorgenommen.

II. Allgemeine Erläuterungen zur Bilanz und Gewinn- und Verlustrechnung

Die Erstellung der Bilanz sowie der Gewinn- und Verlustrechnung wurde den gesetzlichen Vorschriften entsprechend vorgenommen.

III. Erläuterungen der Konzernverhältnisse

Die Gesellschaft erstellt einen Konzernabschluss nach IFRS, welcher beim Firmenbuch des Handelsgerichts Wien hinterlegt wird.

IV. Erläuterungen zur Gruppenbesteuerung

Die Gesellschaft ist Gruppenträger einer steuerlichen Unternehmensgruppe gemäß § 9 Abs. 1 KStG.

Zwischen Gruppenträger und Gruppenmitgliedern besteht ein Vertrag zur Regelung des Steuerausgleichs. Die Ermittlung des Steuerausgleichs erfolgt demnach nach der Belastungsmethode: weist ein inländisches Gruppenmitglied ein positives steuerliches Ergebnis aus, dann ist eine positive Steuerumlage in Höhe von 25% an den Gruppenträger zu entrichten. Im Falle eines negativen steuerlichen Ergebnisses erhält das inländische Gruppenmitglied keine sofortige Zahlung, vielmehr werden die negativen Ergebnisse als interner Verlustvortrag des jeweiligen Gruppenmitgliedes in Evidenz gehalten, welcher mit zukünftigen positiven Ergebnissen verrechnet werden kann.

V. Erläuterungen zur Bilanz

AKTIVA

1. Anlagevermögen

Die Entwicklung der einzelnen Posten des Anlagevermögens und die Aufgliederung der Jahresabschreibung nach einzelnen Posten sind aus dem Anlagenspiegel (Anlage zum Anhang) ersichtlich.

1.2 Finanzanlagen

Angabe gem. § 238 Z 2 UGB für Beteiligungen ab 20%

	Anteil in %	Stichtag	Währung	Eigenkapital per 31.12.	Ergebnis des Geschäftsjahres
CEE PROPERTY-INVEST Immobilien GmbH	100	31.12.2012	T€	222.643	-12.740
German Property Invest Immobilien GmbH	100	31.12.2012	T€	78.856	20.341
A.D.I. Immobilien Beteiligungs GmbH	100	31.12.2012	T€	9.410	11

Typisch stille Beteiligung an der PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co KG:
Einlage € 3.633.641,71 zuzüglich Verschmelzungsmehrwert € 369.528,03

Sämtliche Gesellschaften haben ihren Sitz in Wien.

Ausleihungen an verbundene Unternehmen

Diese betreffen Darlehen an zahlreiche Konzernunternehmen.

Beteiligungen

Hierunter werden die Kommanditbeteiligung an der BGM – IMMORIENT Aktiengesellschaft & Co KG und die Beteiligung an der ERSTE Immobilien Kapitalanlagegesellschaft m.b.H. ausgewiesen.

2. Umlaufvermögen

2.1 Forderungen und sonstige Vermögensgegenstände

Die Fälligkeiten der Forderungen stellen sich folgendermaßen dar:

		Restlaufzeit		
		Summe	bis 1 Jahr	über 1 Jahr
		T€	T€	T€
Forderungen aus Lieferungen und Leistungen	2012	689	0	0,00
	VJ	424	424	0,00
Forderungen gegenüber verbundenen Unternehmen	2012	55.474	0	0,00
	VJ	52.076	52.076	0,00
Forderungen gegenüber Unternehmen, mit denen ein Beteiligungsverhältnis besteht	2012	2.155	0	0,00
	VJ	1.979	1.979	0,00
sonstige Forderungen	2012	1.828	1.822	6
	VJ	1.955	1.836	119

2.1.1 Forderungen aus Lieferungen und Leistungen

Die Forderungen aus Lieferungen und Leistungen beinhalten Mieten und Betriebskostenforderungen. Einzelwertberichtigungen in Höhe von T€ 324 (i.Vj. T€ 281) sind bereits abgezogen.

2.1.2 Forderungen gegenüber verbundenen Unternehmen

Die Forderungen gegenüber verbundenen Unternehmen betreffen im Wesentlichen Barvorlagen und weiterverrechnete Zinsabsicherungskosten an zahlreiche Konzerngesellschaften sowie eine Dividendenforderung.

