REPORT ON THE FIRST QUARTER OF **2010**

warimpex

KEY FIGURES OF THE WARIMPEX GROUP

EUR '000		**1-3/2010**	**Change**	1-3/2009
Revenues from Hotels & Resorts segment		17,395	31%	13,254
Revenues from the Development & Asset Management segment		2,957	102%	1,461
Total revenues		*20,351*	*38%*	*14,715*
Gains from the sale of project companies		3,112	–	–
EBITDA		4,287	–	-3,840
EBIT		2,910	–	-7,316
Profit/loss for the period		-656	–	-10,276
Net cash flows from operating activities		1,894	117%	872
Equity and liabilities		605,345	-7%	649,495
Equity		58,140	-54%	126,287
Average shares in the period		39,599,999	10%	36,000,000
Earnings/loss per share	in EUR	-0.02	–	-0.28
Number of hotels		21	+3	18
Number of rooms (adjusted for proportionate share of ownership)		3,425	+509	2,916
Number of office and commercial properties		5	-1	6
Average number of employees in the Group		1,603	+194	1,409

		31/12/2009*	**Change**	31/12/2008
Gross Asset Value (GAV)	in EUR m	571.9	-14%	666.7
Triple Net Asset Value (NNNAV)	in EUR m	148.9	-51%	301.9
NNNAV per share	in EUR	3.8	-55%	8.4
End-of-period share price	in EUR	2.18	74%	1.25

* An external valuation of the portfolio was not completed as of 31 March 2010.

FOREWORD BY THE CHAIRMAN OF THE MANAGEMENT BOARD

Dear Shareholders,

A recovery on the hotel market became apparent in the second half of 2009 already. In the first quarter of 2010, this trend brought a plus in sales revenue of over 30 per cent and clearly positive EBIT and EBITDA.

The sales growth was primarily due to revenues from the new hotels that were opened in Berlin and Łódź in 2009, which got off to a very good start. In addition, occupancy rates and room prices stabilized in nearly all markets in the first quarter. Business development was particularly satisfactory in Poland, Germany and France. Our most important market, Poland, was the only CEE country to achieve GDP growth in 2009. The hotel industry in Poland benefits from a high level of domestic demand, and roughly half of the guests at these hotels are from Poland. Thanks to this, the decline in international business on the Polish market did not have as significant an impact as was – and in some cases still is – being seen in the Czech Republic, for example. A recovery like in Poland will not come here or in Romania for some time yet.

In the Development & Asset Management segment, which comprises our property development and sales activities, the four-star angelo design hotel in Katowice, Poland, was completed and opened on schedule. After openings in Prague, Bucharest, Munich, Plzen and Ekaterinburg, this is already the sixth angelo brand hotel overall and the first in Poland. The current focus of our development activities is on the completion of the Crowne Plaza Hotel at Airport City St. Petersburg and on the start of construction at the Le Palais Office Building in Warsaw, as well as the start of construction of the first budget hotels in the Polish cities of Wrocław, Zielona Gora and Bydgoszcz. These first hotels of the successful Louvre Hotel brand Campanile are to be opened in 2011 and 2012. Further budget hotels are being planned in Poland and Hungary.

After the transaction market came to a virtual standstill last year, activity is slowly picking up, but there are still relatively few large-scale deals. We were able to sell a share in the Palais Hansen development project in Vienna at good terms in February 2010, thereby reducing our stake to roughly 10 per cent. Conditions on the finance markets also returned to normal in the first quarter. We secured project financing for a budget hotel in Budapest, and reduced our short-term debt by EUR 55.7 million quarter on quarter. Because of this and the completion of projects, our long-term debt rose by EUR 71.0 million.

At the end of April (after the end of the reporting period), we decided to conduct another capital increase on the basis of the authorization granted for this in October 2009. As the current conditions are still hampering our ability to find suitable buyers for properties at times of our choosing, this capital increase will ensure that we have the means to continue our development strategy. Half of the issue proceeds from the roughly 14.4 million new shares in the amount of EUR 26 million will be allocated to the current development work in St. Petersburg and Warsaw and to the budget hotels. The other 50 per cent will be used to refinance existing short-term loans and to repay outstanding liabilities, which together with the refinancing of short-term liabilities significantly improved our financing structure. This capital increase also strengthened our shareholder base and significantly increased the portion of shares in free float to 45 per cent.

All in all, the first quarter of 2010 brought a good start into the new year, and we are now working hard to carry this positive momentum into the future.

Franz Jurkowitsch

BUSINESS HIGHLIGHTS

- 02/2010 Sale of a 16.69 per cent share in the Palais Hansen development project, Vienna
- 03/2010 Opening of the angelo in Katowice (203 rooms)
- 05/2010 Successful capital increase by 14,400,001 shares

INVESTOR RELATIONS

The volatility of the Warimpex share decreased significantly and the share price stabilized in the first quarter of 2010. After ending the year at EUR 2.18, the closing price on 31 March 2010 was EUR 2.14.

Since our IPO, we have maintained an open and proactive communication policy with our investors, and already participated in investor conferences in Kitzbühel, Zürs and Paris this year. Investor meetings were also held in Vienna, Munich, Zurich, Budapest, Warsaw, Helsinki, Tallin and London in connection with the capital increase.

As of 31 March 2010, the share capital of the company amounted to EUR 39,599,999 and was divided into 39,599,999 bearer shares. In a motion adopted on 21 April 2010, Warimpex decided to issue 14,400,001 new shares (preserving the legal subscription rights of the shareholders) under the authorization granted on 16 October 2009 and increased the share capital to EUR 54,000,000. The capital increase took effect on 13 May 2010. The issue price for the new shares was EUR 2, and the net proceeds totalled EUR 26 million.

GROUP MANAGEMENT REPORT

for the period from 1 January to 31 March 2010

ECONOMIC ENVIRONMENT

In April 2010 (World Economic Database), the International Monetary Fund (IMF) upped its economic forecast for 2010 slightly compared to October 2009. The projections for 2009 were also raised again. The Eurozone economy is now expected to contract by -4.1 per cent in 2009 (October 2009 projection: -4.2 per cent), and then to expand in 2010 at a rate of 1.0 per cent (0.3 per cent). The CEE economy is now expected to slow by a less severe -3.7 per cent in 2009 (-5.0 per cent), and the IMF is already expecting the region to bounce back to a significantly higher rate of 2.7 per cent (1.8 per cent) again in 2010. GDP growth for 2011 is even expected to come in at 3.4 per cent (3.8 per cent). Individual economies are projected to perform better, such as Poland with growth of 1.7 per cent in 2009 and 2.7 per cent in 2010. After a contraction of 7.9 per cent in 2009, Russia is also projected to achieve a healthy growth rate of 4.0 per cent in 2010.

MARKETS

POLAND

Existing portfolio: 7 hotels, 2 office properties

Warimpex holds a 50 per cent interest in the five-star Hotel InterContinental and a 25 per cent interest in the four-star Hotel Sobieski in Warsaw. In Krakow, Warimpex has leased the four-star-plus andel's hotel since September 2009 and also owns the three-star Hotel Chopin. In Łódź, Warimpex opened a further andel's in June 2009; in March 2010, the first angelo hotel in Poland (a joint venture with UBM) opened in Katowice. In Międzyzdroje on the Baltic coast, Warimpex owns the Amber Baltic Spa Resort Hotel and a 27-hole golf course.

