

REPORT ON THE FIRST THREE QUARTERS OF 2013



warimpex

KEY FIGURES OF THE WARIMPEX GROUP

EUR '000	1-9/2013	Change	1-9/2012
Revenues from the Hotels & Resorts segment	45,365	-2%	46,502
Revenues from the Development & Asset Management segment	2,993	-61%	7,772
<i>Total revenues</i>	<i>48,359</i>	<i>-11%</i>	<i>54,273</i>
Gains from the sale of project companies	1,586	382%	329
EBITDA	10,074	8%	9,323
EBIT	7,080	24%	5,689
Result from joint ventures	-30	-	7,639
Profit or loss for the period	-5,675	-	-701
Net cash flows from operating activities	3,943	-58%	9,303
Equity and liabilities	399,718	-4%	416,004
Equity	83,009	9%	76,165
Average shares in the period	54,000,000	-	54,000,000
Earnings/loss per share in EUR	-0.11	-	-0.02
Number of hotels	20	-1	21
Number of rooms (adjusted for proportionate share of ownership)	3,299	-168	3,467
Number of office and commercial properties	5	0	5
Average number of employees in the Group	1,082	-44	1,126
Segment information (including joint ventures on a proportionate basis):			
Revenues from the Hotels & Resorts segment	81,569	-3%	84,000
NOP of the Hotels & Resorts segment	23,825	-2%	24,237
NOP per available room	6,977	4%	6,717
Revenues from the Development & Asset Management segment	6,215	-29%	8,726
EBITDA of the Development & Asset Management segment	-602	-	-1,900
	30/6/2013	Change	31/12/2012
Gross asset value (GAV) in EUR millions	540.3	-3%	558.5
Triple net asset value (NNNAV) in EUR millions	164.8	-5%	172.7
NNNAV per share in EUR	3.1	-5%	3.2
End-of-period share price	1.20	24%	0.97

FOREWORD BY THE CHAIRMAN OF THE MANAGEMENT BOARD

Dear Shareholders,

We achieved numerous successes on the transaction markets this year and successfully concluded two more property transactions over the past months. One of these transactions was the sale of the five-star Palace Hotel in Prague to a Czech investor at the beginning of the quarter. This was an important strategic step for us in the streamlining of our portfolio in the luxury segment. In order to make optimal use of the existing market potential, we plan to focus more strongly on the expansion of our four-star brands angelo and andel's in future. After the reporting date, we saw the successful closing of the sale of the Le Palais Offices in Warsaw in October, roughly eight months after the completion and opening of this project. Negotiations for further sales are under way, and I am confident that we will be able to complete at least one more transaction this year.

The revenues generated by our properties developed positively overall, but our property sales have reduced the number of our rooms, and therefore also our revenue. As a result, sales revenues from our fully consolidated hotels decreased marginally by 2 per cent to EUR 45.4 million. Including the joint ventures, our net operating profit (NOP) per room rose by 4 per cent, however. This shows the continuous improvement of our hotel portfolio as a result of selective disposals. In our second segment, the completion of Le Palais Offices in Warsaw also caused a decrease in revenue from the provision of development services. All in all, this caused a decline of 11 per cent in consolidated revenue.

In line with the good operating performance achieved by our existing portfolio, EBITDA – one of Warimpex's most important performance indicators because it is not distorted by industry-specific valuation methods – rose by 8 per cent to EUR 10.1 million. EBIT even improved by 24 per cent to EUR 7.1 million. This can be attributed to higher profit contributions from property sales. A break-even result from joint ventures combined with higher interest expenses and foreign currency losses led to an overall financial result of minus EUR 15.2 million. The good operating result was also not enough to offset this, so the result for the first nine months of 2013 came in at minus EUR 5.7 million.

Our development activities are currently focusing on the completion of the second phase of Airport City St. Petersburg in the near future. A letter of intent has already been signed with a renowned company for the rental of the third tower, for which the shell has been completed. In August, we concluded an agreement with a local Russian bank for the refinancing of a EUR 60 million loan for Airport City, thereby securing the project over the long term. This proves the high level of confidence that the local economy has in the project.

In Krakow, we have acquired a piece of development property next to Chopin Hotel and plan to build an office building here. We also arranged refinancing for Chopin Hotel with a Polish bank. This underscores our strategy of reducing cross-border financing agreements and replacing them with local financing.

In October, we staged an additional two capital measures (convertible bonds and bonds) in Poland at better terms than we achieved for the issues the spring, in part to move our development services forward. We used the issue proceeds of roughly EUR 5.9 million in part to refinance short-term liabilities at the holding level, and also plan to use them to complete existing projects and to develop new projects.

In light of promising development projects and a robust transaction market, I am certain that we are on the right path. Our clear goals moving forward will remain the strengthening of our foundation, the improvement of our portfolio, the boosting of cash flows from our hotel operations and the optimization of our financing structure through refinancing and the strategic sale of assets.



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 m² of apartments) opened
- 03/2013 PLN 63.1 million (roughly EUR 15.1 million) in bonds and PLN 26.5 million (roughly EUR 6.4 million) in convertible bonds placed in Poland
- 07/2013 Warimpex sells five-star Palace Hotel in Prague
- 08/2013 Successful refinancing of Airport City St. Petersburg in the amount of EUR 60 million
- 10/2013 Warimpex announces closing for the sale of Le Palais Offices Warsaw
- 11/2013 PLN 16.5 million (roughly EUR 3.9 million) in convertible bonds and PLN 8.5 million (roughly EUR 2.0 million) in bonds placed in Poland

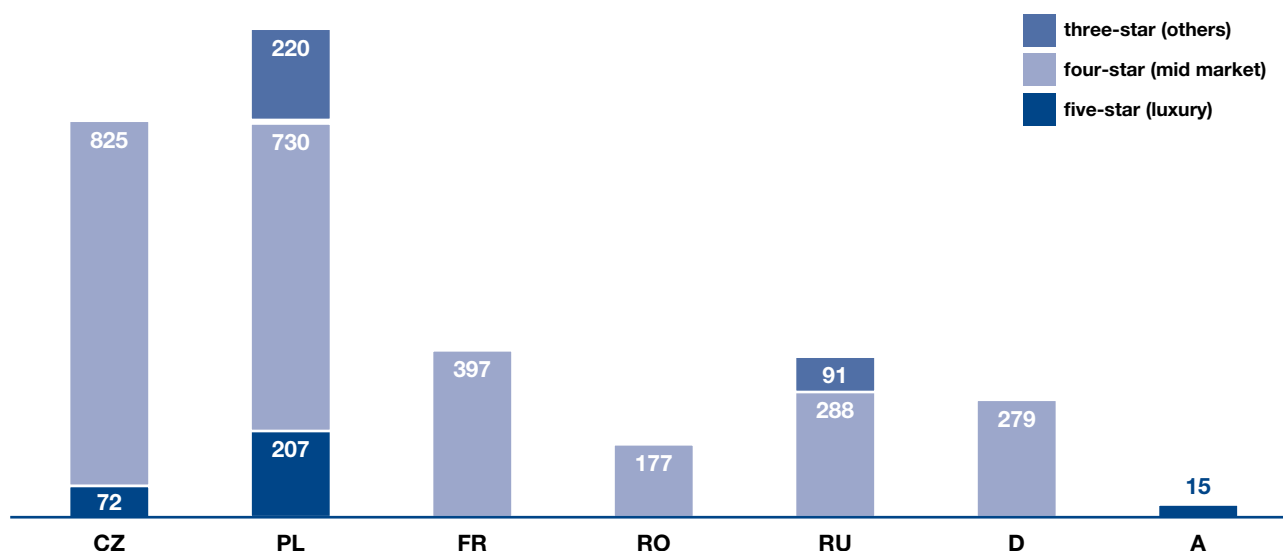
INVESTOR RELATIONS

After closing 2012 at EUR 0.97 and PLN 3.90, the share price rose considerably in the first three quarters of 2013. The closing prices on 30 September 2013 were EUR 1.39 and PLN 6.00. After the reporting date, the share price climbed to EUR 1.65 and PLN 7.00.

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

Warimpex placed two bonds and two convertible bonds on the Polish capital market in 2013. The issue proceeds of roughly EUR 28 million were used for the refinancing of existing obligations to finance future development projects.

Hotel portfolio (number of rooms adjusted for proportionate share of ownership) as of 30 September 2013



GROUP MANAGEMENT REPORT

for the period from 1 January to 30 September 2013

ECONOMIC ENVIRONMENT

In October 2013, the International Monetary Fund (IMF) improved its economic forecast for 2013 slightly compared with July 2013 in its World Economic Outlook. The Eurozone economy is expected to contract by 0.4 per cent in 2013 (forecast from July 2013: contraction of 0.6 per cent), and then to expand slightly in 2014 at a rate of 1.0 per cent (0.9 per cent). The CEE economy is now expected to expand by 2.3 per cent in 2013 (2.2 per cent). The IMF's 2014 economic growth projections for Central and Eastern Europe were reduced marginally from 2.8 per cent to 2.7 per cent.

MARKETS

POLAND

Existing portfolio: 6 hotels, 1 office property

Warimpex has been 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 WestInvestInterSelect, 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 andel 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 slightly from 77 to 80 per cent, but the average room rate in euros fell by around 20 per cent back to the level seen in 2011. This was due to the fact that the European football championships were held in the previous year. The andel's hotel in Łódź achieved an occupancy rate of 55 per cent (1–9 2012: 56 per cent), and the average room rate in euros fell slightly. The occupancy rate at the Chopin Hotel increased from 64 per cent to 70 per cent after the completion of the renovation work, and the average room rate in euros remained stable. We were able to purchase the property for the Chopin Hotel Krakow, which we had originally leased until 2051, from the city of Krakow in the first half of the year and concluded a refinancing agreement for the hotel with a Polish bank in the third quarter. Occupancy at the andel's hotel in Krakow remained unchanged at 76 per cent, but the average room rate decreased marginally. The occupancy rate at the Amber Baltic beachfront resort came in at 51 per cent (1–9 2012: 49 per cent), and the average room rate fell slightly. 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. The project was completed and opened in January 2013. In October 2013, after the reporting date, the property was sold to the IVG Warsaw fund with the involvement of Warimpex.

