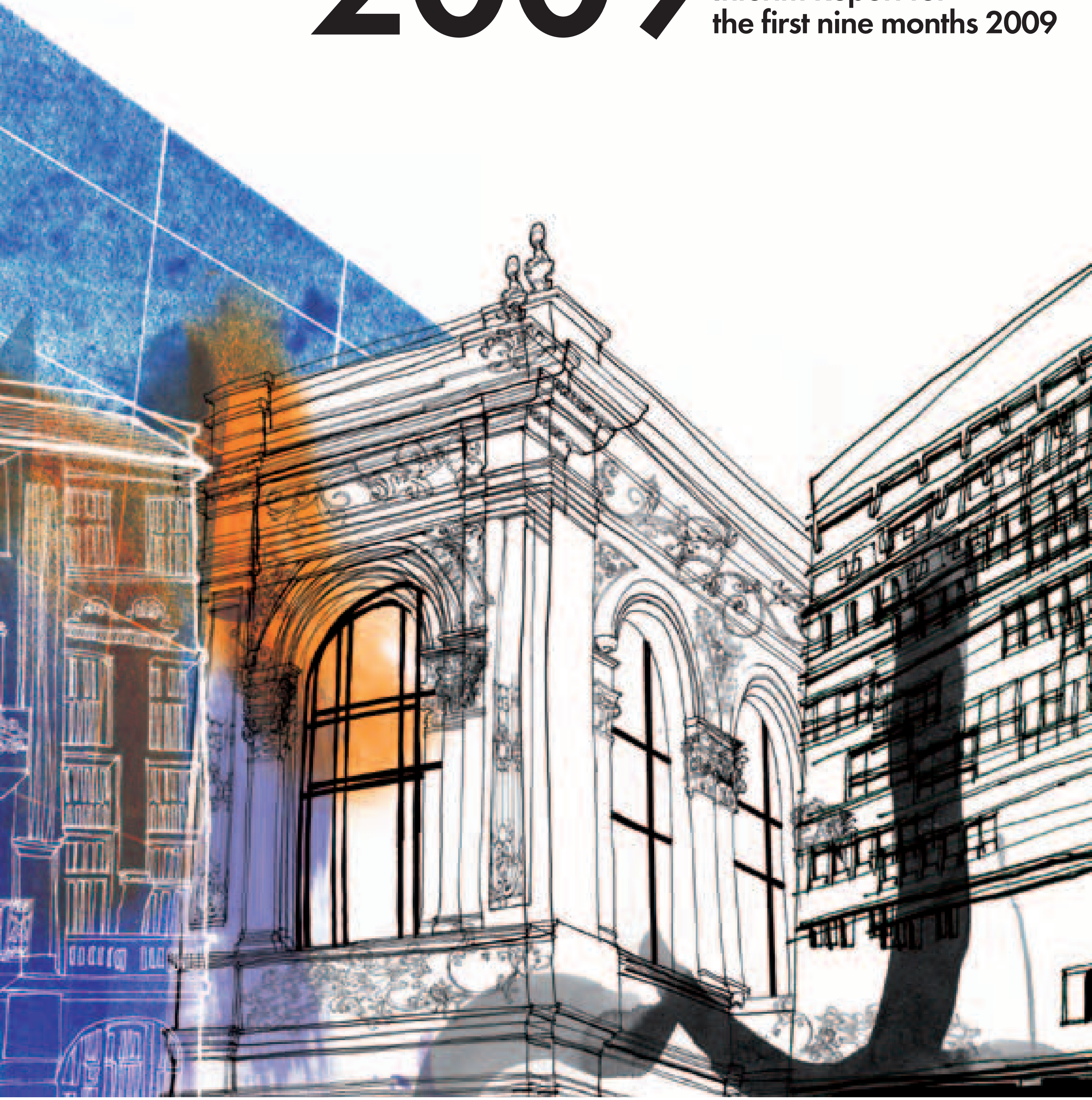
2009 Interim Report for the first nine months 2009



Key Financial Data

Key indicators, Group

EUR m	01.01.–30.09.2009	01.01.–30.09.2008
Revenues	86.0	81.5
– whereof rental income	66.6	63.9
EBITDA	49.4	49.6
Operating profit/loss (EBIT)	-54.1	45.4
Consolidated net profit/loss before tax (EBT)	-73.5	14.2
Consolidated net profit/loss	-71.6	11.7
Cash flow from operating activities	48.2	41.3
Shareholder's equity	532.2	633.9
Loan to Value ratio in %	54	43
EV/EBITDA	27	21
FFO	7.7	16.1
Market capitalisation at 30 September 2009	581.3	543.5
– whereof s IMMO Share	355.6	327.7
– whereof s IMMO INVEST	225.7	215.8

Key indicators, property portfolio

	30.09.2009	30.09.2008
Number of properties	260	261
Property portfolio (market value) EUR m	1,839	1,705
Total lettable space in sq m	1,515,100	1,448,400
Gross rental yield in %	6.7	6.4
Occupancy rate in %	90.2	91.0

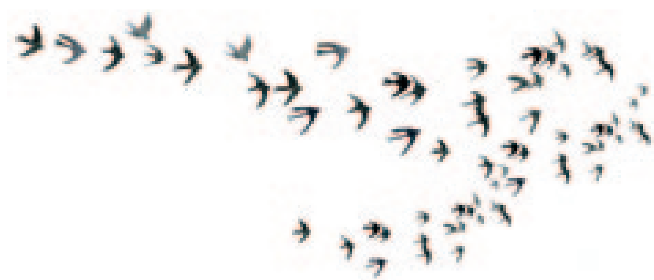
Key indicators, share

	30.09.2009	30.09.2008
Earnings per share (EPS) in EUR	-1.05	0.17
Net Asset Value (NAV) per share in EUR	7.6	9.7
Price/cash flow ratio (P/CE)	35	15
NAV discount in %	31	51
Number of shares	68,118,718	68,118,718
Price at end of quarter in EUR	5.22	4.81

Financial calendar 2010

Publication of financial statements 2009 (annual results press conference)	28 April 2010
Results – first quarter 2010	20 May 2010
Annual General Meeting	21 May 2010
Results – first half 2010	31 August 2010
Results – first three quarters 2010	25 November 2010

Contents



Letter to the Shareholders

Dear shareholders,

The last nine months were without doubt the most challenging in the Group's 22-year history. Between January and September 2009 the real estate sector – and Sparkassen Immobilien AG as part of it – was exposed to the massive turbulence created by the international economic and financial crisis. The negative developments in the property market – especially the higher yields expected by investors in Eastern Europe and the associated fall in property valuations – also had a marked impact on our profitability. For the first time we reported an accounting loss. Even if our conservative business policy means particularly painful cuts when it comes to valuations, we remain convinced that our prudent approach is the right one, and will continue with this going forward.

As a counterweight to these purely accounting losses, on 12 November 2009 we successfully completed the sale of our newly completed Gemini office development project in Prague to Deka Immobilien AG, in the process realising – in cash – a healthy profit roughly equivalent to last years valuation gains. This reference deal with a value of around EUR110m is not only the biggest sale in the history of Sparkassen Immobilien AG, but also one of our most successful development projects to date. With it, we have more than doubled the value of our transactions in the Czech Republic this year. This is one of the biggest transactions in CEE in 2009 so far. The feedback from analysts and brokers is that the deal has given the CEE region an urgently needed boost in confidence. Transactions such as this show that even in the present situation there are healthy sums to be earned with core assets, and not only in mature markets such as London.

In our case, a good operating performance in the first three quarters of 2009 is counteracted by negative changes in property book values of EUR96.5m that have no effect on cash flows. Of the impairment losses, 98% related to Central and South Eastern Europe. The recession and the financial crisis that went on until the summer of 2009 caused a massive collapse in property investment markets. In comparison with earlier years, in Central and South Eastern Europe almost no significant transactions took place, and prevailing sentiment among international property valuation experts was sombre.

Our property valuation reflects the repeated increases in property yields caused by the ongoing financial and real estate crisis, which in turn means a drop in property values in no way affecting cash flows. In plain terms, one and the same house – with no change in circumstances and with the same rental income – is now often valued 20–30% lower.