The occupancy rate at the Hotel InterContinental rose significantly to 76 per cent in the first quarter (Q1 2009: 68 per cent), and the average room rate remained constant. Occupancy at Hotel Sobieski was down slightly compared to last year (Q1 2010: 46 per cent, Q1 2009: 48 per cent), but the average room rate increased. The occupancy rate at the Hotel Chopin rose from 47 to 49 per cent, but the average room rate had to be reduced slightly. At the andel's hotel in Krakow, the occupancy rate remained stable (Q1 2010: 53 per cent, Q1 2009: 54 per cent), and the average room rate also remained constant. The andel's hotel in Łódź – the first four-star hotel in the city – achieved an occupancy of 49 per cent in the first quarter of 2010, a very good start for a new hotel. Conference business at the hotel has also been running well. The occupancy rate at the Amber Baltic beachfront resort came in at 19 per cent (Q1 2009: 19 per cent). Due to its location on the Baltic coast, occupancy rates at this hotel are subject to strong seasonal fluctuations, in contrast to those of city hotels.

In addition to the hotels listed above, Warimpex owns shares in the Sobieski and Parkur Tower office buildings in Warsaw through joint ventures.

Under development: 2 office buildings, 1 shopping centre

Warimpex owns one of the few historical buildings in Warsaw. Originally, it was planned to convert the building into a five-star Le Palais luxury hotel. The construction permit for this was issued in September 2008. As rental rates for offices in the central business district rose considerably in 2008, however, it was decided to develop the property into an office building instead of a hotel. The application for the building permit was submitted at the end of 2009, and the permit is expected to be issued at the end of the first half of 2010.

An office building that is owned by Warimpex in Krakow is also to be modernized. The plans are currently being prepared for submission to the authorities. In Białystok, Warimpex is working to develop a shopping centre.

CZECH REPUBLIC

Existing portfolio: 7 hotels

In Prague, Warimpex owns the three five-star hotels Palace, Le Palais and Savoy, and in the four-star segment the Hotel Diplomat and the angelo hotels in Prague and Plzen. Warimpex also consolidates the Dvořák spa hotel in Karlovy Vary according to IAS/IFRS.

In the quarter under review, the two four-star hotels in Prague achieved occupancy rates of 36 and 42 per cent (Q1 2009: 31 and 42 per cent), and the average room rates showed signs of stabilizing for the first time in several quarters. The five-star segment remained very weak, with occupancy rates of between 22 and 32 per cent (Q1 2009: 27 and 35 per cent). The average room rates also continued to decline in annual comparison. In the reporting period, Warimpex began planning the conversion of a five-star hotel into apartments, as it cannot be assumed that the Prague five-star market will recover in the near future. At the Hotel Dvořák in Karlovy Vary, the occupancy rate in the first three months of the year was 72 per cent (Q1 2009: 78 per cent). However, the average room rate was raised slightly. Occupancy at the angelo in Plzeň increased significantly from 20 to 33 per cent.

HUNGARY

Existing portfolio: 3 office properties

In Budapest, Warimpex owns the Erzsebet, Dioszegi and Sajka office buildings, which together have a total net floor space of around 17,000 square metres.

The Dioszegi office building has roughly 800 square metres of lettable space, roughly 75 per cent of which is occupied. The Sajka office building, which has roughly 600 square metres of lettable space, is being used by the group for its own purposes. Warimpex is currently modernizing and redeveloping the two towers of the Erzsebet office complex. Tower B was handed over to the tenant at the beginning of May 2009 after the renovation work was completed and is now fully let out. Lease negotiations are currently underway for tower A, which is also to be modernized and let out.

ROMANIA

Existing portfolio: 1 hotel

The angelo airport hotel in Bucharest, which Warimpex acquired in 2007 and expanded by 69 rooms in 2008 along with adapting it to the angelo design, saw a comparatively low occupancy rate of 34 per cent in the first quarter of 2010 (Q1 2009: 31 per cent).

GERMANY

Existing portfolio: 2 hotels

Warimpex holds 50 per cent of the angelo in Munich and of the andel's in Berlin.

Occupancy at the angelo in Munich was 69 per cent (Q1 2009: 59 per cent), and the average room rate was also increased by roughly 10 per cent. In Berlin, the largest andel's to date was opened at the beginning of March 2009. The average occupancy rate in the first quarter was an encouraging 57 per cent.

Plans for the second phase of the angelo Munich project foresee the expansion of the hotel. In addition, a piece of land adjacent to the andel's in Berlin was purchased in 2009 for the development of a conference centre. Planning is currently underway for both projects.

FRANCE

Existing portfolio: 2 hotels

In Paris, Warimpex and its partner UBM are the joint leaseholders of the four-star Hotel Dream Castle and the four-star Magic Circus at Disneyland® Resort Paris, each of which have 400 rooms. The occupancy rates at the hotels were satisfying in the period at 49 and 41 per cent (Q1 2009: 47 and 32 per cent).

AUSTRIA

Under development: 1 hotel with apartments

In Vienna, Warimpex is involved in developing the Palais Hansen on the city's Ringstraße boulevard into a high-end hotel and residential property in collaboration with Wiener Städtische/Vienna Insurance Group and PORR Solutions. The project, which is scheduled to open in 2012, is Warimpex's first in Austria. In late autumn 2009, we were also able to win a renowned operator and leaseholder for Palais Hansen, the luxury hotel operator Kempinski. In February 2010, Warimpex reduced its share in this project from 26.57 to 9.88 per cent.

RUSSIA

Existing portfolio: 2 hotels

In Russia, Warimpex holds 60 per cent of the Hotel Liner at Koltsovo airport in Ekaterinburg. The hotel is fully consolidated in the financial statements. Warimpex is also developing another airport project in Ekaterinburg. An angelo hotel with a direct link to the new terminals was opened in the third quarter as part of the expansion of the airport. While the existing Hotel Liner met its budget targets in the first quarter, occupancy at the angelo was very poor.

Under development: 1 hotel, airport office park

The Airport City development project is currently under construction in St. Petersburg. The first phase comprises a four-star Crowne Plaza hotel (InterContinental Group) plus a 39,000-square-metre office building. The hotel is scheduled to be completed at the beginning of 2011, and the office building in 2011/2012.

BUDGET HOTELS

Under development: 7 hotels

In March 2007, Warimpex entered into a strategic joint venture with Louvre Hotels to develop budget hotels in Central Europe. At the beginning of 2009, Louvre transferred its financial interest in this joint venture to Starwood Capital Group – the owner of Louvre – but is still involved as a development partner and especially as the operator and franchisor (for the brands Première Classe and Campanile) of all of the hotels. The objective is to develop the successful Louvre Hotels brands Campanile and Première Classe in Warimpex's home markets.