The property purchase noted above has made Warimpex the owner of a development property next to the Chopin Hotel in Krakow, which is to be the location of an office building.

An office building that is owned by Warimpex in Krakow is also to be modernized. Warimpex owns a development property in Białystok. The sale of this development project is planned when the market conditions are right.

CZECH REPUBLIC

Existing portfolio: 6 hotels

In Prague, Warimpex owns the five-star hotel Le Palais. In the four-star segment, it owns the Diplomat Hotel, the Savoy and the angelo hotels in Prague and Plzeň (50 per cent). Warimpex also consolidates the Dvořák spa hotel in Karlovy Vary according to the rules defined by IAS/IFRS.

The five-star Palace Hotel in Prague with 114 rooms and 10 suites was sold to a Czech investor at the beginning of July 2013 and deconsolidated in the third quarter.

In the reporting period, the two four-star hotels in Prague achieved occupancy rates of 75 and 66 per cent (1–9 2012: 72 and 70 per cent), respectively; the average room rate increased slightly at Diplomat Hotel and fell slightly at the angelo. Occupancy at the Golden Tulip Savoy hotel came to 64 per cent (1–9 2012: 55 per cent), and the average room rate declined slightly. At the Le Palais Hotel, occupancy fell from 52 to 48 per cent, but the average room rate in euros was up slightly. At the Dvořák spa hotel in Karlovy Vary, the occupancy rate was 77 per cent (1–9 2012: 78 per cent). The average room rate improved slightly. Occupancy at the angelo hotel in Plzeň improved from 51 to 60 per cent, and the average room rate also rose moderately.

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.

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 43 per cent (1–9 2012: 47 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 70 per cent (1–9 2012: 71 per cent). The average room rate 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 77 and 72 per cent (1–9 2012: 76 and 71 per cent). The average room rates fell slightly at both hotels.

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 hotel Vienna, 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 of the angelo hotel at Koltsovo airport in Ekaterinburg. The angelo hotel Ekaterinburg, which has a direct link to the new terminals, was opened in the third quarter of 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 ZAO 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 55 per cent to 54 per cent, though the average room rate in euros was up by more than 10 per cent. The newly opened Crowne Plaza at Airport City St. Petersburg has already established itself on the market and achieved 79 per cent occupancy (1–9 2012: 55 per cent); the average room rate did not change. 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

Development of revenues

Consolidated sales revenues fell by 11 per cent to EUR 48.4 million. Sales revenues from hotel operations decreased slightly from EUR 46.5 million in the first nine months of 2012 to EUR 45.4 million. This decrease is above all the result of the sale of the Palace Hotel. Revenues from the rental of offices and the provision of development services fell from EUR 7.8 million to EUR 3.0 million, 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*

EUR '000	1-9/2013	1-9/2012
Revenues for the Group	81,569	84,000
Average number of hotel rooms for the Group	3,415	3,608
Group NOP	23,825	24,237

* Including all joint ventures on a proportionate basis

Revenues from the hotels fell by 3 per cent in the reporting period due to the sale of the 50 per cent stake in the angelo hotel in Munich and the sale of the Palace Hotel in Prague. This reduced the number of available rooms by 5 per cent in the reporting period. 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) only fell by 2 per cent to EUR 23.8 million; this means that the margins were increased in the hotel segment.

The NOP was boosted by 4 per cent to EUR 6,977.

Development & Asset Management segment*

EUR '000	1-9/2013	1-9/2012
Revenues for the Group	6,215	8,736
Gains from the sale of project companies	1,634	329
Segment EBITDA	-602	-1,900

* Including all joint ventures on a proportionate basis

Revenues from the Development & Asset Management segment fell by 29 per cent from EUR 8.7 million to EUR 6.2 million. This decrease can primarily be attributed to lower development revenue (2013: EUR 1.4 million; 2012: EUR 6.4 million) resulting from the completion of the Prozna office building, which was partially offset by higher rental revenue (2013: EUR 4.2 million; 2012: EUR 1.9 million) – especially from Airport City St. Petersburg.

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 fixed 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 (including an adjacent property) and the Palace Hotel in Prague 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 period of 2012, 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 9.3 million to EUR 10.1 million, and the operating result (EBIT) improved from EUR 5.7 million to EUR 7.1 million. EBIT includes scheduled amortization and depreciation amounting to roughly EUR 7.5 million. The increase in EBITDA and EBIT can primarily be attributed to higher profit contributions from property sales.

Financial result

The financial result fell from minus EUR 6.3 million to minus EUR 15.2 million due to the break-even result from joint ventures, compared to a significant positive result from write-ups on loans. The financial result was also impacted by foreign currency losses.

Profit for the period

The result for the first nine months of the year came to minus EUR 5.7 million (1–9 2012: minus EUR 0.7 million).

Cash flow

The cash flow from operating activities fell from EUR 9.3 million to EUR 3.9 million due to lower cash flows from development.

EVENTS AFTER THE REPORTING DATE

For information on material events after the balance sheet date, please see Note 17 in the consolidated financial statements.

OUTLOOK

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

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

The following development projects are currently under construction:

- AIRPORTCITY, St. Petersburg, business park and an additional 15,000 square metres of office space
- Erzsebet office tower II, Budapest, 8,000 m² of office space

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

Vienna, 28 November 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



3



4



5



6



7

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) 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)

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, ul. 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 30 SEPTEMBER 2013

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14	Consolidated Statement of Financial Position
15	Consolidated Statement of Cash Flows
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17	Notes to the Consolidated Financial Statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January to 30 September 2013 – unaudited

in EUR	Note	1–9/13	7–9/13	1–9/12	7–9/12
Revenues					
Revenues – Hotels & Resorts segment		45,365,187	15,967,898	46,501,550	17,163,099
Revenues – Development & Asset Management segment		2,993,400	1,029,365	7,771,510	3,851,453
		48,358,587	16,997,263	54,273,060	21,014,552
Income from the sale of properties					
Gains from the sale of real estate		22,511,100	20,843,400	329,158	–
Carrying amounts, loans and borrowings assumed by the purchaser		(20,925,212)	(20,843,400)	–	–
	[05]	1,585,888	(0)	329,158	–
Other income and expenses					
Changes in real estate projects under development or construction		801,491	(306,800)	–	–
Other operating income		303,755	48,865	–	–
		1,105,246	(257,935)	–	–
Expenses for materials and services rendered		(19,517,564)	(6,498,584)	(20,451,732)	(7,270,214)
Expenses for project development		(1,446,797)	7,281	(5,938,331)	(3,281,777)
Personnel expenses	[06]	(14,642,096)	(4,617,115)	(14,035,771)	(4,545,426)
Planned depreciation and amortization on property, plant and equipment and intangible assets		(7,547,394)	(2,197,307)	(8,039,948)	(2,762,421)
Impairments	[07]	(1,461,504)	(120,604)	(1,828,849)	(1,297,276)
Reversal of impairments	[07]	6,014,613	1,147,386	6,234,633	2,327,393
Other expenses	[08]	(5,368,908)	(1,860,377)	(4,853,529)	(1,379,742)
		(43,969,650)	(14,139,320)	(48,913,527)	(18,209,463)
Operating profit		7,080,070	2,600,009	5,688,691	2,805,089
Financial revenue	[09]	1,069,563	(818,888)	834,705	401,462
Finance costs	[09]	(16,232,356)	(5,132,802)	(14,775,441)	(5,222,565)
Result from joint ventures	[13]	(30,074)	943,170	7,638,970	497,573
Profit before tax		(8,112,798)	(2,408,511)	(613,076)	(1,518,441)
Current income taxes	[10]	(76,886)	(2,721)	(191,571)	(152,830)
Deferred taxes	[10]	2,514,420	2,442,384	103,355	365,758
Profit or loss for the period		(5,675,264)	31,151	(701,291)	(1,305,513)
Foreign currency translation		(802,519)	(49,650)	62,960	(274,572)
Other result from joint ventures		–	–	295,585	437,858
Net gains/losses from hedging		646,525	569,227	(86,768)	(37,968)
(Deferred) taxes recognized in equity		(131,164)	(112,143)	13,171	14,403
Other income/expenses (to be recognized through profit or loss in future periods)		(287,158)	407,434	284,947	139,720
Total comprehensive income		(5,962,422)	438,585	(416,344)	(1,165,793)
Profit or loss for the period attributable to:					
- Equity holders of the parent		(5,807,181)	210,446	(988,822)	(1,270,309)
- Non-controlling interests		131,917	(179,295)	287,531	(35,204)
		(5,675,264)	31,151	(701,291)	(1,305,513)
Total comprehensive income attributable to:					
- Equity holders of the parent		(5,891,710)	675,009	(732,586)	(1,031,429)
- Non-controlling interests		(70,712)	(236,424)	316,242	(134,364)
		(5,962,422)	438,585	(416,344)	(1,165,793)
Earnings per share:					
Undiluted, for the profit for the period attributable to ordinary equity holders of the parent		(0.11)	(0.00)	(0.02)	(0.02)
Diluted, for the profit for the period attributable to ordinary equity holders of the parent		(0.11)	(0.00)	(0.02)	(0.02)