Carrying long-term real estate values at hypothetical, highly volatile day-to-day market values is debatable, but it is a requirement under current international accounting standards, to which we too are subject. This is the accounting justification for us writing down Sparkassen Immobilien AG's portfolio in our balance sheet. We are convinced that in the medium term the market will bounce back, and that our present losses will be more than made good again in the future.

In our operations we have continued despite the difficult market situation to pursue our objectives consistently and systematically, successful improving our major property performance metrics such as cash flow, rental income and net operating income (NOI). As at 30 September 2009 our portfolio consisted of 260 properties with 1,515,100 sq m of total lettable space. The occupancy rate averaged an excellent 90.2%, and the gross rental yield is around 6.7%.

The continuing increase in total revenues and rental income to EUR86.0m (up 6%) and EUR66.62m (up 4%) respectively is highly satisfactory, with a third of the rental income attributable to residential property. Other operating income for the first nine months increased from EUR 4.3m to EUR11.0m.

Operating cash flow increased by 17% to EUR48.2m (Q3 2008: EUR41.4m). EBITDA for the period was stable: EUR49.4m this year, compared with EUR49.6m last year. The results of operating activities after depreciation and amortisation (EBIT) were an operating loss of EUR54.1m, compared with a profit of EUR45.4m for the same period last year, and a consolidated net loss for the period of EUR71.6m, as against a net profit of EUR11.7m a year ago. The risk bearing qualities of the s IMMO INVEST participating certificate meant that for first time results for the participating certificate were negative, with a total of EUR-11.4m. Sparkassen Immobilien AG's cash reserves stood at EUR188m.

In the first three quarters of 2009 Sparkassen Immobilien AG invested a total of more than EUR150m in development projects, which make up 20% of the property portfolio. For all our projects, construction is on schedule, and some completed projects have recently opened. The topping out ceremony for the Neutor 1010 office and residential project took place at the start of October 2009. The student's hall of residence and senior citizens' day care centre in Sechshauserstrasse in Vienna's Fifteenth District was completed in September 2009 and opened in November. It is fully let. In addition to the Galvaniho 4 office building, which is to be completed by the end of this year, the Austria Trend Hotel "Vysoká" is Sparkassen Immobilien AG's second development project in Bratislava. This 4-star hotel in the centre of the old city began operations in October 2009, and was formally opened in November this year. The two shopping centres – Serdika Center in Sofia and Sun Plaza in Bucharest – will be opening in early 2010 and both have pre-letting ratios of over 90%. When these development projects are completed, they will together contribute to significant increases in rental income and a doubling of cash flows in the years to come.

Sparkassen Immobilien AG's stock market performance has also been a positive factor: the improvement in the share price of s IMMO Share continued unabated in the third quarter of 2009. The closing price of the stock at the end of the quarter was EUR5.22, and the year-to-date improvement was 163.6%. This was in itself a successful achievement for the nine months, but the stock also outperformed the ATX index, which put on 50.6% over the period.

Sparkassen Immobilien AG numbers two of the region's largest financial service providers – Erste Group and Vienna Insurance Group – among its core shareholders. There is also a strong revival of interest among other institutional investors. We see this as a continuing strength and a long-term demonstration of confidence in the Group's business model.

We shall continue to pursue our strategy based on a solid, well-balanced portfolio, reliable business partners and stable core shareholders, with the overriding goal of creating enduring value for our shareholders.

With due consideration and a steady hand, we shall steer the Group through these turbulent times. With the help of our top team, the networks of core shareholders and business partners and our decades of experience, we shall continue to pursue our tried-and-tested conservative path.

The Management Board team

Holger Schmidtmayr   Ernst Vejdovszky   Friedrich Wachernig

The Management Board Ernst Vejdovszky, Friedrich Wachernig and Holger Schmidtmayr (f. l. t. r.)

Business Development

Market environment

Both the International Monetary Fund (IMF) and the European Central Bank (ECB) have published revised GDP growth forecasts which show a quicker recovery than previously anticipated. The IMF now forecasts worldwide GDP growth for 2010 at 3%. Eurostat, the European Union's statistical office, has reported 0.4% GDP growth for the third quarter 2009, ending five quarters of negative growth. CEE expectations were also revised upwards, which also benefits the Austrian economy given the strong trade links.

Amidst these conditions, the financing situation is easing for banks and borrowers, and confidence is gradually returning to the market. Whether through the issuance of bonds, capital increases or government stimulus packages, banks once again have access to funds and capital. Most banks are in a position to issue loans again, but their actions remain risk averse. The borrower's creditworthiness and the quality of the property are more important than before the financial and economic crisis, and the loan amount is considerably lower in relation to the value of the property than in the boom years of 2006/2007.

In the property markets investment activity has already increased significantly compared to the previous quarters, but is still far below past levels. Both pricing as well as the link between supply and demand varies significantly between different cities across Europe, different micro-locations, asset lot sizes and tenancy profiles. Cities such as London are providing a more positive outlook for the months ahead, with CEE and SEE still lagging behind. In several established markets the third quarter 2009 has seen demand outstrip supply when it comes to core assets in prime locations, let to very strong tenants providing stable long-term income. This reflects the continuing lack of risk appetite. The yields on such assets have already started coming in again or remain stable, depending on location. These yields are likely to be underpinned by a limited supply of such core assets going forward. Demand (and pricing) for assets outside of these parameters continues to be very weak.

According to DTZ, total commercial real estate investment volumes across Europe have increased by 13% quarter-on-quarter to EUR13.5bn, although this is still significantly below the quarterly average of EUR32bn. Overall activity was dominated by private property vehicles, which were responsible for nearly half of the transactions. Listed real estate companies continued to be major sellers this quarter.

CBRE reported that Viennese prime office yields have remained stable at 5.7%, whilst transaction volumes fell significantly, with only EUR50m transacted in the third quarter, even though demand for core product remains buoyant. The residential market has seen strong demand from private investors and trusts, with capital values reaching record levels.

Momentum has also returned to the German investment market, with transaction volumes increasing by 67% quarter-on-quarter to EUR2.7bn according to DTZ. Buyers were mainly those with a strong equity position. Yields in the top cities across the country have remained stable compared to the previous quarter, with DTZ and Savills claiming that the bottom has now been found.

It looks like the market is starting to differentiate between the various CEE and SEE markets. DTZ believes that a phase of restructuring is inevitable in certain markets, but anticipates that others will outperform to the benefit of institutional investors both in the short and medium term.

Prime yields in Prague, for example, are at approx. 7% for offices, according to DTZ. Only EUR100m was transacted in the Czech Republic in the first three quarters of 2009, which is a 89% decrease year-on-year. However, the property advisors also note that there are initial indicators showing a renewed alignment between buyers and sellers.

The Budapest office market, on the other hand, continues to be characterised by a lack of demand and oversupply of space, although consensus on the future development of the Hungarian economy has improved. Yield decompression has also slowed down, with prime office yields stable at 8%.

Sources: DTZ, CB Richard Ellis, Jones Lang LaSalle, Financial Times

Performance for the first three quarters 2009

Revenue and rental income growth

Revenues for the first three quarters of 2009 came to EUR86.0m (Q3 2008: EUR81.5m), of which EUR66.62m was rental income. Compared with the same period last year, this is an increase of 6% and 4% respectively. The bulk of the rental income – 68.4% – continued to come from Germany and Austria, followed by Central Europe (Slovakia, Czech Republic, Hungary) with 27.0%, and South Eastern Europe (Bulgaria, Romania, Croatia) with 4.6%.

By sector, office properties made up the largest part of the rental income with 42.1%, with residential contributing 32.7%, retail 21.6% and hotels 3.6%.

Other operating income for the first nine months increased to EUR 11.0m (Q3 2008: EUR4.3m). This is mainly attributable to the contribution from the Hotel Marriott in Vienna and a one-off exit payment by a tenant.

