



warimpex

KEY FIGURES OF THE WARIMPEX GROUP

EUR '000	1-3/2013	Change	1-3/2012
Revenues from the Hotels & Resorts segment	11,888	-3%	12,238
Revenues from the Development & Asset Management segment	1,201	-25%	1,612
<i>Total revenues</i>	<i>13,090</i>	<i>-5%</i>	<i>13,850</i>
Gains from the sale of project companies	1,558	388%	319
EBITDA	2,119	127%	932
EBIT	65	–	-1,513
Result from joint ventures	-880	–	6,567
Profit for the period	-4,447	–	259
Comprehensive income for the period	-4,307	–	-135
Net cash flow from operating activities	-1,545	–	1,086
Equity and liabilities	413,725	-1%	416,217
Equity	84,664	11%	76,448
Average shares in the period	54,000,000	–	54,000,000
Earnings/loss per share in EUR	-0.08	–	0.01
Number of hotels	21	0	21
Number of rooms (adjusted for proportionate share of ownership)	3,423	-39	3,462
Number of office and commercial properties	5	0	5
Average number of employees in the Group	1,048	-74	1,122
Segment information (including joint ventures on a proportionate basis):			
Revenues from the Hotels & Resorts segment	22,051	2%	21,670
NOP from the Hotels & Resorts segment	4,601	-5%	4,848
Revenues from the Development & Asset Management segment	2,346	29%	1,820
EBITDA of the Development & Asset Management segment	893	–	-406
	31/12/2012 ¹	Change	31/12/2011 ¹
Gross asset value (GAV) in EUR millions	558.5	-8%	605.2
Triple net asset value (NNNAV) in EUR millions	172.7	–	172.6
NNNAV per share in EUR	3.2	–	3.2
End-of-period share price in EUR	0.97	24%	0.78

¹ As no external valuation of the portfolio was completed as of 31 March 2013 or 31 March 2012, the latest available values are shown.

FOREWORD BY THE CHAIRMAN OF THE MANAGEMENT BOARD

Dear Shareholders,

Few financial years have started off with so much activity in the history of Warimpex as 2013. Our first highlight came in January in the form of the sale of our stake in the angelo hotel in Munich and an adjacent piece of development property to our joint venture partner UBM. The Company is thus continuing in the vein of its sale of the InterContinental hotel in Warsaw at the end of 2012. A total of three projects were also concluded successfully. Le Palais Office in Warsaw opened in February, and the first phase of Airport City St. Petersburg – a joint venture with CA Immo and UBM – was fully let out to a subsidiary of Gazprom. In March, the Palais Hansen Kempinski hotel in Vienna, a joint project with Strauss & Partner Development, Wiener Städtische Versicherung and Wien Holding, opened its doors.

In terms of capital measures, we floated a bond in Poland and then, in response to explicit investor interest, immediately followed this with a convertible bond, generating total proceeds of around EUR 21.8 million. At the same time, we reached an agreement with Russian Sberbank on the refinancing of a EUR 37 million loan for our two hotels at Ekaterinburg international airport (the four-star angelo hotel and the three-star Liner Hotel). This reduced our current liabilities from nearly EUR 80 million as of 31 December 2012 to around EUR 36 million as of 31 March 2013. The capital measures and the refinancing underscore our strategy of focusing on our core business by increasing cash flows from hotel operations and optimizing our financing structure by selling equity interests and refinancing existing liabilities.

The performance of the hotels remained relatively constant in the first quarter, and we saw a slight improvement of roughly 2 per cent taking the joint ventures into account. All in all, there were no major differences between the individual markets. In the Development & Asset Management segment, we are now seeing the inflow of rental revenue from Airport City St. Petersburg.

In a very encouraging development that can be primarily attributed to the sale of our stake in the angelo hotel in Munich, EBITDA, our most important operating metric, more than doubled compared with the first quarter of 2012 to reach EUR 2.1 million. The fact that hotel revenues are generally the lowest in the first quarter of the year combined with constant expenses and scheduled write-downs led to a negative comprehensive income for the period amounting to minus EUR 4.3 million. This must be seen in light of the fact that hotel revenues are generally around a third higher in the two subsequent quarters than in the first quarter and that the results for the fourth quarter have also been considerably better than those for the beginning of the year in recent financial years. Therefore, based on the solid operating result, one can assume that the result for the first quarter will be improved upon, just like in previous years. The strong result for the comparison quarter in 2012 was distorted by one-off effects in the form of write-ups on loans, which did not take place this year.

What are we planning in 2013?

In project development, our focus is on the completion of Airport City St. Petersburg. Specifically the third office tower, called Zeppelin with 15,000 square metres of space, for which the shell has already been built. A letter of intent has already been signed with a renowned company for rental. In Budapest, we are starting the modernization of the second office tower in the Erzsebet complex. A potential tenant has already been lined up here, as well. We are expecting to conclude the sale of our buyback option for Le Palais Office in Warsaw, and further transactions are being negotiated.

Thanks to the good results for 2012 and the many positive developments in the first quarter, we are on a very good path for 2013. I am very much looking forward to seeing you, esteemed shareholders, at our Annual General Meeting on 19 June 2013.



Franz Jurkowitsch

BUSINESS HIGHLIGHTS

- 01/2013 Warimpex sells shares in angelo hotel Munich and adjacent development plot
- 01/2013 Warimpex opens Le Palais office building in Warsaw
- 02/2013 Successful refinancing in Ekaterinburg in the amount of EUR 37 million
- 02/2013 Phase 1 of Airport City St. Petersburg fully let out
- 03/2013 Palais Hansen, Kempinski hotel (150 rooms, 4,600 square metres of apartments) opens
- 03/2013 Bond with a volume of PLN 63.1 million (around EUR 15.3 million) placed in Poland
- 03/2013 Convertible bonds with a volume of PLN 26.5 million (around EUR 6.4 million) placed in Poland

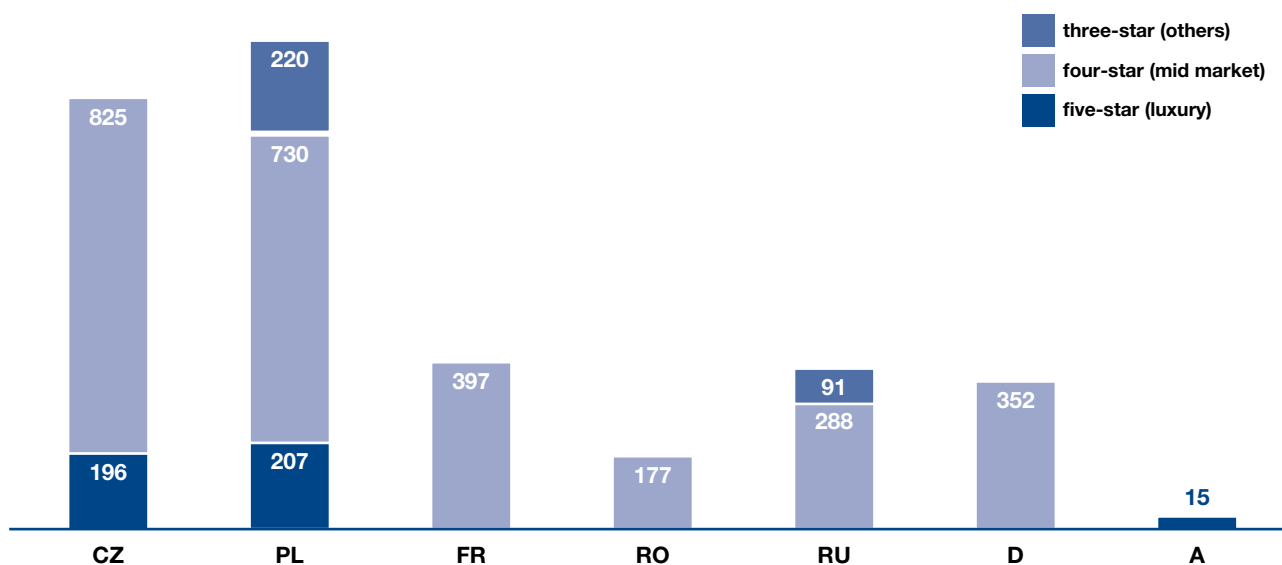
INVESTOR RELATIONS

After closing 2012 at EUR 0.97 and PLN 3.90, the share price rose considerably in the first quarter of 2013. The closing price on 31 March 2013 was PLN 5.28 and EUR 1.26.

Since our IPO, we have maintained an open and proactive communication policy with our investors. Warimpex participated in investor conferences in Zürich and Warsaw in 2013.

In the first quarter of 2013, Warimpex placed a bond and a convertible bond on the Polish capital market. The issue proceeds of roughly EUR 21.8 million are earmarked for the refinancing of existing obligations and for bolstering the Company's financing structure, and will also provide the necessary flexibility to seize investment opportunities under the current market conditions and to finance future development projects. The focus in this will be on the second construction phase of Airport City in St. Petersburg and on the conversion of an office building in Budapest.

Hotel portfolio (number of rooms adjusted for proportionate share of ownership) as of 31 March 2013



The decrease in the number of rooms by 39 in annual comparison from 3,462 to 3,423 can be attributed to the sale of the 50 per cent stake in the angelo hotel in Munich, which was offset in part by the opening of the Kempinski hotel in Vienna in March 2013.

