

IMMOFINANZ

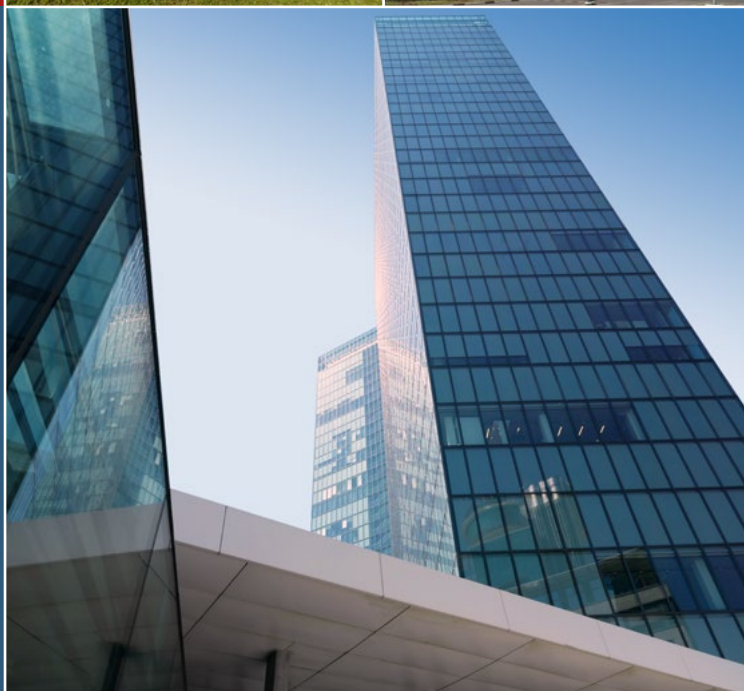
GROUP

REPORT ON THE 1ST QUARTER AS OF 31 JULY 2014

RETAIL



OFFICE



LOGISTICS



Earnings Data

	31 July 2014	Change in %	31 July 2013
Rental income in EUR mill.	117.6	-6.8%	126.1
Results of operations in EUR mill.	90.9	-6.5%	97.2
EBIT in EUR mill.	11.9	-92.3%	155.3
EBT in EUR mill.	-18.5	n.a.	115.2
Net profit for the period in EUR mill.	-14.0	n.a.	119.8
Earnings per share in EUR	-0.01	n.a.	0.12
Sustainable cash flow per share in EUR ¹	0.05	-32.1%	0.07
Interest coverage ratio in %	187.0%	-6.0%	199.0%
Gross cash flow in EUR mill.	80.9	-18.3%	99.0
Cash flow from operating activities in EUR mill.	73.3	27.0%	57.7
Enterprise value/results of operations	17.2	1.5%	17.0

¹ Sustainable cash flow (excl. BUWOG): Gross cash flow (EUR 80.9 million) + interest received on financial investments (EUR 1.3 million) – interest paid (EUR 36.5 million) – cash outflows for derivative transactions (EUR 5.4 million) + results of property sales (EUR 7.3 million) based on market capitalisation as of 18 September 2014 (share price: EUR 2.37), excl. treasury shares and market capitalisation of the BUWOG shares held (EUR 731.7 million based on a share price of EUR 14.99 as of 18 September 2014). = Subtotal/Average number of shares during the reporting period, excl. treasury shares (1,016,057,419)

Asset Data

	31 July 2014	Change in %	30 April 2014
Balance sheet total in EUR mill.	9,345.0	-0.4%	9,386.7
Equity as a % of the balance sheet total	45.8%	1.0%	45.4%
Net loan to value ratio in %	56.2%	5.7%	53.2%
Gearing in %	90.7%	5.6%	85.9%

The IMMOFINANZ share

€ **4.57**

NAV
(diluted) per share,
as of 31 July 2014

€ **2.67** bill.

MARKET CAPITALISATION
based on the share price of
EUR 2.37 on 31 July 2014

1.13 bill.

NUMBER OF SHARES
as of 31 July 2014

Property Data

	31 July 2014	Change in %	30 April 2014
Total number of properties	477	-8.4%	521
Lettable space in sqm	3,610,257	-5.6%	3,825,325
Occupancy rate	84.9%	-0.1%	85.0%
Carrying amount of investment properties in EUR mill.	6,396.1	-0.2%	6,411.6
Carrying amount of properties under construction in EUR mill.	264.4	19.0%	222.2
Carrying amount of inventories in EUR mill.	154.5	-0.8%	155.8

Stock Exchange Data

	31 July 2014	Change in %	30 April 2014
Book value per share in EUR	4.21	0.5%	4.19
Net asset value per share diluted in EUR	4.57	0.3%	4.56
Share price at end of period in EUR	2.37	-11.5%	2.67
Discount of share price to diluted NAV per share in %	48.3%	16.6%	41.4%
Number of shares	1,128,952,687	0.0%	1,128,952,687
Number of treasury shares	112,895,268	0.0%	112,895,268
Market capitalisation at end of period in EUR mill.	2,670.0	-11.5%	3,016.6

Standing Investments

€ **6.05** bill.

STANDING INVESTMENTS

Carrying amount,
as of 31 July 2014

 **341**

STANDING INVESTMENTS

Number of properties as of 31 July 2014

 **3.61** mill.

RENTABLE SPACE

in the standing investments
in sqm as of 31 July 2014

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From left to right: Dietmar Reindl, Birgit Noggler, Eduard Zehetner

Dear Ladies and Gentlemen,

Where is the Ukraine conflict heading, and what effect will these geopolitical tensions have on IMMOFINANZ Group's business in Russia? Investors have frequently asked us these questions in recent months. That is understandable because the crisis and sanction policies have been the focal point of repeated news reports and influenced the mood of many investors. The resulting uncertainty was reflected in the first quarter of our 2014/15 financial year, both in the performance of the market in Vienna and in the development of the IMMOFINANZ share.

With regard to the political issues, we can only hope for a fast victory of common sense. The crisis in Ukraine undoubtedly represents a source of uncertainty for our core markets and their future economic development. With regard to our daily business activities, we have, as announced, offered a number of tenants in our Russian shopping centers short-term reductions in their lease payments – a step that will help them to offset foreign exchange effects. This same strategy provided to

be a successful way of strengthening the ties with our tenants during the 2008/09 financial crisis. In total, we are expecting an increase in rental income from Russia because our newest shopping center, *GOODZONE*, is gaining momentum.

Solid performance

IMMOFINANZ Group's operating business generated solid performance in the first quarter of 2014/15. A like-for-like comparison (i.e. adjusted for new acquisitions, completions and sales) shows an increase of 1.4% in rental income over the last quarter of 2013/14. The occupancy rate in our portfolio remained stable. The slight decline in the results of operations is related, above all, to the planned sale of properties in the previous financial year.

In spite of this solid operating performance, net profit was negative at EUR –14.0 million for the first quarter of 2014/15. This development resulted primarily from negative effects caused by the foreign exchange-based revaluation of investment properties, which was related to the

increase in the value of the Ruble versus the Euro and US Dollar from the beginning of May to the end of July 2014.

A quick look back: In 2013/14, which saw a substantial decline in the value of the Ruble versus the Euro and US Dollar, the foreign exchange-based revaluation of investment properties made a positive contribution of EUR 311.0 million to Group net profit.

The fluctuations in the Ruble exchange rate cause high volatility in our income statement from time to time. However, it is important to note that these are non-cash positions. Excluding the negative non-cash effects from exchange rates and derivatives, Group net profit for the first quarter of 2014/15 equalled EUR 47.6 million and was higher than the first quarter of the previous year (EUR 45.9 million).

An analysis of our quarterly results must also take another factor into account: The proportional share of quarterly results for the BUWOG Group, in which IMMOFINANZ holds an investment of 49%, are not included in first quarter earnings because BUWOG announces its quarterly results after IMMOFINANZ Group. This timing difference in the publication of financial statements leads to a one quarter shift in the inclusion of BUWOG's quarterly results in IMMOFINANZ Group's earnings.

Gradual recovery

In the remaining three quarters of 2014/15, we expect the core markets of IMMOFINANZ Group will continue their positive development and benefit from the gradual economic recovery. The crisis in Ukraine and the sanction policies are, as previously mentioned, uncertainty factors that have already led to a reduction in growth forecasts for the region and the Euro countries. However, the economic prospects for this region are still sound: national

finances are healthy and the pent-up demand compared with Western Europe will continue to drive growth.

Our activities in the financing area included the issue of an exchangeable bond, after the end of the reporting period, for part of the BUWOG shares held by IMMOFINANZ. The bond has a volume of EUR 375.0 million, a term of five years and a coupon of 1.5% per year. This exchangeable bond will release most of the liquidity tied up in the BUWOG shares for alternative uses. However, IMMOFINANZ retains full flexibility with regard to the future use of these shares and will benefit from planned dividend payments by BUWOG up to a possible exchange. BUWOG has announced that it will propose a EUR 0.69 dividend per share to the annual general meeting. The attractive conditions for the exchangeable bond will also allow for a substantial reduction in financing costs following the repayment of more expensive loans and financing.

Our plans for 2014/15 include the repayment of the financing with treasury shares (approx. EUR 150.0 million) as well as the so-called equity bridge (EUR 260.0 million), which represents the financing we concluded for the full subscription of the BUWOG convertible bond. The repayment of the financing that involved the use of treasury shares as collateral will also allow for the cancellation of these shares. With respect to the BUWOG convertible bond that was subscribed by IMMOFINANZ, BUWOG is entitled to call and repay the bond in full by the end of January 2015. BUWOG management has already announced that it will most probably exercise this option.

We, as the Executive Board of IMMOFINANZ, plan to resume dividend payments for the 2014/15 financial year. The dividend (including a possible share buyback) should range from EUR 0.15 to EUR 0.20 per share.



Birgit Noggler
CFO



Eduard Zehetner
CEO



Dietmar Reindl
COO

IMMOFINANZ Group – The market leader for commercial properties in CEE

A real estate machine with profitability along the entire value chain

Who we are

IMMOFINANZ Group is a real estate investment and development corporation that is listed on the Vienna and Warsaw Stock Exchanges. Since our founding in 1990, we have compiled a high-quality property portfolio that now includes 341 standing investments with a carrying amount of roughly EUR 6.1 billion. We currently manage 3,610,257 sqm of rentable space, which generate a gross return of 7.7% based on a current occupancy of roughly 84.9%.

Where we operate

We generate sustainable income for our investors with high-quality properties. Our activities are concentrated on prime properties in three asset classes – retail, office and logistics. Eight core countries represent the geographic focus of our portfolio: Austria, Germany, Poland, Czech Republic, Slovakia, Romania, Hungary and Russia.

What we work on every day

As a **real estate machine**, we concentrate on linking our three core business areas: the development of sustainable, specially designed prime properties in premium locations (Development), the professional management of these properties (Asset Management) and cycle-optimised sales (Trade). Our active and decentralised asset management increases rental income and reduces vacancies. When we sell a property, the liquid funds we receive are reinvested in new development projects. Our goal is to generate greater profitability along the entire value chain with a clearly defined, standardised and "industrialised" process, maintain a steady pace of sales to make sure our portfolio stays modern and attractive and generate high cash flow for our shareholders.

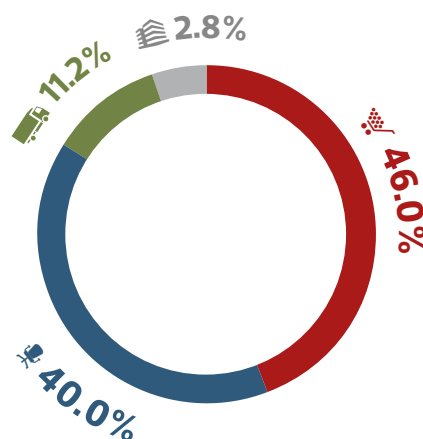
Why we believe in CEE

The spin-off of BUWOG in the 2013/14 financial year shifted our geographic focus even more towards Eastern Europe. At the same time, we sharpened our profile as the leading specialist for office, retail and logistics properties in Central and Eastern Europe. Two-thirds of the IMMOFINANZ portfolio are located in CEE and Russia and one-third in Western Europe. In 2013 the total return on our CEE properties brought us the "IPD Property Investment Award in Central & Eastern Europe" for the highest performance among the 49 portfolios surveyed in this region. We believe in the long-term growth story and the convergence potential of Eastern Europe.

Greater
profitability along
the value chain

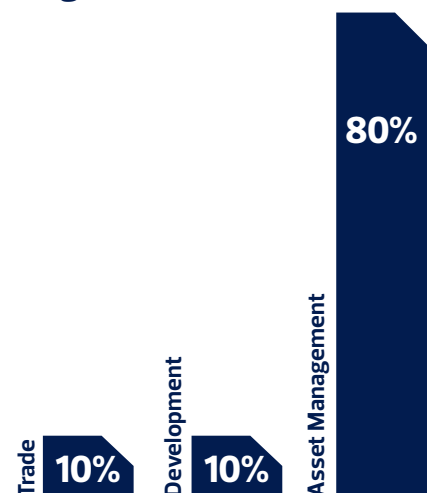
Stronger focus
on CEE

Asset Classes¹



🛒 RETAIL | 🏢 OFFICE | 🚚 LOGISTICS | 🏠 OTHER

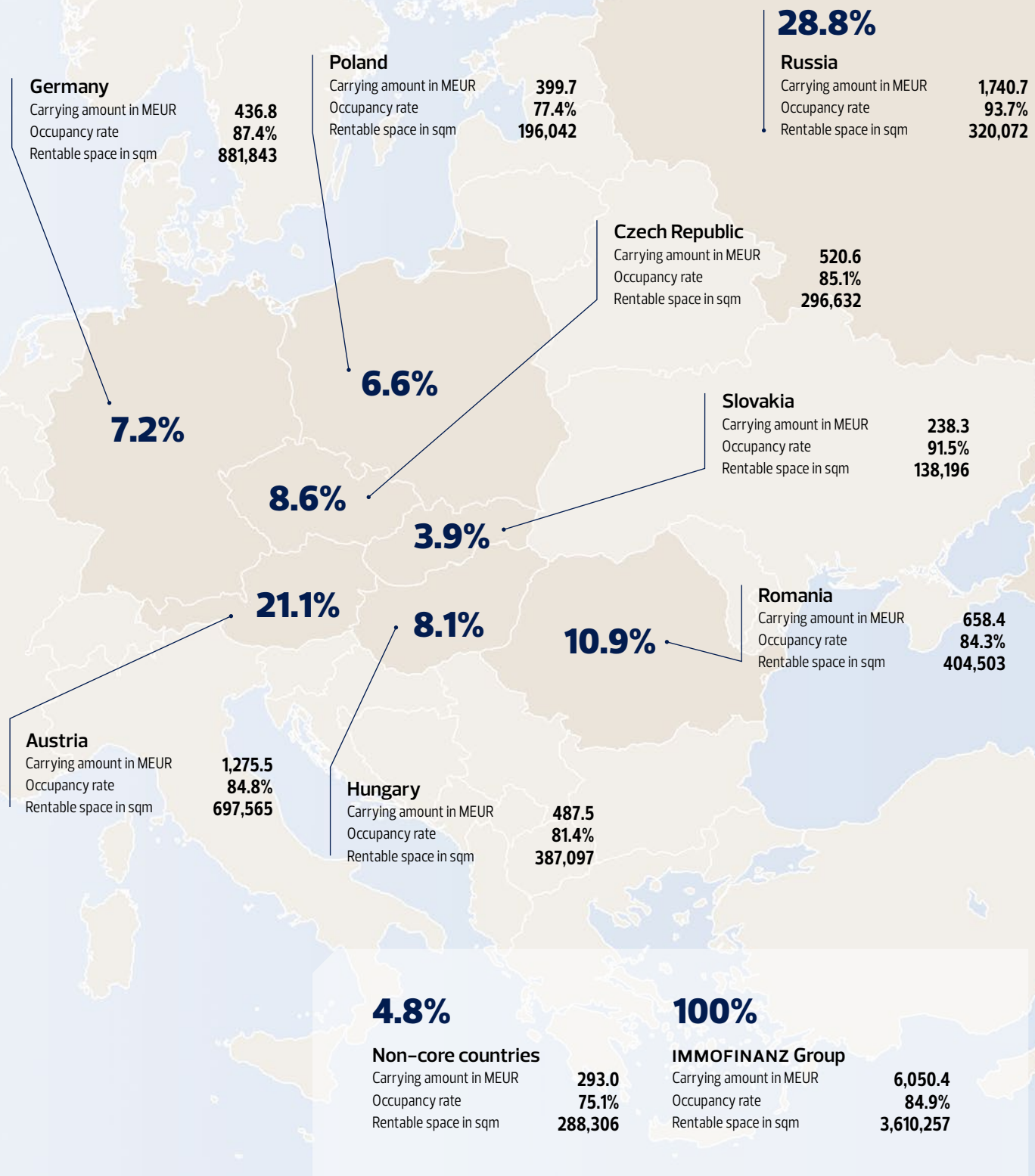
Segments



RESULTS OF OPERATIONS

¹ Share of the standing investment portfolio

Carrying amounts, occupancy rates and rentable space in the standing investments as of 31 July 2014



Share of the standing investment portfolio (based on the carrying amount)

Distribution of standing investments as of 31 July 2014

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Panorama



2 sustainability certificates ...