Property revaluations and sales

The first three quarters of 2009 saw the sale of three properties, with gains on disposal amounting to EUR829,000. The three properties were Schärdinger Strasse 5 (Linz-Pasching), Otto-Wagner-Platz 5 (Vienna) und Ketzergasse 6-8 (Vienna). For the first three quarters of 2009 valuation losses totalled EUR96.5m, compared with valuation losses of EUR1.0m for the same period last year. Of this amount, 98% is attributable to Central and South Eastern Europe. In essence, the valuation losses reflect the repeated increase in property yields caused by the ongoing financial and real estate crisis, which in turn meant a fall in valuation of the properties and a non-cash negative valuation result.

Earnings performance

EBITDA for the first nine months of 2009 was EUR49.4m (Q3 2008: EUR49.6m), while EBIT dropped from EUR45.4m (Q3: 2008) to EUR-54.1m, as a result of the revaluations.

The growth of the real estate portfolio led to an increase in operating expenses. Finance costs increased to EUR30.8m compared with EUR22.4m in the same period last year, due to higher financing volumes.

Results for the nine months fell from EUR11.7m last year to EUR-71.6m this year. The risk bearing qualities of the s IMMO INVEST participating certificate meant that for first time results for the participating certificate were negative, with a total of EUR-11.4m. After earnings per share of EUR0.17 for the first nine months of 2008, the same period this year showed losses per share of EUR-1.05.

Net operating income (NOI) for the period grew from EUR 52.2m last year to EUR54.4m. The NOI margin (NOI / revenues) stood at 60%.

Operative cash flow for the first three quarters rose by a satisfactory 17% to EUR48.2m, compared with EUR41.3m for the same period last year.

Consolidated balance sheet

At 30 September 2009, Sparkassen Immobilien AG's total assets amounted to EUR2.1bn (31.12.2008: EUR2.1bn). Non-current assets increased to EUR1.9bn, while current assets fell by nearly 16% to EUR255.4m. Of this, cash and cash equivalents came to EUR187.6m. Equity (including subordinated participating certificates) at 30 September 2009, totalled EUR793.7m (31.12.2008: EUR890.0m). Long-term liabilities to banks increased from EUR668.8m to EUR753.3m during the period. Long-term borrowings have an average financing cost of 4.2% and an average remaining term of approximately 10 years. Our financing is very well protected against the risk of rising interest rates: 11% of the loans are fixed rate and 89% are variable rate, but these are protected against rising interest rates with appropriate hedges. As at 30 September 2009, our loan to value ratio (net bank liabilities to property assets) stood at 54%.

Net Asset Value (NAV)

Reflecting the above developments, Sparkassen Immobilien AG's net asset value at 30 September 2009 stood at EUR7.6 per share.

Property portfolio

The value of Sparkassen Immobilien AG's real estate portfolio increased to EUR1.839bn during the first nine months of 2009.

At the end of the period, the portfolio comprised 260 properties with a total lettable area of 1,515,100 sq m. The bulk of the portfolio comprises properties in Austria and Germany (21% and 39% respectively), with 21% in Central Europe and 19% is in South Eastern Europe. At 30 September 2009 the gross rental yield was 6.7%, and the occupancy rate stood at 90.2%. Occupancy rates were 95% in Austria, 86% in Germany, 97% in the Czech Republic, 98% in Slovakia and 92% in Hungary, while Romania and Croatia are still fully let.

Overview of gross rental yields

Austria	6.3%
Germany	6.5%
CEE	7.3%
SEE	10.2%
Total	**6.7%**

Development Projects

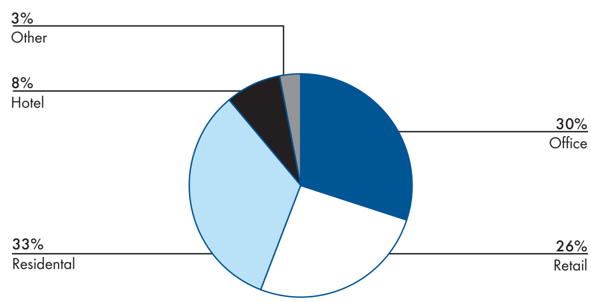
In the first three quarters of 2009, Sparkassen Immobilien AG invested a total of EUR150m in development projects. The projects Sun Plaza, Serdika Center, Austria Trend Hotel Vysoká, Galvaniho 4 and Sechshauser Strasse are now being recognised at fair value instead of at cost.

Sun Plaza, Bucharest, Romania: The downtown shopping centre is being built in a central location at a very convenient traffic junction in Bucharest's fourth district. The Sun Plaza is the only shopping centre in the city with direct access to the metro. The total investment volume is around EUR200m. The opening of the shopping centre is planned for the spring of 2010. The project is being constructed together with the French-Romanian developer EMCT and offers 110,000 sq m of retail, mall and office space. Over 90% of the retail space is already pre-let: The main tenants at Sun Plaza include the hypermarket Cora, the DIY store bauMax, the furniture retailer Mobexpert, a cinema complex and numerous international and national chains, which represent an excellent mix of tenants.

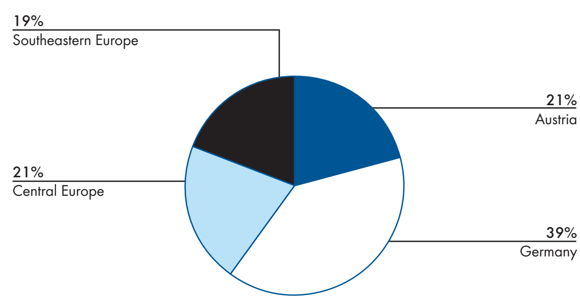
Serdika Center, Sofia, Bulgaria: The topping-out ceremony for the shopping centre in Sofia took place on 8 October 2009, with around 1,000 guests in attendance. The Serdika Center is a project by Sparkassen Immobilien AG and ECE Projektmanagement, the market leader in Europe for the construction of downtown shopping centres. The projects has 91,000 sq m

PORTFOLIO BY PROPERTY USE TYPE AND REGION (AS AT 30 SEPTEMBER 2009)

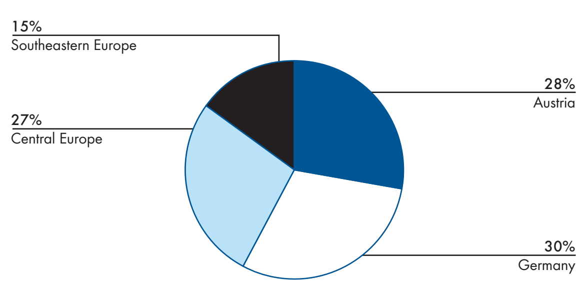
Lettable area of portfolio by use type



Lettable area of portfolio by region



Value of portfolio by region



of retail and office space, is centrally located and is optimally connected to public transportation and the main transport routes. Colliers were awarded the letting mandate for the office space in autumn 2009. No parts have been let so far. We anticipate that the letting process will take longer than initially planned, given that the office take-up rates have fallen significantly. The shopping centre will house roughly 220 shops offering international and Bulgarian labels. Over 90% of the shopping space is already pre-let. The project will create over 2,000 new jobs, and the shopping centre will focus on fashion. The anchor tenants are Peek & Cloppenburg, with their first store in Bulgaria; a consumer electronics shop belonging to Technopolis; and a supermarket run by Piccadilly. In addition, the centre will feature many internationally known labels and a food court serving international and local cuisine. Sparkassen Immobilien AG's total investment volume is EUR210m. Serdika Center will open in spring 2010.

Neutorgasse, Vienna: On 1 October 2009, Sparkassen Immobilien AG held the topping-out ceremony for the Neutorgasse project in Vienna's city centre. On the next day, a celebration was held for the future apartment owners and the residents of the new building. Erste Group's real estate specialist Immorent AG is responsible for the overall development and construction of this premium office and residential building. The total investment volume is EUR55m. The building is being constructed according to very sophisticated plans by the architecture firm RATAPLAN. This will make it a prominent architectural highlight in Vienna's city centre, earning it the name, "The gem of the city". The contracts for the sale of a large portion of the flats and leases for the majority of the office space have already been signed. The office furniture specialist Bene will use the ground floor as a showroom and will rent office space above it.