GROUP MANAGEMENT REPORT

for the period from 1 January to 31 March 2013

ECONOMIC ENVIRONMENT

In May 2013 (European Economic Forecast, Spring 2013), the European Commission lowered its economic forecasts for 2012 and 2013, in part considerably, compared with its projections from autumn 2012 (European Economic Forecast, Autumn 2012). The Eurozone economy is now estimated to have contracted by 0.6 per cent in 2012 (autumn 2012 projection: contraction of 0.4 per cent), and is expected to contract by 0.4 per cent (growth of 0.1 per cent) in 2013 and to expand again by 1.2 per cent (1.4 per cent) in 2014. While significant decreases in economic output are predicted for Southern Europe and Slovenia, the outlook for Germany, Austria and CEE is more positive.

MARKETS

POLAND

Existing portfolio: 6 hotels, 1 office property

Warimpex has been a 50 per cent leaseholder of the five-star InterContinental in Warsaw since December 2012.

Warimpex and UBM developed the hotel together, and each most recently held 50 per cent of the hotel with its 414 rooms. Warimpex and UBM sold the hotel to WestInvest InterSelect, a retail real estate fund of Germany's DekaBank group, at the end of December 2012.

A lease was concluded between the purchaser and a subsidiary of Warimpex and UBM, under which it will lease the hotel back at a fixed rate and continue to run the establishment under the brand InterContinental until 2027.

In Krakow, Warimpex has owned the three-star Chopin Hotel since 2006 and has operated the four-star-plus andel's hotel since 2007 (as owner until 2009, and as leaseholder since then). In Łódź, Warimpex opened a further andel's hotel 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.

The occupancy rate at the InterContinental hotel rose to 73 per cent (1–3 2012: 70 per cent), but the average room rate in euros decreased slightly. The andel's hotel in Łódź achieved an occupancy rate of 55 per cent (1–3 2012: 55 per cent), and the average room rate in euros fell slightly. The occupancy rate at the Chopin Hotel fell from 46 per cent to 37 per cent due to renovation work, but the average room rate in euros rose by around 10 per cent. At the andel's hotel in Krakow, the occupancy rate increased slightly (1–3 2013: 57 per cent, 1–3 2012: 56 per cent), and the average room rate rose marginally. The occupancy rate at the Amber Baltic beachfront resort came in at 21 per cent (1–3 2012: 25 per cent), and the average room rate remained stable. Due to its location on the Baltic coast, occupancy rates at this hotel are subject to stronger seasonal fluctuations, and cannot be compared with those of city hotels.

In addition to the hotels listed above, Warimpex owns 50 per cent of the Parkur Tower office building in Warsaw, roughly 90 per cent of which is rented out.

Under development: 2 office buildings

At the end of 2010, Warimpex sold a project company in Warsaw that converted one of the few historic buildings in the city into a modern office building (the Prozna project). Warimpex has undertaken to complete the project as a developer. In December 2012, Warimpex was involved in the signing of preliminary agreements for the sale of the buyback option for the property to the IVG Warsaw fund. The Le Palais office building in Warsaw was successfully completed and opened in the reporting period. The deal is expected to close in the summer of 2013. The sales contract is still pending subject to the fulfilment of the standard closing prerequisites for such real estate transactions in Poland.

An office building that is owned by Warimpex in Krakow is also to be modernized. The building permit was issued in July 2010. Warimpex owns a development property in Białystok. The sale of this development project is planned.

CZECH REPUBLIC

Existing portfolio: 7 hotels

In Prague, Warimpex owns the two five-star hotels Palace and Le Palais. In the four-star segment, it owns the Diplomat Hotel, the Savoy and the angelo hotels in Prague and Plzeň. Warimpex also consolidates the Dvořák spa hotel in Karlovy Vary according to IAS/IFRS. At the end of 2011, Golden Tulip (part of the Louvre/Starwood Capital Group) was appointed as the new manager of Savoy Hotel.

In the reporting period, the four-star Diplomat Hotel and angelo hotel in Prague achieved occupancy rates of 58 and 49 per cent (1–3 2012: 53 and 50 per cent), respectively; the average room rates increased slightly at both establishments. Occupancy at the Golden Tulip Savoy hotel came to 38 per cent (1–3 2012: 30 per cent), and the average room rate also rose slightly. In the five-star segment, occupancy rates ranged between 37 and 31 per cent (1–3 2012: 37 and 27 per cent). The average room rates in euros were increased slightly. At the Dvořák spa hotel in Karlovy Vary, the occupancy rate was 74 per cent (1–3 2012: 72 per cent). The average room rate improved by around 10 per cent. Occupancy at the angelo hotel in Plzeň improved from 39 to 42 per cent, and the average room rate was also higher.

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, 100 per cent of which is occupied. Sajka office building with its approximately 600 square metres of lettable space is partially rented out.

Of the two towers in the Erzsebet office complex, tower B was completely renovated and handed over to the tenant in May 2009. It was completely rented out in the reporting period. A tenant was found for tower A. There are also plans to modernize this tower and to let it out under a long-term lease.

ROMANIA

Existing portfolio: 1 hotel

The angelo Airporthotel in Bucharest, which Warimpex acquired in 2007 and expanded by 69 rooms in 2008 along with adapting it to the angelo design, saw an occupancy rate of 41 per cent (1–3 2012: 45 per cent). The average room rate in euros was up slightly.

GERMANY

Existing portfolio: 1 hotel

Warimpex held 50 per cent of the andel's hotel in Berlin during the reporting period. In January 2013, Warimpex sold its stake in the angelo hotel in Munich and an adjacent piece of property to its joint venture partner.

Occupancy at the andel's hotel in Berlin was 63 per cent (1–3 2012: 60 per cent). The average room rate also rose slightly.

Under development: 1 conference centre

A piece of land adjacent to the andel's hotel in Berlin was purchased in 2009 for the development of a conference centre and commercial and residential space. Planning for this project is under way.

FRANCE**Existing portfolio: 2 hotels**

In Paris, Warimpex and its partner UBM are the joint leaseholders of the four-star Dream Castle Hotel and the four-star Magic Circus at Disneyland® Resort Paris, each of which have about 400 rooms. The occupancy rates at the hotels came to 63 and 57 per cent (1–3 2012: 52 and 45 per cent). The average room rate increased moderately at one hotel and fell slightly at the other.

AUSTRIA**Existing portfolio: 1 hotel including apartments**

In Vienna, Warimpex is a partner in the project company behind Palais Hansen, a high-end hotel and residential property on the city's Ring boulevard, together with Wiener Städtische Versicherung/Vienna Insurance Group and Strauss & Partner. The Palais Hansen Kempinski Vienna hotel, Warimpex's first project in Austria, was opened in March 2013. A large share of the apartments has been sold.

RUSSIA**Existing portfolio: 3 hotels, 1 office building**

In Russia, Warimpex holds 60 per cent of the Liner Hotel and the angelo hotel at Koltsovo airport in Ekaterinburg. The angelo hotel Ekaterinburg, which has a direct link to the new terminals, was opened in 2009. In St. Petersburg, Warimpex holds 55 per cent of Airport City St. Petersburg. In the first phase of the project, a four-star Crowne Plaza hotel (InterContinental Hotel Group) and an office building with 17,000 square metres of lettable space were opened at the end of December 2011. Airport City St. Petersburg was and is being developed by OAO AVIELEN A.G. in a joint venture with CA Immo and UBM and is directly next to Pulkovo 2 international airport. It is the first premium-class business centre in the region and is a key infrastructure project in the growing economic centre of St. Petersburg.

While the Liner Hotel continued to enjoy very satisfactory occupancy in the reporting period, occupancy at the more expensive angelo fell from 50 per cent to 45 per cent, though the average room rate in euros was up by more than 15 per cent. The newly opened Crowne Plaza at Airport City St. Petersburg has already established itself on the market and achieved 69 per cent occupancy (1–3 2012: 25 per cent). An occupancy rate of 100 per cent was achieved for the two completed office buildings in St. Petersburg (Jupiter 1 and 2).

Under development: 1 office building

The shell of a second office building that will have 15,000 square metres of lettable space has also been completed at Airport City. It is planned to finish this office tower in 2014.

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 revenues for the full year. In contrast, the second and third quarters generally show the best revenues.

Development of revenues

Consolidated sales revenues fell by 5 per cent to EUR 13.1 million. Sales revenues from hotel operations decreased by 3 per cent from EUR 12.2 million in the first three months of 2012 to EUR 11.9 million. This slight decline can primarily be attributed to lower revenues in Łódź and Krakow. Revenues from the rental of offices and the provision of development services fell from EUR 1.6 million to EUR 1.2 million, primarily due to the completion of the Le Palais office building in Warsaw.

Segment reporting*

(*For more information, see the detailed comments in [04] Segment information in the Notes)

The Warimpex Group has defined the segments Hotels & Resorts and Development & Asset Management. The joint ventures that are recognized using the equity method in the consolidated financial statements are included in the segment report using the proportionate consolidation method. The Hotels & Resorts segment is comparable with the hotels and/or hotel rooms held by the Group as consolidated entities in the reporting year (with the joint ventures recognized on a proportionate basis). The Development & Asset Management segment contains profits resulting from the letting of investment property and profits from the sale of real estate.