2.1.3 Sonstige Forderungen

Die sonstigen Forderungen beinhalten im Wesentlichen mit T€ 119 (i.Vj. T€ 233) Forderungen aus Annuitätenzuschüssen, mit T€ 427 (i.Vj. T€ 375) angespartes Pensionskassenkapital, mit T€ 292 (i.Vj. T€ 312) Steuerguthaben und mit T€ 767 (i.Vj. T€ 972) die Betriebskostenverrechnung.

2.1.4 Eigene Anteile

Die Gesellschaft hält zum Bilanzstichtag 771.991 Stück eigene Aktien. Dies entspricht 1,13 Prozent des Grundkapitals (das sind EUR 2.805.209,30 zum Nominale). Diese Aktien wurden in den Geschäftsjahren 2011 und 2012 im Rahmen eines Rückkaufprogrammes erworben.

3. Rechnungsabgrenzungsposten

Die Rechnungsabgrenzungsposten gliedern sich wie folgt:

	2012 T€	2011 T€
Garantieprovisionen	831	1.107
Zinsoptionsprämien	991	1.447
Sonstiges	54	30
Gesamt	1.876	2.584

4. Derivative Finanzinstrumente

Derivate werden grundsätzlich zur Reduzierung des Zinsänderungsrisikos eingesetzt. Zinsänderungsrisiken ergeben sich vor allem aufgrund bestehender variabel verzinslicher Finanzierungsverbindlichkeiten. Grundsätzlich wird versucht, die Sicherungsinstrumente auf die Laufzeit der abzusichernden Zahlungsströme aus den Finanzierungsverbindlichkeiten abzuschließen; für den Fall, dass Sicherungsinstrumente beispielsweise nicht für die gesamte Laufzeit der Finanzierungsverbindlichkeiten verfügbar sind, kommen auch rollierende Sicherungsstrategien zum Einsatz.

Die Gesellschaft hatte zum Bilanzstichtag Swap-, Cap- und Collar-Verträge abgeschlossen:

	Volumen in T€	Marktwert in T€
Swaps	325.000	-61.302
Caps	200.000	3
Collars	200.000	-17.956
Summe	725.000	-79.255

Für Swaps und Collars mit zum Bilanzstichtag negativen Marktwerten besteht eine Rückstellung für drohende Verluste in Höhe von T€ 49.833 (im Hinblick auf die AFRAC-Stellungnahme zu „Die unternehmensrechtliche Bilanzierung von Derivaten und Sicherungsinstrumenten“ vom September 2010). Für Derivate mit negativen Marktwerten in Höhe von T€ 29.422 wurde keine Rückstellung für drohende Verluste gebildet, da aufgrund bestehender Vereinbarungen mit verbundenen Unternehmen mit an Sicherheit grenzender Wahrscheinlichkeit und nachweislich von einem gegenläufigen, erfolgswirksamen Cash Flow aus mit den Derivaten unmittelbar kausal verknüpften Geschäften ausgegangen werden kann.

PASSIVA

5. Eigenkapital

Das Grundkapital wird unverändert mit T€ 247.509 ausgewiesen und zerfällt in 68.118.718 Stück auf Inhaber lautende Stückaktien. Die Aktien notieren an der Wiener Börse.

5.1 Kapitalrücklagen

Die Kapitalrücklagen setzen sich wie folgt zusammen:

	T€
<u>Gebundene</u>	
Agio	73.578
	73.578
<u>nicht gebundene</u>	0
	73.578

Der Vorstand ist mit Zustimmung des Aufsichtsrats ermächtigt, bis 19. Oktober 2017 Wandelschuldverschreibungen, mit denen ein Umtausch- oder Bezugsrecht auf bis zu 34.059.359 Stück auf Inhaber lautende Stammaktien der Gesellschaft mit einem anteiligen Betrag am Grundkapital von bis zu T€ 123.755 verbunden ist, auszugeben. Das Grundkapital ist gem. § 159 Abs. 2 Z 1 AktG um bis zu T€ 123.755 bedingt erhöht.

5.2 Gewinnrücklagen

Hier werden die Rücklage für eigene Anteile und eine freie Rücklage ausgewiesen.