Sechshauser Strasse, Vienna: The students hall of residence and senior day centre in Vienna's 15th district was recently completed. The opening celebration took place in the offices belonging to the university foundation programme on 10 November 2009. The building has 7,100 sq m of lettable area spread out over seven floors and is fully let. The ground floor is used as a centre for the care and supervision of senior citizens. On the first two upper levels, students can gain training and preparation for their studies with the University Preparation Programme of the Vienna Universities (VWU). The third through seventh upper floors are home to nearly 150 students living in 90 units in the halls of residence hall operated by the Austrian Agency for International Cooperation in Education and Research (ÖAD). The various uses of the building are also reflected in its exterior architecture, with a facade split into three zones. The development partner for this project is Kallco Bauträger GmbH.

Galvaniho 4, Bratislava, Slovakia: The Galvaniho 4 project is located in a well-established location in Bratislava: The city centre is ten minutes away by car, and the Bratislava airport can be reached in five minutes. The D1 motorway is right nearby and connects the Galvaniho Business Center with the motorways leading to the west and middle of the country. The six-storey office and commercial property is near Galvaniho 1 and 2, both fully let properties in Sparkassen Immobilien AG's portfolio. The project offers over 29,000 sq m of usable space, an underground garage with 400 parking spaces and an additional 350 outdoor parking spaces. The general contractor is Lindner, who will complete the building on schedule in the fourth quarter of 2009. The total investment volume for the project is approximately EUR46m.

Austria Trend Hotel Vysoká, Bratislava, Slovakia: Together with the local project developer Koliba, Sparkassen Immobilien AG has developed a 20,000 sq m hotel located in the heart of the city, at the beginning of the pedestrian zone in Bratislava's old town. The Austrian Verkehrsbüro Group's Austria Trend Hotels has a long-term contract to operate the hotel, which has just under 200 rooms, four conference rooms, a wellness area and a garage with 96 parking spaces. The hotel also offers 3,600 sq m of retail and office space. The four-star hotel with a unique postage stamp design on its facade is a new tourist sight in the city. The total investment volume for the project is around EUR55m. The hotel has been operating since October 2009, and the opening celebration will take place in November 2009.

Events after the balance sheet date

After balance sheet date, the Gemini office and commercial property was sold to the mutual fund Deka Immobilien Europa for a price higher than the current market value.

In addition a contract for the sale of two residential buildings and one office building in Austria was signed.

s IMMO Share

Investor Relations

Performance of s IMMO Share

The improvement in the stock market price of s IMMO Share continued unabated in the third quarter of 2009. The closing price on 30 September 2009 was EUR5.22; a year-to-date gain of 163.6%. The average number of traded shares for the first nine months reached 150,000 a day, equivalent to a daily value of some EUR780,000. Of this turnover, an average of 36% was traded OTC ("over-the-counter"). At 30 September 2009 s IMMO Share was still trading at a discount (31%) to its net asset value (NAV).

Stock exchange and performance data

ISIN code	AT0000652250
Bloomberg	SPI:AV
Reuters	SIAG.VI
Application of profits	accumulating
Initial listing	28 June 2002
Market price as at 30 September 2009 (EUR)	5.22

Performance

1 year	+8.5%
First six months	+163.6%
3 years, p.a.	-16.26%

Performance of Vienna Stock Exchange

In the first nine months of 2009 the Vienna Stock Exchange achieved significantly more growth than other exchanges internationally. At the end of September the ATX closed 50.6% higher than at the end of 2008. Following the lows in the first half of March 2009, the index increased continuously, and in the course of September stabilised at a high level. This encouraging trend is mainly due to the generally more optimistic view of the risks in CEE countries, as well as to the positive effects of the Austrian government's support and economic stimulus packages. As the autumn advanced, however, concerns grew that the gains notched up by the stock markets were exaggerated and not sustainable.

Performance of stock markets worldwide

After a thoroughly sobering first quarter of the year, stock markets around the world turned in respectable performances as the year continued. Progress was markedly different in the USA and Europe, however, and also in emerging markets.

The relatively modest improvements in US stock prices (S&P 500 up 17%) were accompanied by low trading volumes, suggesting a certain scepticism on the part of investors.

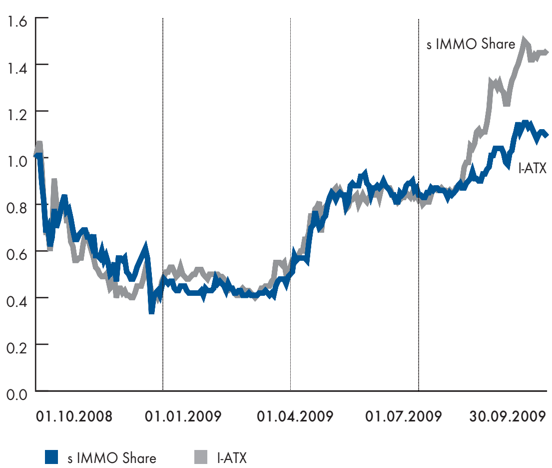
European markets displayed significantly more dynamism. The DJ Stoxx 600 index, mirroring the market as a whole, put on 23.1% over the first nine months of the current year. The developments in the financial sector were even more impressive: in the last three months the sector registered growth of 30%, which is considerably more than other sectors. These positive developments are attributable to the banks' surprisingly good half-year results (64% posted higher earnings than predicted). The sector also benefited from historically low base lending rates and further easing in the interbank market.

The past few months have seen investors concentrating on the sectors most severely affected by the bear market. Generally, stock markets worldwide benefited from the prevailing low yields on government bonds: for example, 10-year German government bonds currently yield only 3.36%. The yield curve at present exhibits the same characteristics as in 1998 – with the benefit of hindsight, steep yield curves have always been very beneficial to stock market earnings.

Performance of property stock markets globally

For the first nine months of this year, the property shares showed a very promising picture. According to GPR 250 Index (Global Property Research), property shares in the USA were up by 17.7% since the beginning of 2009, and in Europe they did significantly better, putting on an average of 33.7%. There was considerable variation from country to country: with an increase of 259.1%, Austria produced the strongest gain in Europe. Great Britain and Germany also showed a positive performance for the first nine months, with an improvement of 8.2%.

Performance s IMMO Share and I-ATX October 2008–September 2009 (indexed)



Performance s IMMO Share January 2009–September 2009 (EUR)

Key indicators – share

	30.09.2009	30.09.2008
Earnings per share (EPS) in EUR	-1.05	0.17
Cash flow per share in EUR	0.11	0.24
Net asset value (NAV) per share in EUR	7.6	9.7
Price/cash flow ratio	35	15
NAV discount in %	31	51
Number of shares	68,118,718	68,118,718
Price in EUR (30 September 2009)	5.22	4.81

s IMMO INVEST

Both tranches of the s IMMO INVEST participating certificate showed a good performance for the first three quarters of 2009 and were up by 54.3% (AT0000795737) to EUR69.99 and 40.0% (AT0000630694) to EUR70.00 respectively as at 30 September 2009. However both tranches are still being traded at a discount to the latest total repayment entitlements of EUR81.1 per participating certificate (a 13.7% discount).

The risk bearing qualities of the s IMMO INVEST participating certificate meant that for first time results for the participating certificate were negative, with a total of EUR-11.4m.

Stock exchange and performance data

ISIN code	AT0000795737 / AT0000630694 (2nd tranche)
Bloomberg	SPIG:AV
Reuters	SIMIg.VI/SIMIga.VI
Application of profits	Annual distribution
Initial listing	29 December 1996/10 November 2004
Price in EUR (30 September 2009)	69.99/70.00

Performance including annual distribution

1 year	21.0%/-8.4%
First six months	+54.29%/+40.0%
3 years, p.a.	-6.7%/-4.6%

Investor Relations

Institutional and private investors were as usual kept up-to-date on current activities and developments in Sparkassen Immobilien AG, notably the strong half year results.