STATEMENT OF FINANCIAL POSITION

as of 30 September 2013 – unaudited

in EUR	Note	30/9/2013 unaudited	31/12/2012 audited	30/9/2012 unaudited
ASSETS				
Non-current assets				
Property, plant and equipment	[11]	249,187,327	256,568,642	274,230,387
Investment properties	[12]	15,292,149	15,198,222	15,200,633
Goodwill		921,266	921,266	921,266
Other intangible assets		115,637	123,556	155,502
Joint ventures (equity method)	[13]	86,685,493	84,936,203	84,304,344
Other financial assets		14,418,620	11,077,694	10,844,013
Deferred tax assets		574,133	22,534	363,800
		<u>367,194,625</u>	<u>368,848,116</u>	<u>386,019,946</u>
Current assets				
Inventories		4,292,398	1,958,116	828,691
Trade and other receivables	[15]	6,654,671	5,836,731	6,598,321
Financial instruments available for sale		8,512,854	7,279,433	3,988,802
Other financial assets	[17]	4	2	40
Cash and cash equivalents		4,505,023	7,144,968	4,280,524
		<u>23,964,949</u>	<u>22,219,250</u>	<u>15,696,377</u>
Assets of a disposal group classified as held for sale	[20]	8,558,135	24,838,793	14,287,242
TOTAL ASSETS		399,717,710	415,906,160	416,003,565
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		9,239,099	15,046,280	(47,786,136)
Treasury shares		(301,387)	(301,387)	(301,387)
Other reserves		3,755,368	3,839,897	1,349,281
		<u>83,743,717</u>	<u>89,715,998</u>	<u>78,649,363</u>
<i>Non-controlling interests</i>		<i>(734,689)</i>	<i>(663,977)</i>	<i>(2,483,906)</i>
Total equity		83,009,028	89,052,021	76,165,456
Non-current liabilities				
Convertible bonds and bonds	[14]	19,411,951	15,396,167	15,783,629
Loans and borrowings	[14]	196,416,843	172,506,498	224,203,014
Provisions		4,639,211	4,431,127	4,139,500
Other liabilities	[15]	4,737,874	773,731	623,559
Derivative financial instruments	[15]	1,335,523	–	–
Deferred tax liabilities		9,751,960	11,583,615	12,282,006
		<u>236,293,361</u>	<u>204,691,139</u>	<u>257,031,707</u>
Current liabilities				
Convertible bonds	[14]	6,162,983	–	–
Trade and other liabilities	[15]	22,139,569	25,147,020	18,853,553
Loans and borrowings	[14]	42,064,323	80,771,904	61,091,136
Derivative financial instruments	[17]	830,530	1,280,393	1,536,445
Income tax payable		83,730	143,457	74,530
Provisions		554,943	1,171,465	1,250,737
Deferred liabilities	[16]	2,692,930	–	–
		<u>74,529,008</u>	<u>108,514,239</u>	<u>82,806,401</u>
Liabilities directly associated with the assets classified as held for sale	[20]	5,886,312	13,648,761	–
		<u>80,415,320</u>	<u>122,163,000</u>	<u>82,806,401</u>
TOTAL EQUITY AND LIABILITIES		399,717,710	415,906,160	416,003,565

CONSOLIDATED STATEMENT OF CASH FLOWS

for the period from 1 January to 30 September 2013 – unaudited

in EUR	Note	1–9/13	7–9/13	1–9/12	7–9/12
Cash receipts from operating activities					
From the operation of hotels and rent received		48,026,337	17,318,724	46,972,818	16,998,474
From real estate development projects		723,002	178,642	5,542,575	2,923,116
Interest received		57,243	43,286	110,634	55,628
		<u>48,806,582</u>	<u>17,540,651</u>	<u>52,626,027</u>	<u>19,977,218</u>
Cash payments for operating activities					
For real estate development projects		(3,065,035)	(417,645)	(5,803,952)	(3,626,643)
For materials and services received		(19,850,173)	(6,903,975)	(18,456,010)	(6,391,795)
For personnel and related expenses		(14,631,112)	(5,145,819)	(14,046,317)	(4,676,286)
For other expenses		(7,158,412)	(2,756,159)	(4,783,093)	(1,431,986)
Income tax paid		(158,368)	(43,412)	(233,986)	(138,285)
		<u>(44,863,101)</u>	<u>(15,267,010)</u>	<u>(43,323,358)</u>	<u>(16,264,996)</u>
Net cash flows from operating activities		3,943,481	2,273,641	9,302,669	3,712,222
Net cash flows from investing activities					
Purchase of property, plant and equipment		(5,584,200)	(2,344,504)	(1,835,864)	(374,965)
Purchase of investment properties		(219,089)	(172,864)	10,984	40,737
Acquisition of software		(50,413)	(10,058)	(811)	714
Income/payments for available-for-sale investments		(1,233,421)	602,767	–	–
Income/payments for other financial assets		(966,693)	(266,693)	(750,456)	(387)
Income/payments for joint ventures	[13]	(136,120)	(1,532,344)	1,595,458	1,613,401
		<u>(8,189,936)</u>	<u>(3,723,696)</u>	<u>(980,689)</u>	<u>1,279,499</u>
Cash flows from the sale of business entities					
Proceeds from the sale of disposal groups and properties		11,664,723	5,880,523	–	–
Purchase price payments for business entities sold/purchased in prior periods	[05]	–	–	1,017,927	–
		<u>11,664,723</u>	<u>5,880,523</u>	<u>1,017,927</u>	<u>–</u>
Net cash flows from investing activities		3,474,787	2,156,827	37,238	1,279,499
Cash flows from financing activities					
Proceeds from loans and borrowings	[14]	50,024,479	12,582,349	2,520,698	1,506,954
Payments received from and made to non-controlling interests		–	–	–	–
Repayment of loans and borrowings	[14]	(59,001,407)	(14,741,474)	(4,562,104)	(2,368,820)
Cash received from the issue of bonds and convertible bonds		19,705,368	–	–	–
Cash received from derivative financial instruments		597,762	(540,000)	–	–
Payments for the early redemption of (convertible) bonds		(9,622,221)	(195,978)	–	–
Interest and other finance costs paid		(11,714,545)	(4,178,231)	(9,819,329)	(4,210,296)
Net cash flows from/used in financing activities		(10,010,564)	(7,073,334)	(11,860,735)	(5,072,162)
Net change in cash and cash equivalents		(2,592,296)	(2,642,866)	(2,520,828)	(80,441)
Net foreign exchange difference		(126,467)	52,181	(214,606)	(515,173)
Cash and cash equivalents at the beginning of the period		7,369,080	7,241,003	7,015,958	4,876,138
Cash and cash equivalents at the end of the period		4,650,317	4,650,317	4,280,525	4,280,525
Cash and cash equivalents at the end of the period break down as follows:					
Cash and cash equivalents of the Group		4,505,023	4,505,023	4,280,524	4,280,524
Liabilities of a disposal group classified as held for sale		145,294	145,294	–	–
		<u>4,650,318</u>	<u>4,650,318</u>	<u>4,280,524</u>	<u>4,280,524</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from 1 January to 30 September 2013 – unaudited

in EUR	Issued capital	Capital reserves	Retained earnings	Treasury shares	Other reserves	Total	Non- controlling 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 or loss for the period	–	–	(5,807,181)	–	–	(5,807,181)	131,917	(5,675,264)
Other income/expenses	–	–	–	–	(84,529)	(84,529)	(202,629)	(287,158)
Total comprehensive income for the period	–	–	(5,807,181)	–	–	(5,891,710)	(70,712)	(5,962,421)
As of 30 September 2013	54,000,000	17,050,636	9,239,099	(301,387)	3,755,368	83,743,717	(734,689)	83,009,028

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from 1 January to 30 September 2012 – unaudited

in EUR	Issued capital	Capital reserves	Retained earnings	Treasury shares	Other reserves	Total	Non- controlling 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
Profit or loss for the period	–	–	(988,822)	–	–	(988,822)	287,531	(701,291)
Other income/expenses	–	–	–	–	256,237	256,237	28,711	284,947
Total comprehensive income for the period	–	–	(988,822)	–	256,237	(732,586)	316,242	(416,344)
As of 30 September 2012	54,000,000	71,387,604	(47,786,136)	(301,387)	1,349,281	78,649,363	(2,483,906)	76,165,456

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 30 September 2013 were released for publication by the Company's management on 27 November 2013. The main activities of the Company are described in Note [04] Segment information.

[02] Basis for preparation

The interim financial statements as of 30 September 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 30 September 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 subsidiaries or business combinations.

[04] Segment information for the period from 1 January to 30 September 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 tables present revenue and profit and certain asset and liability information regarding the Group's business segments for the first three quarters of the year (period from 1 January 2013 to 1 September 2013).

[4.1] Segment information for the first half of 2013 versus 2012

SEGMENT OVERVIEW in EUR '000	Hotels & Resorts		Development & Asset Management	
	2013	2012	2013	2012
PROFIT OR LOSS FOR THE PERIOD				
External sales	81,721	84,213	6,215	8,736
Inter-segment sales	(792)	(941)	792	941
Income from the sale of properties	–	–	1,634	329
Changes in real estate projects under development	–	–	801	–
Other income	184	–	119	–
Expenses for materials and services rendered	(35,867)	(37,538)	(1,723)	(1,088)
Expenses for project development	–	–	(1,462)	(5,974)
Personnel expenses	(19,798)	(20,297)	(3,660)	(2,812)
Other expenses	(8,013)	(5,420)	(2,527)	(1,091)
Segment EBITDA	18,228	20,958	(602)	(1,900)
Scheduled depreciation on fixed assets	(11,541)	(12,846)	(1,018)	(899)
Impairment of fixed assets	–	(2,135)	(5)	(44)
Reversal of impairments on fixed assets	5,927	4,553	411	1,992
Other impairments	(1,456)	–	–	–
Segment result from ordinary operations	11,157	10,530	(1,214)	(850)
Financial revenue	260	21	888	869
Finance costs	(13,640)	(12,961)	(8,718)	(13,125)
Result from joint ventures	–	–	3,317	3,668
Income tax	(9)	(215)	(67)	(40)
Deferred income tax	2,522	2,953	(170)	4,035
Segment overview: profit or loss for the period	289	329	(5,964)	(5,443)
SEGMENT OVERVIEW: STATEMENT OF FINANCIAL POSITION				
Real estate and goodwill	356,317	449,296	87,938	84,663
Joint ventures	–	–	6,787	1,511
Other financial assets	1,500	1,512	12,919	9,332
Deferred tax assets	3,300	3,681	5,896	5,657
Non-current assets	361,117	454,488	113,540	101,163
Inventories and receivables	13,580	12,785	5,946	1,947
Securities and other financial assets	–	–	8,513	3,989
Cash and cash equivalents	8,597	7,535	1,615	2,687
IFRS 5 assets	8,558	–	–	–
Segment overview: assets	391,852	474,808	129,613	109,786
Convertible bonds, loans and borrowings	258,895	328,315	113,219	129,819
Other liabilities and provisions	26,586	34,703	25,373	14,833
Deferred liabilities	2,693	–	–	–
IFRS 5 liabilities	5,886	–	–	–
Segment overview: debt	294,060	363,018	138,592	144,652
SEGMENT OVERVIEW: CASH FLOW				
Cash receipts from operating activities				
From the operation of hotels and rent received	82,504	82,651	5,849	2,737
From real estate development projects	–	–	723	5,543
Interest received	69	21	66	145
	82,573	82,672	6,638	8,425
Cash payments for operating activities				
For real estate development projects	–	–	(3,079)	(5,840)
For materials and services received	(38,762)	(35,452)	(2,577)	(767)
For personnel and related expenses	(19,892)	(20,340)	(3,568)	(2,763)
For other expenses	(6,298)	(4,767)	(2,626)	1,393
For income taxes	(213)	(223)	(24)	(19)
Segment overview: Net cash flows from operating activities	17,408	21,890	(5,235)	428
Investment cash flow	(6,124)	(4,230)	9,858	(2,356)
Financing cash flow	(17,587)	(20,025)	703	(2,763)
Segment overview: Net change in cash and cash equivalents	(6,303)	(2,365)	5,327	(4,692)
Average payroll	1,527	1,573	57	60