6. Unversteuerte Rücklagen

6.1 Sonstige unversteuerte Rücklagen

Die Bewertungsreserve gemäß § 12 EStG zeigt folgende Entwicklung:

	Stand am 1.1.2012 T€	Dotierung T€	Auflösung T€	Stand am 31.12.2012 T€
Sachanlagen	8.762	0	203	8.559

7. Genussscheinkapital

Die Genussscheinbedingungen für die obligationenähnlichen Genussscheine s IMMO INVEST wurden rückwirkend ab 1. Jänner 2007 geändert und der s-IMMO-INVEST-Genussscheinfonds aufgelöst (Beschluss der Versammlung der Genussscheininhaber vom 11. Juni 2007 und Beschluss der Hauptversammlung vom 12. Juni 2007).

Zum 31.Dezember 2012 waren 2.773.962 Genussscheine im Umlauf. Der bilanzierte Rückzahlungsanspruch der Genussscheininhaber zu diesem Stichtag beträgt EUR 80,20 (2011: EUR 79,44).

Die Genussscheininhaber erhalten nach den geänderten Genussscheinbedingungen einen jährlichen Ergebnisanspruch (Zinsen), welcher sich wie folgt errechnet:

$$(\text{Genussscheinkapital} + \text{Ergebnisvortrag}) * \frac{\text{Konzern EBIT}}{\text{durchschnittliches Immobilienvermögen}}$$

Soweit der Ergebnisanspruch entsprechend den Genussscheinbedingungen nicht ausbezahlt wird, wird dieser dem Ergebnisvortrag des nächsten Jahres zugeschlagen.

Für den Zeitraum Jänner bis Dezember 2012 ergibt sich ein Ergebnisanspruch von T€ 12.018 (i.Vj. T€ 10.595)

8. Rückstellungen

8.1 Rückstellung für Abfertigungen

	1.1. T€	Verbrauch T€	Auflösung T€	Dotierung T€	31.12.12 T€
Rückstellung für Abfertigungen	99	0	0	0	99

8.2 Rückstellung für Pensionen

	1.1. T€	Verbrauch T€	Auflösung T€	Dotierung T€	31.12.12 T€
Rückstellung für Pensionen	836	0	0	179	1.015

8.3 Steuerrückstellungen

	1.1. T€	Verbrauch T€	Auflösung T€	Dotierung/Übernahme T€	31.12.12 T€
Eintragungsgebühren ausländische Ertragsteuern	82	0	0	0	82
	0	0	0	351	351
Gesamt	82	0	0	351	433

8.4 Sonstige Rückstellungen

Im Geschäftsjahr 2012 haben sich die sonstigen Rückstellungen wie folgt entwickelt:

	1.1. T€	Verbrauch T€	Auflösung T€	Aufwandsver- rechnung T€	Dotierung T€	31.12. T€
Rechts-, Prüfungs-,Beratungs-, Schätz-, Veröffentlichungskosten	778	486	90	0	443	645
Entschädigungsleistungen	2.700	0	2.700	0	0	0
Instandhaltung	0	0	0	0	435	435
Personalkosten	543	150	0	12	0	381
Vermietungsgarantie	105	27	0	0	0	78
Regress aus Garantien	0	0	0	0	1.000	1.000
Drohverluste aus Derivaten	40.122	0	0	0	9.711	49.833
diverse	0	0	0	0	263	263
Gesamt	44.248	663	2.790	12	11.852	52.635

9. Verbindlichkeiten

Die Aufgliederung der Verbindlichkeiten gemäß § 225 Abs 6 und § 237 Z 1a und b UGB stellt sich folgendermaßen dar:

		Restlaufzeit			
		Summe	bis 1 Jahr	über 1 Jahr	über 5 Jahre
		T€	T€	T€	T€
Verbindlichkeiten gegenüber Kreditinstituten	2012	175.644	69.015	52.060	54.569
	VJ	241.861	112.727	71.127	58.007
Verbindlichkeiten aus Lieferungen und Leistungen	2012	1.563	1.563	0	0
	VJ	918	918	0	0
Verbindlichkeiten gegenüber verbundenen Unternehmen	2012	103.728	103.728	0	0
	VJ	136.684	136.684	0	0
Sonstige Verbindlichkeiten	2012	37.839	5.907	17.755	14.177
	VJ	52.676	9.406	21.527	21.743
Baukosten- bzw. Finanzierungsbeiträge gem. § 69 WWFSG 1989	2012	4.081	0	0	4.081
	VJ	4.078	0	0	4.078

9.1 Verbindlichkeiten gegenüber Kreditinstituten

Vom Gesamtbetrag der Verbindlichkeiten gegenüber Kreditinstituten sind T€ 140.158 (Vorjahr T€ 151.018) dinglich gesichert (Grundpfandrecht).