In Austria the Investor Relations team attended information events from Innsbruck to Vienna to provide information in person. As in earlier years, participation in the Erste Bank investor conference in Stegersbach provided a focal point.

The Management Board of Sparkassen Immobilien AG also participated in numerous international road shows. HSBC Trinkhaus provided support in Köln and Düsseldorf. Accompanied by KBC, Sparkassen Immobilien attended events in New York, Boston and Chicago. For the third time a road show was organised in the Middle East.

Facts about Sparkassen Immobilien AG and the s IMMO Share

- Sparkassen Immobilien AG's strategy is based on two core elements: optimisation of returns on the existing property portfolio, and completion of current development projects in 2009 and 2010, which will bring a significant increase in cash flow for the coming years.

- Sparkassen Immobilien AG has a balanced portfolio, which benefits from a high degree of diversification by property type and region and the high quality of buildings, locations and tenants.

- Sparkassen Immobilien AG has a solid financial structure with a loan-to-value ratio of 54%.

- Sparkassen Immobilien AG also enjoys the support of two strong shareholders – Erste Group and Vienna Insurance Group – two of the largest financial service providers in Austria and the CEE region.

Financial calendar 2010

Publication of financial statements 2009 (annual results press conference)	28 April 2010
Results – first quarter 2010	20 May 2010
Annual General Meeting	21 May 2010
Results – first half 2010	31 August 2010
Results – first three quarters 2010	25 November 2010

Consolidated Financial Statements

Consolidated Balance Sheet
as at 30 September 2009

EUR'000	Notes	30.09.2009	31.12.2008
ASSETS			
A. Total non-current assets			
I. Intangible assets			
1. Other		248	296
II. Property, plant and equipment			
1. Properties	15,16		
a) Rental properties		1,153,749	1,377,997
b) Rental properties held for disposal		176,250	0
c) Hotels under management		138,836	148,276
d) Properties under construction and land bank		369,925	281,389
		1,838,760	1,807,662
2. Other plant and equipment			
a) Other		12,776	11,123
III. Financial investments	17		
1. Associates		164	209
2. Group interests		2,937	2,911
IV. Non-current receivables			
1. Deferred tax assets		20,328	16,951
		1,875,213	**1,839,152**
B. Current assets			
I. Inventories			
1. Freehold apartments under construction		17,425	11,859
II. Receivables and other assets			
1. Trade receivables		9,725	9,575
2. Financial receivables and advances		2,914	2,617
3. Other receivables and assets		37,734	35,841
		50,373	48,033
III. Marketable securities, loans and investments		2	2
IV. Cash and cash equivalents		187,568	243,541
		255,368	**303,435**
C. Accruals and prepayments		**3,168**	**1,958**
		2,133,749	**2,144,545**

EUR'000	Notes	30.09.2009	31.12.2008
EQUITY AND LIABILITIES			
A. Shareholders' equity			
I. Share capital		247,509	247,509
II. Reserves		317,364	323,676
III. Consolidated net profit		-71,569	5,813
IV. Minority interests		38,902	26,088
		532,206	**603,086**
B. Participating certificates (subordinated)	18	**261,449**	**286,879**
C. Non-current liabilities			
1. Long-term liabilities to banks	19	753,297	668,807
2. Provisions			
a) Deferred tax liabilities		42,009	40,566
b) Other		16,223	17,794
		58,232	58,360
3. Other liabilities			
a) Other long-term financial liabilities		158,120	150,753
b) Construction costs and tenants' financing		11,500	11,739
c) Housing construction subsidies		4,769	5,136
d) Other		6,022	12,143
		180,411	179,771
		991,940	**906,938**
D. Current liabilities			
1. Bank and financial liabilities		267,399	260,457
2. Trade payables		21,178	22,281
3. Other liabilities		51,817	57,525
		340,394	**340,263**
E. Deferred income		**7,760**	**7,379**
		2,133,749	**2,144,545**

Consolidated Income Statement

for the nine months ended 30 September 2009

EUR'000	Notes	01.01.–30.09. 2009	01.01.–30.09. 2008
1. Revenues	8	86,017	81,528
whereof rental income		66,618	63,943
2. Revaluation of properties	9	-96,475	-1,043
3. Other operating income		10,952	4,304
4. Gains on property disposals	10	829	7,710
5. Operating revenue		**1,323**	**92,498**
6. Depreciation and amortisation		-6,948	-3,202
7. Other operating expenses	11	-48,440	-43,934
8. Operating profit (EBIT)		**-54,065**	**45,362**
9. Finance costs	12	-30,845	-22,383
10. Participating certificates expense	13	11,370	-8,818
11. Profit/loss before tax (EBT)		**-73,540**	**14,161**
12. Taxes on income	14	1,925	-2,615
13. Consolidated net profit/loss		**-71,615**	**11,546**
14. Minority interests		46	107
15. Interests of shareholders in parent company		**-71,569**	**11,653**

Earnings per share

Earnings per share compares the consolidated net profit with the average number of shares in circulation.

	1–9/2009	1–9/2008
Equity share of consolidated net profit (EUR'000)	-71,569	11,653
Average number of shares in circulation	68,118,718	68,118,718
Consolidated earnings per share (undiluted = diluted) (EUR)	**-1,05**	**0,17**

Consolidated Cash Flow Statement

EUR'000	01.01-30.09. 2009	01.01-30.09. 2008
Profit/loss before tax (EBT)	**-73,540**	**14,161**
Revaluation of properties	96,475	1,043
Depreciation and amortisation	6,948	3,202
Gains on property disposals	-829	-7,710
Taxes on income paid	-293	-612
Net interest	30,845	22,383
Participating certificates expense	-11,370	8,818
Cash flow from operations	**48,236**	**41,285**

Changes in Consolidated Equity

EUR'000	Share capital	Capital reserves	Revenue reserves	Minority interests	Total
1 January 2009	**247,509**	**241,301**	**88,188**	**26,088**	**603,086**
Cash flow hedges	0	0	-16,349	0	-16,349
Income taxes thereon	0	0	4,224	0	4,224
Net loss recognised directly in equity	0	0	-12,125	0	-12,125
Consolidated net profit/loss	0	0	-71,569	-46	-71,615
Total income and expense	**0**	**0**	**-83,694**	**-46**	**-83,740**
Acquisitions	0	0	0	12,860	12,860
Disposals	0	0	0	0	0
30 September 2009	**247,509**	**241,301**	**4,494**	**38,902**	**532,206**

EUR'000	Share capital	Capital reserves	Revenue reserves	Minority interests	Total
1 January 2008	**247,509**	**241,301**	**114,098**	**16,694**	**619,602**
Cash flow hedges	0	0	-41,850	0	-41,850
Income taxes thereon	0	0	10,127	0	10,127
Net loss recognised directly in equity	0	0	-31,723	0	-31,723
Consolidated net profit/loss	0	0	5,813	-87	5,726
Total income and expense	**0**	**0**	**-25,910**	**-87**	**-25,997**
Acquisitions	0	0	0	10,920	10,920
Disposals	0	0	0	-1,439	-1,439
31 December 2008	**247,509**	**241,301**	**88,188**	**26,088**	**603,086**

Details of share capital

EUR'000	30.09.2009	01.01.2009	Change
Issued share capital	247,509	247,509	0
Treasury shares	0	0	0
	247,509	**247,509**	**0**

Changes in the number of shares

Units	30.09.2009	01.01.2009
Issued share capital – 1 January 2009	68,118,718	68,118,718
Capital increase	0	0
Treasury shares sold	0	0
Issued share capital – 30 September 2009	**68,118,718**	**68,118,718**
Treasury shares	0	0
Total shares in issue	**68,118,718**	**68,118,718**

The shares are listed on the Vienna Stock Exchange.

Capital reserves

The capital reserves of EUR147,110,000 (31.12.2008: EUR147,110,000) are restricted reserves in the meaning of section 130(1) AktG.