Segment total on 30 September		Reconciliation difference		Total on 30 September	
2013	2012	2013	2012	2013	2012
87,936	92,948	(39,578)	(38,675)	48,359	54,273
-	-	-	-	-	-
1,634	329	(48)	-	1,586	329
801	-	-	-	801	-
304	-	-	-	304	-
(37,590)	(38,626)	18,072	18,174	(19,518)	(20,452)
(1,462)	(5,974)	15	36	(1,447)	(5,938)
(23,458)	(23,109)	8,816	9,073	(14,642)	(14,036)
(10,540)	(6,510)	5,171	1,657	(5,369)	(4,854)
17,626	19,058	(7,551)	(9,735)	10,074	9,323
(12,559)	(13,744)	5,012	5,704	(7,547)	(8,040)
(5)	(2,178)	-	350	(5)	(1,829)
6,338	6,546	(323)	(311)	6,015	6,235
(1,456)	-	-	-	(1,456)	-
9,943	9,681	(2,863)	(3,992)	7,080	5,689
1,147	890	(78)	(55)	1,070	835
(22,358)	(26,086)	6,126	11,311	(16,232)	(14,775)
3,317	3,668	(3,347)	3,971	(30)	7,639
(77)	(254)	-	63	(77)	(192)
2,352	6,988	162	(6,885)	2,514	103
(5,675)	(5,114)	-	4,413	(5,675)	(701)
444,255	533,959	(178,739)	(243,451)	265,516	290,508
6,787	1,511	79,898	97,081	86,685	98,592
14,419	10,844	-	-	14,419	10,844
9,196	9,338	(8,622)	(8,974)	574	364
474,657	555,651	(107,462)	(155,344)	367,195	400,307
19,525	14,732	(8,578)	(7,305)	10,947	7,427
8,513	3,989	0	-	8,513	3,989
10,212	10,222	(5,707)	(5,942)	4,505	4,281
8,558	-	0	-	8,558	-
521,466	584,594	(121,748)	(168,591)	399,718	416,004
372,114	458,134	(108,058)	(157,056)	264,056	301,078
51,960	49,535	(7,886)	(10,775)	44,073	38,760
2,693	-	-	-	2,693	-
5,886	-	-	-	5,886	-
432,653	507,669	(115,944)	(167,831)	316,709	339,838
88,353	85,388	(40,327)	(38,415)	48,026	46,973
723	5,543	-	-	723	5,543
135	166	(78)	(55)	57	111
89,211	91,097	(40,405)	(38,471)	48,807	52,626
(3,079)	(5,840)	13	36	(3,065)	(5,804)
(41,339)	(36,218)	21,489	17,762	(19,850)	(18,456)
(23,460)	(23,104)	8,829	9,057	(14,631)	(14,046)
(8,924)	(3,374)	1,766	(1,409)	(7,158)	(4,783)
(236)	(243)	78	9	(158)	(234)
12,173	22,318	(8,230)	(13,015)	3,943	9,303
3,734	(6,587)	(259)	6,624	3,475	37
(16,884)	(22,788)	6,873	10,927	(10,011)	(11,861)
(976)	(7,057)	(1,616)	4,536	(2,592)	(2,521)
1,584	1,632	(502)	(506)	1,082	1,126

HOTELS & RESORTS SUB-SEGMENT RESULT

	Luxury		Upmarket		Others	
	2013	2012	2013	2012	2013	2012
Revenues	11,057	13,265	65,802	66,286	4,710	4,449
Expenses for materials	(4,740)	(5,434)	(24,948)	(25,601)	(1,193)	(1,202)
Personnel expenses	(2,732)	(3,098)	(15,393)	(15,454)	(1,121)	(1,015)
Gross operating profit	3,586	4,733	25,461	25,231	2,396	2,233
<i>Hotel employees</i>	<i>211</i>	<i>236</i>	<i>1,171</i>	<i>1,184</i>	<i>128</i>	<i>125</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>360</i>	<i>399</i>	<i>2,671</i>	<i>2,841</i>	<i>385</i>	<i>368</i>
<i>Rooms sold</i>	<i>239</i>	<i>279</i>	<i>1,769</i>	<i>1,827</i>	<i>243</i>	<i>234</i>
Average room occupancy	66%	70%	66%	64%	63%	63%
Management fee	(645)	(766)	(3,561)	(4,239)	(313)	(303)
Exchange adjustments	2	159	(123)	(409)	–	84
Property costs	(449)	(328)	(2,359)	(2,041)	(169)	(117)
Net operating profit	2,494	3,798	19,418	18,542	1,913	1,897
Revenues after GOP	–	–	68	62	85	151
Other costs after GOP	(1,762)	(119)	(1,643)	(1,398)	(146)	(159)
Scheduled depreciation on fixed assets	(196)	(643)	(10,969)	(11,326)	(376)	(877)
Lease expenses	(1,805)	–	(1,769)	(1,758)	(80)	(58)
Impairment of fixed assets	–	–	–	(2,135)	–	–
Reversal of impairments on fixed assets	440	–	4,365	3,962	1,122	591
Other impairments	(1,456)	–	–	–	–	–
Contribution to the operating result for HOTELS & RESORTS	(830)	3,036	9,468	5,949	2,519	1,545
Thereof sales revenues in						
• Czech Republic	3,405	4,758	18,605	18,453	–	–
• Poland	7,652	8,507	14,080	14,509	2,532	2,380
• Romania	–	–	1,688	1,832	–	–
• Russia	–	–	9,070	7,331	2,177	2,069
• Germany	–	–	8,742	10,154	–	–
• France	–	–	13,616	14,007	–	–
Thereof GOP in						
• Czech Republic	458	905	6,907	6,470	–	–
• Poland	3,128	3,827	6,414	6,664	1,141	1,117
• Romania	–	–	549	658	–	–
• Russia	–	–	4,388	2,993	1,255	1,115
• Germany	–	–	2,942	3,404	–	–
• France	–	–	4,261	5,043	–	–
Thereof contribution to operating profit						
• Czech Republic	(1,267)	388	3,633	2,826	–	–
• Poland	438	2,648	182	(40)	676	365
• Romania	–	–	294	(140)	–	–
• Russia	–	–	3,415	374	1,843	1,180
• Germany	–	–	614	652	–	–
• France	–	–	1,329	2,278	–	–
• Others	–	–	–	–	–	–

Under development and construction		Segment total on 30 September		Reconciliation difference		Total on 30 September	
2013	2012	2013	2012	2013	2012	2013	2012
-	-	81,569	84,000	(36,356)	(37,718)	45,213	46,282
-	-	(30,881)	(32,238)	15,255	15,280	(15,626)	(16,958)
-	-	(19,246)	(19,566)	8,449	8,842	(10,797)	(10,724)
-	-	31,442	32,197	(12,652)	(13,596)	18,791	18,600
		1,510	1,544	(492)	(484)	1,018	1,060
		3,548	3,621	(1,213)	(1,286)	2,335	2,335
		3,415	3,608	(1,209)	(1,287)	2,207	2,321
		2,250	2,340	(875)	(888)	1,376	1,452
		66%	65%	72%	69%	62%	63%
-	-	(4,519)	(5,308)	2,053	2,784	(2,466)	(2,524)
-	-	(121)	(165)	28	(63)	(93)	(228)
-	-	(2,978)	(2,486)	1,772	1,198	(1,206)	(1,289)
-	-	23,825	24,237	(8,799)	(9,677)	15,025	14,559
-	-	152	212	-	8	152	220
-	-	(3,551)	(1,676)	932	534	(2,619)	(1,142)
-	-	(11,541)	(12,846)	4,421	5,239	(7,120)	(7,607)
-	-	(3,654)	(1,815)	1,819	-	(1,836)	(1,815)
-	-	-	(2,135)	-	350	-	(1,785)
-	-	5,927	4,553	(323)	(311)	5,604	4,242
-	-	(1,456)	-	-	-	(1,456)	-
-	-	11,157	10,530	(1,951)	(3,858)	9,206	6,672
-	-	22,010	23,212	(774)	(648)	21,237	22,564
-	-	24,264	25,396	(9,255)	(10,188)	15,009	15,208
-	-	1,688	1,832	-	-	1,688	1,832
-	-	11,248	9,400	(3,969)	(2,721)	7,279	6,679
-	-	8,742	10,154	(8,742)	(10,154)	-	-
-	-	13,616	14,007	(13,616)	(14,007)	-	-
-	-	7,364	7,375	(144)	(28)	7,220	7,348
-	-	10,684	11,608	(3,861)	(4,609)	6,823	6,999
-	-	549	658	-	-	549	658
-	-	5,643	4,108	(1,444)	(513)	4,198	3,595
-	-	2,942	3,404	(2,942)	(3,404)	-	-
-	-	4,261	5,043	(4,261)	(5,043)	-	-
-	-	2,365	3,214	(101)	(5)	2,264	3,209
-	-	1,296	2,973	(525)	(2,781)	771	192
-	-	294	(140)	-	-	294	(140)
-	-	5,258	1,554	619	1,857	5,877	3,411
-	-	614	652	(614)	(652)	-	-
-	-	1,329	2,278	(1,329)	(2,278)	-	-
-	-	-	-	-	-	-	-