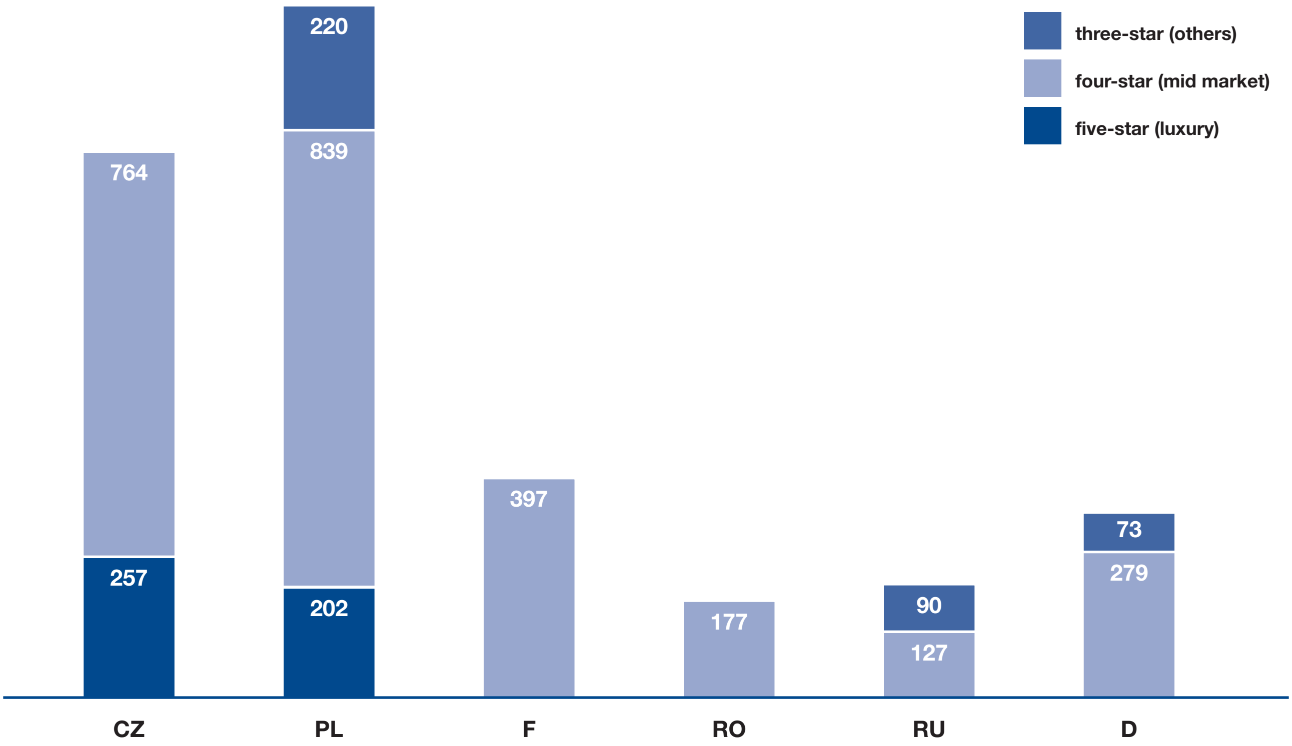
The first joint hotels are to be opened in Zielona Góra and then in Wrocław and Bydgoszcz at the end of 2011 and beginning of 2012. The completion of the hotels in Budapest and Katowice is planned for the end of 2012. Suitable properties have been purchased, and the first building permits have already been issued. Financing for the hotel in Budapest was secured in April 2010.

Warimpex and Starwood Capital Group are currently involved in negotiations on the development of further budget hotels in the Hungarian cities of Debrecen and Miskolc. Concrete talks are also underway about the purchase of further pieces of land in Krakow and Gdansk. In the Czech Republic, the joint venture partners are currently focusing on Prague, Brno and Ostrava, and in Slovakia on Bratislava and Košice.

The following projects are currently under development through the joint venture with Louvre Hotels:

- Campanile, Budapest (284 rooms)
- Campanile, Zielona Gora (84 rooms)
- Campanile, Wrocław (152 rooms)
- Campanile, Bydgoszcz (117 rooms)
- Campanile, Katowice (100 rooms)
- Première Classe, Wrocław (136 rooms)
- Première Classe, Katowice (100 rooms)

Hotel portfolio (number of rooms adjusted for proportionate share of ownership) at 31 March 2010



Compared to 31 March 2009, the number of hotel rooms (adjusted for the proportionate share of ownership) increased by 509 from 2,916 to 3,425 as of 31 March 2010. This can be attributed to the opening of the andel's hotel in Łódź and of the two angelo hotels in Ekaterinburg and Katowice.

ASSETS, FINANCIAL POSITION AND EARNINGS SITUATION

Due to seasonal effects, revenues are generally the lowest in the first quarter of the year, and are not representative of the development of sales for the full year. In contrast, the second and third quarters generally show the best sales.

Development of revenues

Group sales rose considerably by 38 per cent from EUR 14.7 million to EUR 20.4 million in the reporting period. Sales revenues from hotel operations increased from EUR 13.3 million in the first three months of 2009 to EUR 17.4 million. This sales growth was due largely to revenues from the hotels that were opened in Berlin and Łódź in 2009, which got off to a very good start, as well as to increased revenues in Munich, Warsaw and Paris. Revenues from the rental of offices and the provision of development services increased from EUR 1.5 million to EUR 3.0 million. While revenues from the rental of offices remained constant at EUR 0.7 million, the billing of an approach ramp whose construction was included in the purchase price of the property in Łódź brought one-off income in the development sub-segment.

Earnings situation

Warimpex recognizes its tangible non-current assets at cost minus depreciation, and does not recognize any increases in the value of its real estate assets in the profit and loss account. Any such value increases are not recognized until the asset is actually sold. As a result, earnings are highly dependent on the sale of properties and fluctuate significantly.

In the first quarter of 2010, Warimpex sold a 16.69 per cent share in the Palais Hansen development project in Vienna for a price of EUR 7.3 million. The profit from this transaction was EUR 3.1 million, and Warimpex still holds 9.88 per cent of the project. No sales transactions were made in the first quarter of 2009.

EBITDA – EBIT

Earnings before interest, taxes, depreciation and goodwill amortization increased considerably from EUR -3.8 million in the first quarter of 2009 to EUR 4.3 million in the reporting period, and the operating result (EBIT) also surged from EUR -7.3 million to EUR 2.9 million.

Financial result

The financial result changed from EUR -2.6 million to EUR -5.5 million.
While interest expense is capitalized during the construction phase, interest paid is recorded as an expense once development is completed. The hefty decline in the EURIBOR had a very positive effect on finance expenses for current-account and project loans, but interest expense increased as a result of the opening of three new hotels.

Profit for the period

The profit for the first quarter improved significantly from EUR -10.3 million to EUR -0.7 million.

Cash flow

The cash flow from operations also improved considerably from from EUR 0.9 million to EUR 1.9 million.