Notes to the consolidated financial statements

SPARKASSEN IMMOBILIEN AKTIENGESELLSCHAFT

1. REPORTING UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The interim financial statements of Sparkassen Immobilien AG, Vienna, for the nine months ended 30 September 2009 have been prepared in accordance with Regulation (EC) No 1606/2002 of the European Parliament and the European Union on the application of international accounting standards (IAS-VO 1606/2002); this regulation requires publicly traded companies inside the European Union to prepare and publish their consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) for all financial years beginning after 1 January 2005. Article 3(1) of IAS-VO 1606/2002 requires the application of the standards implemented in European Union legislation under Article 6(2) of that Regulation, in accordance with the comitology process. The International Financial Reporting Standards (IFRS) adopted by the European Union are directly applicable in the Member States and do not require transposition into national legislation. For the purposes of Community law, the authentic texts are the International Financial Reporting Standards (IFRS) published in each of the official languages of the Community. Section 245a(1) Austrian Business Code (UGB) establishes the general obligation to prepare consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) in the meaning of Article 4(1) IAS-VO 1606/2002.

2. GENERAL

2.1. Business

Sparkassen Immobilien AG has been listed on the Vienna Stock Exchange since 1992, and since 2007 the stock is listed in the Prime Market segment. 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. Sparkassen Immobilien AG is headquartered in Friedrichstrasse 10, A-1010 Vienna, Austria. It has properties in Austria, Germany, the Czech Republic, Slovakia, Hungary, Croatia, Romania and Bulgaria. It also has subsidiaries in Denmark, Cyprus and Ukraine. The Company is registered in the commercial register of the Commercial Court of Vienna under reference 58358x.

2.2. Accounting policies

The consolidated financial statements comply with all International Financial Reporting Standards, including the interpretations of the International Financial Reporting Interpretations Committee" ("IFRIC", formerly "SIC"), the application of which was mandatory as at balance sheet date.

The accounting policies of the companies included in consolidation are based on the uniform accounting regulations of Sparkassen Immobilien AG Group. The consolidated financial statements are presented rounded to the nearest 1,000 euro. The totals of rounded amounts and the percentages may be affected by rounding differences caused by software.

3. CONSOLIDATED GROUP

In addition to the accounts of Sparkassen Immobilien AG, the consolidated financial statements include the accounts of 70 companies (property holding or intermediary holding companies), which are directly or indirectly owned by Sparkassen Immobilien AG. In the second quarter of 2009 API Holding AG was deconsolidated. A.D.I. Immobilienbeteiligungs GmbH and H.S.E. Immobilienbeteiligungs GmbH were included in consolidation for the first time in the third quarter.

4. BASIS OF CONSOLIDATION

Transactions within the consolidated Group together with the related income and expenses and receivables and payables are eliminated. Intra-group profits are also eliminated.

5. FOREIGN CURRENCY TRANSLATION

Translation of financial statements in foreign currencies

The Group reporting currency is the euro (EUR). Financial statements prepared in foreign currencies are translated using the modified closing rate method. As a general rule, assets are translated at historical rates. Revaluations of rented properties are always in euro. Income statement items are translated using average exchange rates for the period.

6. ACCOUNTING AND VALUATION POLICIES

The financial statements for the nine months ended 30 September 2009 have neither been audited nor reviewed by independent auditors.

Intangible assets

Intangible assets acquired for consideration are recognised at acquisition cost less scheduled straight-line amortisation and provision for any impairment losses. Amortisation rates are based on assumed useful lives of between three and six years.

Property, plant and equipment

Rental properties

From 1 January 2007 rented properties are valued using the fair value method, in accordance with IAS 40.

As a general rule, the properties, the majority of which are rented, are valued once a year by independent international property experts.

Rental properties held for disposal

This item consists of the properties the Group's Management is planning to sell in the near future and where sales negotiations are already well advanced.

Hotels under management, other plant and equipment

Properties operated by the company, in particular hotel properties, are valued at cost (original acquisition or construction cost) less accumulated depreciation, in accordance with IAS 16. This valuation basis is also applied to other plant and equipment.

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

	Expected useful lives (years)	
	from	to
Hotels under management	25	33
Other plant and equipment	3	10

Where there are reductions in value that are expected to be permanent, impairment losses are recognised. Where there are indications of impairment, the values of the properties are subjected to impairment tests, in which the carrying values of the properties are compared with the fair values. Where the fair values are lower, impairment losses are recognised.

Properties under construction

These are projects being developed by Sparkassen Immobilien AG. The values for Sechshauser Strasse, Sun Plaza, Serdika Center, Galvaniho 4 and Austria Trend Hotel Bratislava ("Vysoká") are market values. Properties under construction are recognised at market value. As at 30 September 2009 external financing costs totalling EUR12,721,000 had been capitalised (31.12.2008: EUR5,321,000).

Investments and securities

Financial investments for which fair values can not be established – due to the lack of a stock exchange listing – are recognised at acquisition cost, reduced by impairment losses.

Shares and securities held as current assets available for sale are carried at market values in accordance with IAS 39.

Inventories
Inventories (freehold apartments under construction) are carried at cost of acquisition and construction. As at 30 September 2009, external financing costs totalling EUR1,042,000 had been capitalised (31.12.2008: EUR720,000).

Receivables and other assets
Trade receivables and other receivables are disclosed at their nominal value, less any provisions necessary. Other current assets are generally measured at cost of acquisition.

Cash and cash equivalents
Cash and cash equivalents consist of cash in hand and at banks, and of bank deposits with remaining terms of less than three months.

Taxes
The tax expense for the period comprises income tax on the taxable income of the individual companies at the rate applicable in the relevant country (expected effective tax rate for the full year) together with changes in tax provisions affecting income or expense.

No provisions for deferred tax liabilities have been made with respect to temporary differences in connection with undisclosed reserves arising on initial consolidation of properties owned by foreign subsidiaries, since such properties can as a rule be disposed of without liability to tax by the sale of property ownership companies or intermediary holding companies, e.g., in Austria under section 10(2) Austrian Corporate Income Tax Act (KStG). Provision has been made for deferred tax liabilities in respect of any expected partial realisations on differences arising on initial consolidation of Austrian subsidiaries, using the applicable tax rates and the values for tax purposes.

Deferred taxes assets are recognised in connection with tax loss carryforwards to the extent that it is probable that the losses will be able to be offset against future taxable profits.

Financial liabilities
Financial liabilities are recognised at the amount repayable.

Provisions
The provision for deferred taxation is calculated using the liability method, using the tax rates which at balance sheet date are expected to be in force when the temporary differences reverse. Other provisions are for liabilities of uncertain amount.

Trade payables and other liabilities
Trade payables and other liabilities are recognised at the amount payable.

Derivatives
Sparkassen Immobilien AG Group uses derivative financial instruments – interest rate caps, collars and swaps – to reduce the risks attendant on interest rate increases. Derivatives are initially measured at cost of acquisition, and at balance sheet date at market value. As at 30 September 2009, EUR1,786,000 was disclosed under other receivables (31.12.2008: EUR1,481,000) and EUR51,310,000 under other liabilities (31.12.2008: EUR35,354,000).

EUR'000	Volume	Positive market value	Negative market value
Swaps	415,087		-37,728
Caps	245,000	1,786	
Collars	200,000		-13,582
Total	860,087	1,786	-51,310

In the first nine months of 2009 the resulting expense of EUR16,349,000 was recognised in equity with no effect on the income statement, and the income of EUR698,000 was recognised in the income statement under financial expenses.

Sparkassen Immobilien AG's business objects include the acquisition and development of properties with the aim of generating positive cash flows from subsequent rental or resale. 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 loans, with interest rates linked to 3-month, 6-month and 12-month EURIBOR as base rate. In line with Sparkassen Immobilien AG's risk strategy, agreed lines of credit which will be called down as construction of development projects progresses are fully hedged with derivatives from the time the agreements are signed. The scheduled instalment payments as construction progresses represent the most likely timing of expected cash flows.

Sparkassen Immobilien AG's fundamental risk management strategy is to hedge interest rate risk (i.e., the variability of the base rate) using corresponding hedges, in order to ensure fixed payment streams and to make property project forecasts more reliable. The purpose of cash flow hedging at Sparkassen Immobilien AG 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 countervailing derivatives. Cash flow hedging arrangements are used for the purpose.