	Luxury		Upmarket		Others	
	2013	2012	2013	2012	2013	2012
SUB-SEGMENT CASH FLOW HOTELS & RESORTS						
Cash receipts	11,766	12,713	66,108	66,068	4,629	3,870
Interest received	17	6	53	16	–	–
Development costs	–	–	–	–	–	–
Expenses for materials	(7,122)	(5,708)	(30,108)	(29,542)	(1,532)	(201)
Personnel expenses	(2,793)	(3,177)	(15,895)	(15,979)	(1,203)	(1,184)
Cash paid for other expenses	(2,319)	(335)	(3,742)	(4,208)	(237)	(224)
Income tax	–	–	(213)	(56)	–	(168)
Cash flows from operations for Hotels & Resorts	(452)	3,499	16,202	16,299	1,657	2,092
Thereof in						
• Czech Republic	138	547	4,662	4,522	–	–
• Poland	(589)	2,952	2,674	4,052	639	1,186
• Romania	–	–	193	511	–	–
• Russia	–	–	3,589	1,174	1,018	907
• Germany	–	–	2,360	2,514	–	–
• France	–	–	2,724	3,526	–	–
• Others	–	–	–	–	–	–
SUB-SEGMENT ASSETS HOTELS & RESORTS						
Property, plant and equipment and goodwill	1,334	68,557	321,971	348,172	33,013	27,235
Other non-current assets	–	303	4,800	4,890	0	0
Other current assets	1,437	1,712	10,773	9,826	1,370	1,247
Cash and cash equivalents	1,633	1,131	6,571	6,294	394	109
IFRS 5 assets	8,558	–	–	–	–	–
Sub-segment assets	12,961	71,703	344,115	369,181	34,777	28,590
Loans and borrowings	–	46,064	245,128	271,487	13,766	10,764
Other non-current liabilities	(3,974)	–	8,688	8,403	(240)	1,718
Other current liabilities	1,710	2,240	18,763	20,571	1,638	1,770
Deferred liabilities	–	–	–	–	2,693	–
IFRS 5 liabilities	5,886	–	–	–	–	–
Sub-segment liabilities	3,622	48,303	272,580	300,461	17,858	14,252
Analysis of assets HOTELS & RESORTS						
As of 1 January	9,329	68,901	332,116	353,235	27,915	27,110
Transfers (IFRS 5)	(8,031)	–	–	–	–	–
Additions	232	299	1,269	3,104	5,171	336
Retrospective purchase price adjustments	–	–	(2,097)	–	–	–
Scheduled amortization and depreciation	(196)	(643)	(10,969)	(11,326)	(376)	(877)
Impairments	–	–	–	(2,135)	–	–
Write-ups	–	–	4,365	3,962	1,122	591
Exchange effects	–	–	(2,711)	1,331	(821)	75
Fixed assets on 30 September	1,334	68,557	321,971	348,172	33,013	27,235
Analysis of financial liabilities HOTELS & RESORTS						
Loans and borrowings as of 1 January	6,340	46,988	254,266	277,631	10,790	11,208
Transfers (IFRS 5)	(6,341)	–	–	–	–	–
New borrowings	–	–	47,512	400	12,795	–
Repayment of loans	–	(912)	(56,435)	(5,556)	(9,832)	(449)
Capitalized interest	1	(12)	(117)	(1,146)	84	5
Exchange effects	–	–	(98)	158	(70)	–
Loans and borrowings as of 30 September	–	46,064	245,128	271,487	13,766	10,764

Under development and construction		Segment total on 30 September		Reconciliation difference		Total on 30 September	
2013	2012	2013	2012	2013	2012	2013	2012
-	-	82,504	82,651	(37,119)	(37,578)	45,385	45,073
-	-	69	21	(26)	0	43	22
-	-	-	-	-	-	-	-
-	-	(38,762)	(35,452)	19,795	17,804	(18,967)	(17,648)
-	-	(19,892)	(20,340)	8,552	8,914	(11,340)	(11,427)
-	-	(6,298)	(4,767)	2,670	1,704	(3,628)	(3,063)
-	-	(213)	(223)	60	6	(153)	(218)
-	-	17,408	21,890	(6,068)	(9,150)	11,340	12,740
-	-	4,800	5,068	(98)	(31)	4,703	5,038
-	-	2,724	8,190	223	(3,670)	2,946	4,520
-	-	193	511	-	-	193	511
-	-	4,607	2,081	(1,109)	590	3,498	2,671
-	-	2,360	2,514	(2,360)	(2,514)	-	-
-	-	2,724	3,526	(2,724)	(3,526)	-	-
-	-	-	-	-	-	-	-
-	5,331	356,317	449,296	(116,219)	(183,021)	240,099	266,275
-	-	4,800	5,192	(2,935)	(3,472)	1,865	1,720
-	-	13,580	12,785	(8,017)	(6,610)	5,563	6,175
-	2	8,597	7,535	(4,963)	(4,377)	3,634	3,159
-	-	8,558	-	-	-	8,558	-
-	5,333	391,852	474,808	(132,134)	(197,479)	259,718	277,329
-	-	258,895	328,315	(83,536)	(130,163)	175,359	198,152
-	-	4,475	10,121	3,088	(773)	7,562	9,348
-	1	22,112	24,582	(6,455)	(6,465)	15,657	18,117
-	-	2,693	-	-	-	2,693	-
-	-	5,886	-	-	-	5,886	-
-	1	294,060	363,018	(86,903)	(137,401)	207,157	225,617
-	5,331	369,360	454,577	(121,712)	(185,222)	247,648	269,355
-	-	(8,031)	-	-	-	(8,031)	-
-	-	6,672	3,739	(702)	(1,789)	5,971	1,950
-	-	(2,097)	-	2,097	-	-	-
-	-	(11,541)	(12,846)	4,421	5,239	(7,120)	(7,607)
-	-	-	(2,135)	-	350	-	(1,785)
-	-	5,487	4,553	(323)	(311)	5,164	4,242
-	-	(3,532)	1,407	-	(1,287)	(3,532)	120
-	5,331	356,317	449,296	(116,219)	(183,021)	240,099	266,275
-	-	271,396	335,827	(87,478)	(134,840)	183,918	200,987
-	-	(6,341)	-	-	-	(6,341)	-
-	-	60,306	400	(10,749)	-	49,557	400
-	-	(66,267)	(6,917)	15,100	3,048	(51,166)	(3,869)
-	-	(32)	(1,153)	(409)	1,629	(441)	476
-	-	(169)	158	-	-	(169)	158
-	-	258,895	328,315	(83,536)	(130,163)	175,359	198,152

DEVELOPMENT & ASSET MANAGEMENT SUB-SEGMENT RESULT

	DEVELOPMENT				ASSET	
	Primary		Other		Rented out	
	2013	2012	2013	2012	2013	2012
Revenues	1,428	6,415	553	430	4,234	1,891
Changes in real estate projects under development	801	–	–	–	–	–
Sale of real estate	1,634	329	–	–	–	–
Other operating income	119	–	–	–	–	–
Materials and services received	(361)	(407)	(394)	(339)	(968)	(342)
Project development expenses	(1,462)	(5,974)	–	–	–	–
Personnel expenses	(3,384)	(2,668)	–	–	(277)	(144)
Other operating expenses	(1,650)	(976)	(46)	(20)	(831)	(95)
Scheduled amortization and depreciation	(40)	(44)	(32)	(36)	(946)	(818)
Impairments	(5)	(44)	–	–	–	–
Write-ups	125	78	–	–	286	1,915
Contribution to operating profit	(2,794)	(3,293)	81	35	1,498	2,408
Thereof sales revenues in						
• Czech Republic	264	276	–	–	–	–
• Hungary	–	–	–	–	990	887
• Poland	1,154	6,113	553	430	573	587
• Germany	–	–	–	–	–	55
• Austria	9	25	–	–	–	–
• Russia	–	–	–	–	2,670	363
Thereof contribution to operating profit						
• Czech Republic	10	(57)	–	–	–	–
• Hungary	1	98	–	–	603	2,208
• Poland	111	(243)	81	35	185	277
• Russia	–	–	–	–	710	(112)
• Germany	(15)	(36)	–	–	–	35
• Austria	(2,870)	(3,355)	–	–	–	–
• Luxembourg	(31)	301	–	–	–	–
SUB-SEGMENT CASH FLOW						
DEVELOPMENT & ASSET MANAGEMENT						
Cash receipts from rent	961	858	703	357	4,185	1,523
Interest received	15	90	2	–	49	54
Cash receipts from development	723	5,543	–	–	–	–
Cash paid for development	(3,079)	(5,840)	–	–	–	–
Expenses for materials	(334)	(330)	(355)	(364)	(1,036)	(73)
Personnel expenses	(3,291)	(2,620)	–	–	(277)	(144)
Cash paid for other expenses	(3,266)	(1,581)	(50)	(22)	(1,027)	(268)
Income tax	(22)	(16)	–	–	(2)	(3)
Cash flows from operations	(8,292)	(3,897)	300	(29)	1,893	1,090
Thereof in						
• Czech Republic	(73)	(88)	–	–	–	–
• Hungary	(53)	(12)	–	–	553	425
• Poland	(2,119)	(223)	300	(29)	144	355
• Russia	–	–	–	–	1,196	272
• Germany	(13)	(34)	–	–	–	38
• Austria	(5,985)	(3,494)	–	–	–	–
• Luxembourg	(49)	(45)	–	–	–	–