Hotels & Resorts segment

in EUR '000	1-3/2013	1-3/2012
Revenues for the Group	22,051	21,670
Average number of hotel rooms for the Group	3,477	3,616
Group NOP	4,601	4,848

Sales revenues from hotels grew at a marginally higher rate in the reporting period than in 2012. The average number of available rooms decreased due to the sale of the stake in the angelo in Munich.

The net operating profit (NOP, which corresponds to the gross operating profit [GOP] calculated according to the Uniform System of Accounts for the Lodging Industry less costs after GOP) fell by 5 per cent to EUR 4.6 million due to the sale of the hotel in Munich and a lack of currency gains.

Development & Asset Management segment

in EUR '000	1-3/2013	1-3/2012
Revenues for the Group	2,346	1,820
Gains from the sale of project companies	1,589	319
Segment EBITDA	893	-406

Revenues in the Development & Asset Management segment rose by 29 per cent from EUR 1.8 million to EUR 2.3 million. This improvement can primarily be attributed to rental revenue from Airport City St. Petersburg, which offset lower development revenue.

The results in this segment depend heavily on the sale of real estate holdings (share deals) and properties (asset deals) and are subject to significant fluctuation in year-on-year terms and during the year.

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.

A stake in the angelo hotel in Munich and an adjacent development property were sold during the reporting period. This transaction generated a profit contribution of EUR 1.6 million. The purchase price adjustment for the sale of the joint venture share in Louvre Hotels took place in the comparison quarter of 2011, and earnings of EUR 0.3 million were posted.

EBITDA – EBIT

Compared with the first quarter of 2012, earnings before interest, tax, depreciation and amortization (EBITDA) rose from EUR 0.9 million to EUR 2.1 million, and the operating result (EBIT) improved from minus EUR 1.5 million to EUR 0.1 million. This increase can be attributed to higher profit contributions from property sales.

Financial result

The financial result fell from plus EUR 1.7 million to minus EUR 4.2 million due to the negative result from joint ventures, which was caused by a lack of write-ups on loans.

Profit for the period

The result for the first quarter came in at minus EUR 4.4 million (1–3 2012: EUR 0.3 million)

Cash flow

The cash flow from operations fell from plus EUR 1.1 million to minus EUR 1.5 million.

OUTLOOK

The following property is classified as held for short-term sale. It is planned to sell it by the end of 2013:

- Hotel Palace, Prague: The sale is planned and is currently under preparation.

The following development projects are currently under construction:

- Airport City, St. Petersburg, business park and an additional 15,000 square metres of office space
- Erszebet office tower II, Budapest, 8,000 square metres of office space

Under the current market conditions, in particular given the poor access to project financing, we intend in 2013 to continue our focus on strengthening the Company's foundation and increasing cash flows from hotel operations, as well as on optimizing our financing structure by selling equity holdings and refinancing existing liabilities.

Vienna, 27 May 2013



Franz Jurkowitsch

Chairman of the Management Board



Georg Folian

Deputy Chairman of the Management Board



Alexander Jurkowitsch

Member of the Management Board

CONSOLIDATED FINANCIAL STATEMENTS AS OF **31 MARCH 2013**

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January to 31 March 2013 – unaudited

in EUR	Note	2013	2012
Revenues			
Revenues – Hotels & Resorts segment		11,888,227	12,238,009
Revenues – Development & Asset Management segment		1,201,491	1,612,336
		13,089,717	13,850,346
Income from the sale of properties			
Gains from the sale of real estate		1,726,935	318,738
Carrying values, costs in connection with sales		(168,747)	–
	[05]	1,558,188	318,738
Other income and expenses			
Changes in real estate projects under development or construction		1,059,823	–
Other income		166,945	–
		1,226,768	–
Expenses for materials and services rendered		(5,876,735)	(6,386,387)
Expenses for project development		(1,188,605)	(812,661)
Personnel expenses	[06]	(4,684,355)	(4,472,114)
Depreciation and amortization expense		(2,721,041)	(2,912,672)
Impairments		–	(6,753)
Reversal of impairments		667,468	474,915
Other expenses	[07]	(2,006,253)	(1,566,133)
		(15,809,522)	(15,681,806)
Operating result		65,152	(1,512,722)
Financial revenue	[08]	943,294	615,324
Finance costs	[08]	(4,299,668)	(5,488,631)
Result from joint ventures	[12]	(879,975)	6,567,172
Loss (profit) before tax		(4,171,196)	181,143
Current income taxes	[09]	(228,793)	(184,983)
Deferred taxes	[09]	(46,556)	262,738
Loss (profit) for the period		(4,446,545)	258,898
Foreign currency translation		(242,319)	(102,068)
Other result from joint ventures		316,963	(274,660)
Net gains/losses from hedging		77,298	(20,581)
(Deferred) taxes recognized in equity		(13,177)	3,883
Other comprehensive income (loss)		138,764	(393,425)
Total comprehensive loss for the period		(4,307,780)	(134,527)
Loss (profit) for the period attributable to:			
- Equity holders of the parent		(4,472,547)	502,600
- Non-controlling interests		26,002	(243,702)
		(4,446,545)	258,898
Total comprehensive loss for the period attributable to:			
- Equity holders of the parent		(4,373,712)	142,941
- Non-controlling interests		65,932	(277,469)
		(4,307,780)	(134,527)
Earnings per share:			
Undiluted, for the profit for the period attributable to ordinary equity holders of the parent		(0.08)	0.01
Diluted, for the profit for the period attributable to ordinary equity holders of the parent		(0.08)	0.01

CONSOLIDATED BALANCE SHEET

as of 31 March 2013 – unaudited

in EUR	Note	31/3/2013	31/12/2012	31/3/2012
ASSETS				
Non-current assets				
Property, plant and equipment	[10]	255,090,023	256,568,642	276,036,414
Investment properties	[11]	15,188,801	15,198,222	13,561,141
Goodwill		921,266	921,266	921,266
Other intangible assets		106,395	123,556	198,420
Joint ventures	[12]	85,152,259	84,936,203	98,746,430
Other financial assets		11,077,694	11,077,694	9,494,415
Deferred tax assets		683,075	548,765	361,679
		<u>368,219,513</u>	<u>369,374,348</u>	<u>399,319,766</u>
Current assets				
Inventories		2,956,010	1,958,116	954,822
Trade and other receivables	[14]	5,368,841	5,835,074	5,966,208
Financial instruments available for sale		9,115,621	7,279,433	3,988,802
Other financial assets	[15]	48	2	2,628
Cash and short-term deposits		7,622,044	7,144,968	5,984,689
		<u>25,062,566</u>	<u>22,217,593</u>	<u>16,897,148</u>
Assets of a disposal group classified as held for sale		20,442,632	24,838,793	–
		<u>45,505,198</u>	<u>47,056,386</u>	<u>16,897,148</u>
TOTAL ASSETS		413,724,711	416,430,734	416,216,914
EQUITY AND LIABILITIES				
<i>Equity attributable to equity holders of the parent</i>				
Issued capital		54,000,000	54,000,000	54,000,000
Capital reserves		17,050,636	17,131,207	71,387,604
Retained earnings		10,573,733	15,046,280	(46,294,714)
Treasury shares		(301,387)	(301,387)	(301,387)
Other reserves		3,938,732	3,839,897	733,386
		<u>85,261,715</u>	<u>89,715,998</u>	<u>79,524,890</u>
<i>Minority interests</i>		<i>(598,045)</i>	<i>(663,977)</i>	<i>(3,077,074)</i>
Total equity		84,663,670	89,052,021	76,447,816
Non-current liabilities				
Convertible bonds and bonds	[13]	24,055,754	15,396,167	15,157,017
Interest-bearing loans and borrowings	[13]	209,257,373	172,506,498	227,560,525
Provisions		4,613,213	4,431,127	4,078,282
Other payables	[14]	796,452	773,731	611,037
Deferred tax liabilities		12,303,890	12,109,847	12,129,790
		<u>251,026,682</u>	<u>205,217,370</u>	<u>259,536,651</u>
Current liabilities				
Trade and other payables	[14]	25,941,933	25,145,363	17,086,488
Interest-bearing loans and borrowings	[13]	36,278,591	80,771,904	59,178,466
Derivative financial instruments	[15]	1,398,376	1,280,393	1,610,893
Income tax payable		367,921	143,457	255,377
Provisions		424,438	1,171,465	2,101,223
		<u>64,411,258</u>	<u>108,512,582</u>	<u>80,232,447</u>
Liabilities directly associated with the assets classified as held for sale		13,623,101	13,648,761	–
		<u>78,034,359</u>	<u>122,161,343</u>	<u>80,232,447</u>
TOTAL EQUITY AND LIABILITIES		413,724,711	416,430,734	416,216,914