Hedged risk

The interest rate risk hedged is a liquid markets interest rate, the EURIBOR, which is an identifiable component of the interest rate risk on interest-bearing financial liabilities that can be independently evaluated, and to which only part of the payments streams are exposed. The risk premium is not taken into account.

Hedging instruments

As hedging instruments Sparkassen Immobilien AG uses only derivatives that, because they move in the opposite direction to the underlying transactions, convert the potential changes in cash flows 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. For the non-linear interest rate options used as hedges, the factors determining market price are the intrinsic value and the time value. Fluctuations in intrinsic values are recognised in equity, changes in time values in the income statement.

Income recognition

Rental income is recognised evenly over the term of the rental agreement.

Income from services is recognised in proportion to the services rendered at balance sheet date.

Purchases and sales of securities are recognised as of the transaction date.

Interest income is calculated on the basis of the applicable interest rate and the amount of the loan.

7. SEGMENT REPORT

Segment reporting is by region.

The segments are: Austria, Germany, Central Europe (Slovakia, Czech Republic, Hungary) and South Eastern Europe (Bulgaria, Croatia, Romania).

The subsidiaries in Denmark are property holding companies with properties in Germany and are therefore included in segment reporting under Germany. The subsidiaries in Cyprus are related to group companies in Romania and Ukraine (in particular, holding companies) and are therefore included under South Eastern Europe.

	Austria		Germany		Central Europe		South Eastern Europe		Total	
EUR'000	1–9 2009	1–9 2008	1–9 2009	1–9 2008	1–9 2009	1–9 2008	1–9 2009	1–9 2008	1–9 2009	1–9 2008
Revenues	23,333	23,590	35,477	34,919	23,262	19,456	3,945	3,563	86,017	81,528
Revaluation of properties	-250	277	-1,900	-12,435	-37,450	11,115	-56,875	0	-96,475	-1,043
Other operating income (inc. gains on disposals)	9,772	3,268	1,331	5,447	564	3,332	114	-33	11,781	12,014
Operating revenue (EBIT)	**32,855**	**27,135**	**34,908**	**27,931**	**-13,624**	**33,903**	**-52,816**	**3,530**	**1,323**	**92,499**
Depreciation and amortisation	-2,599	-38	-163	-66	-3,288	-2,285	-898	-813	-6,948	-3,202
Other operating expenses	-14,234	-13,100	-23,594	-22,044	-8,499	-6,613	-2,113	-2,177	-48,440	-43,934
Operating income	**16,022**	**13,997**	**11.151**	**5,821**	**-25,411**	**25,005**	**-55,827**	**540**	**-54,065**	**45,363**
Total non-current assets As at 30.09.2009/31.12.2008	544,436	550,709	540,268	541,898	505,657	481,658	284,852	264,887	1,875,213	1,839,152
Total non-current liabilities (incl. participating capital in Austria) As at 30.09.2009/31.12.2008	707,934	674,278	326,897	275,804	173,080	196,982	45,478	46,753	1,253,389	1,193,817

NOTES TO THE INCOME STATEMENT

8. REVENUES

Revenues were made up as follows:

EUR'000	1–9/2009	1–9/2008
Rental income	66,618	63,943
Operating costs	19,399	17,585
	86,017	**81,528**

Rental income by property use type was as follows:

	1–9/2009		1–9/2008	
Property type	EUR'000	%	EUR'000	%
Office	28,051	42.1	26,853	42.0
Residential	21,775	32.7	21,393	33.4
Commercial	14,415	21.6	12,770	20.0
Hotel	2,377	3.6	2,927	4.6
	66,618	**100.0**	**63,943**	**100.0**

There were no customers accounting for more than 10% of the Group's revenues.

9. PROPERTY REVALUATIONS

EUR'000	1–9/2009	1–9/2008
Valuation adjustment	-96,475	-1.043
	-96,475	**-1.043**

10. GAINS ON PROPERTY DISPOSALS

EUR'000		1–9/2009	1–9/2008
Disposal proceeds:			
Rental properties	0		
Properties held for disposal	26,459	26,459	52,887
Carrying value of disposals			
Rental properties	0		
Properties held for disposal	25,630	25,630	-45,177
		829	**7,710**

11. OTHER OPERATING EXPENSES

EUR'000	1-9/2009	1-9/2008
Expenses directly attributable to property	36,619	31,896
General management expenses	11,821	12,038
	48,440	**43,934**

As of 30th September 2009 the Group had 71 own staff (previous year: 58) and 1 self-employed associate (previous year: 1), in addition to the employees in hotel operations. Some services have been outsourced to Immorent AG.

The hotels (Hotel Marriott Vienna and Hotel Marriott Budapest) employed 445 staff (previous year: 223).

12. FINANCE COSTS

EUR'000	1-9/2009	1-9/2008
Finance expense	33,110	29,247
Finance income	-2,265	-6,864
	30,845	**22,383**

13. EXPENSES OF PARTICIPATING CERTIFICATES

EUR'000	1-9/2009	1-9/2008
Income entitlements of participating certificates	-10,085	8,818
Proportionate share of undisclosed reserves on property portfolio allocated to certificates	-1,285	0
	-11,370	**8,818**

14. TAXES ON INCOME

EUR'000	1-9/2009	1-9/2008
Current tax expense	293	612
Deferred tax credit / expense	-2,218	2,003
	-1,925	**2,615**

NOTES TO THE BALANCE SHEET

15. RENTAL PROPERTIES

Changes in rental properties were as follows:

EUR'000	1-9/2009	1-12/2008
Carrying values as at 1 January – fair value	1,377,997	1,209,788
Additions	924	198,740
Disposals	-2,218	-13,056
Reclassification	-201,880	0
Revaluation increases	5.250	71,004
Impairment writedowns	-26,324	-88,479
Carrying values as at 30 September/31 December	**1,153,749**	**1,377,997**

Made up of:

Rental properties

EUR'000	30.09.2009	31.12.2008
Austria	355,035	451,121
Germany	539,595	541,278
Central Europe	226,779	350,758
South Eastern Europe	32,340	34,840
	1,153,749	**1,377,997**

Rental properties held for disposal

EUR'000	1-9/2009	1-12/2008
Carrying values as at 1 January – fair value	0	31,600
Reclassification	201,880	0
Disposals	-25,630	-31,600
Carrying values as at 30 September/31 December	**176,250**	**0**

16. HOTELS UNDER MANAGEMENT, PROPERTIES UNDER CONSTRUCTION AND UNDEVELOPED LAND

Hotels under management

EUR'000	30.09.2009	31.12.2008
Austria	57,702	59,803
Central Europe	65,035	65,178
South Eastern Europe	16,099	23,295
	138,836	**148,276**

Properties under construction and undeveloped land

EUR'000	30.09.2009	31.12.2008
Austria	36,312	18,890
Germany	126	121
Central Europe	97,558	56,037
South Eastern Europe	235,929	206,341
	369,925	**281,389**

The fair values of hotels under management amounted to EUR140,940,000.

17. FINANCIAL INVESTMENTS

Investments in associated companies disclosed under financial investments comprise companies not included in consolidation because they are not of material importance.

Group interests

	Interest %	30.09.2009 EUR'000
BGM-IMMORENT Aktiengesellschaft & Co. KG	22.7	2,285
ERSTE Immobilien Kapitalanlagegesellschaft mbH	11.5	621
Other		31
		2,937

18. PARTICIPATING CERTIFICATES (SUBORDINATED)

The terms of the agreement for s IMMO INVEST participating certificates were changed retroactively with effect from 1 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:

$$\textbf{(Participating certificate capital + profit brought forward)} \quad \frac{\textbf{Consolidated EBIT}}{\textbf{Average property portfolio (excl. properties under construction)}}$$

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 first nine months of 2009 the total income entitlement was EUR-10,085,000.

At 30 September 2009 there were 3,224,884 participating certificates in issue (WKN AT0000795737 2,014,476 units, WKN AT0000630694 1,210,408 units).