OUTLOOK

The following hotel projects are currently under construction:

- Airportcity, St. Petersburg,
  business park with 39,000 square metres of office space (office building opening scheduled for 2011/2012;
  and a Crowne Plaza Hotel with 300 rooms (hotel opening scheduled for the beginning of 2011)

The following projects are in advanced stages of development:

- Redevelopment of tower A at Erzsebet office complex, Budapest
- Le Palais office building, Warsaw
- Office building, Krakow
- Hotel expansion Munich
- Palais Hansen, Vienna
- Shopping centre, Białystok

The following projects are currently under development through the joint venture with Louvre Hotels:

- Campanile, Budapest
- Campanile, Zielona Gora
- Campanile, Wrocław
- Campanile, Bydgoszcz
- Première Classe, Wroclaw
- Campanile, Katowice
- Première Classe, Katowice

Vienna, 26 May 2010

Franz Jurkowitsch
Chairman of the Management Board

Georg Folian
Deputy Chairman of the Management Board

Christian Fojtl
Member of the Management Board

Alexander Jurkowitsch
Member of the Management Board

SELECTED WARIMPEX GROUP PROPERTIES

1) Hotel Le Palais***, Prague**
CZ-120 00 Prague 2, U Zvonařky 1
72 rooms (opened in 2002)

2) Hotel InterContinental***, Warsaw**
PL-00 125 Warsaw, ul. Emilii Plater 49
404 rooms (opened in 2003)

3) angelo hotel**, Katowice**
PL-40-086 Katowice, ul. Sokolska 24
203 rooms (opened in March 2010)

4) angelo Designhotel, Munich
D-81677, Munich, Leuchtenbergring 20
146 rooms (opened in May 2008)

5) andel's hotel**S, Berlin**
D-10407 Berlin,
Landsberger Allee 106
557 rooms (opened in March 2009)

6) andel's hotel**, Łódź**
PL-91 065 Łódź, ol. Ogrodowa 17
278 rooms (opened in June 2009)

7) angelo Airporthotel**, Ekaterinburg-Koltsovo**
RU-Airport Ekaterinburg-Koltsovo
203 rooms (opened in September 2009)

CONSOLIDATED FINANCIAL STATEMENTS AS OF **31 MARCH 2010**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January to 31 March 2010

in EUR	Note	1 January to 31 March 2010	2009
Revenues			
Revenues – Hotels & Resorts segment		17,394,631	13,254,117
Revenues – Development & Asset Management segment		2,956,627	1,460,608
		20,351,258	**14,714,725**
Gains from the sale of disposal groups			
Gains from the sale of real estate	[05]	7,250,000	–
Carrying amounts of the sold disposal group(s)		(4,137,736)	–
		3,112,264	**–**
Other income and expenses			
Changes in real estate projects under development or construction		(1,339,870)	–
Other income	[06]	1,220,884	260,809
		(118,985)	260,809
Expenses for materials and services rendered		(9,837,367)	(7,760,681)
Expenses for project development		(65,379)	(643,074)
Personnel expenses	[07]	(6,761,126)	(5,963,591)
Depreciation and amortization expense		(4,879,492)	(3,475,564)
Reversal of impairments		3,502,239	–
Other expenses	[08]	(2,393,861)	(4,448,633)
		(20,434,986)	(22,291,542)
Operating profit		**2,909,551**	**(7,316,007)**
Financial revenue	[09]	531,353	1,132,175
Finance costs	[09]	(6,052,984)	(3,743,893)
Profit before tax		**(2,612,081)**	**(9,927,725)**
Current income taxes	[10]	(23,102)	(1,694)
Deferred taxes	[10]	1,978,989	(346,746)
Profit for the period		**(656,195)**	**(10,276,165)**
Foreign currency translation		(1,210,279)	(9,257,157)
Net gains/losses from hedging		(158,361)	230,418
(Deferred) taxes recognized in equity		11,993	83,978
Total income and expenses for the period		**(2,012,842)**	**(19,218,925)**
Profit for the period attributable to:			
- Equity holders of the parent		(725,748)	(10,180,254)
- Non-controlling interests		69,554	(95,911)
		(656,195)	(10,276,165)
Total income/expenses for the period attributable to:			
- Equity holders of the parent		(1,496,803)	(15,990,713)
- Non-controlling interests		(516,039)	(3,228,212)
		(2,012,842)	(19,218,925)
Earnings per share:			
Undiluted, for the profit for the period attributable to ordinary equity holders of the parent		(0.02)	(0.28)

CONSOLIDATED BALANCE SHEET
as of 31 March 2010

	Note	31/3/2010 unaudited	31/12/2009 audited	31/3/2009 unaudited
ASSETS				
Non-current assets				
Property, plant and equipment	[11]	458,833,722	457,740,434	496,553,942
Investment properties	[12]	43,679,518	42,885,519	42,412,271
Goodwill		921,266	921,266	2,350,892
Other intangible assets		358,778	397,799	3,138,529
Associated companies	[05]	5,475,202	9,337,412	9,379,429
Other financial assets		70,351,465	67,421,539	51,836,177
Deferred tax assets		688,572	1,112,352	4,055,876
		580,308,523	579,816,321	609,727,116
Current assets				
Inventories		1,582,082	3,013,257	1,504,215
Trade and other receivables		9,981,742	16,025,579	18,511,559
Other financial assets	[15]	40,756	84,241	512,773
Cash and short-term deposits		13,431,438	11,933,442	19,239,186
		25,036,019	31,056,519	39,767,732
TOTAL ASSETS		**605,344,542**	**610,872,840**	**649,494,848**

CONSOLIDATED BALANCE SHEET

as of 31 March 2010

	Note	**31/3/2010** unaudited	31/12/2009 audited	31/3/2009 unaudited
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
Issued capital		39,599,999	39,599,999	36,000,000
Capital reserves		59,627,010	59,627,010	55,576,939
Retained earnings		(40,930,466)	(40,204,719)	31,300,658
Treasury shares		(301,387)	(301,387)	(291,019)
Other reserves	[11]	2,609,748	3,380,802	2,472,501
		60,604,904	62,101,706	125,059,079
Non-controlling interests	[11]	(2,465,139)	(1,949,100)	1,228,029
Total equity		**58,139,764**	**60,152,606**	**126,287,107**
Non-current liabilities				
Loans and borrowings	[13]	449,317,236	418,559,227	378,341,766
Provisions		3,360,936	3,353,547	4,070,975
Other payables	[14]	13,904,621	1,256,038	1,103,354
Deferred tax liabilities		13,744,603	16,159,365	21,189,377
		480,327,396	439,328,176	404,705,472
Current liabilities				
Trade and other payables		17,050,846	35,525,278	16,987,724
Loans and borrowings	[13]	44,109,300	70,552,125	99,837,944
Derivative financial instruments	[15]	625,567	467,205	5,162
Income tax payable		83,681	180,992	933,446
Provisions		5,007,989	4,666,457	737,992
		66,877,382	**111,392,058**	**118,502,268**
TOTAL EQUITY AND LIABILITIES		**605,344,542**	**610,872,840**	**649,494,848**