CONSOLIDATED CASH FLOW STATEMENT

for the period from 1 January to 31 March 2013 – unaudited

in EUR	Note	2013	2012
Cash receipts from operating activities			
From the operation of hotels and rent received		13,305,044	13,042,183
From real estate development projects		131,770	854,849
Interest received		7,472	22,099
		<u>13,444,287</u>	<u>13,919,132</u>
Cash payments for operating activities			
For real estate development projects		(1,997,627)	(910,648)
For materials and services received		(5,563,242)	(6,020,942)
For personnel and related expenses		(4,511,635)	(4,379,879)
For other expenses		(2,911,904)	(1,470,174)
Income tax paid		(4,734)	(51,937)
		<u>(14,989,142)</u>	<u>(12,833,581)</u>
Cash flows from operating activities		<u>(1,544,855)</u>	<u>1,085,551</u>
Net cash flows from investing activities			
Purchase of property, plant and equipment	[10]	(2,114,958)	(1,211,679)
Purchase of investment properties		(86,826)	(220,646)
Acquisition of software		(4,003)	(618)
Payments for available-for-sale investments		(100,000)	–
Income/payments for other financial assets		–	(479)
Income/payments for joint ventures	[12]	1,193,724	(201,429)
		<u>(1,112,063)</u>	<u>(1,634,851)</u>
Cash flows from the sale of business entities			
Proceeds from the sale of disposal groups and properties	[05]	5,756,500	–
Purchase price payments for business entities sold/purchased in prior periods		–	1,007,366
		<u>5,756,500</u>	<u>1,007,366</u>
Net cash flows from investing activities		<u>4,644,437</u>	<u>(627,484)</u>
Cash flows from financing activities			
Proceeds from loans and borrowings	[13]	36,804,903	333,972
Payments received from and made to minority interests		–	543
Repayment of loans and borrowings	[13]	(43,959,208)	(748,202)
Cash received from the issue of bonds		14,638,100	–
Payments made in connection with the early redemption of convertible bonds		(6,265,687)	–
Interest and other finance costs paid		(3,834,855)	(1,575,025)
Net cash flows from in financing activities		<u>(2,616,747)</u>	<u>(1,988,711)</u>
Net change in cash and cash equivalents		482,835	(1,530,645)
Net foreign exchange difference		(97,720)	499,375
Cash and cash equivalents on 1 January		7,369,080	7,015,958
Cash and cash equivalents at the end of the period		<u>7,754,195</u>	<u>5,984,689</u>
Cash and cash equivalents at the end of the period break down as follows:			
Cash and cash equivalents of the Group		7,622,044	5,984,689
Cash and cash equivalents of a disposal group classified as held for sale		132,150	–
		<u>7,754,195</u>	<u>5,984,689</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from 1 January to 31 March 2013 – unaudited

in EUR	Issued capital	Capital reserves	Retained earnings	Treasury shares	Other reserves	Total	Minority interests	Total equity
As of 1 January 2013	54,000,000	17,131,207	15,046,280	(301,387)	3,839,897	89,715,998	(663,977)	89,052,021
Early buyback of convertible bond	–	(80,571)	–	–	–	(80,571)	–	(80,571)
Profit for the period	–	–	(4,472,547)	–	–	(4,472,547)	26,002	(4,446,545)
Other income/expense	–	–	–	–	98,835	98,835	39,930	138,764
Comprehensive income for the period	–	–	(4,472,547)	–	98,835	(4,373,712)	65,932	(4,307,780)
As of 31 March 2013	54,000,000	17,050,636	10,573,733	(301,387)	3,938,732	85,261,715	(598,045)	84,663,670

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from 1 January to 31 March 2012 – unaudited

in EUR	Issued capital	Capital reserves	Retained earnings	Treasury shares	Other reserves	Total	Minority interests	Total equity
As of 1 January 2012	54,000,000	71,387,604	(46,797,314)	(301,387)	1,093,045	79,381,948	(2,800,148)	76,581,800
Other changes in minority interests	–	–	–	–	–	–	543	543
Profit for the period	–	–	502,600	–	–	502,600	(243,702)	258,898
Other income/expense	–	–	–	–	(359,659)	(359,659)	(33,767)	(393,425)
Total income and expenses for the period	–	–	502,600	–	(359,659)	142,941	(277,469)	(134,527)
As of 31 March 2012	54,000,000	71,387,604	(46,294,714)	(301,387)	733,386	79,524,890	(3,077,074)	76,447,816

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 consolidated financial statements as of 31 March 2013 for Warimpex Finanz- und Beteiligungs AG were released for publication by the Company's management on 27 May 2013. The main activities of the Company are described in Note [04] Segment information.

[02] Basis for preparation

The interim consolidated financial statements for the period ended 31 March 2013 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 2012.

The interim consolidated financial statements as of 31 March 2013 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 2013 have remained unchanged from the consolidated financial statements as of 31 December 2012.

With respect to the changes effective under IFRS as of 1 January 2013 and their effects, please refer to the details stated in the consolidated annual financial statements as of 31 December 2012.

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 (valuation of property, plant and equipment, plant under construction, investment properties and deferred tax assets), 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 properties, subsidiaries or business combinations.

[04] Segment information

for the period from 1 January to 31 March 2013 – unaudited

The Warimpex Group's operations are divided into two business segments: Hotels & Resorts and Development & Asset Management. The business activity and operating region of each company are taken into account when determining the segment for internal management reporting purposes.

Transactions between business segments contain the recharging of intragroup services as well as project development services. The services are charged at cost plus a profit margin. The following overviews present revenue and profit and certain asset and liability information regarding the Group's business segments for the period from 1 January to 31 March 2012 and as of 31 March 2013.

SEGMENT OVERVIEW in EUR '000

	Hotels & Resorts		Development & Asset Management	
	2013	2012	2013	2012
PROFIT FOR THE PERIOD				
External sales	22,051	21,670	2,346	1,820
Inter-segment sales	(195)	(388)	195	388
Income from the sale of properties	18	–	1,589	319
Changes in real estate projects under development	–	–	1,060	–
Other income	73	–	94	–
Expenses for materials and services rendered	(10,718)	(11,100)	(802)	(498)
Expenses for project development	–	–	(1,197)	(829)
Personnel expenses	(6,318)	(6,431)	(1,252)	(832)
Other expenses	(2,627)	(971)	(945)	(386)
Segment EBITDA	2,480	3,168	893	(406)
Scheduled write-downs	(4,181)	(4,660)	(330)	(366)
Impairments	–	(13)	–	(7)
Write-ups	561	891	212	232
Segment result from ordinary operations	(1,140)	(614)	775	(548)
Financial revenue	1,062	1	(30)	610
Finance costs	(3,262)	(4,708)	(2,572)	(5,096)
Result from joint ventures	–	–	1,048	1,202
Income tax	(2)	(185)	(227)	(2)
Deferred income tax	(11)	2,274	(87)	2,912
Segment overview: profit for the period	(3,353)	(3,233)	(1,094)	(921)
SEGMENT OVERVIEW: BALANCE SHEET				
Real estate and goodwill	366,972	453,378	88,548	76,482
Joint ventures	–	–	8,976	2,657
Other financial assets	5,292	12	9,578	9,483
Deferred tax assets	3,480	4,797	6,018	8,287
Non-current assets	375,744	458,186	113,120	96,909
Inventories and receivables	9,468	14,698	4,742	3,448
Securities and other financial assets	0	3	9,116	3,989
Cash and short-term deposits	6,503	6,825	5,349	6,353
IFRS 5 assets	20,443	–	–	–
Segment overview: assets	412,157	479,712	132,326	110,699
Convertible bonds, interest-bearing loans and borrowings	269,740	337,272	111,405	126,516
Other liabilities and reserves	34,570	33,719	22,840	14,873
IFRS 5 liabilities	13,623	–	–	–
Segment overview: debt	317,933	370,991	134,245	141,389
SEGMENT OVERVIEW: CASH FLOW				
Cash receipts from operating activities				
From the operation of hotels and rent received	23,403	22,058	2,289	725
From real estate development projects	–	–	132	855
Interest received	9	1	37	22
	23,412	22,059	2,458	1,603
Cash payments for operating activities				
For real estate development projects	–	57	(2,006)	(927)
For materials and services received	(10,573)	(8,277)	(1,429)	(368)
For personnel and related expenses	(6,263)	(6,372)	(1,084)	(819)
For other expenses	(2,603)	(4,526)	(1,412)	898
For income taxes	(7)	(10)	(17)	6
Segment overview: Net cash flows from operating activities	3,965	2,931	(3,491)	392
Investment cash flow	(2,101)	(3,929)	6,402	(1,131)
Financing cash flow	(4,747)	(3,277)	565	(265)
(thereof cash flow from interest payments)	(3,431)	(3,170)	(1,423)	(1,522)
Segment overview: Net change in cash and cash equivalents	(2,882)	(4,275)	3,476	(1,004)
Average payroll	1,481	1,544	56	66