The total entitlements of participating certificate holders (principal and interest) as of that date were EUR79.30 per certificate, made up as follows:

EUR'000	Participating certificates capital	Profit brought forward	Profit for period	Share in undisclosed reserves on property portfolio	Total
Participating certificate capital – 1 January 2009	234,352	46,305		1,679	282,336
Income entitlements of participation certificate holders from 2008			4,543		4,543
Decrease in profit brought forward pursuant to Clause 5(6) Participating Certificates Agreement		-9,517	9,517		
Distribution – 22 May 2009			-14,060		-14,060
Income entitlements of participating certificate holders for first three quarters of 2009			-10,085		-10,085
Allocation of proportionate undisclosed reserves on property portfolio				-1,285	-1,285
Participating certificates capital – 30 September 2009	234,352	36,788	-10,085	394	261,449
Per participating certificate:	72.67	11.41	-3.13	0.12	81.07

As in 2008, the planned distribution is EUR4.36 per certificate.

Previous year:

EUR'000	Participating certificates capital	Profit brought forward	Profit for period	Share in undisclosed reserves on property portfolio	Total
Participating certificate capital – 1January 2008	236,242	38,068			274,310
Income entitlements of participation certificate holders from 2007			22,784		22,784
Distribution – 28 April 2008			-14,174		-14,174
Increase in profit brought forward pursuant to Clause 5(6), Participating Certificates Agreement		8,610	-8,610		0
Repurchase and retirement of 76,005 participating certificates	-1,890	-373			-2,263
Income entitlements of participating certificate holders			4,543		4,543
Allocation of proportionate undisclosed reserves on property portfolio	0	0	0	1,679	1,679
Participating certificate capital – 31 December 2008	234,352	46,305	4,543	1,679	286,879
Per participating certificate:	72.67	14.36	1.41	0.52	88.96

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.

19. LIABILITIES TO BANKS

EUR'000	1 to 5 years	More than 5 years	Total
Long-term liabilities to banks	288,163	465,134	753,297

Long-term liabilities to banks amounting to EUR103,408,000 (2008: EUR86,864,000) were at fixed interest rates. The remaining liabilities were at variable interest rates, usually pegged to EURIBOR. Hedges are used to protect the interest on variable interest rate debt, in particular against rising interest rates.

The short-term part of long-term liabilities to banks is included in short-term financial liabilities and liabilities to banks.

OTHER INFORMATION

20. OTHER OBLIGATIONS AND CONTINGENT LIABILITIES

Pending litigation

There are no material legal disputes that are unresolved or outside the ordinary course of business.

21. MATERIAL AGREEMENTS

The tenancy agreements concluded by the Group generally contain provisions specifying that rents and other fees are tied to the euro, and that capital values are linked to international indexes.

22. SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

After balance sheet date, the Gemini office and commercial property was sold to the mutual fund Deka Immobilien Europa for a price higher than the current market value.

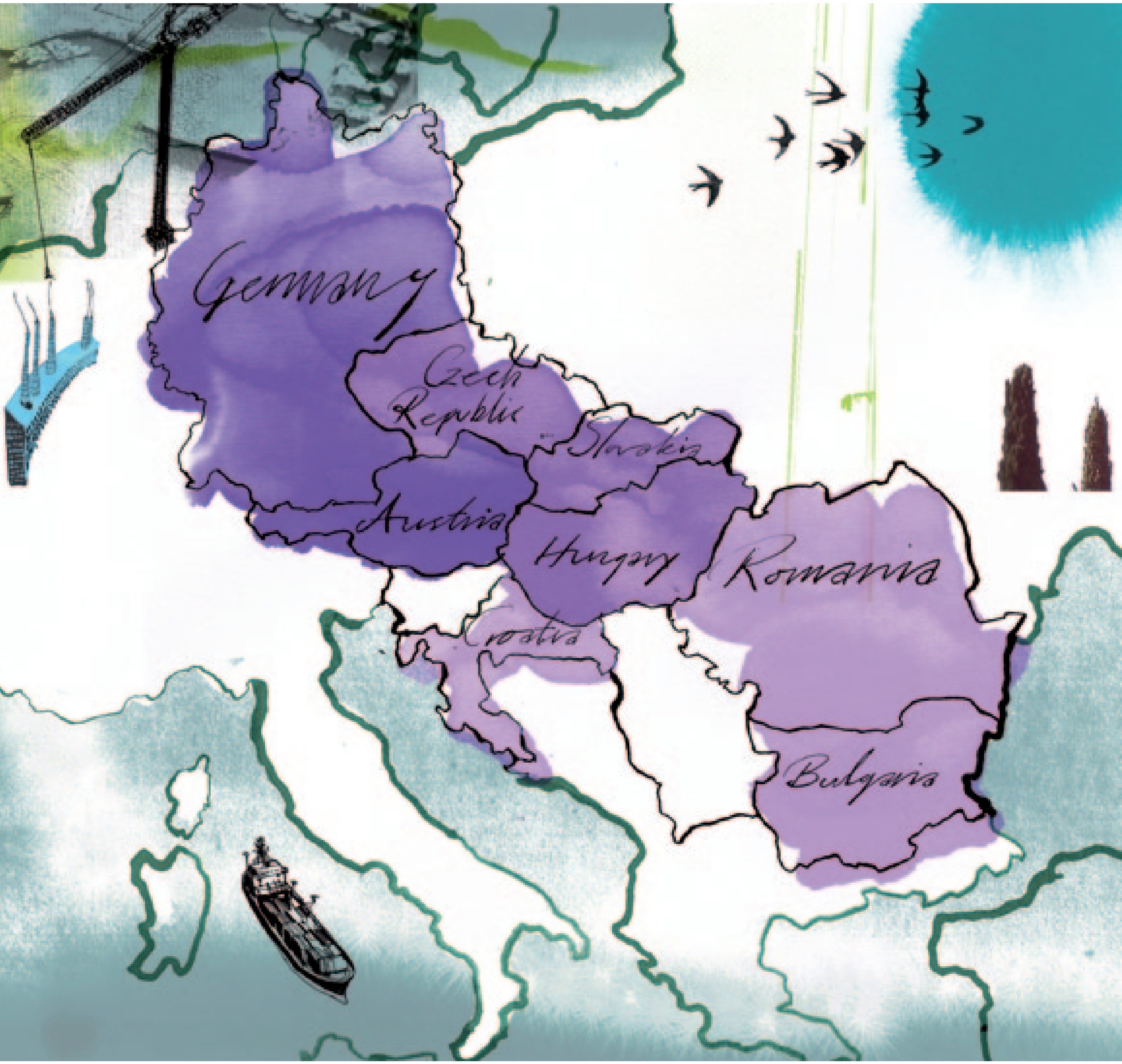
In addition a contract for the sale of two residential buildings and one office building was signed.

Vienna, 19 November 2009

Management Board

Holger Schmidtmayr m.p.
Ernst Vejdovszky m.p.
Friedrich Wachernig m.p.

Sparkassen Immobilien AG's Markets



Investor Relations Contact

Sparkassen Immobilien AG
A-1010 Vienna
Friedrichstrasse 10
E-Mail: investor@s-immoag.at
Phone: +43 (0)50100-27402

Institutional investors: Rebecca Reichmann
E-Mail: rebecca.reichmann@s-immoag.at
Phone: +43 (0)50100-27402

Private investors: Andreas Feuerstein
E-Mail: andreas.feuerstein@s-immoag.at
Phone: +43 (0)50100-27556

www.sparkassenimmobilienag.at

Publication Details

Publisher and copyright owner:
Sparkassen Immobilien AG
A-1010 Vienna
Friedrichstrasse 10
E-Mail office@s-immoag.at
Phone +43 (0)50100 – 27521
Fax +43 (0)50100 9 – 27521

Concept, design and production:
schoeller corporate communications,
Vienna/Hamburg

Illustrations:
Daniel Egnéus, Milan

Photography:
Sparkassen Immobilien AG/Michael Winkelmann, Vienna (page 3)

Printer:
SPV-Druck Ges.m.b.H., Vienna


www.sparkassenimmobilienag.at