... for two of our development projects in two asset classes and two countries: the *Tarasy Zamkowe* in Lublin became the first shopping center in Poland to receive certification as "BREEAM Excellent for the design stage". The *Tarasy Zamkowe* meets the following criteria for sustainable planning, construction and operations: 36.4% less energy, 55.0% less water and 35.0% less greenhouse gas emissions. In the Czech Republic, we received the LEED Gold end certificate for our *Jindřišská 16* office refurbishment project. This building is located in the heart of Prague's city center and has a remarkable lobby with a huge green wall: the over 5,000 plants on this vertical garden fill the air with fresh oxygen and natural humidity. The building's characteristic features also include original architectonic elements like the facade, the interior structure in the historical section, impressive stairwells, windows and furnishings, which were all preserved during the revitalisation.

51 STOP.SHOP.s ...

... are now included in our retail warehouse portfolio: the opening of the 51st STOP.SHOP. was celebrated at the end of August and after the end of the reporting period in Ketrzyn, a district city roughly 200 km north of the Polish capital in Warsaw. The heart of the action-packed entertainment programme was the official opening ceremony, which was attended by representatives of the city and district governments and IMMOFINANZ Group. The many visitors were then treated to a concert by the Polish pop star Jula. In the Hungarian city of Gödöllő, we recently added 1,500 sqm of rentable space to the STOP. SHOP. that opened in 2007 – it was our first own STOP.SHOP. development project in that country. The additional areas are rented to three international companies (Kik, DM and Fressnapf) and raise the total rentable space in the STOP.SHOP. Gödöllő to roughly 9,800 sqm.





Thousands of visitors ...

... including a large number of fashion fans, were on the go during the past summer in our newest shopping center, the *GOODZONE* in Moscow. Our special "Fashion Day" highlighted the strong orientation of this shopping temple. The event, which started at mid-day and lasted late into the evening (DJ included), featured numerous fashion shows as well as make-up tips. Among the star guests were the well-known Russian stylist Vlad Lisovets (the anchor of several TV fashion shows) as well as make-up designer Elena Krygina, who has also made a name for herself as a video blogger.



Clusterhaus number 5 ...

... recently opened in the Czech city of Brunn. In addition to Germany (Cologne), Austria (Vienna), Slovakia (Bratislava) and Hungary (Budapest), the Czech Republic is the fifth country for our young entrepreneurs' project. This office building provides 1,000 sqm of rentable space on two floors, where so-called start-up hubs from the digital sector can lease "do-it-yourself offices" with flexible contracts at low prices and work on the realisation of business ideas together with their peers. In addition to attractive conditions, the Clusterhaus creates an ideal atmosphere for these young entrepreneurs with start-up events and networking opportunities as well as uncomplicated access to know-how and new talents.

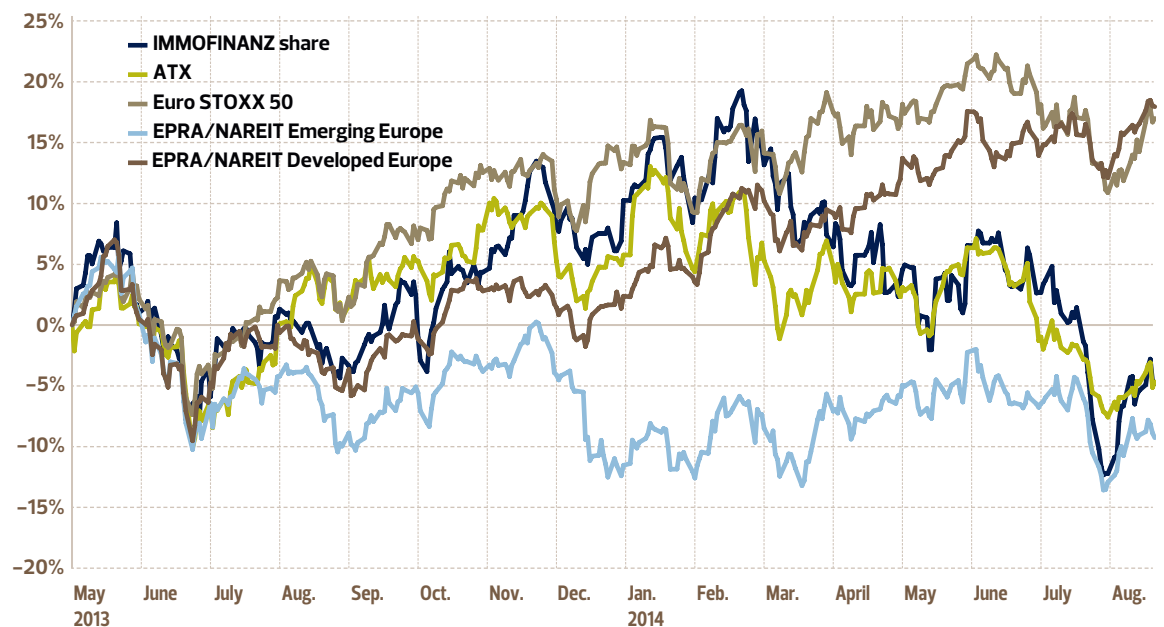
Investor Relations

The capital markets and share development

The international financial markets remained volatile throughout the first quarter of 2014/15. Share prices were negatively influenced by the Ukraine conflict, but the market climate was heightened by positive economic indicators and the historic interest rate cut by the European Central Bank (ECB). The DAX broke the 10,000 point mark for the first time in its 26-year history on 5 June 2014 and rose to an all-time high of 10,029.43 points on 3 July. The Dow Jones also reached a record 17,138.20 points on 16 July.

The ATX started the reporting period at 2,525.22 points and closed on 31 July 2014 at 2,310.44 points. The IATX fell from 200.14 to 195.94 points and the Euro STOXX 50 from 3,198.39 to 3,115.51 points. The EPRA/NAREIT Emerging Europe Index fell from 975.40 to 937.23 points, while the EPRA/NAREIT Developed Europe rose from 1,719.48 to 1,785.34 points.

Development of international stock market indexes



The IMMOFINANZ share

IMMOFINANZ AG trades in the leading index of the Vienna Stock Exchange with approx. 1.1 billion zero par value, voting shares (bearer shares, no preferred or registered shares). The IMMOFINANZ share started the new financial year at EUR 2.67 and closed the first quarter of 2014/15 at EUR 2.37. This represents a decline of 4.0% below the price at the end of the comparable prior year period (31 July 2013, adjusted for the BUWOG spin-off¹: EUR 2.47). The crisis in Ukraine, its further development and the implementation of sanctions represent uncertainty factors that had a negative influence on the mood of investors and, in turn, also on the IMMOFINANZ share. With a discount of 48.3% between the share price and NAV as of 31 July 2014, the IMMOFINANZ share has a high potential for an increase in value. The market capitalisation of IMMOFINANZ AG totalled EUR 2.7 billion as of 31 July 2014, and the average daily traded volume equalled EUR 3.55 million.

After the reporting period, the ATX Committee of the Vienna Stock Exchange announced that the IMMOFINANZ share would be removed from the ATX five, a capitalisation-weighted price index of the five shares with the highest weighting in the ATX, as of 22 September 2014 because of the higher free float capitalisation of Andritz AG shares. BUWOG AG was added to the ATX at this same time.

¹ Sample calculation for the IMMOFINANZ share price adjusted for the BUWOG spin-off: actual closing price for the IMMOFINANZ share on the Vienna Stock Exchange as of 31 July 2013: EUR 3.077 x price adjustment factor of 0.803396 = EUR 2.472.

Dividend policy

As a consequence of the spin-off of BUWOG AG, IMMOFINANZ AG will not propose a dividend payment for the 2013/14 financial year to the 21st annual general meeting which will be held on 30 September 2014 in the Austria Center Vienna. This decision is based on the fact that IMMOFINANZ invested major parts of its internally generated funds in German residential properties during the past year to pave the way for the separation of BUWOG.

Dividend planned for 2014/15

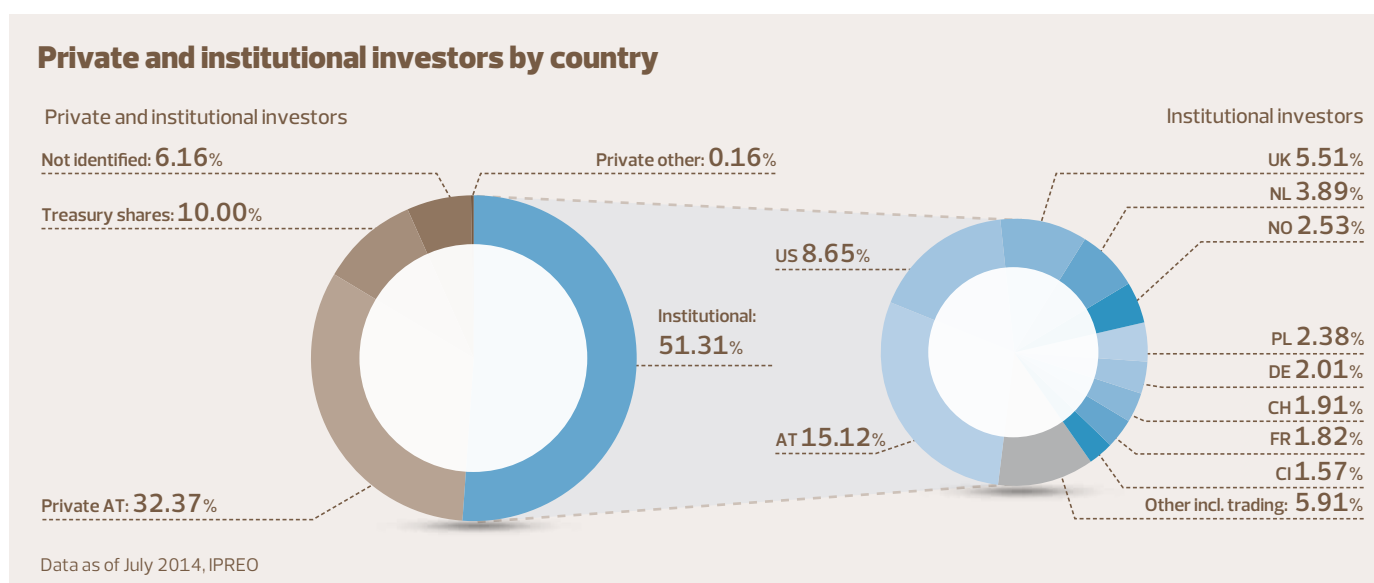
IMMOFINANZ plans to resume dividend payments starting in 2014/15, whereby the distribution should range from EUR 0.15 to 0.20 per share (including a possible share buyback).

Exchangeable bond for shares in BUWOG AG

IMMOFINANZ AG successfully placed an exchangeable bond (XS1108672988) for shares in BUWOG AG after the end of the reporting period. The volume totalled EUR 375.0 million. The exchangeable bond has a coupon of 1.5% per year and an exchange price of EUR 17.03. That represents an exchange premium of 15% over the reference price of EUR 14.8107 (based on the volume weighted average price of the BUWOG share on the Vienna Stock Exchange between the start and close of trading on 4 September 2014). The exchangeable bond was issued and will be redeemed at 100% of the nominal value. The bond's term will end on 11 September 2019 with a put option on 11 September 2017. The liquidity generated by this bond issue will be used to repay existing, more expensive financing, for current and planned portfolio investments, opportunistic growth opportunities and/or general corporate purposes.

Analysis of shareholder structure

IMMOFINANZ AG is the leading listed commercial property investor in the CEE region. It serves as the parent company of IMMOFINANZ Group and is a public company whose shares are held in free float. The share capital of IMMOFINANZ AG totalled EUR 1,172,059,877.27 as of 31 July 2014 and is divided into 1,128,952,687 zero par value shares with voting rights (ISIN AT0000809058) each of which represents a proportional share of EUR 1.04 (rounded) in share capital. The share capital and number of shares remain unchanged in comparison with 30 April 2014. This free float, excluding treasury shares, represents more than 90% and is distributed, for the most part, among Austrian private investors and national and international institutional investors.



Austrian private investors hold 32.4% of the shares, or slightly less than institutional investors with approx. 51.3%. Most of the institutional investors come from Austria (15.1%), followed by North America (8.7%), Great Britain (5.5%), the Netherlands (3.9%) and Norway (2.5%). The share of Polish investors in IMMOFINANZ AG rose from 0.7% to 2.4% between July 2013 and July 2014.

The company was informed that FRIES Familien-Privatstiftung, Dr. Rudolf FRIES Familien-Privatstiftung, Mr. and Mrs. Rudolf Fries and other closely related persons (together the "Fries Group") have directly and indirectly held over 5% of the shares since 15 April 2011. As of 31 July 2014, the Fries Group held approx. 5.8% of the voting rights in IMMOFINANZ AG.

On 11 January 2013 the US bank JPMorgan Chase & Co. announced that, together with the holdings of companies under its control, it held a relevant stake in IMMOFINANZ, which represented approx. 6.1% of the total voting shares.

There are no further reports of holdings over 4%, respectively 5%.

External analyses

Analysts' views of a company have a significant influence on the opinions of investors. Accordingly, the provision of information for well-substantiated corporate analyses represents a focal point of activities for the IMMOFINANZ investor relations team. The following companies publish regular analyses on IMMOFINANZ and its share:

Institution	Date	Recommendation	Target price in EUR
Erste Group	16 September 2014	Buy	3.10
Deutsche Bank	8 September 2014	Hold	3.20
Kepler Cheuvreux	5 September 2014	Buy	3.30
Morgan Stanley	2 September 2014	Equal-weight	2.50
Alpha Value	6 August 2014	Buy	3.32
Wood & Company	5 August 2014	Buy	4.08
Société Generale	4 August 2014	Hold	2.80
Kempfen & Co	4 August 2014	Neutral	2.75
Raiffeisen Centrobank	7 July 2014	Buy	3.15
Baader Bank	17 June 2014	Hold	3.00
HSBC	27 February 2014	Overweight	4.40

The average target price in the analysts' reports is EUR 3.24, which is 36.8% higher than the share price on 19 September 2014 (EUR 2.37).

Communications with investors

IMMOFINANZ Group also plans to take part in numerous road shows and conferences during the 2014/15 financial year to give institutional investors and analysts an opportunity to learn about the company and its activities in personal discussions. In line with this policy, the CEO, CFO and Head of Corporate Finance & Investor Relations attended road shows and conferences during and after the reporting period, for example in Amsterdam, Berlin, Boston, London, Munich, New York, Warsaw and Vienna.

Group Management Report



Gold Plaza | Baia Mare | RO



Shopping and entertainment on three levels as well as lots of indoor and underground garage parking space

31,100  rentable space

approx. 100  shops

Economic Developments in the Core Countries of IMMOFINANZ Group

Analyses and outlook

The global economy continued along the road to recovery during the first half of 2014. Economic development accelerated slightly in the USA and was stable in Asia, while a number of European countries returned to a positive growth course. According to an analysis by the Economist Intelligence Unit (EIU), global growth should rise from 2.0% in 2013 to 2.5% in 2014 and 3.0% in 2015. The EIU is also projecting slightly weaker development for the Euro zone, above all due to the constant high level of unemployment, high private sector debt and restrictive bank lending practices. However, the countries in the Euro zone have finally emerged from the recession.

OECD forecast: reserved outlook

In mid-September, the Organisation for Economic Cooperation and Development (OECD) issued a downward revision to its economic forecast. The report specified various geopolitical risks, including the crisis in Ukraine and tensions in the Near East, as the main reasons for this step. The OECD is now forecasting growth of 0.8% for the Euro zone in 2014, or 0.4 percentage points less than in May 2014. The forecast for 2015 was also reduced by 0.6 percentage points to 1.1%. Germany is now only expected to generate growth of 1.5% in 2014 and 2015, in contrast to the OECD's May report which called for an increase of 1.9% in 2014 and 2.1% in 2015.

Developments on the European markets

EU economy on growth course

There are growing signs of slow recovery across Europe. The Euro zone emerged from the recession and, according to the EIU, generated growth of 0.2% in 2013. The EIU experts are projecting a real GDP increase of 1.5% for the EU and 1.0% for the Euro zone in 2014. This upward trend is expected to continue in 2015 with +1.8% in the EU and +1.4% in the Euro zone. The aftereffects of the financial crisis are still apparent, and consumer spending remains reserved due to the high unemployment and high level of household debt.