Segment total as of 31 March		Reconciliation difference		Total as of 31 March	
2013	2012	2013	2012	2013	2012
24,397	23,490	(11,308)	(9,639)	13,090	13,850
-	-	-	-	-	-
1,607	319	(49)	-	1,558	319
1,060	-	-	-	1,060	-
167	-	-	-	167	-
(11,520)	(11,598)	5,643	5,211	(5,877)	(6,386)
(1,197)	(829)	8	17	(1,189)	(813)
(7,570)	(7,263)	2,885	2,791	(4,684)	(4,472)
(3,571)	(1,357)	1,565	(209)	(2,006)	(1,566)
3,374	2,761	(1,255)	(1,829)	2,119	932
(4,512)	(5,026)	1,791	2,114	(2,721)	(2,913)
-	(20)	-	13	-	(7)
774	1,123	(106)	(648)	667	475
(364)	(1,162)	430	(351)	65	(1,513)
1,032	610	(88)	5	943	615
(5,834)	(9,804)	1,534	4,315	(4,300)	(5,489)
1,048	1,202	(1,928)	5,365	(880)	6,567
(229)	(187)	-	2	(229)	(185)
(98)	5,186	52	(4,923)	(47)	263
(4,447)	(4,154)	-	4,413	(4,447)	259
455,519	529,860	(184,213)	(239,143)	271,306	290,717
8,976	2,657	76,176	96,090	85,152	98,746
14,870	9,494	(3,792)	-	11,078	9,494
9,498	13,084	(8,815)	(12,722)	683	362
488,864	555,095	(120,644)	(155,776)	368,220	399,320
14,210	18,146	(5,885)	(11,225)	8,325	6,921
9,116	3,991	-	-	9,116	3,991
11,851	13,178	(4,229)	(7,193)	7,622	5,985
20,443	-	-	-	20,443	-
544,484	590,411	(130,759)	(174,194)	413,725	416,217
381,145	463,787	(111,553)	(161,891)	269,592	301,896
57,409	48,593	(11,563)	(10,720)	45,846	37,873
13,623	-	-	-	13,623	-
452,178	512,380	(123,117)	(172,611)	329,061	339,769
25,693	22,784	(12,387)	(9,742)	13,305	13,042
132	855	-	-	132	855
45	23	(38)	(1)	7	22
25,870	23,662	(12,425)	(9,742)	13,444	13,919
(2,006)	(870)	8	(41)	(1,998)	(911)
(12,002)	(8,646)	6,439	2,625	(5,563)	(6,021)
(7,348)	(7,190)	2,836	2,810	(4,512)	(4,380)
(4,015)	(3,628)	1,104	2,158	(2,912)	(1,470)
(24)	(5)	19	(47)	(5)	(52)
475	3,323	(2,019)	(2,237)	(1,545)	1,086
4,301	(5,060)	344	4,432	4,644	(627)
(4,181)	(3,542)	1,564	1,553	(2,617)	(1,989)
(4,854)	(4,692)	1,019	3,117	(3,835)	(1,575)
594	(5,279)	(111)	3,748	483	(1,531)
1,536	1,611	(488)	(488)	1,048	1,122

HOTELS & RESORTS SUB-SEGMENT RESULT in EUR '000

	Luxury		Upmarket		Others	
	2013	2012	2013	2012	2013	2012
Revenues	3,331	3,303	17,563	17,096	1,127	1,238
Expenses for materials	(1,649)	(1,621)	(7,647)	(8,031)	(333)	(374)
Personnel expenses	(994)	(991)	(4,730)	(4,916)	(349)	(330)
Gross operating profit	688	691	5,186	4,149	444	534
<i>Hotel employees</i>	<i>233</i>	<i>238</i>	<i>1,111</i>	<i>1,156</i>	<i>119</i>	<i>122</i>
<i>Total rooms</i>	<i>398</i>	<i>398</i>	<i>2,780</i>	<i>2,853</i>	<i>370</i>	<i>370</i>
<i>Rooms available</i>	<i>402</i>	<i>398</i>	<i>2,706</i>	<i>2,848</i>	<i>370</i>	<i>370</i>
<i>Rooms sold</i>	<i>218</i>	<i>216</i>	<i>1,472</i>	<i>1,402</i>	<i>129</i>	<i>264</i>
Average room occupancy	54%	54%	54%	49%	35%	71%
Management fee	(37)	(35)	(811)	(811)	(60)	(85)
Rents in hotel operation	–	–	(52)	(55)	–	(19)
Exchange adjustments	(80)	64	(95)	1,242	(25)	(7)
Property costs	(249)	(254)	(291)	(553)	(16)	(15)
Net operating profit	321	466	3,937	3,973	343	408
Revenues after GOP	–	–	5	4	25	28
Other costs after GOP	(70)	(93)	(1,064)	(1,042)	(97)	(38)
Scheduled amortization and depreciation	(121)	(611)	(3,761)	(3,741)	(299)	(308)
Lease expenses	(386)	–	(534)	(539)	–	–
Impairments	–	–	–	(13)	–	–
Write-ups	–	–	561	1,402	–	(511)
Contribution to the operating result for HOTELS & RESORTS	(255)	(237)	(855)	44	(29)	(421)
Thereof sales revenues in						
• Czech Republic	949	883	4,819	4,634	–	–
• Poland	2,383	2,421	3,669	4,201	420	504
• Romania	–	–	532	582	–	–
• Russia	–	–	2,560	1,759	707	734
• Germany	–	–	2,837	3,222	–	–
• France	–	–	3,147	2,698	–	–
Thereof GOP in						
• Czech Republic	(145)	(223)	1,395	1,057	–	–
• Poland	833	914	1,263	1,331	53	129
• Romania	–	–	172	190	–	–
• Russia	–	–	1,025	488	391	405
• Germany	–	–	878	791	–	–
• France	–	–	453	291	–	–

Under development & construction		Segment total as of 31 March		Reconciliation difference		Total as of 31 March	
2013	2012	2013	2012	2013	2012	2013	2012
-	-	22,021	21,638	(10,163)	(9,434)	11,858	12,204
-	-	(9,629)	(10,026)	4,804	4,647	(4,825)	(5,379)
-	-	(6,073)	(6,238)	2,733	2,782	(3,341)	(3,456)
-	-	6,319	5,374	(2,626)	(2,005)	3,693	3,369
		1,463	1,516	(478)	(466)	985	1,049
		3,548	3,621	(1,213)	(1,286)	2,335	2,335
		3,477	3,616	(1,196)	(1,284)	2,281	2,332
		1,820	1,882	(752)	(678)	1,068	1,204
		52%	52%	63%	53%	47%	52%
-	-	(908)	(931)	341	331	(567)	(600)
-	-	(52)	(74)	-	-	(52)	(74)
-	-	(201)	1,299	171	(1,314)	(30)	(14)
-	-	(557)	(821)	283	484	(274)	(337)
-	-	4,601	4,848	(1,831)	(2,504)	2,770	2,344
-	-	30	32	-	3	30	34
-	-	(1,231)	(1,173)	794	738	(437)	(435)
-	-	(4,181)	(4,660)	1,605	2,069	(2,576)	(2,591)
-	-	(920)	(539)	386	-	(534)	(539)
-	-	-	(13)	-	13	-	-
-	-	561	891	(106)	(515)	455	376
-	-	(1,140)	(614)	848	(196)	(292)	(811)
-	-	5,768	5,517	(197)	(184)	5,571	5,333
-	-	6,471	7,126	(2,918)	(2,928)	3,553	4,199
-	-	532	582	-	-	532	582
-	-	3,267	2,493	(1,064)	(403)	2,203	2,090
-	-	2,837	3,222	(2,837)	(3,222)	-	-
-	-	3,147	2,698	(3,147)	(2,698)	-	-
-	-	1,250	834	(4)	12	1,246	845
-	-	2,150	2,374	(1,074)	(1,126)	1,076	1,248
-	-	172	190	-	-	172	190
-	-	1,416	893	(218)	191	1,199	1,085
-	-	878	791	(878)	(791)	-	-
-	-	453	291	(453)	(291)	-	-

	Luxury		Upmarket		Others	
	2013	2012	2013	2012	2013	2012
SUB-SEGMENT CASH FLOW HOTELS & RESORTS						
Cash receipts	3,298	3,242	18,933	17,576	1,172	1,240
Interest received	7	–	2	–	–	–
Development costs	–	–	–	57	–	–
Expenses for materials	(1,915)	(1,600)	(8,396)	(7,089)	(263)	411
Personnel expenses	(1,019)	(1,047)	(4,863)	(4,967)	(382)	(357)
Cash paid for other expenses	(623)	(208)	(1,885)	(4,267)	(96)	(52)
Income tax	–	–	(7)	32	–	(43)
Cash flow from operations for Hotels & Resorts	(251)	387	3,784	1,343	432	1,200
SUB-SEGMENT ASSETS HOTELS & RESORTS						
Property, plant and equipment and goodwill	9,271	68,296	329,942	352,680	27,759	27,071
Other non-current assets	3,792	446	4,980	4,362	–	–
Other current assets	1,042	1,229	8,249	12,696	177	777
Cash and cash equivalents	2,335	1,534	3,895	4,313	273	976
IFRS 5 assets	20,443	–	–	–	–	–
Sub-segment assets	36,883	71,504	347,065	374,050	28,209	28,824
Interest-bearing loans and borrowings	6,341	46,763	252,607	279,585	10,793	10,924
Other non-current liabilities	–	–	9,120	8,568	1,873	1,761
Other current liabilities	2,462	1,918	19,770	19,782	1,346	1,689
IFRS 5 liabilities	13,623	–	–	–	–	–
Sub-segment liabilities	22,426	48,681	281,496	307,935	14,011	14,374
Analysis of assets HOTELS & RESORTS						
On 1 January	9,329	68,901	332,116	353,235	27,915	27,110
Changes in the scope of consolidation	–	–	–	–	–	–
Segment reclassifications	–	–	–	–	–	–
Additions	64	6	406	2,103	35	733
Disposals	–	–	–	–	–	–
Scheduled write-down	(121)	(611)	(3,761)	(3,741)	(299)	(308)
Impairments	–	–	–	(13)	–	(537)
Write-ups	–	–	561	1,402	–	26
Exchange effects	–	–	619	(307)	107	48
Fixed assets as of 31 March	9,271	68,296	329,942	352,680	27,759	27,071
Analysis of financial liabilities HOTELS & RESORTS						
Loans on 1 January	6,340	46,988	254,266	277,631	10,790	11,208
Changes in the scope of consolidation	–	–	–	–	–	–
New borrowings	–	–	36,840	361	32	–
Repayment of loans	–	(304)	(38,090)	122	(31)	(286)
Capitalized interest	1	79	(346)	1,272	2	2
Segment reclassifications	–	–	–	–	–	–
Exchange effects	–	–	(64)	198	–	–
Loans as of 31 March	6,341	46,763	252,607	279,585	10,793	10,924