9.2 Verbindlichkeiten gegenüber verbundenen Unternehmen

Die Verbindlichkeiten gegenüber verbundenen Unternehmen betreffen im Wesentlichen Barvorlagen von mehreren Konzerngesellschaften.

9.3 Sonstige Verbindlichkeiten

Die sonstigen Verbindlichkeiten beinhalten im Wesentlichen, mit T€ 1.589 (i.Vj.: T€ 1.788) Investitionszuschüsse aus öffentlichen Mitteln (Wohnbauförderung), welche bei Verletzung der Förderungsbestimmungen zurückzuzahlen sind, mit T€ 34.129 (i.Vj.: T€ 45.657) Barvorlagen, mit T€ 958 (i.Vj.: T€ 979) Kautionen sowie mit T€ 452 (i.Vj.: T€ 24) Verbindlichkeiten an das Finanzamt.

9.4 Baukosten- bzw. Finanzierungsbeiträge gem. § 69 WWFSG 1989

Die Baukosten- bzw. Finanzierungsbeiträge gemäß § 69 des Wiener Wohnbauförderungs- und Sanierungsgesetzes 1989 wurden von den Mietern des Objekts Kreuzgasse geleistet. Die Baukosten- bzw. Finanzierungsbeiträge unterliegen einer Wertanpassung und sind bei Beendigung des Mietverhältnisses an den jeweiligen Mieter zurückzuzahlen, wobei sich der Rückzahlungsbetrag für jedes Jahr der Laufzeit des Mietvertrages um 2% („Verwohnung“) vermindert. Diese Verminderung stellt einen zusätzlichen Mieterlös dar.

10. Rechnungsabgrenzungsposten

Unter dieser Position werden im Wesentlichen die Erlöse aus dem Verkauf eines Mietrechtes ausgewiesen.

VI. Erläuterungen zur Gewinn- und Verlustrechnung

1. Umsatzerlöse

Die Umsatzerlöse setzen sich wie folgt zusammen:

	2012 T€	2011 T€
Erlöse aus Vermietung	18.252	18.150
Betriebskostenverrechnung	4.202	4.781
Sonstige Mieten	45	28
Gesamt	22.499	22.959

2. Sonstige betriebliche Erträge

	2012 T€	2011 T€
Erträge aus dem Abgang von Anlagevermögen	8.285	2.353
Erträge aus der Auflösung von Rückstellungen	2.790	721
Erträge aus dem Wegfall von Verbindlichkeiten	0	1.428
Anteilige Auflösung der Wohnbauförderung	199	199
Erlöse aus der Verwaltungstätigkeit und Beratung für ausländische Töchtergesellschaften	103	222
Erträge aus Schadenersatzleistungen	132	264
Gewinn aus Verschmelzung der Tochtergesellschaft K. J. Ejendomme SyD Aps, Aarhus	931	0
diverse	704	554
Gesamt	13.144	5.741

3. Aufwendungen für sonstige bezogene Herstellungsleistungen

	2012 T€	2011 T€
Betriebskosten und laufende öffentliche Abgaben gemäß § 21 Abs 1 und 2 MRG	5.192	5.645
Instandhaltungsaufwendungen	2.142	1.732
Gesamt	7.334	7.377

4. Personalaufwand

Die Gesellschaft beschäftigte im Jahresdurchschnitt 3 Vorstände, 34 Angestellte und keine Arbeiter. (Im Vorjahr 3 Vorstände, 34 Angestellte und keine Arbeiter.)