MANAGEMENT

Under development		Segment total on 30 September		Reconciliation difference		Total on 30 September	
2013	2012	2013	2012	2013	2012	2013	2012
-	-	6,215	8,736	(3,222)	(964)	2,993	7,772
-	-	801	-	-	-	801	-
-	-	1,634	329	(48)	-	1,586	329
-	-	119	-	-	-	119	-
-	-	(1,723)	(1,088)	759	126	(964)	(962)
-	-	(1,462)	(5,974)	15	36	(1,447)	(5,938)
-	-	(3,660)	(2,812)	277	144	(3,384)	(2,668)
-	-	(2,527)	(1,091)	717	60	(1,810)	(1,031)
-	-	(1,018)	(899)	591	466	(427)	(433)
-	-	(5)	(44)	-	-	(5)	(44)
-	-	411	1,992	-	-	411	1,992
-	-	(1,214)	(850)	(912)	(133)	(2,126)	(983)
-	-	264	276	-	-	264	276
-	-	990	887	-	-	990	887
-	-	2,281	7,130	(550)	(559)	1,731	6,571
-	-	-	55	-	(55)	-	-
-	-	9	25	(2)	13	8	38
-	-	2,670	363	(2,670)	(363)	-	-
-	-	10	(57)	4	-	14	(57)
-	-	604	2,306	-	-	604	2,306
-	-	377	69	(219)	(259)	158	(191)
-	-	710	(112)	(710)	112	-	-
-	-	(15)	(1)	15	1	-	-
-	-	(2,870)	(3,355)	(2)	13	(2,871)	(3,342)
-	-	(31)	301	-	-	(31)	301
-	-	5,849	2,737	(3,208)	(837)	2,642	1,900
-	-	66	145	(52)	(56)	14	89
-	-	723	5,543	-	-	723	5,543
-	-	(3,079)	(5,840)	13	36	(3,065)	(5,804)
(852)	-	(2,577)	(767)	1,694	(42)	(883)	(808)
-	-	(3,568)	(2,763)	277	144	(3,291)	(2,620)
1,716	3,264	(2,626)	1,393	(905)	(3,113)	(3,531)	(1,720)
-	-	(24)	(19)	18	3	(6)	(16)
864	3,264	(5,235)	428	(2,162)	(3,865)	(7,397)	(3,437)
-	-	(73)	(88)	2	-	(71)	(88)
-	-	500	413	-	-	500	413
-	-	(1,675)	102	(134)	(337)	(1,808)	(235)
864	3,264	2,060	3,536	(2,060)	(3,536)	-	-
-	-	(13)	4	13	(4)	-	-
-	-	(5,985)	(3,494)	17	13	(5,968)	(3,481)
-	-	(49)	(45)	-	-	(49)	(45)

	DEVELOPMENT				ASSET	
	Primary		Other		Rented out	
	2013	2012	2013	2012	2013	2012
ANALYSIS OF SUB-SEGMENT ASSETS						
DEVELOPMENT & ASSET MANAGEMENT						
Property, plant and equipment and goodwill	11,555	11,704	971	696	43,089	65,670
Joint ventures	6,787	1,511	–	–	–	–
Other non-current assets	13,011	9,429	0	–	117	5,561
Other current assets	13,876	4,661	101	140	215	1,134
Cash and cash equivalents	868	1,063	3	6	13	1,618
Sub-segment assets	46,097	28,367	1,075	842	43,435	73,983
Convertible bonds, loans and borrowings	77,679	91,429	137	154	14,018	34,641
Other non-current liabilities	12,196	6,842	–	–	438	3,539
Other current liabilities	7,509	3,463	182	32	308	807
Sub-segment liabilities	97,385	101,734	319	185	14,764	38,987
Analysis of assets						
DEVELOPMENT & ASSET MANAGEMENT						
As of 1 January	11,576	11,547	725	679	28,600	15,710
Segment reclassifications	–	–	–	–	15,082	48,753
Additions	176	197	304	2	105	111
Disposals	(24)	–	–	–	(38)	–
Scheduled amortization and depreciation	(40)	(44)	(32)	(36)	(946)	(818)
Impairments	(5)	(44)	–	–	–	–
Write-ups	125	78	–	–	286	1,915
Exchange effects	(254)	(29)	(26)	50	–	–
Fixed assets on 30 September	11,555	11,704	971	696	43,089	65,670
Analysis of financial liabilities						
DEVELOPMENT & ASSET MANAGEMENT						
Loans and borrowings as of 1 January	73,336	86,133	137	115	14,491	12,532
New borrowings	648	2,051	(0)	70	21,498	–
Issue of bonds	19,705	–	–	–	–	–
(Early) redemption of convertible bonds	(9,622)	–	–	–	–	–
Repayment of loans	(5,989)	(386)	–	(41)	(22,004)	(446)
Capitalized interest	342	2,363	4	–	33	165
Exchange effects	(741)	1,269	(4)	10	–	265
Loans and borrowings as of 30 September	77,679	91,429	137	154	14,018	34,641

MANAGEMENT

Under development		Segment total on 30 September		Reconciliation difference		Total on 30 September	
2013	2012	2013	2012	2013	2012	2013	2012
32,323	6,593	87,938	84,663	(62,520)	(60,431)	25,418	24,233
–	–	6,787	1,511	79,898	97,081	86,685	98,592
5,687	(0)	18,815	14,989	(5,687)	(5,502)	13,128	9,488
267	(0)	14,458	5,936	(561)	(695)	13,897	5,241
731	–	1,615	2,687	(744)	(1,565)	871	1,122
39,007	6,593	129,613	109,786	10,386	28,888	139,999	138,674
21,385	3,595	113,219	129,819	(30,685)	(26,893)	82,535	102,926
3,165	150	15,799	10,531	(2,897)	12,950	12,902	23,481
1,574	–	9,574	4,302	(1,622)	(704)	7,952	3,598
26,125	3,745	138,592	144,652	(35,204)	(14,646)	103,389	130,005
46,591	48,504	87,493	76,440	(62,329)	(53,943)	25,164	22,498
(15,082)	(48,753)	–	–	–	–	–	–
813	1,886	1,399	2,195	(820)	(1,997)	579	198
–	–	(61)	–	38	–	(24)	–
–	–	(1,018)	(899)	591	466	(427)	(433)
–	–	(5)	(44)	–	–	(5)	(44)
–	–	411	1,992	–	–	411	1,992
–	4,957	(280)	4,978	–	(4,957)	(280)	21
32,323	6,593	87,938	84,663	(62,520)	(60,431)	25,418	24,233
21,385	24,073	109,350	122,854	(24,594)	(25,428)	84,756	97,426
–	–	22,146	2,121	(21,498)	–	648	2,121
–	–	19,705	–	–	–	19,705	–
–	–	(9,622)	–	(6,163)	–	(15,785)	–
–	–	(27,994)	(874)	21,603	181	(6,391)	(693)
–	1,646	379	4,174	(33)	(1,646)	346	2,528
–	–	(745)	1,544	–	–	(745)	1,544
21,385	3,595	113,219	129,819	(30,685)	(26,893)	82,535	102,926

[05] Sale of shares

This item consists primarily of the sale of the shares in the Leuchtenbergring companies in Munich to the joint venture partner and the sale of the Palace Hotel in Prague. 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 30 September	
	2013	2012
Wages and salaries	(10,404,710)	(10,678,087)
Social security costs	(2,082,798)	(2,121,540)
Other payroll-related taxes and contributions	(464,573)	(457,526)
Voluntary employee benefits	(4,899)	(13,170)
Expenses for posted employees	(992,256)	(675,989)
Expenses for termination and post-employment benefits	(135,327)	(11,634)
Changes in accrual for compensated absences	(23,640)	(32,638)
Changes in pensions and other long-term employee benefits	(533,894)	(45,187)
	<u>(14,642,096)</u>	<u>(14,035,771)</u>

The Company had an average of 1,082 employees in the first three quarters of 2013 (Q1–3 2012: 1,126).

[07] Impairment and impairment reversals

The impairments relate to valuations made pursuant to IFRS 5.

The impairment reversals result primarily from the increase in the value of the hotels in Ekaterinburg and the Diplomat Hotel in the Czech Republic according to external appraisals as of 30 June 2013.

[08] Other expenses

in EUR	1 January to 30 September	
	2013	2012
Legal fees	(557,398)	(406,974)
General administration	(985,857)	(675,032)
Advertisement and marketing	(167,671)	(204,924)
Non-recoverable VAT	(326,674)	(295,424)
Hotel lease expenses	(1,835,876)	(1,815,469)
Supervisory Board member's fees	(102,000)	(110,000)
Foreign exchange differences from the valuation of trade liabilities (PORR andel's Łódź)	–	(340,664)
Property costs	(621,190)	(688,873)
Others	(772,242)	(316,170)
	<u>(5,368,908)</u>	<u>(4,853,529)</u>

[09] Financial result

in EUR	1 January to 30 September	
	2013	2012
Financial revenue		
Interest income from cash management	57,997	85,064
Foreign currency gains on loans denominated in CHF	360,837	–
Foreign currency gains in connection with the financing of subsidiaries *)	70,284	–
Foreign currency gains on (convertible) bonds denominated in PLN	568,944	–
Convertible bond book value adjustment	11,501	–
Unrealized gains on derivative financial instruments	–	749,641
	1,069,563	834,705
Finance costs		
Interest on short-term borrowings, project loans and other loans	(8,967,391)	(10,278,337)
Interest on bonds and convertible bonds	(1,723,316)	(1,210,073)
Interest on purchase price claim extension for andel's hotel Łódź	(488,982)	(525,127)
Interest on loans from non-controlling shareholders	(243,626)	(117,109)
Interest on loans relating to joint ventures	(4,500)	–
Interest cost for provisions for pensions and other long-term employee benefits	(3,739)	(77,248)
Foreign exchange differences on loans denominated in CHF	–	(254,160)
Foreign currency losses in connection with the financing of subsidiaries *)	(3,000,789)	–
Foreign currency losses in connection with the PLN convertible bond	–	(1,089,020)
Other finance costs	(8,967,391)	(1,217,613)
Reclassification from the liquidation of a cash flow hedge	(540,000)	–
Unrealized losses on derivative financial instruments	(394,422)	(6,754)
(thereof from the cross currency swap in connection with the convertible bond EUR 394,422)	(16,232,356)	(14,775,441)

* The foreign currency gains and losses 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.