CONSOLIDATED CASH FLOW STATEMENT

for the period from 1 January to 31 March 2010 – unaudited

in EUR	Note	1 January to 31 March 2010	2009
Cash receipts from operating activities			
From the operation of hotels and rent received		21,384,364	15,768,425
From real estate development projects		92,080	758,180
Interest received		37,337	698,716
		21,513,781	17,225,321
Cash payments for operating activities			
For real estate development projects		(897,585)	(511,038)
For materials and services received		(10,600,574)	(7,355,789)
For personnel and related expenses		(6,610,014)	(6,005,144)
For other expenses		(1,428,163)	(2,446,259)
Income tax paid		(83,656)	(34,811)
		(19,619,992)	(16,353,041)
Net cash flows from operating activities		**1,893,789**	**872,280**
Cash flows from investing activities			
Proceeds from the sale of property, plant and equipment		952,470	39,478
Purchase of property, plant and equipment	[11]	(3,646,168)	(39,924,485)
Purchase of investment properties		(834,302)	(4,487,522)
Acquisition of software		1,389	(12,417)
Payouts from granted loans		(1,998,719)	(2,964,375)
Income/payments for other financial assets		(439,382)	(294,307)
Acquisition of shares in associated companies	[05]	(256,100)	(156,015)
		(6,220,812)	**(47,799,642)**
Cash flows from the sale of business entities	[05]	**7,250,000**	**–**
Purchase price payments for business entities purchased in prior periods		**(95,705)**	**–**
Cash flows from financing activities			
Proceeds from loans and borrowings	[13]	33,761,119	39,495,014
Repayment of loans and borrowings	[13]	(32,310,649)	(3,114,159)
Interest and other finance costs paid		(3,001,151)	(3,834,824)
Income/payments for derivative financial instruments	[09]	(2,651)	1,603,000
Net cash flows from/used in financing activities		**(1,553,332)**	**34,149,031**
Net change in cash and cash equivalents		1,273,940	(12,778,332)
Net foreign exchange difference		224,056	(1,094,830)
Cash and cash equivalents at 1 January		11,933,442	33,112,348
Cash and cash equivalents at the end of the period		**13,431,438**	**19,239,186**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from 1 January to 31 March 2010 – unaudited

in EUR	Issued capital	Capital reserve	Retained earnings	Treasury shares	Other reserves	TOTAL	Minority interests	Total Equity
At 1 January 2010	**39,599,999**	**59,627,010**	**(40,204,719)**	**(301,387)**	**3,380,802**	**62,101,706**	**(1,949,100)**	**60,152,606**
Total income and expenses for the period	–	–	(725,748)	–	(771,054)	(1,496,802)	(516,039)	(2,012,841)
At 31 March 2010	**39,599,999**	**59,627,010**	**(40,930,466)**	**(301,387)**	**2,609,748**	**60,604,904**	**(2,465,139)**	**58,139,764**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from 1 January to 31 March 2009 – unaudited

in EUR	Issued capital	Capital reserve	Retained earnings	Treasury shares	Other reserves	TOTAL	Minority interests	Total Equity
At 1 January 2009	**36,000,000**	**55,576,939**	**41,480,912**	**(291,019)**	**8,282,960**	**141,049,742**	**4,456,241**	**145,506,033**
Total income and expenses for the period	–	–	(10,180,254)	–	(5,810,459)	(15,990,713)	(3,228,212)	(19,218,925)
At 31 March 2009	**36,000,000**	**55,576,939**	**31,300,658**	**(291,019)**	**2,472,501**	**125,059,079**	**1,228,029**	**126,287,108**

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

[01] Corporate information

Warimpex Finanz- und Beteiligungs AG (the "Company") is registered with the Commercial Court of Vienna under the registration number FN 78485 w. The Company's registered address is Floridsdorfer Hauptstrasse 1, A-1210 Vienna, Austria.

The interim financial statements as of 31 March 2010 for Warimpex Finanz- und Beteiligungs AG were released for publication by the Company's management on 26 May 2010. The main activities of the Company are described in Note [04] "Business segments".

[02] Basis for preparation

The interim consolidated financial statements for the period ended 31 March 2010 have been prepared in accordance with IAS 34. Interim financial statements do not contain all information and notes included in annual financial statements; they should therefore be read in conjunction with the consolidated financial statements as of 31 December 2009.

The interim financial statements as of 31 March 2010 were not audited and were not reviewed by an independent financial auditor.

The accounting and valuation methods applied in preparing the interim consolidated financial statements as of 31 March 2010 have remained unchanged from the consolidated financial statements as of 31 December 2009.

With respect to the changes effective under IFRS as of 1 January 2010 and their effects, please refer to the details stated in the consolidated annual financial statements as of 31 December 2009.

By their very nature, interim consolidated financial statements are based on estimates to a greater extent than annual consolidated financial statements. In addition to the principal estimation uncertainties identified in the consolidated annual statements (goodwill as well as the valuation of land and buildings for first-time consolidation purposes), the interim financial statements are affected by estimation uncertainties resulting from the timing of asset impairments or write-ups.

[03] Seasonal fluctuations in results

Owing to seasonal fluctuations in tourism, in particular city tourism, earnings contributions from hotel properties are generally higher in the second half of the year. By contrast, no determinable pattern can be identified with regard to contributions from the sale of subsidiaries or business combinations.

[04] Business segments – overview

for the period from 1 January to 31 March 2010 – unaudited

	Hotels & Resorts		Development & Asset Management		Total in EUR	
	2010	2009	**2010**	2009	**2010**	2009
External sales	17,394,631	13,254,117	2,956,627	1,460,608	20,351,258	14,714,725
Segment results	96,612	(4,595,388)	2,812,939	(2,720,619)	2,909,551	(7,316,007)
Investments						
• In property plant and equipment including intangible assets	3,213,186	32,947,820	1,284,940	5,229,817	4,498,126	38,177,637
• In financial assets	–	–	2,547,005	4,317,016	2,547,005	4,317,016
Depreciation						
• Ordinary depreciation	(4,644,185)	(3,353,080)	(235,307)	(122,484)	(4,879,492)	(3,475,564)
• Reversal of impairments	3,263,202	–	239,038	–	3,502,239	–
Net cash flows from operating activities	3,152,073	485,752	(1,258,284)	386,528	1,893,789	872,280
Segment assets	467,987,647	511,596,806	137,356,895	137,898,042	605,344,542	649,494,848
Segment liabilities (gross)	(466,762,135)	(433,884,175)	(80,442,643)	(89,323,566)	(547,204,777)	(523,207,741)
Intragroup financing	47,306,688	36,865,644	(47,306,688)	(36,865,644)	–	–
Segment liabilities (net)	(419,455,447)	(397,018,531)	(127,749,331)	(126,189,210)	(547,204,777)	(523,207,741)
Average payroll	1,520	1,323	83	86	1,603	1,409

Segment results "Hotels & Resorts" – year-on-year comparison

for the period from 1 January to 31 March 2010 – unaudited

	Luxury		Up-Market		Others	
in EUR	**2010**	2009	**2010**	2009	**2010**	2009
Revenues	3,259,451	3,329,759	13,119,689	8,941,457	998,862	954,803
Expenses for materials and services	(1,723,388)	(1,604,387)	(6,144,862)	(4,597,477)	(361,587)	(357,232)
Personnel expenses	(1,167,889)	(1,277,222)	(4,221,598)	(3,149,500)	(344,976)	(350,604)
Gross operating profit	**368,174**	**448,149**	**2,753,229**	**1,194,480**	**292,300**	**246,967**
Hotel employees	*269*	*325*	*1,088*	*831*	*152*	*150*
Rooms available						
Total	661	670	3,986	3,131	370	378
thereof available	661	670	3,935	3,129	344	368
Joint venture share	(202)	(206)	(1,236)	(931)	–	–
Time allocation	–	–	(102)	(263)	–	–
Rooms available Group	**459**	**463**	**2,598**	**1,935**	**344**	**368**
Rooms sold	227	226	1,108	772	215	178
Average room occupancy	**49%**	**49%**	**43%**	**40%**	**63%**	**48%**
Management fee	(164,716)	(165,817)	(618,491)	(342,246)	(53,145)	(29,934)
Lease/rent	–	–	(576,537)	(50,774)	(28,799)	(27,036)
Exchange adjustments	46,853	(119,746)	688,661	(150,312)	139,934	(72,444)
Property costs	(90,402)	(74,008)	(63,937)	(380,863)	(16,498)	(23,518)
Net operating profit	**159,909**	**88,578**	**2,182,924**	**270,285**	**333,793**	**94,036**
Other income after GOP	–	–	(7,974)	550	24,603	27,549
Other costs after GOP	(28,581)	(88,430)	(640,808)	(342,231)	(26,164)	(36,942)
Pre-opening costs	–	–	(373,210)	(390,975)	–	–
Depreciation	(938,440)	(946,544)	(3,504,924)	(2,149,084)	(202,513)	(212,684)
Write-ups	281,291	–	2,270,723	–	711,188	–
Contribution to operating profit	**(525,821)**	**(946,395)**	**(73,270)**	**(2,611,455)**	**840,908**	**(128,042)**
Total for hotels in operation					**241,817**	**(3,685,892)**
Less expenses for hotels under construction/in design phase					(145,205)	(909,496)
Segment contribution to operating profit					**96,612**	**(4,595,388)**