Die Bezüge der Vorstandsmitglieder betragen insgesamt T€ 1.121 (i.Vj.: T€ 934). Davon entfallen auf Aufwendungen für Altersversorgung T€ 201 (i.Vj.: T€ 117) und auf Beiträge zur Mitarbeitervorsorgekasse T€ 14 (i.Vj.: T€ 9).

5. Abschreibungen

Hierunter werden planmäßige Abschreibungen auf immaterielle Vermögensgegenstände und Sachanlagen (abzüglich der aliquoten Auflösung des Investitionszuschusses) von T€ 6.682 (i.Vj. T€ 6.739) ausgewiesen

6. Sonstige betriebliche Aufwendungen

a) Steuern, soweit sie nicht unter Z 17 fallen

Die Steuern betreffen im Wesentlichen nicht abzugsfähige Vorsteuern sowie Kredit- und Pfandrechtsgebühren.

b) Übrige

	2012 T€	2011 T€
Verwaltungskosten	3.808	4.284
Verkaufs- und Vertriebskosten	2.349	1.524
Garantieprovisionen	231	231
Vergütungen an Aufsichtsratsmitglieder	107	123
Aufwendungen für Forderungsausfälle und Dotierung von Wertberichtigungen zu Forderungen	165	125
Wertanpassungsaufwand für erhaltene Baukosten- und Finanzierungsbeiträge gemäß § 69 Wr. WWFSG 1989	89	107
Regress aus Garantien	1.000	0
diverse	130	191
Gesamt	7.879	6.585

Bezüglich der Angabe gemäß § 237 Z 14 UGB verweisen wir auf den Konzernabschluss zum 31.12.2012, welcher beim Firmenbuch des Handelsgerichts Wien hinterlegt ist.

8. Erträge aus Beteiligungen

Hierunter werden Ausschüttungen aus Tochtergesellschaften (T€ 35.510) und aus Beteiligungen (T€ 593) ausgewiesen.

9. Erträge aus anderen Wertpapieren und Ausleihungen des Finanzanlagevermögens

Hierunter gelangen im Wesentlichen die Zinserträge von Ausleihungen an verbundene Unternehmen zum Ausweis.

10. Sonstige Zinsen und ähnliche Erträge

Die sonstigen Zinsen und ähnlichen Erträge resultieren im Wesentlichen mit T€ 1.404 (i.Vj. T€ 2.406) aus Barvorlagen, mit T€ 399 (i.Vj. T€ 646) aus dem Ertrag aus dem Rückkauf und Einzug von Genussscheinen, sowie mit T€ 0 (i.Vj. T€ 7.555) aus den Erträgen aus der Teilauflösung der Rückstellung für Drohverluste aus Derivaten.

11. Erträge aus dem Abgang von der Zuschreibung zu Finanzanlagen und Wertpapieren des Umlaufvermögens

Hierunter wird die Teilauflösung einer Wertberichtigung auf das Konzerndarlehen an der CEE Property Bulgaria EOOD i.Hv. T€ 21.888 (i.Vj. T€ 0) ausgewiesen.

12. Aufwendungen aus Finanzanlagen

Hierunter wird die Wertberichtigung auf das Konzerndarlehen an der DUAL Construct Invest EOOD i.Hv. T€ 1.000 (i.Vj. T€ 0) ausgewiesen.

13. Zinsen und ähnliche Aufwendungen

Der Zinsenaufwand resultiert mit T€ 16.744 (i.Vj. T€ 14.446) aus Bankzinsen, mit T€ 2.020 (i.Vj. T€ 2.544) aus Barvorlagen, mit T€ 9.711 (i.Vj. T€ 0) aus einer Dotierung für Drohverluste aus Derivaten, aus mit T€ 1.270 (i.Vj. T€ 1.559) aus sonstigen Zinsen.

14. Ergebnisanspruch der Genussscheininhaber

Als Ergebnisanspruch der Genussscheininhaber werden für das Jahr 2012 T€ 12.018 (i.Vj. T€ 10.595) ausgewiesen.

15. Zuweisung anteilige stille Reserven im Immobilienvermögen für die Genussscheine

Gemäß § 6 Abs 4 der Genussscheinbedingungen haben die Genussscheininhaber bei Laufzeitende, bei Kündigung und im Falle der Auflösung Anspruch auf einen Anteil an den in der Konzernbilanz (nach IFRS) nicht bilanzierten stillen Reserven. Im Geschäftsjahr erhöhte sich dieser Anspruch um T€ 791 (i.Vj. T€ 590).