This recovery process in Europe has been slowed by the sanctions imposed on Russia by the EU and the related countermeasures by Moscow. Volume declines and the resulting negative economic effects have already been recorded, above all by the major exporting countries in Europe. After the end of the reporting period, the EU reaffirmed its intention to continue the sanctions against Russia. These actions include restricting the access of Russian banks and government-related companies to the European capital market, which has led to a sharp drop in Russian investments in foreign countries. The EU strategy calls for the possible repeal of the sanctions if the 12 point peace plan proposed by Russia President Vladimir Putin and his Ukrainian colleague Petro Poroshenko is implemented. Russia followed the first import stops by announcing further countersanctions, including the possible closing of Russian airspace for EU airlines. Not only the Russian economy, but also the future development of the entire CEE region and Western Europe is dependent on the extent of foreign sanctions against Russia and the counteractions taken by Moscow.

Overview of the IMMOFINANZ core markets

The steady upward trend after the European financial crisis is still evident in the IMMOFINANZ core countries, despite the slowdown in growth caused by the geopolitical situation. The Central and East European countries, such as Romania, continue to confirm their substantial growth potential and benefit from exports to Germany, Austria and other West European countries.

Key economic indicators – including GDP growth, inflation, sovereign debt and the unemployment rate – for the IMMOFINANZ core countries are presented subsequently.

Strategic orientation confirmed

According to the EIU, the average GDP in the EU will increase by 1.5% in 2014 (2013: +0.2%). Developments in the CEE region are significantly better: the average GDP for the CEE core countries of IMMOFINANZ Group, weighted by fair value, should rise by 1.6% in 2014 (2013: 1.1%). This development again confirms IMMOFINANZ Group's strategic focus on the growth markets in CEE.

Inflation in the Euro zone is still significantly below the 2.0% target. EuroStat reported an inflation rate of 0.4% in July 2014, which is even lower than the 0.6% (May 2014) registered in the previous quarter. Low inflation rates can stimulate economic growth, but can also lead to deflation in a number of member states, like Greece or Portugal. The ECB is holding key interest rates at a minimal level in an attempt to counter this too low inflation and support the economy. The average unemployment rate in the EU has stabilised in recent months according to EuroStat and equalled 10.2% in July 2014. However, unemployment is substantially lower in the core countries of IMMOFINANZ Group, with the exception of Slovakia. Sovereign debt in the CEE region is also much lower than the EU average: as reported by the EIU, the gross national debt in relation to GDP is forecasted to average 89.0% for the EU member states and 95.3% for the Euro zone in 2014 – which would represent another year-on-year increase. In contrast, the gross national debt in the IMMOFINANZ core countries, e.g. Romania (36.5%) and the Czech Republic (44.2%), is substantially lower.

	Unemployment rate in July 2014 in %	Annual inflation rate in July 2014 in % ¹	Forecasted gross national debt 2014 in % of GDP	Forecasted deficit/surplus in % of GDP in 2014	Forecasted GDP growth rate 2014 in % ²	Forecasted GDP growth rate 2015 in % ²	Forecasted GDP growth rate 2016 in % ²
Austria	4.9%	1.7%p	80.1%	-3.0%	0.8%	1.6%	1.9%
Germany	4.9%	0.8%	75.8%	0.5%	1.7%	1.6%	1.7%
Poland	9.0%	0.0%	49.6%	-1.6%	3.1%	3.6%	4.4%
Czech Republic	6.0%	0.6%	44.2%	-1.7%	2.5%	2.7%	3.4%
Slovakia	13.8%	-0.2%	58.7%	-2.7%	2.2%	2.5%	2.9%
Hungary	8.1% j	0.5%	81.2%	-2.9%	2.6%	2.3%	2.1%
Romania	7.0%	1.5%	36.5%	-2.2%	3.3%	3.5%	3.9%
Russia	4.9%	7.8%	7.3%	0.3%	0.2%	0.7%	2.4%
EU-28	10.2%	0.6%p	89.0%	-2.8%	1.5%	1.8%	1.8%
Euro zone (18 countries)	11.5%	0.4%p	95.3%	-2.5%	1.0%	1.4%	1.6%
IMMOFINANZ Group (weighted by fair value)	6.4%	2.8%	46.9%	-1.5%	1.6%	2.0%	2.7%

¹ Change in the annual average of the harmonised index of consumer prices (HICP)

² Growth in GDP volume – per cent change in relation to the prior year

EU = EuroStat; Economist Intelligence Unit (EIU)

RU = Rosstat; EIU

p = Preliminary

j = June

The Property Markets in the Core Regions of IMMOFINANZ Group

Developments. Results. Outlook.¹

The first six months of 2014 brought sound growth for the global real estate sector. In Europe, a further increase in transaction volumes confirmed the recovery of the investment market. The transaction market in CEE continued to improve – lower volumes were only recorded in Russia, Ukraine and the neighbouring countries due to the uncertainty caused by the Ukraine crisis. However, domestic demand by Russian investors remains sound. Russia-oriented investors continue to see significant potential over the medium- to long-term and are still interested in investments in this country.

Property transactions in Europe totalled EUR 81.9 billion in the first six months of 2014. That represents a 23.3% increase over the first half of 2013, whereby the prior year reached a record volume of EUR 153.9 billion.

Focus of investors on Czech Republic and Poland

In Western Europe, demand was particularly strong for properties in the Netherlands and France. Growing interest was also noted in South European countries like Spain. The situation in a number of CEE countries has also improved substantially, where investors are focusing especially on the Czech Republic and Poland.

¹ Source: CBRE, unless indicated otherwise.

The transaction volume in CEE amounted to EUR 3.7 billion for the first half year, which represents 4.5% of the total volume in Europe. However, a comparison with the very strong first half of 2013 (EUR 5.0 billion) shows a decrease of 25.9% – which resulted primarily from a decline on the Russian market in the wake of the Ukraine crisis.

Solid performance of IMMOFINANZ core countries

The market indicators in the asset classes and core countries of IMMOFINANZ Group remained stable to partly positive. The Group benefits from its commitment to CEE because a number of these economies still demonstrate substantially better development and greater growth potential than the countries in Western Europe. In contrast, the development of the Russian market is heavily dependent on the Ukraine crisis and the related uncertainty. In IMMOFINANZ Group's key retail segment, the slight weakness in domestic demand had almost no effect on operating results.

The following section summarises the market developments in the individual assets of IMMOFINANZ Group's core markets and analyses these developments based on key indicators (yield levels and vacancy rates).

Office

JLL's European Office Index, which is based on the weighted development of prime rents in 24 European markets, rose by 1.5% over the fourth quarter of 2013 during the first half of 2014. The office rental market remains weak in nearly all countries, whereby Europe – and here especially London and Paris – recorded comparatively positive results. According to JLL, the average vacancy rates on the European markets were unchanged at 9.7% for the sixth consecutive quarter and should remain stable in the future.

City/core market	Vacancy rate Q2 2014 for office properties in %	Prime yields Q2 2014 for office properties in %
Bratislava, Slovakia	14.5%	7.0%–7.3%
Budapest, Hungary	17.6%	7.5%–7.8%
Bucharest, Romania	14.7%	8.3%
Düsseldorf, Germany	11.6%	4.6%–5.8%
Moscow, Russia	13.5%	9.0%
Prague, Czech Republic	13.7%	6.0%–6.3%
Warsaw, Poland	13.4%	6.0%–6.3%
Vienna, Austria	6.8%	5.0%

Source: JLL, EHL (Vienna data)

Office: steady yields

Prime office rents in the IMMOFINANZ Group core markets were generally constant, with only slight weakness in Prague during the second quarter of 2014. The yield levels in the core countries also reflected the previous quarter. The development of vacancy rates differed: a slight improvement was registered in Budapest and Moscow, while the rental situation in Warsaw deteriorated, above all due to the substantial increase in new construction.

Retail

City/core market	Vacancy rate Q2 2014 for shopping centers in %	Prime yields Q2 2014 for shopping centers in %
Bratislava, Slovakia	8.0%	6.8%–7.0%
Budapest, Hungary	10.0%	7.3%–7.5%
Bucharest, Romania	9.5%–10.0%	8.3%
Düsseldorf, Germany	n.a.	4.6%–5.1%
Moscow, Russia	3.5%	9.3%
Prague, Czech Republic	3.5%	6.0%–6.3%
Warsaw, Poland	1.5%	5.5%
Vienna, Austria	n.a.	5.8%

Source: JLL, EHL (Vienna data)

Retail: expected increase in rents

Similar to the 2013 trend, developments in the retail sector were positive during the second quarter of 2014. CBRE forecasts an increase in rents by 2017 in nearly all West European countries and the CEE region. Consumer confidence over the future of the post-crisis economy is rising and creating a steady positive climate.

Prime rents improved in Düsseldorf, Warsaw and Moscow, and remained unchanged in the other IMMOFINANZ core markets. Yields were generally constant, and even hardened slightly in Warsaw and Prague. Vacancies remained stable, with a slight increase in Bucharest and Moscow.

Logistics

City/core market	Vacancy rate Q2 2014 for logistics properties in %	Prime yields Q2 2014 for logistics properties in %
Bratislava, Slovakia	6.9%	8.5%–8.8%
Budapest, Hungary	19.1%	9.3%–9.5%
Bucharest, Romania	13.8%	10.0%–10.5%
Düsseldorf, Germany	n.a.	6.4%–7.4%
Moscow, Russia	4.4%	11.3%
Prague, Czech Republic	8.0%	7.0%–7.5%
Warsaw, Poland	12.4%	7.3%–7.5%
Vienna, Austria	n.a.	7.0%

Source: JLL, EHL (Vienna data)

The second quarter of 2014 brought a slight improvement in vacancy rates for logistics properties in Budapest and Warsaw. In Moscow, the many recently completed projects led to an increase in the vacancy rate to a still low 4.4% according to JLL. Yields softened slightly in Moscow and hardened in Düsseldorf and Prague. Rents remained generally stable.

Logistics: rising demand for space

The demand for logistics space in Europe continues to rise. This is particularly true for prime properties, which are currently in short supply. Logistics properties and portfolios are also popular with investors: transactions totalled EUR 8.7 billion in the first half-year, which represents an increase of roughly 25% over the first six months of 2013.

Portfolio Report

The core activities of IMMOFINANZ Group cover the rental of standing investments and the development of real estate in the countries of Central and Eastern Europe. These activities are designed to create a diversified, risk-optimised, sustainable portfolio of standing investments. The primary objective is to maximise profitability along the entire value chain – from the in-house development of properties to optimisation through active asset management and sale.

The spin-off of the BUWOG Group in 2013/14 gave IMMOFINANZ Group a sharper profile as a specialist for commercial properties in the office, retail and logistics asset classes of its core markets: Austria, Germany, the Czech Republic, Poland, Hungary, Romania, Slovakia and Russia. In order to allow for more efficient and targeted actions in these different markets, IMMOFINANZ Group's activities are further divided into ten strategic business segments based on homogeneous product groups.

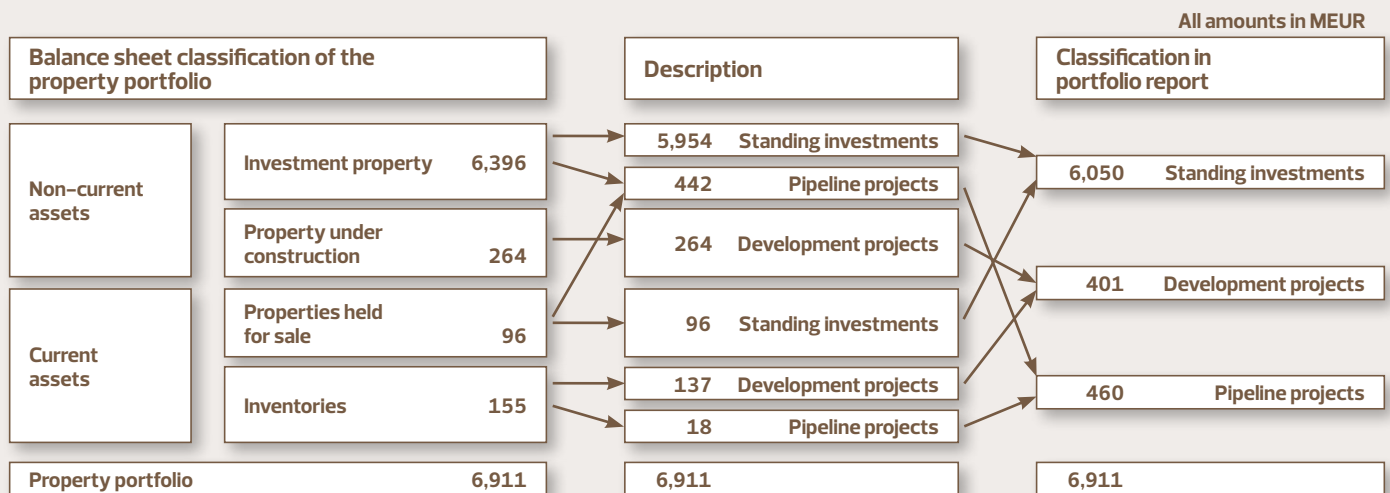
Property portfolio

The property portfolio of IMMOFINANZ Group is reported on the balance sheet under the following positions: investment property, property under construction, properties held for sale and real estate inventories. "Investment property" consists of standing investments as well as temporarily suspended development projects and undeveloped land. "Property under construction" consists solely of development projects currently in progress, which will be reclassified by IMMOFINANZ Group as standing investment properties after completion. "Real estate inventories" comprise properties that are developed for sale after completion and include, for example, condominium apartments. "Properties held for sale" represent standing assets for which the Group had concrete sale plans as of 31 July 2014 that are expected to be

realised soon after the balance sheet date. In the portfolio report, these properties are included under standing investments at a total of EUR 96.2 million.

The portfolio report covers all properties held by IMMOFINANZ Group, independent of the balance sheet classification. These properties are reported as standing investments (properties that generate rental income), development projects (projects under construction and completed condominium apartments) or pipeline projects (temporarily suspended projects, future planned development projects and undeveloped land).

The following chart reconciles the property assets of IMMOFINANZ Group as reported on the balance sheet as of 31 July 2014 with the presentation in this portfolio report:



Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The following table shows the carrying amount of IMMOFINANZ Group's property portfolio as of 31 July 2014:

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
Austria	190	1,275.5	1.1	35.6	1,312.2	19.0%
Germany	37	436.8	191.1	16.4	644.3	9.3%
Czech Republic	28	520.6	15.2	8.0	543.8	7.9%
Hungary	37	487.5	1.6	40.2	529.3	7.7%
Poland	25	399.7	148.1	6.3	554.1	8.0%
Romania	83	658.4	41.0	264.6	964.0	13.9%
Russia	6	1,740.7	0.0	0.0	1,740.7	25.2%
Slovakia	19	238.3	0.0	35.1	273.4	4.0%
Non-core countries	52	293.0	3.0	53.5	349.4	5.1%
IMMOFINANZ Group	477	6,050.4	401.0	459.7	6,911.1	100.0%
		87.5%	5.8%	6.7%	100.0%	

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The IMMOFINANZ Group property portfolio had a carrying amount of EUR 6,911.1 million as of 31 July 2014. Of this total, standing investments represent the largest component at EUR 6,050.4 million or 87.5%. Active development projects comprise EUR 401.0 million or 5.8% of the carrying amount of the property portfolio. A carrying amount of EUR 459.7 million or 6.7% is attributable to the project pipeline, which comprises temporarily suspended development projects, future planned development projects and undeveloped land.

An analysis shows the main focus of IMMOFINANZ Group's portfolio in Russia with 25.2%, followed by Austria with 19.0% and Romania with 13.9%. Germany ranks fourth with 9.3% of the total portfolio. The decline in the carrying amount of the property portfolio since the end of the 2013/14 financial year (carrying amount on 30 April 2014: EUR 7,229.7 million) resulted primarily from the application of new IFRS accounting regulations. Additional information is provided in section 1.1 of the notes.

A description of IMMOFINANZ Group's property portfolio is provided in the following sections:

Office

The business segment **International High-Class Office** consists solely of prime office properties in the most attractive markets. Outstanding quality and a top location are the basic requirements for this business segment. The properties are selected, above all, with a view to meeting international standards. With 18.5% of the total portfolio, the International High-Class Office portfolio represents an important source of revenues and can be seen as a key source of stability for IMMOFINANZ Group. This group of properties includes, among others, the *City Tower Vienna* (Vienna, Austria) and the *Park Postepu* (Warsaw, Poland), both of which are fully rented, as well as the *S-Park* and *Iride Business Park* (Bucharest, Romania).