Under development & construction		Segment total as of 31 March		Reconciliation difference		Total as of 31 March	
2013	2012	2013	2012	2013	2012	2013	2012
-	-	23,403	22,058	(11,252)	(9,508)	12,151	12,550
-	-	9	1	(7)	1	2	1
-	-	-	57	-	(57)	-	-
-	-	(10,573)	(8,277)	5,500	2,706	(5,073)	(5,571)
-	-	(6,263)	(6,372)	2,737	2,810	(3,527)	(3,561)
-	-	(2,603)	(4,526)	1,071	3,633	(1,532)	(893)
-	-	(7)	(10)	4	(41)	(3)	(51)
-	-	3,965	2,931	(1,946)	(455)	2,019	2,475
-	5,331	366,972	453,378	(120,670)	(185,189)	246,302	268,189
-	-	8,772	4,808	(6,792)	(4,587)	1,981	221
-	-	9,468	14,701	(5,411)	(8,700)	4,057	6,000
-	2	6,503	6,825	(3,748)	(3,943)	2,755	2,882
-	-	20,443	-	-	-	20,443	-
-	5,333	412,157	479,712	(136,621)	(202,419)	275,536	277,293
-	-	269,740	337,272	(86,844)	(135,191)	182,896	202,080
-	-	10,993	10,329	(865)	(825)	10,128	9,505
-	1	23,577	23,390	(7,433)	(6,243)	16,144	17,147
-	-	13,623	-	-	-	13,623	-
-	1	317,933	370,991	(95,142)	(142,259)	222,791	228,732
-	5,331	369,360	454,577	(121,712)	(185,222)	247,648	269,355
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	505	2,842	(197)	(1,814)	308	1,028
-	-	-	-	-	-	-	-
-	-	(4,181)	(4,660)	1,605	2,069	(2,576)	(2,591)
-	-	-	(550)	-	13	-	(537)
-	-	561	1,428	(106)	(515)	455	913
-	-	727	(259)	(260)	280	467	21
-	5,331	366,972	453,378	(120,670)	(185,189)	246,302	268,189
-	-	271,396	335,827	(87,478)	(134,840)	183,918	200,987
-	-	-	-	-	-	-	-
-	-	36,872	361	-	(100)	36,872	262
-	-	(38,121)	(468)	455	(192)	(37,665)	(659)
-	-	(343)	1,353	179	(60)	(164)	1,293
-	-	-	-	-	-	-	-
-	-	(64)	198	-	-	(64)	198
-	-	269,740	337,272	(86,844)	(135,191)	182,896	202,080

DEVELOPMENT & ASSET MANAGEMENT SUB-SEGMENT RESULT in EUR '000

	DEVELOPMENT				ASSET	
	Primary		Other		Rented out	
	2013	2012	2013	2012	2013	2012
Revenues	410	1,024	376	289	1,561	506
Changes in real estate projects under development	1,060	–	–	–	–	–
Sale of real estate	1,589	319	–	–	–	–
Other operating income	94	–	–	–	–	–
Materials and services received	(128)	(130)	(248)	(205)	(426)	(163)
Project development expenses	(1,197)	(829)	–	–	–	–
Personnel expenses	(1,153)	(832)	–	–	(99)	–
Other operating expenses	(748)	(339)	(24)	–	(173)	(47)
Scheduled amortization and depreciation	(14)	(15)	(13)	(12)	(304)	(340)
Impairments	–	(7)	–	–	–	–
Write-ups	113	7	–	–	99	92
Contribution to operating profit	27	(802)	92	72	656	48
Thereof sales revenues in						
• Czech Republic	87	94	–	–	–	–
• Hungary	–	–	–	–	407	301
• Poland	321	928	376	289	193	193
• Russia	–	–	–	–	960	–
• Germany	–	–	–	–	–	13
• Austria	2	2	–	–	–	–
• Luxembourg	–	–	–	–	–	–
SUB-SEGMENT CASH FLOW						
DEVELOPMENT & ASSET MANAGEMENT						
Cash receipts from rent	403	214	366	177	1,521	335
Interest received	8	22	–	–	29	–
Cash receipts from development	132	855	–	–	–	–
Cash paid for development	(2,006)	(927)	–	–	–	–
Expenses for materials	(121)	(121)	(254)	(249)	(485)	2
Personnel expenses	(985)	(819)	–	–	(99)	–
Cash paid for other expenses	(1,245)	(479)	(23)	(2)	(719)	(300)
Income tax	(2)	–	–	–	(15)	6
Cash flow from operating activities	(3,816)	(1,255)	89	(75)	231	43

MANAGEMENT

Under development & construction		Segment total as of 31 March		Reconciliation difference		Total as of 31 March	
2013	2012	2013	2012	2013	2012	2013	2012
-	-	2,346	1,820	(1,145)	(207)	1,201	1,612
-	-	1,060	-	-	-	1,060	-
-	-	1,589	319	(49)	-	1,540	319
-	-	94	-	-	-	94	-
-	-	(802)	(498)	323	94	(480)	(404)
-	-	(1,197)	(829)	8	17	(1,189)	(813)
-	-	(1,252)	(832)	99	-	(1,153)	(832)
-	-	(945)	(386)	160	31	(785)	(355)
-	-	(330)	(366)	186	45	(145)	(322)
-	-	-	(7)	-	-	-	(7)
-	133	212	232	-	(133)	212	99
-	133	775	(548)	(418)	(154)	357	(702)
-	-	87	94	-	-	87	94
-	-	407	301	-	-	407	301
-	-	890	1,410	(183)	(193)	707	1,217
-	-	960	-	(960)	-	-	-
-	-	-	13	-	(13)	-	-
-	-	2	2	(2)	(2)	-	-
-	-	-	-	-	-	-	-
-	-	2,289	725	(1,136)	(234)	1,154	492
-	-	37	22	(31)	(2)	5	21
-	-	132	855	-	-	132	855
-	-	(2,006)	(927)	8	17	(1,998)	(911)
(569)	-	(1,429)	(368)	939	(82)	(490)	(450)
-	-	(1,084)	(819)	99	-	(985)	(819)
575	1,679	(1,412)	898	32	(1,475)	(1,380)	(577)
-	-	(17)	6	15	(7)	(2)	-
5	1,679	(3,491)	393	(73)	(1,782)	(3,564)	(1,390)

	DEVELOPMENT				ASSET	
	Primary		Other		Rented out	
	2013	2012	2013	2012	2013	2012
ANALYSIS OF SUB-SEGMENT ASSETS						
DEVELOPMENT & ASSET MANAGEMENT						
Property, plant and equipment, goodwill	11,434	11,577	736	709	28,509	15,492
Joint ventures	8,976	2,657	–	–	–	–
Other non-current assets	9,670	9,580	–	–	110	54
Other current assets	13,159	4,675	259	226	306	105
Cash and cash equivalents	4,808	3,088	63	48	64	83
Sub-segment assets	48,048	31,577	1,057	983	28,989	15,735
Convertible bonds, interest-bearing loans and borrowings	75,695	88,261	134	183	14,191	12,668
Other non-current liabilities	6,893	6,769	–	–	418	406
Other current liabilities	11,582	4,043	137	97	351	358
Sub-segment liabilities	94,170	99,072	271	280	14,960	13,433
Analysis of assets						
DEVELOPMENT & ASSET MANAGEMENT						
As of 1 January	11,576	11,547	725	679	28,600	15,710
Additions	53	68	39	–	–	31
Disposals	–	–	–	–	(38)	–
Scheduled write-down	(14)	(15)	(13)	(12)	(304)	(340)
Impairments	–	(7)	–	–	–	–
Write-ups	113	7	–	–	99	92
Exchange effects	(295)	(24)	(16)	42	152	–
Fixed assets as of 31 March	11,434	11,577	736	709	28,509	15,492
Analysis of financial liabilities						
DEVELOPMENT & ASSET MANAGEMENT						
Loans as of 1 January	73,336	86,133	137	115	14,491	12,532
New borrowings	–	–	–	72	–	–
Repayment of loans	(5,878)	(76)	–	(13)	(507)	(59)
Capitalized interest	182	1,141	–	–	206	195
Issue of bonds	14,638	–	–	–	–	–
(Early) redemption of convertible bonds	(6,266)	–	–	–	–	–
Exchange effects	(318)	1,062	(3)	9	–	–
Loans as of 31 December	75,695	88,261	134	183	14,191	12,668