16. Steuern vom Einkommen

Dieser Posten beinhaltet mit T€ 18 den inländischen Ertragsteueraufwand (Mindestkörperschaftsteuer) und mit T€ 457 den ausländischen Ertragsteueraufwand für 2012. Weiters gelangen Erträge aus Steuerumlagen von zur Unternehmensgruppe gehörenden Gruppenmitgliedern in Höhe von T€ 3.195 zum Ausweis.

Unterlassene Zuschreibungen gem. § 208 Abs. 2 UGB

Im Berichtsjahr wurden Zuschreibungen an Anteile an verbundenen Unternehmen in Höhe von T€ 27.711 (i.Vj. T€ 32.114) unterlassen.

Haftungsverhältnisse

Unter dieser Position gelangen Verpflichtungen aus abgegebenen Bürgschaften und Garantien (T€ 245.300, i.Vj.: T€ 266.040) sowie Patronatserklärungen (T€ 227.382, i.Vj.: T€ 255.954) für Konzerngesellschaften zum Ausweis.

Sonstige finanzielle Verpflichtungen

Die Gesellschaft hat zu Gunsten einzelner Konzerngesellschaften Patronatserklärungen abgegeben, mit denen sie sich verpflichtet hat, diese Gesellschaften stets so mit finanziellen Mitteln auszustatten, dass diese jederzeit in der Lage sind, alle Zahlungsverpflichtungen zeitgerecht erfüllen zu können.

VII. Sonstige Angaben

Die Organe der Gesellschaft setzten sich wie folgt zusammen:

Aufsichtsrat :

Dr. Martin SIMHANDL, Wien (Vorsitzender)
Dipl.Ing. Dr. Gerald ANTONITSCH, Wien (1. Vorsitzender-Stellvertreter)
Mag. Franz KERBER, Wien (2. Vorsitzender-Stellvertreter)
Christian HAGER, Krems
Mag. Erwin HAMMERBACHER, Wien
Michael MATLIN, MBA, New York
Mag. Dr. Wilhelm RASINGER, Wien
Dr. Ralf ZEITLBERGER, Wien

Vorstand:

Mag. Ernst VEJDOVSZKY
Mag. Friedrich WACHERNIG
MMag. Holger SCHMIDTMAYR (bis 31.01.2013)

Die Mitglieder des Vorstandes und des Aufsichtsrates erhielten weder Kredite noch Vorschüsse. Es bestehen auch keine zugunsten dieser Personen eingegangenen Haftungsverhältnisse.