The **Secondary Office AT/DE** portfolio comprises good quality, functional office properties. The target group consists primarily of cost-conscious tenants. With 8.2% of the total portfolio, the focal points of this business segment are the stable markets in Austria and Germany.

The properties in the **Secondary Office CEE** portfolio are located in the capital cities of Central and Eastern Europe. With 9.8% of the total portfolio, this business segment also concentrates primarily on cost-conscious tenants and is intended to strengthen the market position in Eastern Europe.

A focus on high-quality properties at good locations also requires the sale of assets that have a sizeable potential for repositioning, but do not match the target portfolio of IMMOFINANZ Group with respect to size, location, quality or other features. These properties are designated for sale over the short- and medium-term and are combined under the business segment **Opportunistic Office**. This category represents 2.8% of the entire portfolio.

Retail

Retail activities are concentrated in the **Quality Shopping Center** segment. With a 32.1% share of the total portfolio, these prime shopping facilities with international tenants are found exclusively in large, strong locations. The demands on size, quality, location and an international tenant mix are very high in this segment. Substantial retail expertise and an extensive international network make it possible for IMMOFINANZ Group to generate sustainable competitive advantages in this area. The properties in this segment include, among others, the *Polus Center Cluj* (Cluj-Napoca, Romania) and the *Golden Babylon Rostokino* (Moscow, Russia), with approx. 168,000 sqm of rentable retail space the largest and most profitable property in IMMOFINANZ Group's retail portfolio. Also included here is *GOODZONE*, a Moscow shopping center recently completed by IMMOFINANZ.

The business segment **STOP.SHOP./Retail Warehouse**, with a 7.0% share of the total portfolio, comprises retail warehouses in Austria and Eastern Europe that are characterised by a standardised format and an attractive tenant mix. These properties are situated mainly at top locations in catchment areas with 30,000 to 150,000 residents and generally have at least 3,000 sqm of space on a single level. In this segment IMMOFINANZ Group created the STOP.SHOP. brand in 2002 and has since successfully established it in CEE and Austria. Following the rebranding of selected Austrian retail warehouses at the end of 2012 and the acquisition of five existing retail parks at the end of December 2013 (four in Slovenia and one in the Czech Republic), the STOP.SHOP. brand is now represented with 50 locations in six countries. These retail warehouses offer convincing benefits, above all, with uniform quality standards, planning with a focus on easy shopping and high recognition. Plans call for the further expansion of this brand in the future with a focus on the Polish market. Market entry in Serbia and Romania is also planned.

With *VIVO!*, IMMOFINANZ Group has also developed a new shopping center brand. *VIVO!* shopping centers will generally have at least 15,000 sqm of rentable space on a single level and locations in cities with a catchment area of 40,000 to 100,000 residents. The market launch of the first *VIVO!* shopping center is scheduled for 17 October 2014 in the Polish city of Pila and will be followed by a second center in Stalowa Wola during 2015. The *VIVO!* concept – similar to the STOP.SHOP.s – is based on high standardisation and is also well suited for a systematised rollout. Therefore, plans are currently in progress for the development of further *VIVO!* locations.

A concentration on high-quality properties at good locations also requires the sale of assets that have a sizeable potential for repositioning, but do not match the target portfolio of IMMOFINANZ Group with respect to size, location, quality or other features. These retail properties are designated for sale over the short- to medium-term and are combined under the business segment **Opportunistic Retail**. They comprise approx. 4.0% of the total portfolio.

Logistics

Logistics activities in Western Europe are located primarily in Germany, Switzerland and the Netherlands and are combined in the **Logistics West** business segment. IMMOFINANZ Group has successfully developed a strong position in the logistics market with its subsidiaries Deutsche Lagerhaus and Citybox. This market is characterised by outstanding growth prospects and is considered one of the most dynamic asset classes in Western Europe. This category represents 7.8% of the total portfolio.

The **Logistics East** portfolio, with a share of 2.9%, is concentrated mainly in the promising Central and East European region and covers all logistics activities in the Czech Republic, Romania, Hungary, Russia, Poland and Slovakia. With LOG CENTER a strong international umbrella brand was established for the properties in this asset class in Romania, Hungary and Slovakia. Close cooperation with the Logistics West portfolio creates a strong competitive advantage, which also allows IMMOFINANZ Group to offer logistics space from a single hand to tenants in large parts of Europe.

IMMOFINANZ Group intends to expand its position as a major logistics player not only on the German market, but also in Hungary, Romania and Russia. Plans also call for the further optimisation of the portfolio. The dynamic demand in these countries is driven, above all, by the expansion of online retailing. The gradual economic recovery was accompanied by positive signals for this segment during the reporting period, especially in Romania. For example: Deutsche Lagerhaus GmbH u. Co KG (DLG) – a wholly owned subsidiary of IMMOFINANZ Group – reported the rental of its logistics property (8.730 m²) in Poing (Munich-East region) to the start-up company Zamaro GmbH.

Other

The Other segment, which represents roughly 7.0% of the total portfolio, comprises all other business activities of IMMOFINANZ Group that cannot be allocated to one of the three defined asset classes (office, retail, logistics). This segment includes, above all, the residential properties that remained with IMMOFINANZ Group after the BUWOG spin-off, e.g. residential properties for rental in Austria. The apartments in the *Gerling Quartier* in Germany that are designated for sale and the condominium apartments developed by IMMOFINANZ in Romania (Adama) and Poland are also part of this segment. Another property is the *Hotel Leonardo* in Vienna, which is designated for sale.

The standing investments in this segment will be sold over the short- to medium-term because they do not belong to the strategic core business of IMMOFINANZ Group.

The following table shows the carrying amount of IMMOFINANZ Group's property portfolio as of 31 July 2014:

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
Intern. High-Class Office	24	1,103.6	159.4	17.8	1,280.9	18.5%
Secondary Office AT / DE	24	531.0	0.0	33.6	564.6	8.2%
Secondary Office CEE	32	597.9	10.7	67.7	676.2	9.8%
Opportunistic Office	23	189.2	1.1	0.0	190.3	2.8%
Office	103	2,421.7	171.2	119.1	2,711.9	39.2%
Quality Shopping Center	15	2,134.3	84.9	0.0	2,219.1	32.1%
STOP.SHOP./Retail Warehouse	59	461.8	9.4	11.1	482.3	7.0%
Opportunistic Retail	120	187.8	0.0	86.9	274.7	4.0%
Retail	194	2,783.9	94.3	98.0	2,976.2	43.1%
Logistics West	54	524.9	0.0	13.3	538.3	7.8%
Logistics East	26	150.0	0.0	50.0	200.0	2.9%
Logistics	80	674.9	0.0	63.3	738.2	10.7%
Other	100	169.9	135.6	179.3	484.8	7.0%
IMMOFINANZ Group	477	6,050.4	401.0	459.7	6,911.1	100.0%

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The IMMOFINANZ Group portfolio had a carrying amount of EUR 6,911.1 million as of 31 July 2014. An analysis by carrying amount ranks the Quality Shopping Center segment first with 32.1%, followed by International High-Class Office with 18.5% and Secondary Office CEE with 9.8%.

Standing investments

Standing investments are properties held by IMMOFINANZ Group as of 31 July 2014 for the purpose of generating rental income. The standing investment portfolio represents a carrying amount of EUR 6,050.4 million, or 87.5% of the total property portfolio

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Austria	173	1,275.5	21.1%	697,565	591,800	84.8%
Germany	29	436.8	7.2%	881,843	770,415	87.4%
Czech Republic	24	520.6	8.6%	296,632	252,546	85.1%
Hungary	30	487.5	8.1%	387,097	315,162	81.4%
Poland	14	399.7	6.6%	196,042	151,665	77.4%
Romania	16	658.4	10.9%	404,503	341,177	84.3%
Russia	6	1,740.7	28.8%	320,072	299,947	93.7%
Slovakia	14	238.3	3.9%	138,196	126,425	91.5%
Non-core countries	35	293.0	4.8%	288,306	216,659	75.1%
IMMOFINANZ Group	341	6,050.4	100.0%	3,610,257	3,065,795	84.9%

	Rental income Q1 2014/15 in MEUR ¹	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	Financing costs incl. derivatives in %	LTV in % ²
Austria	19.4	6.1%	509.0	2.7%	3.4%	39.9%
Germany	8.3	7.6%	287.1	2.1%	3.4%	65.7%
Czech Republic	8.9	6.8%	188.6	2.5%	2.7%	36.2%
Hungary	7.3	6.0%	191.7	2.4%	2.8%	39.3%
Poland	5.8	5.8%	226.6	2.4%	3.6%	56.7%
Romania	11.5	7.0%	255.6	3.7%	4.6%	38.8%
Russia	44.8	10.3%	653.1	7.1%	7.1%	37.5%
Slovakia	4.5	7.6%	114.1	3.2%	3.8%	47.9%
Non-core countries	6.1	8.3%	121.5	2.0%	3.4%	41.5%
IMMOFINANZ Group	116.6	7.7%	2,547.3	3.8%	4.4%	42.1%
Development and pipeline projects	0.5		238.4	3.2%	3.3%	
Properties sold in Q1 2014/15	0.4		0.0	0.0%	0.0%	
Investment financing	0.0		289.2	1.5%	2.1%	
Group financing	0.0		1,053.8	4.1%	4.4%	
IMMOFINANZ Group	117.6		4,128.8	3.7%	4.2%	59.7%
Cash and cash equivalents and BUWOG convertible bond 2014–2019			-506.3			
IMMOFINANZ Group			3,622.5			52.4%

¹ Rental income in Q1 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

² LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

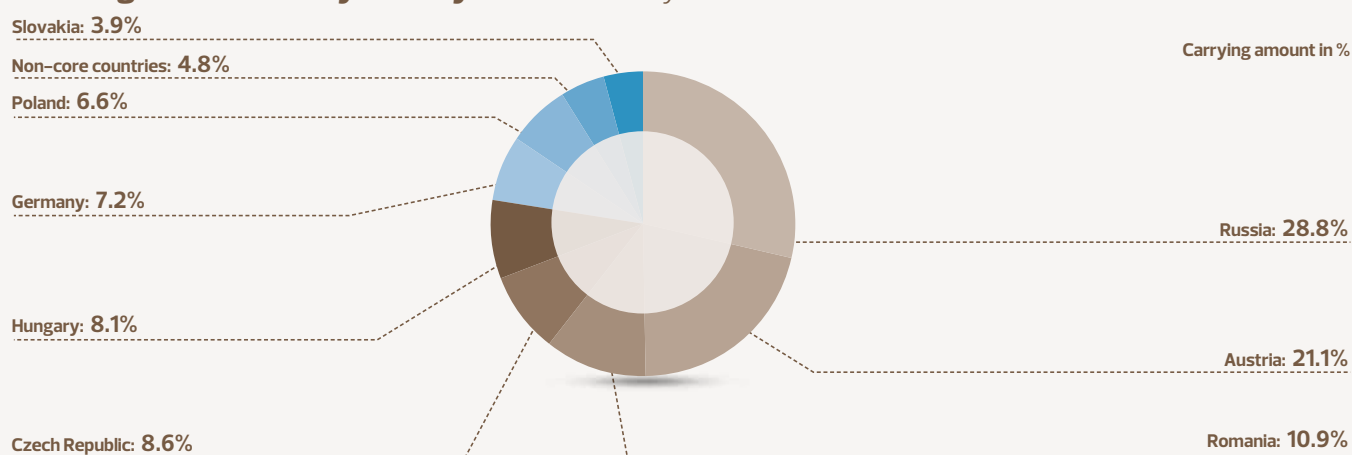
As of 31 July 2014 IMMOFINANZ Group held 341 standing investments with 3,610,257 sqm of rentable space, which generated a return of 7.7%.

The occupancy rate in the IMMOFINANZ Group's standing investments equalled 84.9% as of 31 July 2014. Based on the carrying amount, the main focus of the standing investments is Russia (EUR 1,740.7 million), Austria (EUR 1,275.5 million) and Romania (EUR 658.4 million).

The standing investments in the non-core countries amount to EUR 293.0 million, including EUR 113.8 million in the Netherlands and EUR 94.9 million in Switzerland. IMMOFINANZ Group also owns standing investments in Croatia, Slovenia and Bulgaria.

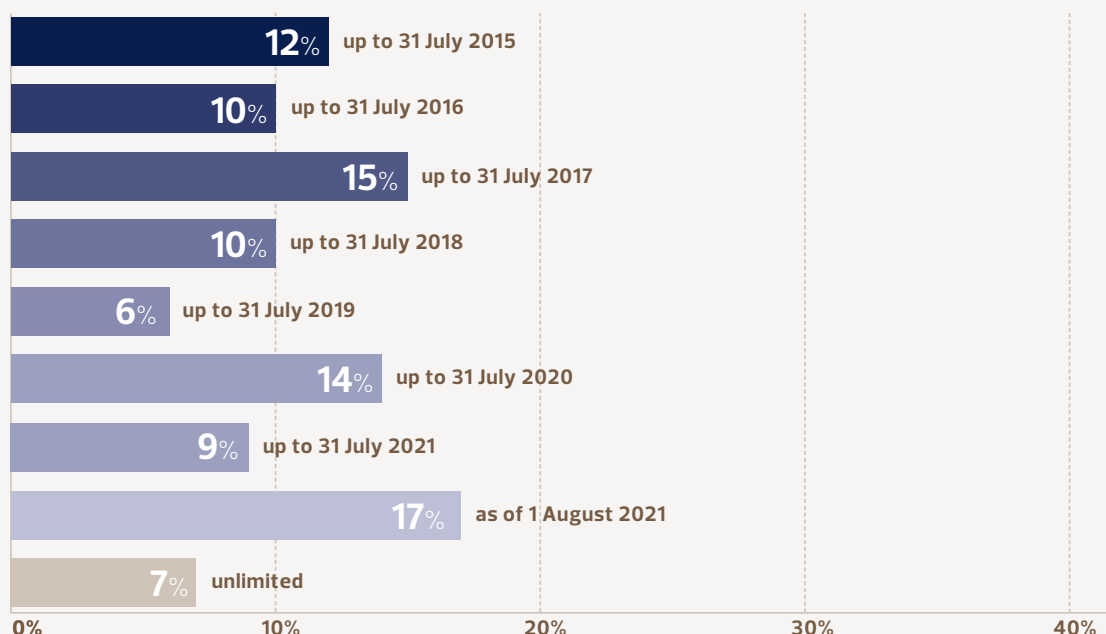
The distribution of IMMOFINANZ Group's standing investment portfolio by country based on the carrying amount as of 31 July 2014 is as follows:

Standing investments by country – as of 31 July 2014



The following graph shows the contract expiration profile of IMMOFINANZ Group's standing investments as of 31 July 2014:

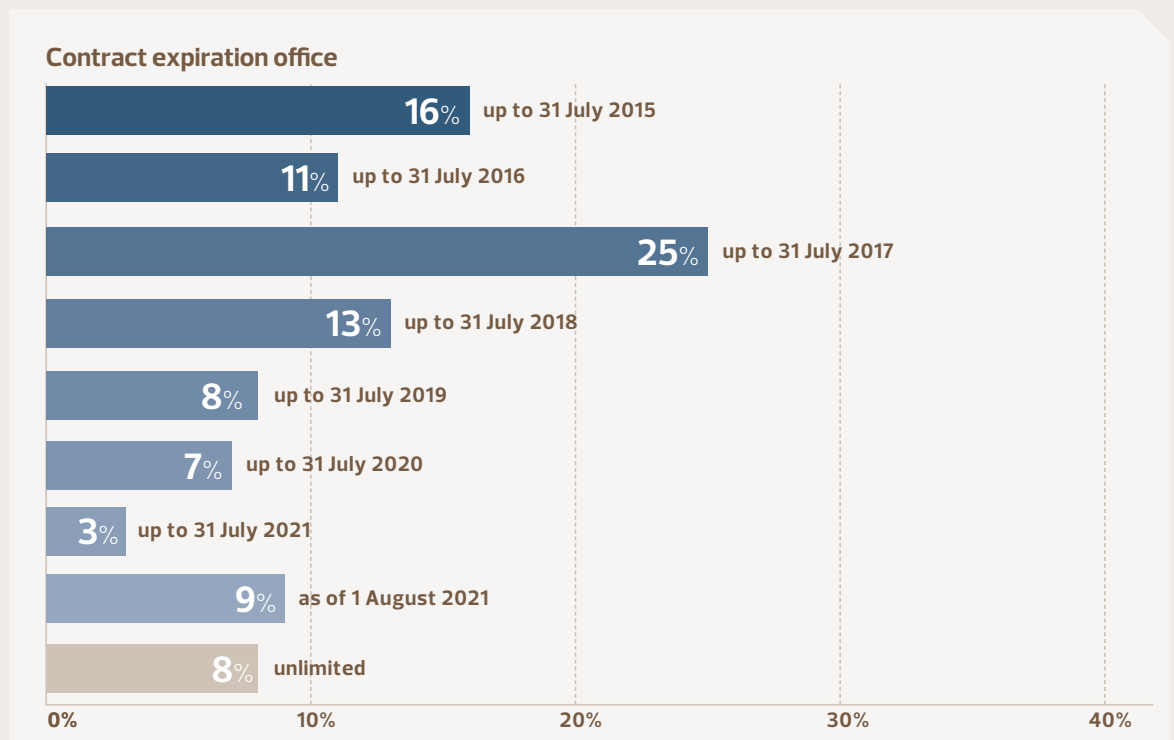
Contract expiration IMMOFINANZ Group total



Office

The 84 office standing investments had a combined carrying amount of EUR 2,421.7 million as of 31 July 2014, which represents 40.0% of the standing investment portfolio of IMMOFINANZ Group. This office portfolio has 1,198,861 sqm of rentable space and an occupancy rate of 77.7%. Rental income for the first quarter of the reporting year amounted to EUR 35.6 million, which reflects a return of 5.9%.