thereof in						
• Czech Republic	1,061,321	1,384,684	3,762,975	3,879,419	–	–
• Poland	2,198,130	1,945,074	3,354,743	1,749,029	606,375	634,614
• France	–	–	2,495,931	2,169,576	–	–
• Romania	–	–	468,019	496,486	–	–
• Germany	–	–	2,768,132	647,497	–	–
• Russia	–	–	261,915	–	417,091	347,737
	3,259,451	3,329,759	13,111,715	8,942,007	1,023,465	982,351
thereof GOP in						
• Czech Republic	(401,618)	(243,925)	938,913	1,020,217	–	–
• Poland	769,792	692,074	949,839	124,379	138,170	157,668
• France	–	–	262,720	19,468	–	–
• Romania	–	–	66,661	52,386	–	–
• Germany	–	–	640,628	(21,971)	–	–
• Russia	–	–	(105,532)	–	154,130	89,299
	368,174	448,149	2,753,229	1,194,480	292,300	246,967
thereof operating result in						
• Czech Republic	(698,530)	(855,402)	151,043	(548,710)	–	–
• Poland	172,710	(90,993)	70,853	(430,002)	4,821	(207,409)
• France	–	–	(448,908)	(805,393)	–	–
• Romania	–	–	(45,444)	(106,731)	–	–
• Germany	–	–	372,167	(720,619)	–	–
• Russia	–	–	(172,980)	–	836,087	79,367
	(525,821)	(946,395)	(73,270)	(2,611,455)	840,908	(128,042)

Segment cash flow "Hotels & Resorts"

for the period from 1 January to 31 March 2010 – unaudited

	Luxury		Up-Market		Others	
in EUR	**2010**	2009	**2010**	2009	**2010**	2009
Cash receipts	3,326,012	3,535,063	15,399,464	9,445,468	952,321	952,926
Interest received	4,129	7,057	10,785	13,401	–	–
Expenses for materials and services	(1,784,406)	(1,553,712)	(7,608,814)	(4,868,883)	(293,798)	(427,883)
Personnel expenses	(1,196,273)	(1,374,679)	(4,139,289)	(3,206,788)	(368,769)	(373,021)
Cash paid for other expenses	(154,252)	(155,635)	(888,637)	(1,317,987)	68,106	(27,893)
Income tax paid	–	–	(55,501)	(33,107)	–	–
	195,211	**458,095**	**2,718,008**	**32,104**	**357,861**	**124,129**
thereof in						
• Czech Republic	(303,115)	(54,749)	323,764	477,710	–	–
• Poland	498,326	512,844	2,473,979	(80,499)	234,377	9,057
• France	–	–	(53,260)	(65,870)	–	–
• Romania	–	–	(203,219)	(86,226)	–	–
• Germany	–	–	(1,147)	(213,010)	–	–
• Russia	–	–	177,892	–	123,484	115,072
	195,211	458,095	2,718,008	32,104	357,861	124,129

	2010	2009
Total for hotels in operation	**3,271,080**	**614,328**
Less expenses for hotels under construction/in design phase	(119,007)	(128,576)
Segment cash flow from operating activities	**3,152,073**	**485,752**

Segment results "Development & Asset Management" – year-on-year comparison

for the period from 1 January to 31 March 2010 – unaudited

	Asset Management		Development		Others	
in EUR	**2010**	2009	**2010**	2009	**2010**	2009
Revenues	713,823	755,094	1,679,734	264,001	563,070	441,513
Changes in real estate projects under development	–	–	(1,339,870)	–	–	–
Sale of shares	–	–	3,112,264	–	–	–
Other income	–	–	220,861	260,509	–	–
Expenses for materials	(190,216)	(264,097)	(112,706)	(67,563)	(451,054)	(321,241)
Project development expenses	–	–	(27,917)	(86,988)	–	–
Personnel expenses	(564)	(6,023)	(827,103)	(973,883)	–	–
Depreciation	(174,582)	(100,441)	(33,440)	2,570	(27,285)	(24,613)
Reversal of impairments	110,125	–	114,194	–	14,718	–
Other operating expenses	(37,958)	(107,978)	(462,243)	(2,531,916)	(30,913)	40,437
Segment operating result	**420,627**	**276,554**	**2,323,776**	**(3,133,270)**	**68,535**	**136,097**
thereof in						
• Czech Republic	–	–	(13,854)	(65,989)	–	–
• Poland	173,736	221,841	364,975	157,940	68,535	136,097
• Germany	36,036	5,624	(2,956)	(4,906)	–	–
• France	–	–	(40,583)	(40,898)	–	–
• Austria	–	–	1,972,990	(3,129,311)	–	–
• Hungary	210,855	49,090	(16,564)	(11,391)	–	–
• Others	–	–	59,769	(38,716)	–	–
	420,627	276,554	2,323,776	(3,133,270)	68,535	136,097

Segment cash flow "Development & Asset Management" – year-on-year comparison

for the period from 1 January to 31 March 2010 – unaudited

	Asset Management		Development		Others	
in EUR	**2010**	2009	**2010**	2009	**2010**	2009
Cash receipts from rent	640,854	704,101	360,022	767,954	705,691	378,440
Cash receipts from development	–	–	92,080	758,180	–	–
Interest received	875	23,293	21,546	636,401	1	1
Cash paid for development	2,888	6,299	(92,558)	(310,700)	–	–
Expenses for materials and services	(208,617)	(168,419)	(104,940)	(24,711)	(599,848)	(321,619)
Personnel expenses	(468)	(6,034)	(834,474)	(982,062)	–	–
Cash paid for other expenses	(219,605)	(85,116)	(991,551)	(942,380)	(2,392)	(45,465)
Income tax paid	1,786	(10)	(29,573)	(1,626)	–	–
Segment cash flow from operating activities	**217,714**	**474,114**	**(1,579,449)**	**(98,943)**	**103,451**	**11,357**
thereof in						
• Czech Republic	–	–	(1,711)	5,253	–	–
• Poland	77,363	318,811	74,149	598,342	103,451	11,357
• Germany	36,036	7,207	(2,810)	432,558	–	–
• Austria	–	–	(1,516,960)	(914,242)	–	–
• France	–	–	(77,374)	(191,685)	–	–
• Hungary	101,427	141,797	(20,160)	(35,730)	–	–
• Others	2,888	6,299	(34,584)	6,561	–	–
	217,714	474,114	(1,579,449)	(98,943)	103,451	11,357

[05] Sale of shares in associated companies

In the first quarter of 2010, the Company sold 16.69% of its 26.57% stake in the company "Palais Hansen Immobilienentwicklung GmbH" to a co-investor for EUR 7.25 million. The Company now holds a 9.88% stake in the project.