[10] 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 first nine months of 2013 (2012: 25%) is as follows:

in EUR	1 January to 30 September	
	2013	2012
Profit before tax	(8,112,798)	(613,076)
Accounting profit before income tax * 25% (prior year: 25%)	2,028,199	153,269
± Other foreign tax rates	(167,115)	(573,594)
± Tax-free profits from the participation exemption (§ 10 KStG)	70,723	427,948
± Permanent differences	2,935,779	164,518
± Impairment of deferred tax assets	(2,829,411)	61,941
± Income from first-time recognition of deferred tax assets	–	(2,497)
± Effects of exchange rate fluctuations	399,359	(319,799)
	2,437,533	(88,216)

The earnings from deferred income tax are primarily the result of the elimination of deferred tax liabilities in connection with the sale and leaseback transaction for the Chopin Hotel.

[11] 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	30/9/2013	As of 30/9/2012
Net carrying amounts as of 1 January	256,568,642	277,149,161
Additions	6,337,037	2,073,700
Disposals	(23,511)	–
Transfers (IFRS 5)	(8,031,230)	–
Depreciation	(7,135,174)	(7,624,299)
Impairments	(5,014)	(1,828,849)
Reversal of impairments	5,288,543	4,319,815
Exchange adjustment	(3,811,967)	140,859
Carrying amounts at 30 September	249,187,327	274,230,387
<i>Thereof property under construction</i>	<i>3,552,856</i>	<i>3,567,000</i>

The additions to property, plant and equipment pertain to the property of the Chopin Hotel in Poland and adjacent land. Please see Note [07] for information on the impairment reversals.

[12] Investment properties

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

in EUR	30/9/2013	As of 30/9/2012
Net carrying amounts as of 1 January	15,198,222	13,562,844
Additions	161,832	73,833
Depreciation	(353,900)	(350,862)
Reversal of impairments	285,995	1,914,818
Carrying amounts at 30 September	15,292,149	15,200,633
<i>Thereof property under construction</i>	<i>6,357,097</i>	<i>6,261,989</i>
Result from investment properties:		
Rental income and charged expenses	990,321	886,780
Direct expenses	(208,721)	(216,160)
	781,600	670,620

[13] Joint ventures

in EUR	30/9/2013	As of 30/9/2012
Breakdown of items on the statement of financial position		
Interests in joint ventures	38,317,996	38,175,620
Result from joint ventures	(28,652,462)	(27,969,675)
Loans to joint ventures	81,687,912	98,791,058
Accumulated impairment on loans	(4,667,954)	(10,405,418)
	<u>86,685,493</u>	<u>98,591,586</u>
Analysis of items on the statement of financial position		
Net carrying amounts as of 1 January	84,936,203	92,252,489
- Reductions in interests due to sales	(39,500)	-
± Allocated results	(4,315,933)	(3,474,562)
(thereof "Other result" recognized in equity)	-	295,585
± Reductions in allocated results due to sales	39,500	-
± Loans to joint ventures	5,426,316	2,072,185
± Impairment of loans to joint ventures	638,907	7,741,474
Carrying amounts at 30 September	<u>86,685,493</u>	<u>98,591,586</u>
Result from joint ventures		
Allocated results	(4,315,933)	(3,770,147)
Interest charged on loans	3,317,404	3,667,643
Impairments on loans	(723,801)	(993,970)
Write-up on loans	1,362,708	8,735,444
± Provisions related to joint ventures	329,548	-
	<u>(30,074)</u>	<u>7,638,970</u>
Cash flow from joint ventures		
Increase in loans extended to joint ventures	(5,426,316)	(2,072,185)
thereof charged interest	3,317,404	3,667,643
Loans received from joint ventures	3,928,625	-
thereof in connection with the restricted account for the InterContinental guarantee	(1,937,500)	-
Other payments received from joint ventures	(18,332)	-
	<u>(136,120)</u>	<u>1,595,458</u>

[14] Financial liabilities

Amounts in EUR '000	As of 1/1/2012	New borrowings	Deferred interest	Repayment of loans	± f/x	As of 30/9/2012
a) Project-related loans secured by mortgages						
for andel's hotel Łódź	48,900	–	624	(200)	–	49,324
for Diplomat Hotel	27,776	–	–	(709)	–	27,067
for angelo hotel Ekaterinburg	37,730	–	(315)	–	–	37,415
for angelo Airporthotel Bucharest	11,000	–	174	(809)	–	10,365
for Palace Hotel IFRS 5	13,079	–	(15)	–	–	13,064
for Chopin Hotel	10,349	–	5	(449)	–	9,905
for angelo hotel Prague	10,623	–	–	(488)	–	10,135
for Erzsebet office building	11,126	–	165	(265)	265	11,291
for Amber Baltic Hotel	6,966	–	–	(642)	75	6,399
for Savoy Hotel	4,835	–	–	–	–	4,835
for Le Palais Hotel IFRS 5	6,336	–	3	–	–	6,339
for Dvořák spa hotel	20,567	–	–	(573)	–	19,994
for Warsaw gas pipeline	78	–	–	(41)	5	41
Louvre property, Hungary	2,871	–	64	–	–	2,935
	212,235	–	705	(4,177)	344	209,108
b) Holding company borrowing facilities						
	43,794	279	250	(386)	–	43,937
c) Other						
Loans from non-controlling interests	2,863	470	–	–	89	3,422
Loans from financial institutions	16,859	1,661	788	–	180	19,488
Bonds/convertible bonds	13,774	–	920	–	1,089	15,784
Other loans	8,887	110	341	–	–	9,338
	42,384	2,241	2,049	–	1,358	48,032
	298,413	2,521	3,004	(4,563)	1,702	301,077

The project loan for Palace Hotel in Prague was repaid in connection with the successful sale of the property. The project loan for the Le Palais Hotel in Prague was not reported under the financial liabilities, but under debts directly related to disposal groups classified as held for sale due to the intention to sell.

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		As of 1/1/2013	New borrowings	Deferred interest	Repayment of loans	± IFRS 5 ± f/x	As of 30/9/2013	Thereof due	
< 1 year	> 1 year							< 1 year	> 1 year
1,349	47,975	49,900	–	(746)	(350)	–	48,803	1,250	47,553
2,855	24,212	26,340	–	13	(1,516)	–	24,837	6,760	18,077
2,250	35,165	36,930	36,582	167	(37,586)	22	36,114	1,246	34,869
635	9,729	10,364	–	36	–	–	10,399	390	10,009
4,402	8,663	13,064	–	–	(13,064)	–	–	–	–
474	9,432	9,807	12,795	25	(9,832)	–	12,795	232	12,562
667	9,468	9,972	–	–	(408)	–	9,564	692	8,872
243	11,047	11,235	–	–	(401)	–	10,834	400	10,434
640	5,759	6,377	–	–	(642)	(120)	5,615	624	4,992
1,332	3,503	4,835	–	–	(150)	–	4,685	756	3,929
6,339	–	6,340	–	1	–	(6,341)	–	–	–
600	19,394	19,577	–	4	(682)	–	18,899	750	18,149
41	–	–	–	–	–	–	–	–	–
2,935	–	3,021	–	–	(50)	–	2,971	200	2,771
24,763	184,346	207,761	49,377	(501)	(64,682)	(6,439)	185,516	13,300	172,217
26,990	16,946	31,873	648	–	(4,468)	–	28,053	26,877	1,176
–	3,422	3,614	181	63	–	(75)	3,783	–	3,783
–	19,488	19,735	–	(253)	–	(241)	19,241	–	19,241
–	15,784	15,396	19,705	595	(9,622)	(500)	25,575	6,163	19,412
9,338	–	3,359	–	–	(1,471)	–	1,888	1,888	–
9,338	38,694	42,104	19,886	405	(11,093)	(815)	50,487	8,051	42,436
61,091	239,987	281,739	69,910	(95)	(80,243)	(7,255)	264,056	48,227	215,829

At the beginning of April 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.

[15] Receivables and liabilities

in EUR	30/9/2013	As of 30/9/2012
Trade and other receivables – current		
Trade receivables	3,887,172	4,084,699
Receivables from tax authorities	1,635,693	203,459
Extended purchase price receivables relating to the sale of subsidiaries	–	122,694
Advance payments made	349,197	249,306
Other receivables and assets	550,268	1,358,708
Receivables due from joint ventures	32,860	171,618
Deferred expenses	199,480	407,837
	<u>6,654,671</u>	<u>6,598,321</u>
Trade and other liabilities – current		
Trade liabilities	4,791,043	3,381,850
Interest-bearing construction invoices from the completion of the andel's Łódź	7,230,963	8,457,474
Trade liabilities due to joint ventures	280,468	16,874
Trade liabilities due to related parties	2,944,440	3,477,660
thereof Vienna International AG	2,723,769	2,905,377
thereof deferred directors' bonuses	220,670	572,283
Other payables including accruals for compensated absences	3,488,969	2,538,110
Advance payments received	3,403,686	981,586
	<u>22,139,569</u>	<u>18,853,553</u>
The liabilities pursuant to IFRS 5 also contain liabilities to Vienna International AG,		
Other non-current liabilities		
Security deposits received	804,748	601,127
Trade liabilities due to joint ventures	3,933,125	–
Other	–	22,432
	<u>4,737,873</u>	<u>623,559</u>

[16] Deferred liabilities

The deferred liabilities are related to deferred sales proceeds from a sale and leaseback transaction in connection with the property and building of the Chopin Hotel in Krakow.