The regional focus of IMMOFINANZ Group's office standing investment portfolio is formed by the core markets of Austria (EUR 879.0 million), Czech Republic (EUR 387.2 million) and Romania (EUR 350.9 million). The most important properties in this portfolio include the *City Tower Vienna* in Vienna, Austria, the *Atrium Park* in Budapest, Hungary, and the *BB Centrum Gamma* in Prague, Czech Republic.



Key data on the individual business segments as of 31 July 2014 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Intern. High-Class Office	18	1,103.6	45.6%	451,498	363,397	80.5%
Secondary Office AT/DE	19	531.0	21.9%	245,292	197,761	80.6%
Secondary Office CEE	25	597.9	24.7%	361,205	278,148	77.0%
Opportunistic Office	22	189.2	7.8%	140,866	92,673	65.8%
IMMOFINANZ Group	84	2,421.7	100.0%	1,198,861	931,979	77.7%

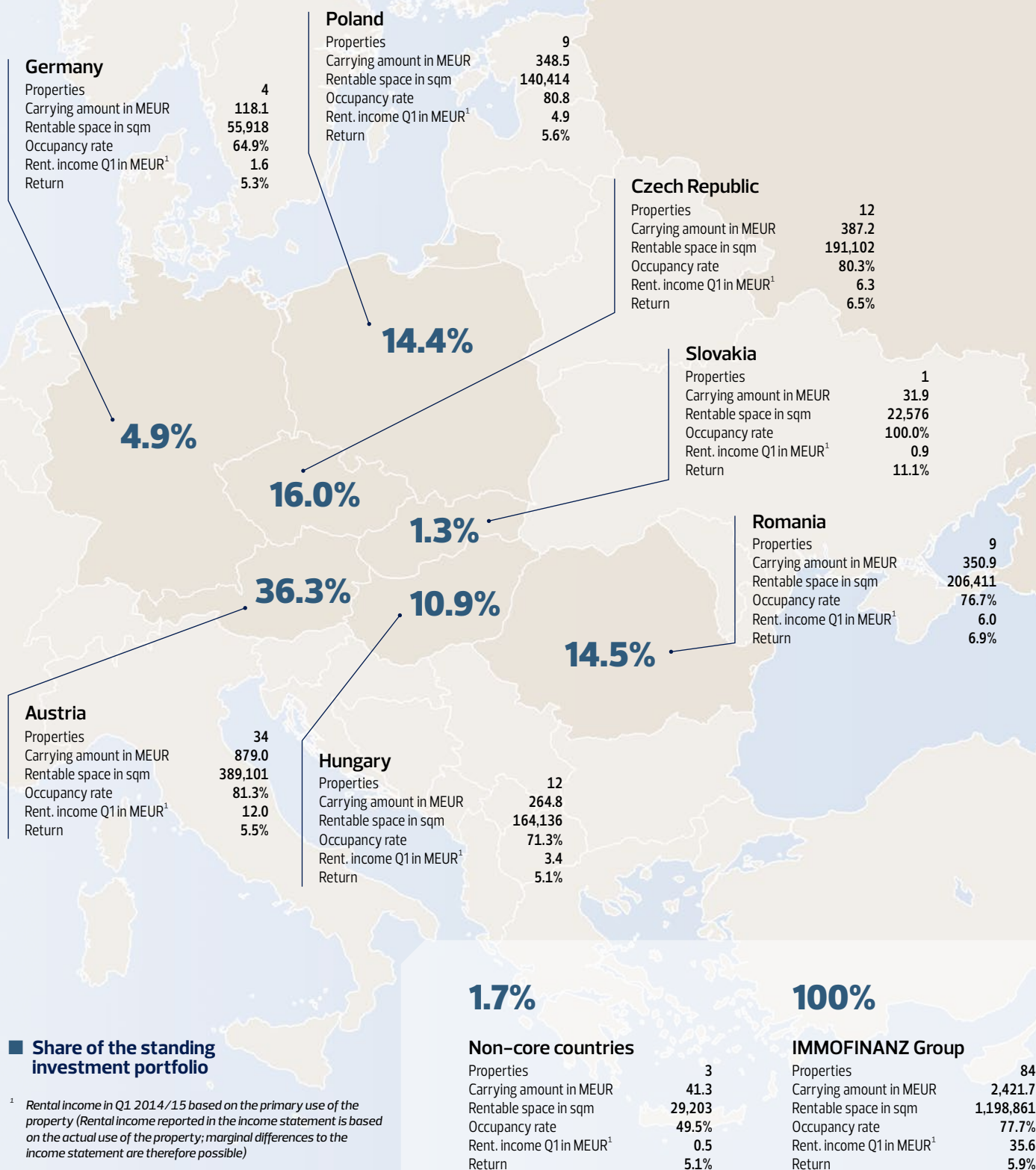
	Rental income Q1 2014/15 in MEUR ¹	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	Financing costs incl. derivatives in %	LTV in % ²
Intern. High-Class Office	15.7	5.7%	512.6	2.3%	3.5%	46.4%
Secondary Office AT/DE	7.6	5.8%	311.1	2.5%	3.2%	58.6%
Secondary Office CEE	9.6	6.4%	195.0	2.7%	3.5%	32.6%
Opportunistic Office	2.7	5.7%	74.8	3.0%	3.4%	39.6%
IMMOFINANZ Group	35.6	5.9%	1,093.6	2.5%	3.4%	45.2%

¹ Rental income in Q1 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

² LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The office sector in the IMMOFINANZ core markets



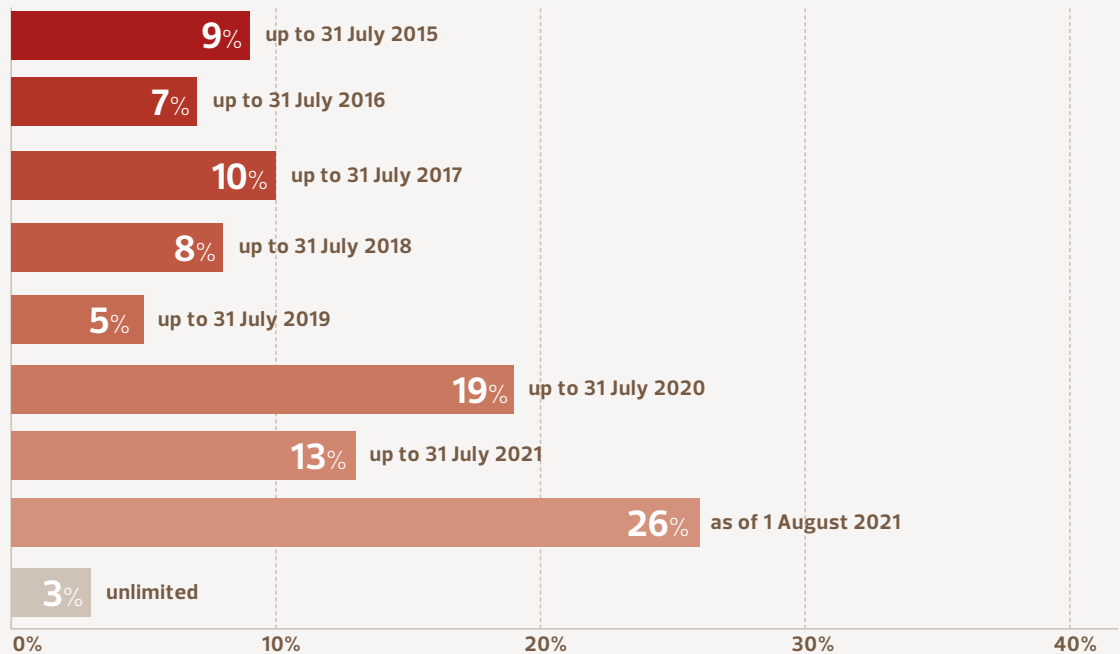
Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Retail

The 167 retail standing investments have a combined carrying amount of EUR 2,783.9 million, which represents 46.0% of the standing investment portfolio. The occupancy rate equalled 92.5% as of 31 July 2014. Rental income amounted to EUR 64.5 million in the first quarter of the reporting year, for a return of 9.3%. The highest return was recorded in Russia with 10.2% followed by Austria with 9.8% and the Czech Republic with 7.8%.

Based on the carrying amount as of 31 July 2014, the most important markets in the retail asset class are the core markets of Russia with EUR 1,706.6 million, Romania with EUR 285.0 million and Austria with EUR 226.6 million. The most important retail properties in this portfolio based on the carrying amount are the *Golden Babylon Rostokino*, *GOODZONE* and the *Golden Babylon I* in Moscow, Russia, as well as the *Polus Center Cluj* in Romania.

Contract expiration retail



Key data on the individual business segments as of 31 July 2014 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Quality Shopping Center	12	2,134.3	76.7%	478,334	443,593	92.7%
STOP.SHOP./Retail Warehouse	51	461.8	16.6%	337,015	318,279	94.4%
Opportunistic Retail	104	187.8	6.7%	219,904	195,660	89.0%
IMMOFINANZ Group	167	2,783.9	100.0%	1,035,253	957,532	92.5%
	Rental income Q1 2014/15 in MEUR ¹	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	Financing costs incl. derivatives in %	LTV in % ²
Quality Shopping Center	51.1	9.6%	808.4	6.5%	6.5%	37.9%
STOP.SHOP./Retail Warehouse	8.9	7.7%	201.4	3.0%	3.2%	43.6%
Opportunistic Retail	4.5	9.6%	27.8	2.7%	3.5%	14.8%
IMMOFINANZ Group	64.5	9.3%	1,037.6	5.7%	5.8%	37.3%

¹ Rental income in Q1 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

² LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The retail sector in the IMMOFINANZ core markets

61.3%

Russia

Properties	5
Carrying amount in MEUR	1,706.6
Rentable space in sqm	278,767
Occupancy rate	92.8%
Rent. income Q1 in MEUR ¹	43.7
Return	10.2%

Poland

Properties	3
Carrying amount in MEUR	31.7
Rentable space in sqm	25,056
Occupancy rate	96.3%
Rent. income Q1 in MEUR ¹	0.5
Return	6.9%

Czech Republic

Properties	12
Carrying amount in MEUR	133.4
Rentable space in sqm	105,530
Occupancy rate	94.0%
Rent. income Q1 in MEUR ¹	2.6
Return	7.8%

Slovakia

Properties	12
Carrying amount in MEUR	194.1
Rentable space in sqm	90,531
Occupancy rate	94.3%
Rent. income Q1 in MEUR ¹	3.4
Return	7.0%

Romania

Properties	4
Carrying amount in MEUR	285.0
Rentable space in sqm	145,752
Occupancy rate	92.1%
Rent. income Q1 in MEUR ¹	5.0
Return	7.0%

1.1%

4.8%

7.0%

8.1%

5.8%

10.2%

Austria

Properties	112
Carrying amount in MEUR	226.6
Rentable space in sqm	238,072
Occupancy rate	90.3%
Rent. income Q1 in MEUR ¹	5.6
Return	9.8%

Hungary

Properties	13
Carrying amount in MEUR	161.1
Rentable space in sqm	121,196
Occupancy rate	92.1%
Rent. income Q1 in MEUR ¹	2.8
Return	7.0%

■ Share of the standing investment portfolio

¹ Rental income in Q1 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

1.6%

Non-core countries

Properties	6
Carrying amount in MEUR	45.4
Rentable space in sqm	30,349
Occupancy rate	96.2%
Rent. income Q1 in MEUR ¹	0.9
Return	7.5%

100%

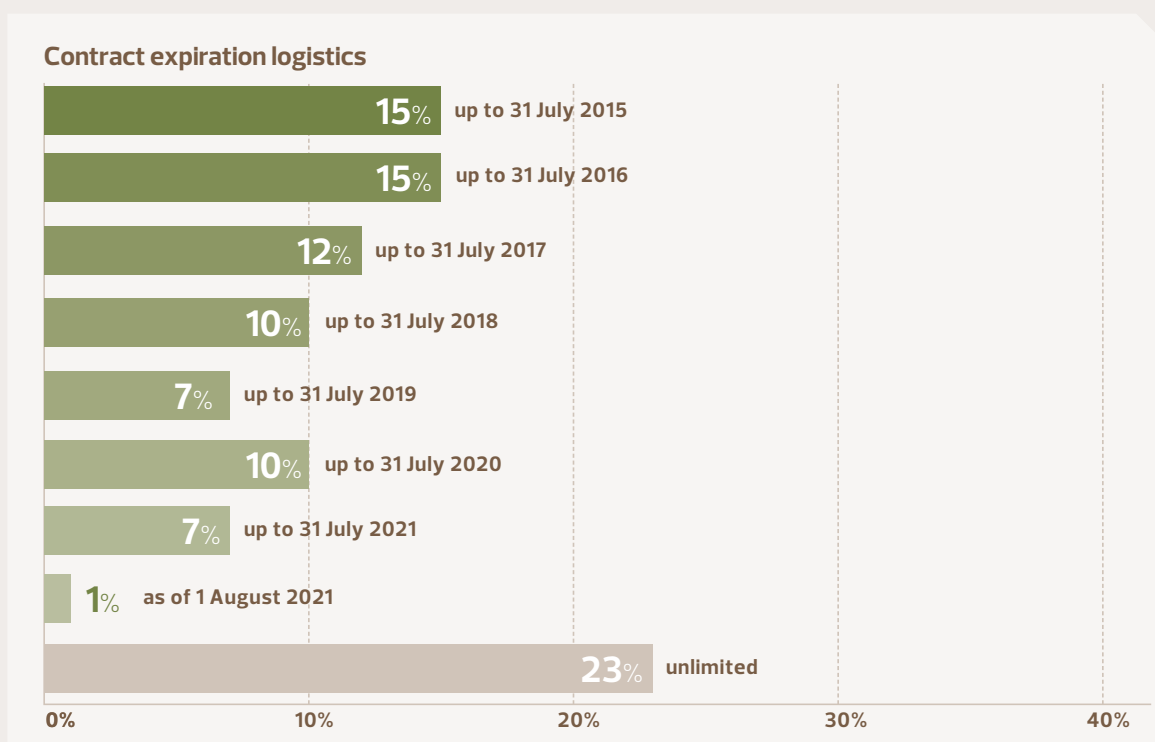
IMMOFINANZ Group

Properties	167
Carrying amount in MEUR	2,783.9
Rentable space in sqm	1,035,253
Occupancy rate	92.5%
Rent. income Q1 in MEUR ¹	64.5
Return	9.3%

Logistics

The 63 logistics standing investments have a total carrying amount of EUR 674.9 million and comprise 11.2% of the standing investment portfolio. The highest return among the core markets is recorded in Russia at 12.5%. The occupancy rate in the logistics portfolio was 85.5% as of 31 July 2014.

The main focal point of the logistics portfolio is Germany where, based on the carrying amount, 47.2% of the logistics standing properties are located. The other core markets of IMMOFINANZ Group each represent less than 10% of the portfolio. Important logistics portfolios in non-core countries are located in the Netherlands (EUR 111.4 million) and Switzerland (EUR 94.9 million).