Wien, am 8. April 2013

Mag. Ernst VEJDOVSZKY

Mag. Friedrich WACHERNIG

Anlagenpiegel zum 31. Dezember 2012

	Stand 1.1.2012	Zugänge (aus Verschmelzung)	Abgänge	Stand 31.12.2012	kumulierte Abschreibungen	Restbuchwert 31.12.2012	Restbuchwert 1.1.2012	Abschreibungen des Geschäftsjahres außerplanmäßig	Zuschreibungen des Geschäftsjahres
I. Immaterielle Vermögensgegenstände									
1. ähnliche Rechte	151.099,44	0,00	0,00	151.099,44	85.116,41	65.983,03	92.500,57	26.517,54	0,00
2. Geschäfts- (Firmen)wert	1.764.039,40	0,00	0,00	1.764.039,40	1.411.231,52	352.807,88	529.211,82	176.403,94	0,00
	1.915.138,84	0,00	0,00	1.915.138,84	1.496.347,93	418.790,91	621.712,39	202.921,48	0,00
II. Sachanlagen									
1. Grundstücke, grundstücksgleiche Rechte und Bauten einschließlich der Bauten auf fremdem Grund									
Grundwert (unbebaut)	1.007.000,00	0,00	0,00	1.007.000,00	0,00	1.007.000,00	1.007.000,00	0,00	0,00
Grundwert (bebaut)	63.127.003,51	0,00	5.256.281,59	60.186.654,82	1.804.085,14	58.382.569,68	60.125.942,65	0,00	0,00
Gebäudewert	240.739.336,44	1.090.607,77 (6.804.067,10)	24.217.691,28	224.416.320,03	69.570.980,24	154.845.339,79	166.345.564,56	6.428.436,80	0,00
Investitionszuschuss aus öffentlichen Mitteln	-4.686.173,43	0,00	0,00	-4.686.173,43	-1.055.338,03	-3.630.835,40	-3.630.835,40	0,00	0,00
	300.187.166,52	1.090.607,77 (9.120.000,00)	29.473.972,87	280.923.801,42	70.319.727,35	210.604.074,07	223.847.671,81	6.428.436,80	0,00
2. Andere Anlagen, Betriebs- und Geschäftsausstattung									
eigene	358.882,66	15.510,16	0,00	374.392,82	217.230,73	157.162,09	183.913,15	42.261,22	0,00
vermietete Mobilien	101.799,49	0,00	4.898,51	96.900,98	91.609,97	5.291,01	10.582,03	5.291,02	0,00
geringwertige Wirtschaftsgüter	0,00	2.893,81	2.893,81	0,00	0,00	0,00	0,00	2.893,81	0,00
	460.682,15	18.403,97	7.792,32	471.293,80	308.840,70	162.453,10	194.495,18	50.446,05	0,00
	11.870,00	1.695,30	0,00	13.565,30	0,00	13.565,30	11.870,00	0,00	0,00
3. geleistete Anzahlungen und Anlagen in Bau	300.659.718,67	1.110.707,04	29.481.765,19	281.408.660,52	70.628.568,05	210.780.092,47	224.054.036,99	6.478.882,85	0,00
III. Finanzanlagen									
1. Anteile an verbundenen Unternehmen	376.054.632,38	23.550.000,00 (10.801.000,00)	10.801.000,00 (6.250.000,00)	393.354.632,38	64.100.800,14	329.253.832,24	311.953.832,67	0,00	0,00
2. Ausleihungen an verbundene Unternehmen	424.285.617,11	16.479.544,35 (8.957.992,10)	80.975.359,05	368.747.794,51	6.437.405,01	362.310.389,50	396.960.212,10	1.000.000,00	21.888.000,00
3. Beteiligungen	2.906.417,60	0,00	0,00	2.906.417,60	0,00	2.906.417,60	2.906.417,60	0,00	0,00
	803.246.667,09	40.029.544,35 (19.758.992,10)	91.776.359,05 (6.250.000,00)	765.008.844,49	70.538.205,15	694.470.639,34	711.820.462,37	1.000.000,00	21.888.000,00
Summe	1.105.821.524,60	41.140.251,39 28.878.992,10	121.258.124,24 (6.250.000,00)	1.048.332.643,85	142.663.121,13	905.669.522,72	936.496.211,75	6.681.804,33 1.000.000,00	21.888.000,00

Bestätigungsvermerk

Bericht zum Jahresabschluss

Wir haben den beigefügten Jahresabschluss der S IMMO AG, Wien, für das Geschäftsjahr vom 1. Jänner 2012 bis zum 31. Dezember 2012 unter Einbeziehung der Buchführung geprüft. Dieser Jahresabschluss umfasst die Bilanz zum 31. Dezember 2012, die Gewinn- und Verlustrechnung für das am 31. Dezember 2012 endende Geschäftsjahr sowie den Anhang.

Verantwortung der gesetzlichen Vertreter für den Jahresabschluss und für die Buchführung

Die gesetzlichen Vertreter der Gesellschaft sind für die Buchführung sowie für die Aufstellung und den Inhalt eines Jahresabschlusses verantwortlich, der ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften vermittelt. Diese Verantwortung beinhaltet: Gestaltung, Umsetzung und Aufrechterhaltung eines internen Kontrollsystems, soweit dieses für die Aufstellung des Jahresabschlusses und die Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage der Gesellschaft von Bedeutung ist, damit dieser frei von wesentlichen Fehldarstellungen ist, sei es auf Grund von beabsichtigten oder unbeabsichtigten Fehlern; die Auswahl und Anwendung geeigneter Bilanzierungs- und Bewertungsmethoden; die Vornahme von Schätzungen, die unter Berücksichtigung der gegebenen Rahmenbedingungen angemessen erscheinen.