[17] Derivative financial instruments

Interest rate collars in connection with finance loans:

The Company held the following derivative financial instruments in connection with financing agreements as of 30 September 2013; their main terms and parameters are as follows:

in EUR	30/9/2013	As of 30/9/2012
<i>Project loan Chopin Hotel, Krakow</i>		
Notional amount of the underlying transaction as of 30 September (underlying: 3-month Euribor)	–	9,905,305
Fair value of hedging transaction as of 30 September	–	(773,309)
Notional amount of the underlying transaction as of 30 September (underlying: 3-month Euribor)	5,240,094	–
Fair value of hedging transaction as of 30 September	(95,381)	–
The existing cash flow hedge was settled in connection with the refinancing of the project loan for Chopin Hotel; the cumulative losses were reclassified from equity to the statement of comprehensive income. Two new cash flow hedge transactions (interest rate swaps) were concluded in connection with the new financing.		
<i>Project loan angelo hotel, Prague</i>		
Notional amount of the underlying transaction as of 30 September (underlying: 3-month Euribor)	9,563,984	10,135,021
Fair value of the derivative as of 30 September	4	40
<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.		
	(735,149)	(763,136)

Other derivatives:

The non-current derivatives include the conversion right from the issue of the PLN convertible bond in spring 2013.

[18] Transactions with related parties

Transactions with the Management Board:

Director's remuneration 1 January to 30 September 2013	(630,030)
Balance with directors as of 30 September 2013	(220,670)

Transactions with Vienna International AG:

Management fee charged for fully consolidated companies 1 January to 30 September 2013	(2,466,330)
Other services rendered in hotel operations	(1,211,908)
Non-recurring expenses in connection with contract terminations	(764,461)
Balance with Vienna International AG as of 30 September 2013	(3,282,515)

Transactions with joint ventures:

Earnings from joint ventures 1 January to 30 September 2013	3,417,645
Liabilities to joint ventures as of 30 September 2013	(4,234,358)

Earnings from joint ventures pertain primarily to interest income from loans to joint ventures. The liabilities to joint ventures include the non-current payable in connection with the allocation of a security account for a rent guarantee.

[19] Information on the fair value

a) Carrying amounts and fair values by measurement categories

The following shows the fair values for financial instruments (IFRS 7) and for assets and liabilities that are measured at fair value (IFRS 13), broken down by categories and items on the statement of financial position.

Measurement category according to IAS 39 or other IFRS	Assets – items/categories on the statement of financial position	IFRS 13 level	Carrying value 30/9/13	Fair value 30/9/13	Carrying value 31/12/12	Fair value 31/12/12
IAS 19	Refund claims (other financial assets)	3	3,423,973	3,423,973	2,987,993	2,987,993
LaR	Other financial assets		10,994,647	10,994,647	8,089,701	8,089,701
	Non-financial non-current assets and non-current assets					
	not measured at fair value		352,776,006	n/a	360,758,416	n/a
	Total non-current assets		367,194,626		368,848,116	
LaR	Receivables		4,452,031	4,452,031	4,238,676	n/a
LaR	Cash and cash equivalents		4,488,415	4,488,415	7,144,968	n/a
AfS	Financial instruments available for sale	3	8,512,854	8,512,854	7,279,433	7,279,433
FVTPL	Other financial assets – derivative	3	4	4	2	2
	Non-financial current assets and current assets					
	not measured at fair value		15,069,781	n/a	3,556,171	n/a
	Total current assets (including IFRS 5)		32,523,085		47,058,043	
	Total assets		399,717,710		415,906,160	

Measurement category according to IAS 39 or other IFRS	Equity and liabilities – items/categories on the statement of financial position	IFRS 13 level	Carrying value 30/9/13	Fair value 30/9/13	Carrying value 31/12/12	Fair value 31/12/12
LaR	Variable-yield bonds		(4,956,486)	(4,956,486)	–	–
LaR	Fixed-rate convertible bonds		(14,455,465)	(14,452,689)	(15,396,167)	(15,396,167)
LaR	Fixed-interest loans		(110,455,472)	(115,078,576)	(73,064,910)	(73,560,799)
LaR	Variable-interest loans		(85,961,371)	(83,235,433)	(99,441,588)	(95,462,504)
LaR	Other non-current liabilities		(4,737,873)	(4,737,873)	(773,731)	(773,731)
FVTPL	Derivative financial instruments – conversion right	3	(1,335,523)	(1,335,523)	–	–
IAS 19	Provisions for pensions		(2,274,247)	(2,274,247)	(2,260,893)	(2,260,893)
	Non-financial non-current liabilities and non-current liabilities					
	not measured at fair value		(12,116,924)	n/a	(13,753,850)	n/a
	Total non-current liabilities		(236,293,361)		(204,691,139)	
LaR	Fixed-rate convertible bonds		(6,162,983)	(6,393,214)	–	–
LaR	Liabilities		(16,410,124)	(16,410,124)	(21,377,861)	n/a
LaR	Fixed-interest loans		(14,674,913)	(14,862,317)	(35,877,849)	(36,110,037)
LaR	Variable-interest loans		(27,341,329)	(27,152,518)	(44,894,054)	(44,697,958)
FVTPL	Derivative financial instruments	3	(735,149)	(735,149)	(538,486)	(538,486)
Hedge	Derivative financial instruments with hedging relationships	3	(95,381)	(95,381)	(741,906)	(741,906)
	Non-financial current liabilities and current liabilities					
	not measured at fair value		(14,995,442)	n/a	(5,084,081)	n/a
	Total current liabilities (including IFRS 5)		(80,415,321)		(122,163,000)	
	Total liabilities		(316,708,681)		(326,854,139)	

LaR = Loans and receivables

AfS = Available for sale

FVTPL = at fair value through profit or loss

b) Reconciliation level-3 measurement (recurring fair value measurement)

Change	Amount	Individual profit/loss item
Carrying amount as of 1 January 2013	8,987,035	
Additions	698,426	
Profit and loss statement measurement result	41,558	Personnel and financial expenses
Other income/expense measurement result	646,525	
Disposals	(602,767)	
Carrying amounts as of 30 September 2013	9,770,777	

An amount of EUR 540,000 is related to realized losses and was reclassified from other income to the statement of comprehensive income.

c) Measurement method and inputs (recurring fair value measurement)

Level	Statement of financial position items/categories	Measurement method	Material inputs
3	Refund claims (other financial assets)	Income-based	Expected payment flow, profit participation according to the GBVUU (profit participation regulation of the FMA)
3	Financial instruments available for sale	Income-based	Expected payment flow
3	Derivative financial instruments – assets (current)	Income-based	Yield curve, credit risk
3	Non-current derivative financial instruments – conversion right	Income-based	Volatility, share prices
3	Derivative financial instruments – liabilities (current)	Income-based	Yield curve, credit risk, PLN/EUR FX rate
3	Derivative financial instruments with hedging relationships Liabilities (current)	Income-based	Yield curve, credit risk

No reassignments according to the IFRS 13 levels or changes in the measurement methods have taken place in the financial year.

d) Sensitivity analysis for changes in unobservable material inputs (recurring measurement)

Financial instruments input	Change of the assumption	Change in pre-tax result (rounded)
Payment flows (available-for-sale securities)	+5%	934,000
Payment flows (available-for-sale securities)	-5%	(934,000)
Volatility of Warimpex share price in PLN	+5 percentage points	(160,370)
Volatility of Warimpex share price in PLN	-5 percentage points	(166,606)
Warimpex share price in PLN	+10%	(330,540)
Warimpex share price in PLN	- 10%	305,593

The development of the share price influences the volatility of the share price.

The fair value of the refund claims in connection with the pension reimbursement insurance is disclosed by the insurance company and includes profit participation entitlements according to the legal regulations.

Please see Note [16] for information on the effects of possible changes in the inputs for the interest rate and cross currency swaps. Because of the terms of the interest rate swap in connection with the angelo Prague financing loan (asset derivative), a worsening of the results is not expected.

[20] Events after the reporting date (disposal groups held for sale)

The sale of Le Palais Hotel in Prague is planned. Negotiations are under way. For this reason, the assets and liabilities of Les Palais Hotel were reported as disposal groups pursuant to IFRS 5 as of 30 September 2013.

The sale of the Le Palais Offices (the Prozna project) was closed in October 2013. The project generated a prospective development gain of roughly EUR 2 million for the Group.

Warimpex also successfully placed a convertible bond and a bond in October 2013:

- The convertible bond with a total nominal value of PLN 16.5 million (roughly EUR 3.9 million), a denomination of PLN 500,000, a term of three years and an interest rate of 3.9% p.a., payable semi-annually, was issued in Poland. The conversion price was set at PLN 7.65. A share of PLN 13.5 million (roughly EUR 3.2 million) was swapped out of the existing convertible bonds from 2011. Of the issue proceeds, PLN 0.5 million (roughly EUR 0.1 million) were used for the early redemption of the convertible bonds from 2011.
- The bond was issued with a total nominal value of PLN 8.5 million (roughly EUR 2 million), a denomination of PLN 500,000, a term of four years and an interest rate of 6.4% p.a. plus the six-month WIBOR, payable semi-annually. It includes a call option for Warimpex after three years.

[21] Other commitments, litigation and contingencies

There were no material changes in the reporting period with respect to other commitments, litigation and contingencies as compared with the situation described in the consolidated financial statements as of 31 December 2012.

Vienna, 28 November 2013



Franz Jurkowitsch

Chairman of the Management Board



Georg Folian

Deputy Chairman of the Management Board



Alexander Jurkowitsch

Member of the Management Board

Financial calendar

28 Nov 2013	Publication of the results for the first three quarters of 2013
24 April 2014	Publication of the Annual Report for 2013
28 May 2014	Publication of the results for the first quarter of 2014
6 June 2014	Annual General Meeting
29 August 2014	Publication of results for the first half of 2014
28 November 2014	Publication of the results for the first three quarters of 2014

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