Key data on the individual business segments as of 31 July 2014 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Logistics West	51	524.9	77.8%	1,054,679	907,122	86.0%
Logistics East	12	150.0	22.2%	251,072	208,932	83.2%
IMMOFINANZ Group	63	674.9	100.0%	1,305,751	1,116,054	85.5%

	Rental income Q1 2014/15 in MEUR ¹	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	Financing costs incl. derivatives in %	LTV in % ²
Logistics West	11.4	8.7%	276.9	1.9%	3.5%	52.7%
Logistics East	3.2	8.5%	70.8	3.5%	4.2%	47.2%
IMMOFINANZ Group	14.6	8.7%	347.7	2.2%	3.6%	51.5%

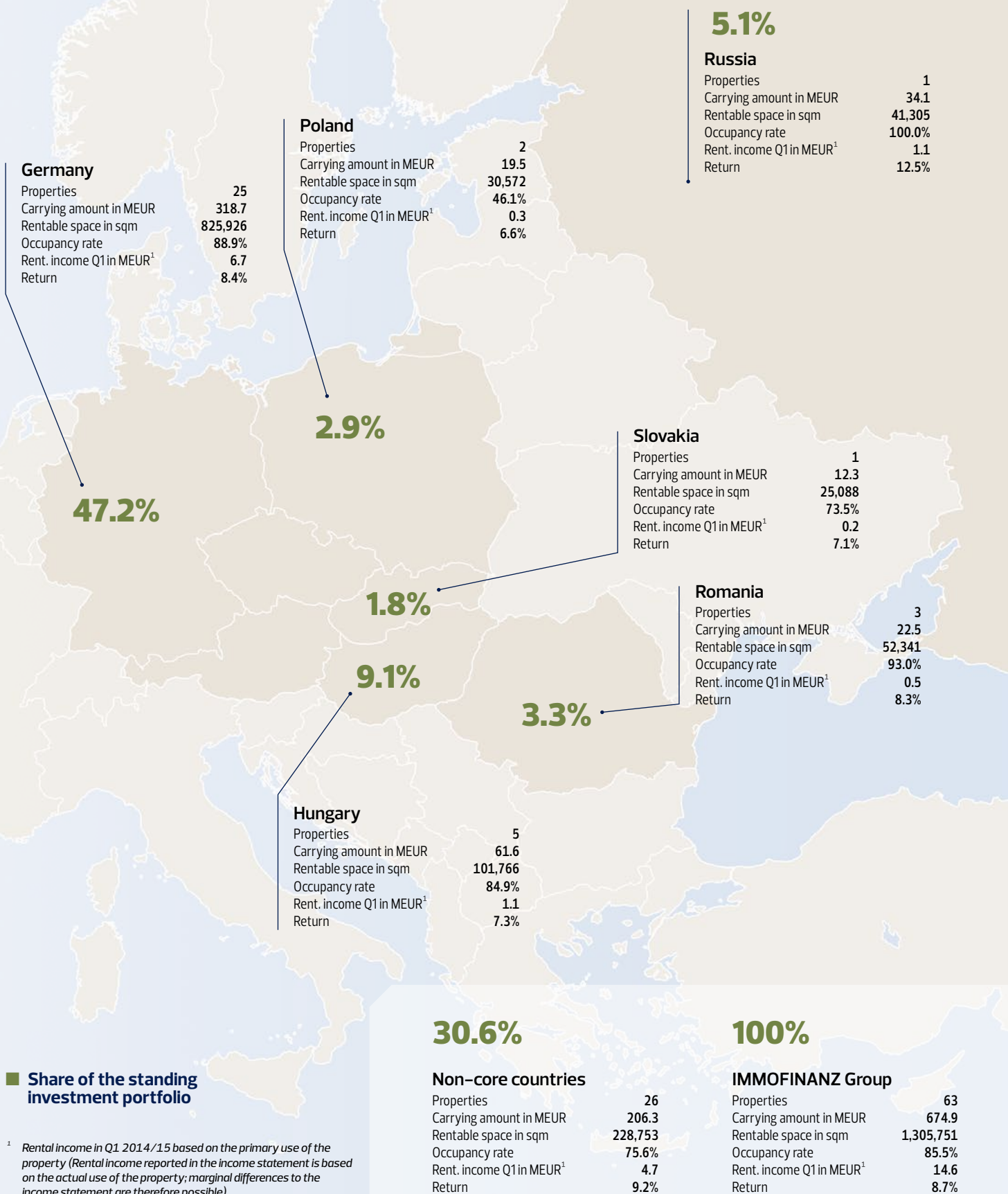
¹ Rental income in Q1 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

² LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.



The logistics sector in the IMMOFINANZ core markets



Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Other

The carrying amount of the standing investments in the Other segment totals EUR 169.9 million, or 2.8% of the standing investment portfolio. Rental income in the first quarter of 2014/15 amounted to EUR 1.9 million and generated a return of 4.4%.

The Other segment consists primarily of residential properties in Austria, which are held as part of CMBS financing that will expire in May 2015. These residential properties will be designated for sale beginning in 2015 after the CMBS financing expires.

Key data on the individual business segments as of 31 July 2014 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Other	27	169.9	100.0%	70,393	60,229	85.6%
IMMOFINANZ Group	27	169.9	100.0%	70,393	60,229	85.6%
	Rental income Q1 2014/15 in MEUR ¹	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	Financing costs incl. derivatives in %	LTV in % ²
Other	1.9	4.4%	68.5	3.5%	3.7%	40.3%
IMMOFINANZ Group	1.9	4.4%	68.5	3.5%	3.7%	40.3%

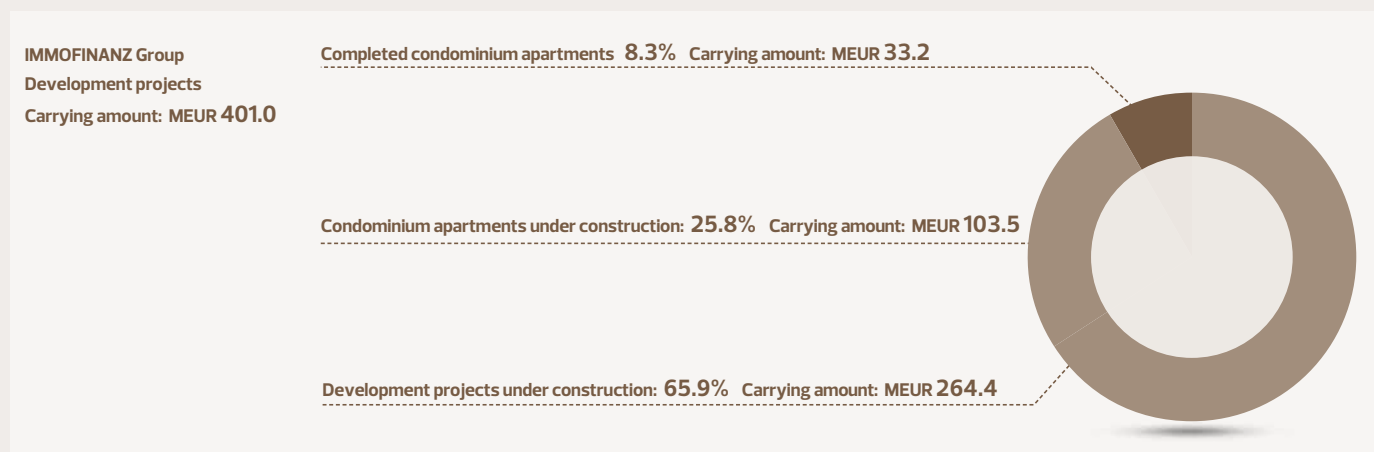
¹ Rental income in Q1 2014/15 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

² LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Development projects

Development projects comprise real estate projects currently under construction by IMMOFINANZ Group as well as completed condominium apartments. These properties are reported on the balance sheet under property under construction and real estate inventories.



The development projects currently under construction have a carrying amount of EUR 264.4 million, which represents 65.9% of all development projects. These properties are designated for rental after completion and will be held as standing investments. A share of 25.8% is attributable to condominium apartments under construction and the remaining 8.3% represent completed condominium apartments that remained in IMMOFINANZ Group after the BUWOG spin-off.

Development projects	Number of properties	Thereof properties for sale	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable/sellable space in sqm	Expected fair value upon completion in MEUR
Austria	1	1	1.1	0.3%	0.4	547	1.5
Germany	4	1	191.1	47.7%	248.9	113,016	488.8
Czech Republic	1	0	15.2	3.8%	8.0	8,140	28.5
Hungary ¹	0	0	1.6	0.4%	0.0	0	1.6
Poland	9	4	148.1	36.9%	85.0	114,654	284.0
Romania	12	11	41.0	10.2%	0.0	59,527	41.8
Non-core countries	2	2	3.0	0.7%	0.0	4,369	3.0
IMMOFINANZ Group	29	19	401.0	100.0%	342.3	300,253	849.2

¹ Capitalised advance costs for a project in Hungary

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Based on the carrying amount, the core markets of Germany and Poland represent the focal point of development activities.

The development projects include 19 completed projects designated for sale, which have a carrying amount of EUR 136.6 million. Of these, 11 projects represent completed, but not yet fully sold residential developments in Romania with a carrying amount of EUR 30.3 million. The development projects in non-core countries are also completed condominium apartments.

Based on the expected fair value after completion, the most important development projects are located in Germany with EUR 488.8 million, Poland with EUR 284.0 million and Romania with EUR 41.8 million.

Development projects	Number of properties	Thereof properties for sale	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable/sellable space in sqm	Expected fair value upon completion in MEUR
Intern. High-Class Office	5	0	159.4	39.8%	192.4	108,379	404.8
Secondary Office CEE	1	0	10.7	2.7%	0.0	0	10.7
Opportunistic Office	1	1	1.1	0.3%	0.4	547	1.5
Quality Shopping Center	3	0	84.9	21.2%	47.8	43,139	151.7
STOP.SHOP./Retail Warehouse	1	0	9.4	2.3%	0.4	5,349	10.6
Other	18	18	135.6	33.8%	101.3	142,839	270.0
IMMOFINANZ Group	29	19	401.0	100.0%	342.3	300,253	849.2

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

As of 31 July 2014, the most important property development projects based on the expected fair value after completion are as follows:

Project	Country	Primary use	Planned rentable/sellable space in sqm (rounded)	Consolidation ratio for the project in %
Gerling Quartier	Germany	Office/Other (Residential)	75,000	100.0%
Tarasy Zamkowe	Poland	Retail	38,000	100.0%
Casa Stupenda	Germany	Office	35,000	100.0%
Riverpark	Poland	Other (Residential)	29,000	100.0%
Nimbus	Poland	Office	19,000	100.0%
Dębowe Tarasy	Poland	Other (Residential)	18,000	100.0%

Pipeline projects

The pipeline projects represent planned development projects, undeveloped land or temporarily suspended projects. These projects are evaluated on a quarterly basis to identify the best timing for their activation. The decision parameters include the availability of building permits, the progress of construction, the legal situation, the amount of equity previously invested by IMMOFINANZ Group, the amount of capital required to complete the project, the availability of bank financing, the level of pre-rentals, the expected return, the returns available on alternative projects, expected opportunities to sell the project and other project-specific factors as well as the macroeconomic environment.

Pipeline projects	Number of properties	Carrying amount in MEUR	Carrying amount in %
Austria	16	35.6	7.7%
Germany	4	16.4	3.6%
Czech Republic	3	8.0	1.8%
Hungary	7	40.2	8.7%
Poland	2	6.3	1.4%
Romania	55	264.6	57.6%
Slovakia	5	35.1	7.6%
Non-core countries	15	53.5	11.6%
IMMOFINANZ Group	107	459.7	100.0%

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

IMMOFINANZ Group had temporarily suspended projects, future planned projects and undeveloped land with a carrying amount of EUR 459.7 million as of 31 July 2014. A ranking of the project pipeline by carrying amount shows Romania as the most important core market with EUR 264.6 million followed by Hungary with EUR 40.2 million.

Properties held for sale

Properties held for sale represent standing assets for which the Group had concrete sale plans as of 31 July 2014 that are expected to be realised soon after the balance sheet date. In the portfolio report, these properties are reported under standing investments or pipeline projects at a total of EUR 96.2 million.

Like-for-like analysis of the IMMOFINANZ portfolio

The following section presents a like-for-like analysis of rental income in comparison with the fourth quarter of 2013/14. The analysis is based only on properties that were owned in full by IMMOFINANZ Group in both quarters, i.e. an adjustment was made for new acquisitions, completions and sales. The like-for-like analysis on the first quarter of 2014/15 is based on 339 standing investments.

Rental income rose by EUR 1.6 million, or 1.4%, in the first quarter of 2014/15 in like-for-like analysis. This increase resulted primarily from the newly opened *GOODZONE* shopping center in Russia. *GOODZONE* is located in the Nagatino-Sadovniki district in the south of Moscow and has approx. 57,000 sqm of rentable space.

Standing investments	Number of properties	Carrying amount 31 July 2014 in MEUR	Carrying amount in %	Carrying amount 30 Apr. 2014 in MEUR	Rental income Q1 2014/15 in MEUR	Rental income Q4 2013/14 in MEUR	Change in rental income Q1 2014/15 vs. Q4 2013/14 in MEUR	Gross return Q1 2014/15 in %	Gross return Q4 2013/14 in %
Austria	172	1,272.1	21.0%	1,267.4	19.4	19.4	0.0	6.1%	6.1%
Germany	29	436.8	7.2%	431.7	8.3	8.5	-0.2	7.6%	7.9%
Czech Republic	24	520.6	8.6%	520.5	8.9	9.1	-0.2	6.8%	7.0%
Hungary	30	487.5	8.1%	487.5	7.3	7.4	0.0	6.0%	6.1%
Poland	14	399.7	6.6%	399.7	5.8	5.9	-0.1	5.8%	5.9%
Romania	16	658.4	10.9%	658.2	11.5	11.4	0.0	7.0%	7.0%
Russia	6	1,740.7	28.8%	1,744.3	44.8	42.3	2.5	10.3%	9.7%
Slovakia	14	238.3	3.9%	238.3	4.5	4.6	-0.1	7.6%	7.7%
Non-core countries	34	293.0	4.8%	292.5	6.1	6.3	-0.3	8.3%	8.7%
IMMOFINANZ Group	339	6,047.0	100.0%	6,040.0	116.6	115.0	1.6	7.7%	7.6%
Rental income from properties and development projects sold/acquired in Q1 2014/15					1.0				
IMMOFINANZ Group					117.6				

Standing investments	Number of properties	Carrying amount 31 July 2014 in MEUR	Carrying amount in %	Carrying amount 30 Apr. 2014 in MEUR	Rental income Q1 2014/15 in MEUR	Rental income Q4 2013/14 in MEUR	Change in rental income Q1 2014/15 vs. Q4 2013/14 in MEUR	Gross return Q1 2014/15 in %	Gross return Q4 2013/14 in %
Office	84	2,421.7	40.0%	2,420.2	35.6	35.9	-0.3	5.9%	5.9%
Retail	167	2,783.9	46.0%	2,782.3	64.5	62.2	2.3	9.3%	8.9%
Logistics	62	674.9	11.2%	669.9	14.6	14.9	-0.3	8.6%	8.9%
Other	26	166.5	2.8%	167.7	1.9	2.0	-0.1	4.4%	4.7%
IMMOFINANZ Group	339	6,047.0	100.0%	6,040.0	116.6	115.0	1.6	7.7%	7.6%

Financing

During the first quarter of 2014/15 IMMOFINANZ Group was also able to arrange all necessary refinancing and extensions for standing investments and development projects as scheduled. The Group also secured additional liquidity through an increase in existing credit lines.

Additional funds were raised through a so-called "equity bridge" shortly after the start of the reporting year. In April 2014 BUWOG AG issued a EUR 260.0 million convertible bond that was subscribed in full by IMMOFINANZ AG. IMMOFINANZ financed the purchase of the BUWOG convertible bond with loans of EUR 260.0 million from several banks, which were drawn during the reporting period and have a term of up to two and one-half years. The collateral for these loans is provided by the BUWOG convertible bond and BUWOG shares. BUWOG used the funds to purchase the DGAG portfolio with 18,000 housing units in Northern Germany. This transaction was, as announced, the main trigger for the spin-off of BUWOG.

One of the reporting period highlights was the successful long-term refinancing of four retail parks in Slovenia that were acquired during the previous financial year. The retail parks are located in Celje, Velenje, Domzale and Postojna and add roughly 13,000 sqm of space to the STOP.SHOP. portfolio of IMMOFINANZ Group. Follow-up financing with an increase in the loan volume was also concluded for a STOP.SHOP. property in Trencin, Slovakia.