The carrying values of all associated companies changed as follows in the reporting period:

in EUR	at **31/3/2010**	31/3/2009
Net carrying amounts at 1 January	9,337,412	9,189,951
Increase in capital contributions/loans	256,100	156,015
Charged/capitalized interest	19,426	33,464
Disposals	(4,137,736)	–
Net carrying amounts at 31 March	5,475,202	9,379,429)

[06] Other income

This item includes currency translation gains in the amount of EUR 1 million resulting primarily from RUB/EUR cash management. The RUB/EUR exchange rate changed from 43.3883 on 1 January to 39.7028 on 31 March. This item also includes proceeds from the sale of a plot of development land in Warsaw.

[07] Personnel expenses, average payroll

The Company had an average of 1,603 employees in the first quarter of 2010 (1–3/209: 1,409).

The average number of employees increased by 14% over the prior period, while the average number of rooms rose by approximately 23%.

in EUR	1 January to 31 March **2010**	2009
Wages and salaries	(5,121,788)	(4,291,480)
Social security costs	(1,147,895)	(1,103,204)
Other payroll-related taxes and contributions	(172,117)	(163,214)
Voluntary employee benefits	(17,581)	(109,129)
Expenses for posted employees	(281,351)	(292,820)
Changes in accrual for compensated absences	(16,837)	–
Payments for termination and post-employment benefits	(3,557)	(3,744)
	(6,761,126)	(5,963,591)

[08] Other expenses

in EUR	1 January to 31 March 2010	2009
Pre-opening costs	(373,210)	(390,975)
Legal fees	(151,269)	(254,522)
General administration	(176,447)	(362,149)
Advertisement and marketing	(144,046)	(129,490)
Non-recoverable VAT	(56,418)	(100,474)
Lease payments for andel's Krakow and other rents	(605,336)	(77,809)
Supervisory Board directors' fees	(25,000)	–
Property costs	(641,219)	(399,214)
Others	(220,916)	(2,733,999)
	(2,393,861)	(4,448,633)

[09] Financial result

in EUR	1 January to 31 March 2010	2009
Financial revenue		
Interest income from cash management	24,408	130,001
Interest on loans made to joint ventures	487,518	513,996
Interest on loans made to associated companies	19,426	33,464
Foreign currency gains on interest-bearing loans denominated in CHF	–	244,714
Interest income from derivative financial instruments	–	210,000
	531,353	1,132,175
Finance costs		
Interest on short-term borrowings, project loans and other loans	(4,623,234)	(3,549,144)
Interest on loans relating to joint ventures	(388,200)	(166,983)
Interest on loans from minority shareholders	(21,143)	(12,657)
	(5,032,577)	(3,728,785)
Fair value adjustment of derivative financial instruments	2,639	(4,892)
Interest from derivative financial instruments	(46,291)	–
Foreign currency losses on interest-bearing loans denominated in CHF	(852,399)	–
Other finance costs	(124,356)	(165,465)
Gains/losses on the sale of available-for-sale investments and derivative financial instruments	–	155,249
	(6,052,984)	(3,743,893)

[10] Income tax paid

A reconciliation between tax expense and the product of accounting profit multiplied by the Group's domestic tax rate of 25% for the reporting period (previous year: 25%) is as follows:

	1 January to 31 March	
in EUR	**2010**	2009
Profit before tax	**(2,612,081)**	**(9,927,725)**
Accounting profit before income tax 25% (2008: 25%)	653,020	2,481,931
± Other foreign tax rates	(247,532)	(201,486)
± Tax free profits from the participation exemption (Sec. 10 Austrian CIT Act)	–	(498,302)
± Permanent differences	(452,037)	(973,346)
± Unrecognized deferred tax assets	(750,429)	(659,935)
± Recognition of as-yet unrecognized deferred tax assets	1,919,466	31,631
± Effects of exchange rate fluctuations	833,399	(528,934)
	1,955,886	(348,440)

[11] Property, plant and equipment

The item "Property, plant and equipment" comprises land and rights equivalent to land, buildings including plant under construction, and equipment.

	at	
	31/3/2010	31/3/2009
Net carrying amounts at 1 January	457,740,434	474,141,885
Additions	3,613,472	34,915,599
Reclassification of investment properties	26,835	–
Disposals	(268,821)	(39,177)
Depreciation	(4,667,243)	(3,344,480)
Reversal of impairments	3,392,114	–
Exchange adjustment	(1,003,068)	(9,119,885)
Net carrying amounts at 31 March	**458,833,722**	**496,553,942**

The cash flow from investments pertains primarily to the following projects:	**31/3/2010**	31/3/2009
Project development progress "Airport City St. Petersburg"	(323,595)	(1,062,498)
andel's hotel Łódź	(2,269,752)	(10,814,291)
angelo hotel Katowice	(2,802,121)	(2,073,472)
angelo Ekaterinburg (VAT refund)	2,349,700	(14,834,624)
andel's hotel Berlin	–	(6,334,310)
Hotel Magic Circus	–	(2,536,047)
Purchase of land	–	(1,054,905)
	(3,045,767)	(38,710,147)
Other project developments and current investments related to hotels	(600,401)	(1,214,338)
	(3,646,168)	(39,924,485)

[12] Investment properties

The item "Investment properties" comprises land and rights equivalent to land, buildings including plant under construction (plant under construction was recognized under "Property, plant and equipment" in the prior period).

	at	
	31/3/2010	31/3/2009
Net carrying amounts at 1 January	42,885,519	39,255,823
Additions	886,043	3,249,620
Transfers of property, plant and equipment	(26,835)	–
Depreciation	(174,582)	(100,441)
Reversal of impairments	110,125	–
Exchange adjustment	(753)	7,269
Net carrying amounts at 31 March	**43,679,517**	**42,412,271**
Result from "Investment properties":		
Rental income and charged expenses	713,823	763,719
Direct expenses	(190,216)	(264,097)
	523,606	499,622

[13] Changes in financial liabilities – overview

	Current	Non-current	Total
At 1 January 2010	70,552,125	418,559,227	489,111,353
New borrowings	4,179,200	29,581,920	33,761,119
Repayment of loans	(32,086,248)	(224,401)	(32,310,649)
Deferred interest	1,464,316	495,596	1,959,912
Exchange effects	(94)	904,894	904,800
At 31 March 2010	44,109,300	449,317,236	493,426,536
Compared to 31 March 2009	*99,837,944*	*378,341,766*	*478,179,711*

The following loans relate to the individual projects as follows:

	At 1/1/2009	New borrowings	Deferred interest	Repayment of loans	Other changes	At 31/3/,2010
a) Project-related loans secured by mortgages Subsidiaries (full consolidation)						
for andel's hotel Łódź	50,000,000	–	712,500	–	–	50,712,500
for Hotel Diplomat	31,911,820	–	–	(719,642)	4,689	31,196,867
for angelo hotel Ekaterinburg	38,694,379	–	–	(1,144,377)	–	37,550,002
for angelo airport hotel Bucharest	12,000,000	–	207,300	(1,000,000)	–	11,207,300
for Hotel Palace	13,524,500	–	–	–	–	13,524,500
for Hotel Chopin	11,388,959	–	–	(327,552)	–	11,061,407
for Hotel angelo Prague	11,853,742	–	–	–	–	11,853,742
for Erszebet office building	11,832,175	–	73,579	(122,000)	–	11,783,753
for Hotel Amber Baltic	7,302,156	–	–	(179,131)	238,320	7,361,344
for Hotel Savoy	6,664,662	–	–	(216,346)	–	6,448,316
for Hotel Le Palais	6,461,657	–	–	1,000	–	6,462,657
for Warsaw gas heating plant	300,572	–	–	(51,753)	17,497	266,316
for Warsaw gas pipeline	183,477	–	–	(16,935)	11,147	177,690
for Hotel Dvorak	19,747,057	–	–	(12,274)	–	19,734,783
	221,865,154	–	993,379	(3,789,009)	271,653	219,341,176
Joint ventures (proportionate consolidation)						
for Hotel InterContinental 50%	30,014,155	–	–	(312,500)	8,423	29,710,078
for Hotel Dream Castle 50%	18,307,675	–	–	(236,513)	–	18,071,162
for Hotel andel's Berlin 50%	34,250,000	–	470,938	–	–	34,720,938
for Hotel HolidayInn Paris 50%	9,854,375	–	–	(50,000)	–	9,804,375
for Leuchtenbergring project 49,5%	15,681,430	–	–	(528)	–	15,680,902
for Sobieski hotel and office building 25%	8,146,963	–	–	(20,438)	1,308	8,127,833
for Parkur Tower office building 50%	5,393,906	–	–	(53,249)	–	5,340,657
for angelo hotel Katowice 50%	7,492,402	2,660,598	–	–	–	10,153,000
for angelo hotel Plzen 50%	6,460,768	–	–	–	2,400	6,463,168
	357,466,829	2,660,598	1,464,316	(4,462,237)	283,783	357,413,289
b) Other loans and facilities						
Short-term borrowing facilities	49,863,817	92,660	–	(27,289,404)	31	22,667,103
Long-term borrowing facilities	27,550,113	29,180,302	–	(224,401)	614,079	57,120,094
Current loans	819,641	–	–	(334,607)	(124)	484,910
Non-current loans from joint ventures	40,401,793	1,827,560	469,762	–	–	42,699,116
Lease purchase options and loans	8,888,737	–	–	–	–	8,888,737
Non-interest-bearing loans	2,450,995	–	–	–	–	2,450,995
Non-current loans from minority interests	1,669,429	–	25,834	–	7,031	1,702,293
	131,644,524	31,100,522	495,596	(27,848,411)	621,016	136,013,247
Total financial liabilities	489,111,353	33,761,119	1,959,912	(32,310,649)	904,800	493,426,536

[14] Current receivables and liabilities

	31/3/2010	at 31/12/2009	31/3/2009
Trade and other receivables			
Trade receivables	4,244,105	5,237,907	5,735,108
Receivables for taxes	1,825,383	7,054,041	2,849,928
Extended purchase price receivables relating to the sale of subsidiaries	270,000	488,500	8,000,000
Advance payments made	821,470	396,928	600,702
Other receivables and assetse	1,055,381	1,395,351	322,000
Receivables due from associated companies	130,997	122,379	–
Receivables due from joint ventures	215,324	195,835	128,010
Receivables due from related parties	719	712	1,243
Deferred expenses	1,418,364	1,133,925	874,568
	9,981,742	**16,025,579**	**18,511,559**
Trade and other receivables			
Trade payables	10,321,826	14,940,602	8,751,538
Interest-bearing construction invoices from the completion of the “andel’s Łódź”*)	–	12,453,281	–
Trade payables due to joint ventures	647,959	642,459	510,585
Trade payables due to related parties	1,058,585	966,239	885,549
Purchase price obligations	237,500	1,966,590	2,500,000
Other payables including accruals for compensated absences	3,785,901	3,654,211	3,016,001
Advance payments received	999,074	901,896	1,324,051
	17,050,846	**35,525,278**	**16,987,724**

*) Invoices from the general contractor for the construction of the andel’s hotel Łódź totalling EUR 12.5 million are still outstanding. The construction contractor has deferred this claim until 30 June 2011; therefore, this liability is recognized as a non-current liability at the end of the first quarter of 2010.

[15] Derivative financial instruments

As of 31 March 2010, there are derivative financial instruments (interest rate collars) relating to the Group’s financial liabilities. The main terms and parameters of these collars are as follows:

	31/3/2010	31/3/2009
Project loan Hotel Le Palais, Prague		
Notional amount at 31 March (underlying: 3-month Euribor)	expired	6,955,744
Fair value at 31 March	–	(5,162)
Project loan Hotel Chopin, Krakow		
Notional amount at 31 March (underlying: 3-month Euribor)	11,061,407	11,875,805
Fair value at 31 March	(625,567)	497,842
Project loan angelo hotel, Prague		
Notional amount at 31 March (underlying: 3-month Euribor)	11,853,742	10,172,498
Fair value at 31 March	40,602	–
Project loan Hotel Sobieski, Warsaw (adjusted for the Group’s share)		
Notional amount at 31 March (underlying: 3-month Euribor)	8,127,833	8,183,126
Fair value at 31 March	154	14,932

[16] Transactions with related parties

The total amount of compensation due to the directors for the reporting period amounted to EUR 0.21 million (prior year: EUR 0.23 million). Vienna International AG assessed management fees totalling EUR 0.7 million (prior year: EUR 0.42 million).

[17] Events after the balance sheet date

On 11 May 2010, the Company completed a capital increase by issuing 14,400,001 new bearer shares at a subscription price of EUR 2.00. After this capital increase, the share capital of the Company totals EUR 54 million. All shares include full dividend entitlements for financial year 2009 and all subsequent financial years.

[18] Other commitments, litigation and contingencies

There were no changes in the reporting period with respect to other commitments, litigation and contingencies as compared to the situation described in the consolidated financial statements as of 31 December 2009.

Vienna, 26 May 2010

Franz Jurkowitsch
Chairman of the Management Board

Georg Folian
Deputy Chairman of the Management Board

Christian Fojtl
Member of the Management Board

Alexander Jurkowitsch
Member of the Management Board

angelo hotel**, Katowice**
PL-40-086 Katowice
ul. Sokolska 24
opened in March 2010
203 rooms

WWW.WARIMPEX.COM

Financial calendar

27 May 2010	Publication of results for the first quarter of 2010
2 June 2010	Annual General Meeting
31 August 2010	Publication of results for the first half of 2010
30 November 2010	Publication of results for the third quarter of 2010

Published by: Warimpex Finanz- und Beteiligungs AG, Floridsdorfer Hauptstraße 1, A-1210 Vienna, www.warimpex.com
Investor Relations: Daniel Folian, tel. +43 1 310 55 00-156, investor.relations@warimpex.com
Photos: Warimpex