Verantwortung des Abschlussprüfers und Beschreibung von Art und Umfang der gesetzlichen Abschlussprüfung

Unsere Verantwortung besteht in der Abgabe eines Prüfungsurteils zu diesem Jahresabschluss auf der Grundlage unserer Prüfung. Wir haben unsere Prüfung unter Beachtung der in Österreich geltenden gesetzlichen Vorschriften und Grundsätze ordnungsgemäßer Abschlussprüfung durchgeführt. Diese Grundsätze erfordern, dass wir die Standesregeln einhalten und die Prüfung so planen und durchführen, dass wir uns mit hinreichender Sicherheit ein Urteil darüber bilden können, ob der Jahresabschluss frei von wesentlichen Fehldarstellungen ist.

Eine Prüfung beinhaltet die Durchführung von Prüfungshandlungen zur Erlangung von Prüfungsnachweisen hinsichtlich der Beträge und sonstigen Angaben im Jahresabschluss. Die Auswahl der Prüfungshandlungen liegt im pflichtgemäßen Ermessen des Abschlussprüfers unter Berücksichtigung seiner Einschätzung des Risikos eines Auftretens wesentlicher Fehldarstellungen, sei es auf Grund von beabsichtigten oder unbeabsichtigten Fehlern. Bei der Vornahme dieser Risikoeinschätzung berücksichtigt der Abschlussprüfer das interne Kontrollsystem, soweit es für die Aufstellung des Jahresabschlusses und die Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage der Gesellschaft von Bedeutung ist, um unter Berücksichtigung der Rahmenbedingungen geeignete Prüfungshandlungen festzulegen,

nicht jedoch um ein Prüfungsurteil über die Wirksamkeit der internen Kontrollen der Gesellschaft abzugeben. Die Prüfung umfasst ferner die Beurteilung der Angemessenheit der angewandten Bilanzierungs- und Bewertungsmethoden und der von den gesetzlichen Vertretern vorgenommenen wesentlichen Schätzungen sowie eine Würdigung der Gesamtaussage des Jahresabschlusses.

Wir sind der Auffassung, dass wir ausreichende und geeignete Prüfungsnachweise erlangt haben, sodass unsere Prüfung eine hinreichend sichere Grundlage für unser Prüfungsurteil darstellt.

Prüfungsurteil

Unsere Prüfung hat zu keinen Einwendungen geführt. Auf Grund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Jahresabschluss nach unserer Beurteilung den gesetzlichen Vorschriften und vermittelt ein möglichst getreues Bild der Vermögens- und Finanzlage der S IMMO AG zum 31. Dezember 2012 sowie der Ertragslage der Gesellschaft für das Geschäftsjahr vom 1. Jänner 2012 bis zum 31. Dezember 2012 in Übereinstimmung mit den österreichischen Grundsätzen ordnungsmäßiger Buchführung.

Aussagen zum Lagebericht

Der Lagebericht ist auf Grund der gesetzlichen Vorschriften darauf zu prüfen, ob er mit dem Jahresabschluss in Einklang steht und ob die sonstigen Angaben im Lagebericht nicht eine falsche Vorstellung von der Lage der Gesellschaft erwecken. Der Bestätigungsvermerk hat auch eine Aussage darüber zu enthalten, ob der Lagebericht mit dem Jahresabschluss in Einklang steht und ob die Angaben nach § 243a UGB zutreffen.

Der Lagebericht steht nach unserer Beurteilung in Einklang mit dem Jahresabschluss. Die Angaben gemäß § 243a UGB sind zutreffend.

Wien, am 8. April 2013

Deloitte Audit Wirtschaftsprüfungs GmbH

Mag. Erich Kandler e.h.
Wirtschaftsprüfer

ppa. Mag. DDr. Wolfgang Arndorfer e.h.
Wirtschaftsprüfer

Die Veröffentlichung oder Weitergabe des Jahresabschlusses mit unserem Bestätigungsvermerk darf nur in der von uns bestätigten Fassung erfolgen. Dieser Bestätigungsvermerk bezieht sich ausschließlich auf den deutschsprachigen und vollständigen Jahresabschluss samt Lagebericht. Für abweichende Fassungen sind die Vorschriften des § 281 Abs 2 UGB zu beachten.