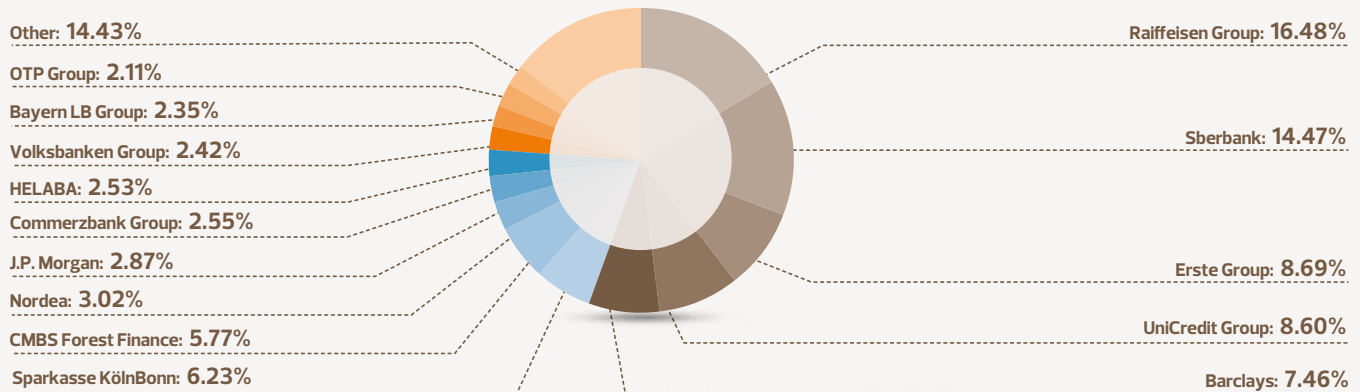
Deutsche Lagerhaus GmbH, IMMOFINANZ Group's German logistics company, concluded one loan and extended a second loan during the reporting period. Long-term standing investment financing was also secured for the logistics centers in Düsseldorf and Oberhausen.

In the development business, a project financing agreement was signed for the *Carlsquartier* in Düsseldorf, Germany, before the start of construction. This agreement also includes an additional VAT tranche (interim financing is provided for the VAT due on construction costs until the refund is received from the tax authorities) and subsequent long-term standing investment financing.

The total volume of refinancing, long-term extensions and cash inflows from new financing in the first quarter of 2014/15 amounted to approx. EUR 292.0 million. Of this total, EUR 282.7 million have already been paid out.

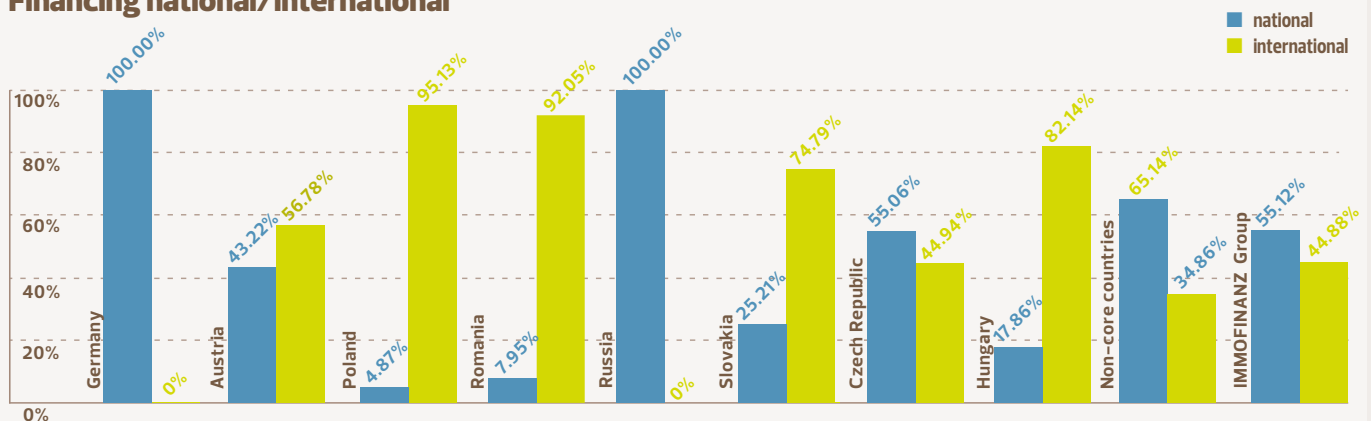
In spite of the difficult prevailing circumstances and the volatile market environment, IMMOFINANZ Group is still able to obtain financing for its standing investment portfolio, acquisitions and development projects at favourable conditions. The company benefits from long-standing business relationships with over 70 banks and financial institutions in Austria and other countries. This broad diversification makes IMMOFINANZ Group independent of the actions of individual lenders and creates access to a wide variety of financing sources.

Financing bank groups – as of 31 July 2014



The financing concluded by IMMOFINANZ Group is not only widely diversified by source, but also by country origin. IMMOFINANZ Group works directly and selectively with international and, in recent times, increasingly with local financing partners. For example, all properties in Russia are financed exclusively with Russian banks to reduce the refinancing risk associated with the possible market exit of international banks.

Financing national/international



The major financial liabilities of IMMOFINANZ Group comprise liabilities from convertible bonds and corporate bonds and amounts due to financial institutions. The weighted average remaining term equalled 4½ years and the individual positions as of 31 July 2014 are shown in the following table.

Weighted average interest rate of the major financial liabilities	Outstanding liability ¹ in TEUR as of 31 July 2014	Weighted average interest rate	Fixed interest rate in %	Floating interest rate in %	Fixed interest rate, share in TEUR	Floating interest rate, share in TEUR	Fixed interest rate in %	Floating interest rate in %
Convertible bonds in EUR	543,784.5	4.22%	100.00%	0.00%	543,784.5	0.0	4.22%	n.a.
Corporate bonds in EUR	100,000.0	5.25%	100.00%	0.00%	100,000.0	0.0	5.25%	n.a.
Bank liabilities in EUR	2,777,253.6	2.72%	9.87%	90.13%	274,046.2	2,503,207.4	3.79%	2.60%
Bank liabilities in CHF	42,754.7	0.92%	0.00%	100.00%	0.0	42,754.7	0.92%	n.a.
Bank liabilities in USD	653,270.6	7.12%	0.03%	99.97%	198.7	653,071.8	3.97%	7.13%
Bank liabilities in PLN	11,703.4	5.93%	0.00%	100.00%	0.0	11,703.4	n.a.	5.93%
IMMOFINANZ Group	4,128,766.8	3.66%	22.23%	77.77%	918,029.4	3,210,737.4	4.20%	3.51%

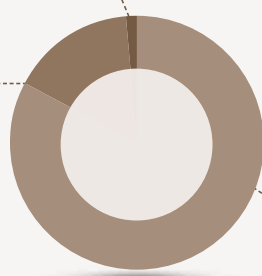
¹ Actual remaining debt (nominal amount)

The remaining balance of the major financial liabilities held by IMMOFINANZ Group totalled EUR 4.1 billion as of 31 July 2014 and comprised two outstanding convertible bonds, one corporate bond (see the following table) as well as amounts due to financial institutions. As of 31 July 2014, 82.86% of the major financial liabilities were denominated in Euros, 15.82% in US Dollars and 1.32% in other currencies (Swiss Francs, Polish Zloty). The weighted average interest rate of the major financial liabilities equalled 3.66% (excl. expenses for hedging purposes).

Financial liabilities by currency – as of 31 July 2014

Financial liabilities in other currencies: 1.32%

Financial liabilities in USD: 15.82%



Financial liabilities in EUR: 82.86%

Corporate bond and convertible bonds

IMMOFINANZ AG has two convertible bonds and one corporate bond with a total nominal value of EUR 643.8 million outstanding. The bond liabilities as of 31 July 2014 are listed in the following table:

	ISIN	Maturity	Interest rate in %	Outstanding nominal value as of 30 Apr. 2014 in TEUR	Conversions 2014/15 in TEUR	Repurchases/redemptions/issue 2014/15 in TEUR	Nominal value as of 31 July 2014 in TEUR
Convertible bond 2007–2017 ³	XS0332046043	19 Nov. 2014 ¹	3.75% ²	35,100.00	0.0	0.0	35,100.00
Convertible bond 2011–2018 ⁴	XS0592528870	8 March 2016 ¹	4.25%	508,684.50	0.0	0.0	508,684.50
Corporate bond 2012–2017	AT0000A0VDP8	3 July 2017	5.25%	100,000.00	0.0	0.0	100,000.00
				643,784.50	0.0	0.0	643,784.50

¹ Put option for convertible bondholders

² Held to maturity (coupon: 1.25%)

³ One certificate from the 2017 convertible bond (nominal value: EUR 100,000.–) entitles the bondholder to conversion into 12,547.05 IMMOFINANZ shares and 627.35 BUWOG shares.

⁴ One certificate from the 2018 convertible bond (nominal value: EUR 4.12) entitles the bondholder to conversion into 1.1573 IMMOFINANZ shares and 0.0579 BUWOG shares.

The terms for the conversion rights and conversion prices of the convertible bonds due in 2017 and 2018 were amended with the spin-off of BUWOG AG from IMMOFINANZ AG on 26 April 2014. One certificate of the 2018 convertible bond (nominal value: EUR 4.12) currently entitles the bondholder to conversion into 1.1573 IMMOFINANZ shares and 0.0579 BUWOG shares. One certificate of the 2017 convertible bond (nominal value: EUR 100,000.0) currently entitles the bondholder to conversion into 12,547.05 IMMOFINANZ shares and 627.35 BUWOG shares.

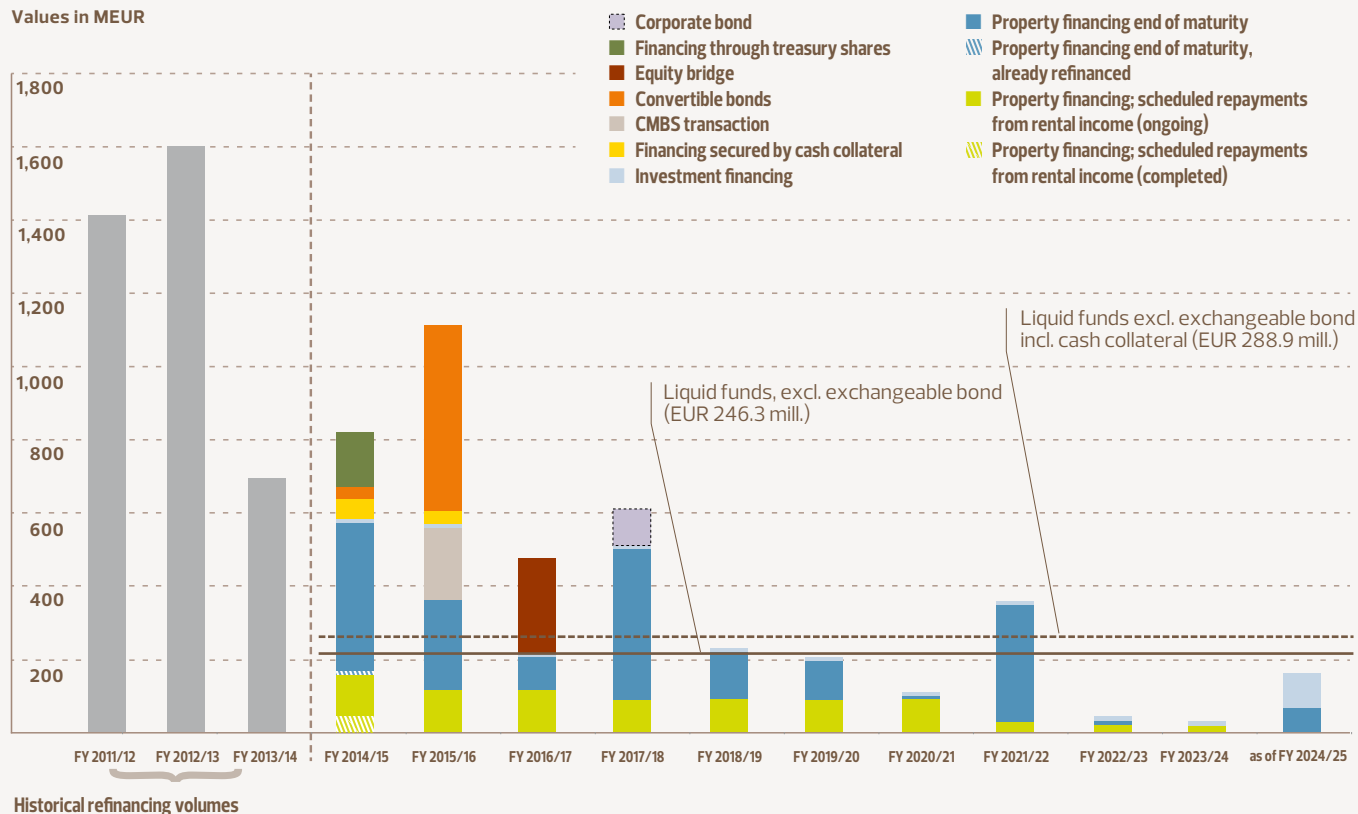
If dividends are paid by IMMOFINANZ or BUWOG in the future, the conversion rights to shares in IMMOFINANZ and BUWOG will be adjusted in accordance with the respective bond terms. The following table uses the 2018 convertible bond to explain this adjustment mechanism based on **theoretical calculations**:

Sample calculation for the adjustment of the conversion price for the 2018 convertible bond to reflect possible future dividends (assumptions)		IMMOFINANZ	BUWOG
Number of shares currently underlying each 2018 convertible bond certificate		1.1573	0.0579
New conversion price = $CP \times (M - V) / M =$ IMMOFINANZ: $3.56 \times (2.65 - 0.15) / 2.65$ BUWOG: $3.56 \times (14.10 - 0.65) / 14.10$		3.36	3.40
Number of shares currently underlying each 2018 convertible bond certificate – new (Current number of underlying shares / (New conversion price / Current conversion price)) IMMOFINANZ: $1.1573 / (3.36 / 3.56)$ BUWOG: $0.0579 / (3.40 / 3.56)$		1.2267	0.0607
Input factor "CP"	Current conversion price	3.56	3.56
Input factor "M"	Average market price (assumption)	2.65	14.10
Input factor "V"	Dividend (assumption)	0.15	0.65

After the reporting period, IMMOFINANZ AG issued an exchangeable bond for shares in BUWOG AG. The exchangeable bond (ISIN XS1108672988) has a volume of EUR 375.0 million, a coupon of 1.5% per year and an exchange price of EUR 17.03. That represents an exchange premium of 15% over the reference price of EUR 14.8107 (based on the volume weighted average price of the BUWOG share on the Vienna Stock Exchange between the start and close of trading on 4 September 2014). The liquidity generated by this bond issue will be used to repay existing, more expensive financing, for current and planned portfolio investments, opportunistic growth opportunities and general corporate purposes.

Term structure of financial liabilities by financial year as of 31 July 2014

Values in MEUR



Cash and cash equivalents totalled EUR 246.3 million as of 31 July 2014, excl. EUR 375.0 million from the exchangeable bond.

Derivatives

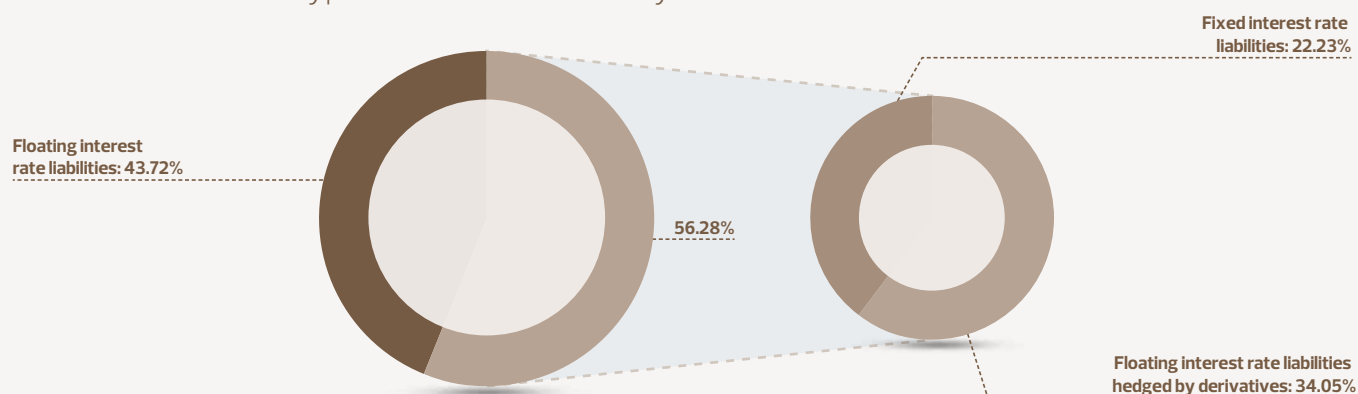
IMMOFINANZ Group held derivatives with a reference amount of EUR 1,405.8 million as of 31 July 2014 to hedge or cap interest rates. In total, 56.28% of the major financial liabilities are secured against interest rate risk.