MANAGEMENT

Under development & construction		Segment total as of 31 March		Reconciliation difference		Total as of 31 March	
2013	2012	2013	2012	2013	2012	2013	2012
47,869	48,704	88,548	76,482	(63,543)	(53,954)	25,005	22,528
–	–	8,976	2,657	76,176	96,090	85,152	98,746
5,816	8,136	15,596	17,770	(5,816)	(8,136)	9,780	9,635
134	2,431	13,858	7,437	(474)	(2,525)	13,384	4,912
413	3,134	5,349	6,353	(481)	(3,250)	4,867	3,103
54,231	62,404	132,326	110,699	5,862	28,225	138,189	138,924
21,385	25,405	111,405	126,516	(24,709)	(41,857)	86,696	84,659
2,950	2,339	10,262	9,514	(2,676)	12,958	7,586	22,471
509	861	12,578	5,360	(590)	(1,453)	11,988	3,907
24,844	28,605	134,245	141,389	(27,975)	(30,352)	106,270	111,037
46,591	48,504	87,493	76,440	(62,329)	(53,943)	25,164	22,498
840	200	932	299	(848)	(56)	84	242
–	–	(38)	–	38	–	–	–
–	–	(330)	(366)	186	45	(145)	(322)
–	–	–	(7)	–	–	–	(7)
–	133	212	232	–	(133)	212	99
437	(133)	279	(116)	(589)	133	(310)	18
47,869	48,704	88,548	76,482	(63,543)	(53,954)	25,005	22,528
21,385	24,073	109,350	122,854	(24,594)	(25,428)	84,756	97,426
–	–	–	72	–	–	–	72
–	1,332	(6,384)	1,184	90	(1,272)	(6,294)	(89)
–	–	388	1,335	(206)	–	182	1,335
–	–	14,638	–	–	–	14,638	–
–	–	(6,266)	–	–	–	(6,266)	–
–	–	(321)	1,071	–	–	(321)	1,071
21,385	25,405	111,405	126,516	(24,709)	(26,700)	86,696	99,816

[05] Income from the sale of properties

This item consists primarily of the sale of the shares in the Leuchtenberggring companies in Munich to the joint venture partner. For more information, please see the information in Note [27] to the consolidated financial statements as of 31 December 2012.

[06] Personnel expenses, average payroll

in EUR	1 January to 31 March	
	2013	2012
Wages and salaries	(3,358,892)	(3,372,826)
Social security costs	(677,874)	(680,505)
Other payroll-related taxes and contributions	(145,389)	(136,716)
Voluntary employee benefits	(2,944)	(6,730)
Expenses for posted employees	(219,618)	(231,209)
Expenses for termination and post-employment benefits	(78,245)	(3,268)
Changes in accrual for compensated absences	(21,176)	(18,267)
Changes in pensions and other long-term employee benefits	(180,217)	(22,594)
	<u>(4,684,355)</u>	<u>(4,472,114)</u>

The Company had an average of 1,048 employees in the first quarter of 2013 (Q1 2012: 1,122).

[07] Other expenses

in EUR	1 January to 31 March	
	2013	2012
Legal fees	(191,797)	(152,147)
General administration	(397,863)	(293,358)
Advertisement and marketing	(83,642)	(86,632)
Non-recoverable VAT	(94,255)	(99,227)
Hotel lease expenses	(534,069)	(539,311)
Other rents for hotels	(51,835)	(73,874)
Property costs	(202,495)	(235,189)
Others	(450,297)	(86,396)
	<u>(2,006,253)</u>	<u>(1,566,133)</u>

The expenses in the comparison period were influenced by extraordinary effects, including in connection with exchange rate changes.

[08] Financial result

in EUR	1 January to 31 March	
	2013	2012
Financial revenue		
Interest income from cash management	7,472	6,319
Foreign currency gains in connection with the financing of subsidiaries*)	396,313	–
Foreign currency gains on loans denominated in CHF	265,450	–
Foreign currency gains in connection with the PLN convertible bond	274,059	–
Unrealized gains on derivative financial instruments	–	609,005
	<u>943,294</u>	<u>615,324</u>

*) The foreign currency gains in connection with the financing of subsidiaries pertain to subsidiaries whose functional currency is the respective local currency and the financing is denominated in euros.

Finance expenses

Interest on short-term borrowings, project loans and other loans	(2,894,316)	(3,204,708)
Interest expenses in connection with bonds and convertible bonds	(675,227)	(367,584)
Interest on purchase price claim extension for andel's hotel Łódź	(106,805)	(116,408)
Interest on loans from minority shareholders	(87,427)	(58,833)
Interest cost for provisions for pensions and other long-term employee benefits	(1,870)	(38,624)
Foreign exchange differences on loans denominated in CHF	–	(219,558)
Foreign currency losses in connection with the PLN convertible bond	–	(906,686)
Convertible bond book value adjustment	(76,142)	–
Other finance costs	(262,645)	(572,063)
Unrealized losses on derivative financial instruments	(195,236)	(4,167)
(thereof from the cross currency swap in connection with the convertible bond: minus EUR 195,236)	<u>(4,299,668)</u>	<u>(5,488,631)</u>

[09] Income taxes

A reconciliation between tax expense and the Group's domestic tax rate (valid corporate income tax rate in Austria) of 25% for the reporting period (Q1 2012: 25%) is as follows:

in EUR	1 January to 31 March	
	2013	2012
Profit before tax	(4,171,196)	181,143
Accounting profit before income tax *25% (prior year: 25%)	1,042,799	(45,286)
± Other foreign tax rates	(7,644)	(264,369)
± Tax-free profits from the participation exemption (§ 10 KStG)	(23,061)	92,738
± Permanent differences	(701,774)	227,710
± Impairment of deferred tax assets	(588,614)	147,783
± Income from first-time recognition of deferred tax assets	–	4,201
± Effects of exchange rate fluctuations	2,946	(85,022)
	<u>(275,349)</u>	<u>77,755</u>

[10] Property, plant and equipment

Property, plant and equipment includes properties, rights equivalent to land, buildings including buildings on leasehold land, equipment and furnishings, hotel inventories and technical plant.

in EUR	31/3/2013	As of 31/3/2012
Net carrying amount as of 1 January	256,568,642	277,149,161
Additions from investments	377,930	1,070,285
Depreciation	(2,582,141)	(2,597,814)
Impairment charges	–	(543,755)
Write-ups	568,713	920,310
Exchange adjustment	156,880	38,226
Net carrying amount as of 31 March	255,090,023	276,036,414
<i>Thereof property under construction</i>	<i>3,550,967</i>	<i>3,479,000</i>

[11] Investment properties

The item Investment properties comprises land and rights equivalent to land as well as buildings including plant under construction.

in EUR	31/3/2013	As of 31/3/2012
Net carrying amount as of 1 January	15,198,222	13,562,844
Additions	10,383	199,795
Depreciation	(117,744)	(293,174)
Write-ups	98,755	91,606
Exchange adjustment	(815)	71
Net carrying amount as of 31 March	15,188,801	13,561,141
<i>Thereof property under construction</i>	<i>6,219,731</i>	<i>6,409,142</i>
Result from Investment properties:		
Rental income and charged expenses	407,235	300,515
Direct expenses	(103,697)	(68,963)
	303,538	231,551

[12] Joint ventures

in EUR	31/3/2013	As of 31/3/2012
Breakdown of the balance sheet item		
Interests in joint ventures	38,317,996	38,175,620
Result from joint ventures	(25,273,692)	(23,272,494)
Loans to joint ventures	78,088,219	98,122,496
Accumulated impairment on loans	(5,980,264)	(14,279,193)
	<u>85,152,259</u>	<u>98,746,430</u>
Analysis of the balance sheet item		
Net carrying amount on 1 January	84,936,203	92,252,489
- Reductions in interests due to sales	(39,500)	–
± Allocated results	(897,663)	1,222,619
(thereof "Other result" recognized in equity)	316,963	(274,660)
± Loans to joint ventures	1,826,623	1,403,623
± Impairment of loans to joint ventures	(673,403)	3,867,699
Net carrying amount on 31 March	<u>85,152,259</u>	<u>98,746,430</u>
Result from joint ventures		
Allocated results	(1,254,126)	1,497,278
Interest charged on loans	1,047,555	1,202,195
Impairments on loans	(736,909)	(1,045,750)
Write-up on loans	63,506	4,913,449
	<u>(879,975)</u>	<u>6,567,172</u>
Cash flow from joint ventures		
Increase in loans extended to joint ventures	(1,826,623)	(1,403,623)
thereof charged interest	1,047,555	1,202,195
Inflows from loans from joint ventures	1,972,793	–
	<u>1,193,724</u>	<u>(201,429)</u>

[13] Financial liabilities

Amounts in EUR '000	As of 1/1/2012	New borrowings	Deferred interest	Repayment of loans	± f/x	As of 31/3/2012
a) Project-related loans secured by mortgages						
for andel's hotel Łódź	48,900	–	700	–	–	49,600
for Diplomat Hotel	27,776	–	–	–	–	27,776
for angelo hotel Ekaterinburg	37,730	–	351	–	–	38,081
for angelo Airporthotel Bucharest	11,000	–	158	–	–	11,158
for Palace Hotel (IFRS 5)	13,079	–	–	–	–	13,079
for Chopin Hotel	10,349	–	2	(286)	–	10,065
for angelo hotel Prague	10,623	–	–	(161)	–	10,462
for Erszebet office building	11,126	–	194	–	–	11,320
for Amber Baltic Hotel	6,966	–	–	–	64	7,030
for Savoy Hotel	4,835	–	–	–	–	4,835
for Le Palais Hotel	6,336	–	79	–	–	6,415
for Dvořák spa hotel	20,567	–	3	(213)	–	20,357
for Warsaw gas pipeline	78	–	–	(13)	4	69
for Louvre development property, Hungary	2,871	–	136	–	–	3,007
	212,235	–	1,623	(673)	69	213,254
b) Holding company borrowing facilities	43,794	–	178	(76)	–	43,896
c) Other						
Loans from minority interests	2,863	334	–	–	138	3,336
Loans from financial institutions	16,859	–	255	–	155	17,269
Bonds/convertible bonds	13,774	–	476	–	907	15,157
Other loans	8,887	–	97	–	–	8,984
	298,413	334	2,628	(748)	1,269	301,896

At the beginning of March 2013, a bond was successfully placed in Poland. The nominal value of this issue is PLN 63.1 million (roughly EUR 15.3 million); the coupon is 7% + 6M WIBOR, with semi-annual payment on 31 March and 30 September. The term is three years. A nominal share of PLN 26.75 million (roughly EUR 6.5 million) was swapped out of the existing convertible bonds from 2011 that run until 2014.

Thereof due within		As of 1/1/2013	New borrowings	Deferred interest	Repayment of loans	± f/x	As of 31/3/2013	Thereof due within	
1 year	> 1 year							1 year	> 1 year
2,050	47,550	49,900	–	(499)	(350)	–	49,051	251	48,800
2,420	25,355	26,340	–	–	–	–	26,340	3,132	23,207
1,696	36,384	36,930	36,540	172	(36,930)	–	36,712	1,303	35,409
1,429	9,729	10,364	–	136	(99)	–	10,400	137	10,264
3,701	9,379	–	–	–	–	–	–	–	–
672	9,393	9,807	–	2	(31)	–	9,778	708	9,070
651	9,811	9,972	–	–	(57)	–	9,915	680	9,235
4,013	7,307	11,235	–	–	(416)	–	10,819	474	10,345
639	6,391	6,377	–	–	–	(64)	6,313	631	5,681
886	3,949	4,835	–	23	–	–	4,858	1,791	3,066
6,415	–	6,340	–	1	–	–	6,341	6,341	–
600	19,757	19,577	–	2	(199)	–	19,380	600	18,780
69	(0)	–	–	–	–	–	–	–	–
3,007	–	3,021	–	–	(1)	–	3,020	3,020	–
28,248	185,007	194,697	36,540	(164)	(38,083)	(64)	192,926	19,068	173,857
21,947	21,949	31,873	–	–	(4,405)	–	27,468	15,322	12,146
–	3,336	3,614	332	–	–	(3)	3,943	–	3,943
–	17,269	19,735	–	(222)	–	(201)	19,312	–	19,312
–	15,157	15,396	14,638	405	(6,266)	(117)	24,056	–	24,056
8,984	–	3,359	–	–	(1,471)	–	1,888	1,888	–
59,178	242,718	268,675	51,510	18	(50,225)	(386)	269,592	36,279	233,313

[14] Current receivables and liabilities

in EUR	As of	
	31/3/2013	31/3/2012
Trade receivables and other receivables		
Trade receivables	3,243,796	2,016,177
Receivables from tax authorities	676,633	315,568
Extended purchase price receivables relating to the sale of subsidiaries	–	122,835
Advance payments made	275,142	885,337
Other receivables and assets	713,468	1,866,346
Receivables due from joint ventures	45,153	360,772
Deferred expenses	414,650	399,173
	<u>5,368,841</u>	<u>5,966,208</u>
Trade and other current payables		
Trade payables	6,823,905	2,856,288
Interest-bearing construction invoices from the completion of the andel's Łódź	6,985,136	7,709,606
Trade payables due to joint ventures	2,271,593	16,874
Trade payables due to related parties	3,878,409	2,700,611
Other payables including accruals for compensated absences	5,082,246	2,792,436
Advance payments received	900,644	1,010,673
	<u>25,941,933</u>	<u>17,086,488</u>
Other non-current liabilities		
Security deposits received	790,163	602,062
Other	6,288	8,974
	<u>796,452</u>	<u>611,036</u>

The increase in trade liabilities compared with the previous year can mainly be attributed to the Prozna project in Warsaw.

The liabilities to related parties contain the obligation to provide equity capital to Palais Hansen Immobilienentwicklung GmbH in the amount of roughly EUR 1.6 million.

[15] Derivative financial instruments

15a Interest rate collars in connection with finance loans

As of 31 March 2013, 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:

in EUR	31/3/2013	As of 31/3/2012
<i>Project loan Chopin Hotel, Krakow</i>		
Notional amount on 31 March (underlying: 3-month Euribor at 3.91%)	9,778,096	10,065,012
Fair value on 31 March	(664,608)	(707,122)
<i>Project loan angelo hotel, Prague</i>		
Notional amount on 31 March (underlying: 3-month Euribor at 4%)	9,915,320	10,461,888
Fair value on 31 March	48	2,628
<i>Cross currency swap – PLN convertible bond (until 7 May 2014)</i>		
On 6 November and 6 May (starting on 6 November 2011 and ending on 6 May 2014), the Company receives 8.5% interest for the nominal amount of PLN 38.2 million and pays 6.7% interest for the nominal amount of EUR 9,714,514.21.	(733,768)	(902,332)
15b Other derivative financial instruments	–	(1,440)

[16] Transactions with related parties

The total amount of compensation due to the directors for the reporting period amounted to EUR 0.180 million (Q1 2012: EUR 0.227 million). Vienna International AG assessed management fees totalling EUR 0.567 million (Q1 2012: EUR 0.600 million).

[17] Events after the balance sheet date

At the end of March 2013, convertible bonds with a total nominal value of PLN 26.5 million (roughly EUR 6.4 million) and a denomination of PLN 250,000 were successfully placed in Poland with a term of three years and a coupon of 4.875% p.a., payable semi-annually. The conversion price was set at PLN 7.06. A share of PLN 6.5 million (roughly EUR 1.6 million) was swapped out of the existing convertible bonds from 2011. Of the issue proceeds, PLN 6.5 million (roughly EUR 1.6 million) were used for the early redemption of the convertible bonds from 2011.

Receipt and settlement took place in April 2013.

[18] Other commitments, litigation and contingencies

There were no material 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 2012.

Vienna, 27 May 2013



Franz Jurkowitsch

Chairman of the Management Board



Georg Folian

Deputy Chairman of the Management Board



Alexander Jurkowitsch

Member of the Management Board

SELECTED WARIMPEX GROUP PROPERTIES



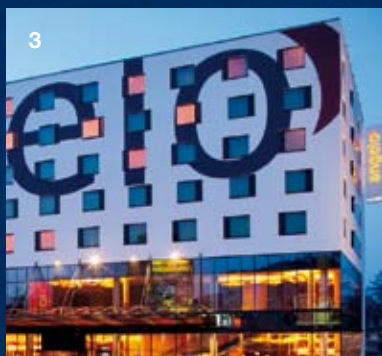
1



2

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

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



3

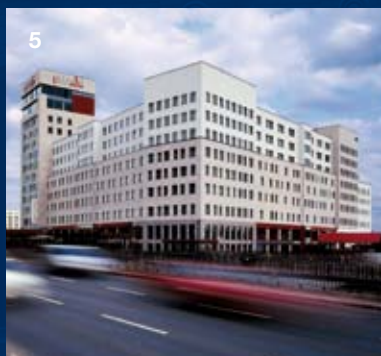
3) angelo hotel**, Katowice**
PL-40-086 Katowice, ul. Sokolska 24
203 rooms (opened in March 2010)

4) angelo Hotel**, Prague**
CZ-150 00 Prague 5, Radlická 1g
168 rooms (opened in June 2006)



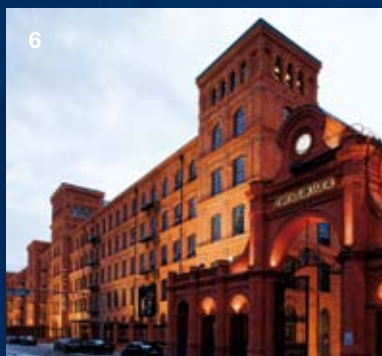
4

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

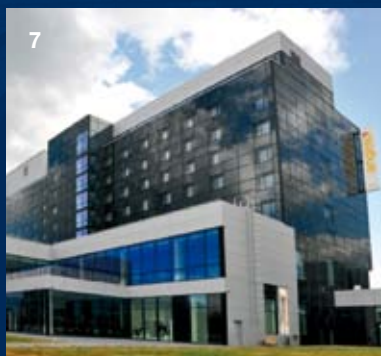


5

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



6



7

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

Financial calendar

28 May 2013	Publication of the results for the first quarter of 2013
19 June 2013	Annual General Meeting
30 Aug 2013	Publication of the results for the first half of 2013
28 Nov 2013	Publication of the results for the third quarter of 2013

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