Derivative	Floating leg	Market value incl. accrued interest & DVA_CVA as of 30 July 2014 in TEUR	Notional amount in TEUR	Average (hedged) interest rate in %
Cap	3-M-EURIBOR	0.0	23,010.0	2.75%
Collar	3-M-EURIBOR	-3,919.3	198,649.4	3.00%
Interest rate swap	1-M-EURIBOR	-389.7	28,125.0	1.06%
Interest rate swap	3-M-EURIBOR	-43,760.8	977,874.8	2.09%
Interest rate swap	6-M-EURIBOR	-4,956.5	144,353.2	1.49%
Interest rate swap	3-M-LIBOR CHF/USD	-1,050.8	33,761.5	1.70%
IMMOFINANZ Group		-54,077.1	1,405,774.0	

A cap defines an upper limit for an interest rate: if the reference rate (e.g. 3-M-EURIBOR) exceeds this limit, IMMOFINANZ Group receives a settlement payment from its contract partner. A premium-neutral interest rate collar represents the combination of a cap and a floor (contractually agreed upper and lower interest limits). This type of derivative involves the establishment of a minimum and maximum interest rate (corridor) at a cost-neutral level. There are no fixed premium payments or additional costs, and the interest rate is hedged at the same time. A swap exchanges floating for fixed interest payments: floating interest rate liabilities that are hedged with a swap can be regarded as fixed interest rate liabilities from an economic standpoint. The market value of the derivatives was determined internally for the first time by discounting the related future cash flows. The interest rates used for discounting are based on interest rate curves for each currency that are observable on the market. In accordance with IFRS 13, the resulting market values are adjusted to include a credit value adjustment (CVA) and a debit value adjustment (DVA).

Including the expenses for derivatives, the weighted average interest rate for the major financial liabilities equalled 4.19%. Excluding the expenses for derivatives, the weighted average interest rate for the major financial liabilities amounted to 3.66%.

Financial liabilities – type of interest as of 31 July 2014



Business Development

IMMOFINANZ Group generated solid results of operations amounting to EUR 90.9 million in the first quarter of the 2014/15 financial year. The year-on-year decline of 6.5% (Q1 2013/14: EUR 97.2 million) resulted, above all, from the planned sale of properties in the previous financial year. Rental income remained generally stable in like-for-like comparison during 2013/14 (-1.3%), but the first quarter of 2014/15 saw an increase of 1.4% (versus Q4 2013/14).

In spite of this solid operating performance, net profit for the first quarter of 2014/15 was negative at EUR -14.0 million (Q1 2013/14: EUR 119.8 million). This development resulted primarily from negative effects caused by the foreign exchange-based revaluation of investment properties, which reflected the increase in the value of the Ruble versus the Euro and US Dollar from the beginning of May to the end of July 2014. These foreign exchange-based revaluation results of EUR -75.9 million reduced net profit, but have no effect on cash. The foreign exchange-adjusted revaluation results did not have a significant effect on net profit and amounted to EUR -2.7 million for the first quarter.

The development of the Ruble since the beginning of August 2014 points to a reversal of this effect during the second quarter of 2014/15. In other words, positive foreign exchange-based results from the revaluation of the investment properties are to be expected from the current point of view.

Excluding the negative non-cash effects from exchange rates and derivatives, Group net profit for the first quarter of 2014/15 equals EUR 47.6 million. This represents a 3.7% increase over the first quarter of 2013/14 (EUR 45.9 million).

Sustainable free cash flow (FFO) amounted to EUR 47.7 million for the reporting period, which represents an annualised FFO yield after tax of 11.4%.¹

An additional factor is that the proportional share of quarterly results for the BUWOG Group, in which IMMOFINANZ holds an investment of 49%, are not included in first quarter earnings because BUWOG announces its quarterly results after IMMOFINANZ Group. This timing difference in the preparation of financial statements will lead to a one quarter shift in the inclusion of BUWOG's quarterly results in IMMOFINANZ Group's earnings. Therefore, the initial inclusion will take place in the second quarter of 2014/15, when the proportional share of BUWOG results for the first quarter of 2014/15 is taken into account.

Rental income in the first quarter of 2014/15 declined to EUR 117.6 million (Q1 2013/14: EUR 126.1 million) following the sale of properties. The results of property sales improved from EUR -0.9 million in the previous year to EUR 7.3 million. The results of property development declined from EUR 3.3 million to EUR -2.0 million. Accordingly, the results of operations fell by 6.5% to EUR 90.9 million (Q1 2013/14: EUR 97.2 million).

IMMOFINANZ Group expects an increase in the value of the company during the 2014/15 financial year based on the further optimisation of the portfolio, the planned increase in occupancy, cost reductions after the spin-off of the residential property subsidiary BUWOG and the steady pursuit of successful property sales as well as increased development activities with a focus on Germany, Poland, Russia and Romania.

Results of asset management

IMMOFINANZ Group recorded rental income of EUR 117.6 million in the first quarter of 2014/15. This represents a decline of 6.8% compared with the first quarter of the previous year (EUR 126.1 million) and resulted from the planned sale of properties.

The results of asset management declined by 13.5% to EUR 95.4 million (Q1 2013/14: EUR 110.3 million), also due to a year-on-year increase in expenses from investment properties.

Results of property sales

Property sales generated results of EUR 7.3 million (Q1 2013/14: EUR -0.9 million). The portfolio optimisation included the sale of smaller properties as well as two logistics properties in Poland and the Czech Republic.

¹ Sustainable cash flow (excl. BUWOG): Gross cash flow (EUR 80.9 million) + interest received on financial investments (EUR 1.3 million) – interest paid (EUR 36.5 million) – cash outflows for derivative transactions (EUR 5.4 million) + results of property sales (EUR 7.3 million) based on market capitalisation as of 18 September 2014 (share price: EUR 2.37), excl. treasury shares and market capitalisation of the BUWOG shares held (EUR 731.7 million based on a share price of EUR 14.99 as of 18 September 2014).

Results of property development

The sale of real estate inventories and the valuation of active development projects generated results of property development of EUR –2.0 million during the reporting period (Q1 2013/14: EUR 3.3 million). The results of property development were negative in the first quarter of 2014/15 because no development projects were completed or opened.

Administrative expenses

Administrative expenses that are not directly attributable (overhead costs and personnel expenses) fell from EUR –19.0 million in the first quarter of the prior year to EUR –13.2 million. This decline resulted from a reduction in legal, auditing and consulting costs as well as the release of provisions.

Results of operations, EBIT, EBT and net profit

The results of operations declined 6.5% year-on-year to EUR 90.9 million due to the successful and scheduled sale of properties (Q1 2013/14: EUR 97.2 million).

Valuation results adjusted for foreign exchange effects amounted to EUR –2.7 million (Q1 2013/14: EUR –7.9 million). Valuation results resulting from foreign exchange effects were clearly negative at EUR –75.9 million (Q1 2013/14: EUR 66.0 million) due to the increase in the value of the Ruble versus the Euro during the reporting period. Therefore, EBIT declined substantially from EUR 155.3 million in the prior year to EUR 11.9 million.

Financial results improved to EUR –30.4 million (Q1 2013/14: EUR –40.1 million). This position includes non-cash foreign exchange accounting effects of EUR 17.1 million (Q1 2013/14: EUR –15.4 million). Other financial results (EUR –5.2 million; Q1 2013/14: EUR 13.8 million) were negatively affected, among others by the non-cash valuation of derivatives that are held to hedge interest rate risk. These factors reduced earnings before tax from EUR 115.2 million in the first quarter of the previous year to EUR –18.5 million for the reporting period.

Net profit for the first quarter of 2014/15 was negative at EUR –14.0 million (Q1 2013/14: EUR 119.8 million) due to the negative non-cash effects from exchange rates, the valuation of derivatives and the initial inclusion of the proportional share of BUWOG results starting in the next quarter.

Cash flow

Gross cash flow declined from EUR 99.0 million in the first quarter of the previous year to EUR 80.9 million, above all due to the planned sale of properties and the initial inclusion of the proportional share of cash flow from the BUWOG Group starting in the next quarter. Cash flow from operating activities rose from EUR 64.9 million to EUR 73.3 million. Cash flow from investing activities fell to EUR –203.7 million (Q1 2013/14: EUR 18.7 million), and cash flow from financing activities increased from EUR –210.2 million to EUR 150.6 million. The purchase of the BUWOG convertible bond is included under cash flow from investing activities as an investment, while the funds borrowed to finance the bond purchase are included in cash flow from financing activities.

Net Asset Value (NAV)

Net asset value is calculated in accordance with the Best Practices Policy Recommendations issued by the European Public Real Estate Association (EPRA). The EPRA NAV concept is used to present the fair value of equity on a long-term basis to give investors an impression of a company's sustainable asset position. The calculation of EPRA NAV also includes the undisclosed reserves in real estate inventories as well as the (negative) fair value of derivative financial instruments. The former are not included in carrying amounts in accordance with IFRS accounting rules, while the latter regularly serve as a means of hedging long-term financing to prevent the realisation of hypothetical losses if settlement were to take place on the balance sheet date. The deferred taxes on these items are included. In accordance with the EPRA recommendations, the calculation should include the deferred taxes that would be realised on the sale of property. Goodwill, which arises as a technical figure due to the recognition of deferred taxes on business combinations, is deducted.

The results of the calculation are shown below:

EPRA Net Asset Value (NAV)	31 July 2014		30 April 2014	
	in TEUR	in EUR per share	in TEUR	in EUR
Equity excl. non-controlling interests	4,275,232.5		4,252,424.3	
Diluting effects based on convertible bonds and the exercise of options	0.0		0.0	
Diluted equity excl. non-controlling interests after an adjustment for convertible bonds and the exercise of options	4,275,232.5		4,252,424.3	
Undisclosed reserves in real estate inventories	10,363.2		10,578.4	
Fair value of derivative financial instruments	50,208.9		47,518.4	
Deferred taxes on investment property	546,148.5		551,890.5	
Deferred taxes on real estate inventories and derivative financial instruments	-13,396.5		-12,833.2	
Goodwill excl. deferred taxes	-221,886.6		-216,327.4	
Number of shares excl. treasury shares (in 1,000)		1,016,057.4		1,016,057.4
EPRA NAV	4,646,670.1	4.57	4,633,250.9	4.56

Despite the negative results recorded for the first quarter, net asset value per share rose slightly to EUR 4.57 as of 31 July 2014 (30 April 2014: EUR 4.56).

Book value per share

The book value per share is calculated by dividing equity before non-controlling interests by the number of shares.

The calculation is as follows:

Book value per share	31 July 2014	30 April 2014
Equity before non-controlling interests in TEUR	4,275,232.5	4,252,424.3
Number of shares excl. treasury shares (in 1,000)	1,016,057.4	1,016,057.4
Book value per share	4.21	4.19

Outlook

Following the spin-off of the majority stake in the BUWOG residential property subsidiary during 2013/14, IMMOFINANZ Group and its business model, i.e. the real estate machine, are now concentrated on commercial properties with a special focus on Central and Eastern Europe and Russia. IMMOFINANZ Group is not only the largest listed property company, but also the major player in this region. The new focus not only entails a sharper corporate profile, but also creates better prospects for strategic transactions. For example, we expect the market consolidation that has taken hold in the German residential property sector will spread to the commercial property markets in Central and Eastern Europe. As the market leader in this region, IMMOFINANZ wants to play an active role and evaluate opportunities with a view toward synergies and economies of scale.

IMMOFINANZ Group expects an ongoing positive development in the region's core markets, which should benefit from a gradual economic recovery. However, the geopolitical tensions in Ukraine and the threatening expansion of the sanctions against Russia represent uncertainty factors. The Organisation for Economic Cooperation and Development (OECD) reacted to this situation by issuing a downward revision to its economic forecasts in mid-September 2014. The exact effects of the Ukraine crisis on the commercial development of the IMMOFINANZ core markets, above all Russia, are impossible to estimate at the present time.

The rental income from the Russian portfolio is generally denominated in Euros or US Dollars, but an ongoing decline in the Ruble would have a negative effect on tenants' cost structures. As indicated in the 2013/14 annual report, short-term arrangements were concluded with a number of tenants in the Moscow shopping centers to reduce the currency-related pressure on rental costs and thereby support their economic viability. This also proved to be a sustainable procedure during the 2008/09 financial crisis.

Interim Financial Statements



Park Postepu | Warsaw | PL



This office complex covers four modern, 7-storey buildings and is located in the Mokotów district

approx. 34,000  rentable space

Consolidated Income Statement

All amounts in TEUR	1 May 2014– 31 July 2014	1 May 2013– 31 July 2013 ¹
Rental income	117,593.7	126,136.5
Operating costs charged to tenants	26,425.6	30,069.6
Other revenues	2,629.1	2,435.5
Revenues	146,648.4	158,641.6
Expenses from investment property	-26,077.9	-20,726.9
Operating expenses	-25,169.0	-27,644.6
Results of asset management	95,401.5	110,270.1
Sale of properties	13,353.2	55,785.5
Carrying amount of sold properties	-13,353.2	-55,786.4
Gains/losses from deconsolidation	5,573.1	30.2
Expenses from property sales	-588.9	-2,276.9
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	2,359.2	1,334.6
Results of property sales before foreign exchange effects	7,343.4	-913.0
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0
Results of property sales	7,343.4	-913.0
Sale of real estate inventories	3,950.4	2,388.2
Cost of real estate inventories sold	-3,138.4	-2,114.6
Expenses from real estate inventories	-499.2	-724.5
Real estate development expenses	-2,427.6	-2,404.7
Revaluation of properties under construction adjusted for foreign exchange effects	80.0	-371.1
Results of property development before foreign exchange effects	-2,034.8	-3,226.7
Revaluation of properties under construction resulting from foreign exchange effects	0.0	6,514.9
Results of property development	-2,034.8	3,288.2
Other operating income	3,332.0	3,607.8
Other not directly attributable expenses	-13,163.5	-19,045.8
Results of operations	90,878.6	97,207.3
Revaluation of investment properties adjusted for foreign exchange effects	-2,676.9	-7,919.6
Revaluation of investment properties resulting from foreign exchange effects	-75,920.5	66,037.9
Goodwill impairment and earn-out effects on income	-382.4	-25.5
Other revaluation results	-78,979.8	58,092.8
Operating profit (EBIT)	11,898.8	155,300.1
Financing costs	-48,587.4	-48,838.4
Financing income	7,028.4	5,166.4
Foreign exchange differences	17,060.2	-15,443.0
Other financial results	-5,208.6	13,749.8
Shares of profit/loss from equity-accounted investments	-720.5	5,265.3
Financial results	-30,427.9	-40,099.9
Earnings before tax (EBT)	-18,529.1	115,200.2
Current income taxes	117.5	-9,012.5
Deferred tax expenses	4,432.8	-28,732.3
Net profit for the period from continued operations	-13,978.8	77,455.4
Net profit from discontinued operations	-	42,325.5
Net profit for the period	-13,978.8	119,780.9
Thereof attributable to owners of IMMOFINANZ AG	-13,537.6	118,973.9
Thereof attributable to non-controlling interests	-441.2	807.0
Basic earnings per share in EUR	-0.01	0.12
Net profit for the period from continued operations per share in EUR	-0.01	0.08
Net profit from discontinued operations per share in EUR	-	0.04
Diluted earnings per share in EUR	-0.01	0.11
Net profit for the period from continued operations per share in EUR	-0.01	0.07
Net profit from discontinued operations per share in EUR	-	0.04

¹ The comparable prior year figures were adjusted accordingly (see section 1).

Consolidated Statement of Comprehensive Income

All amounts in TEUR	1 May 2014– 31 July 2014	1 May 2013– 31 July 2013 ¹
Net profit for the period	-13,978.8	119,780.9
Other comprehensive income (reclassifiable)		
Valuation of available-for-sale financial instruments	746.8	-16.0
Currency translation adjustment	36,031.5	-33,618.4
Thereof changes during the reporting period	35,695.8	-34,779.0
Thereof reclassification to profit or loss	335.7	1,160.6
Other comprehensive income from equity-accounted investments	360.8	163.9
Total other comprehensive income (reclassifiable)	37,139.1	-33,470.5
Total other comprehensive income after tax	37,139.1	-33,470.5
Total comprehensive income	23,160.3	86,310.4
Thereof attributable to owners of IMMOFINANZ AG	22,804.1	87,281.4
Thereof attributable to non-controlling interests	356.2	-971.0

¹ The comparable prior year figures were adjusted accordingly (see section 1).

Consolidated Balance Sheet as of 31 July 2014

All amounts in TEUR	31 July 2014	30 April 2014 ¹	1 May 2013 ¹
Investment property	6,396,067.0	6,411,640.2	8,941,567.6
Property under construction	264,388.7	222,206.1	322,420.0
Other tangible assets	8,376.9	8,610.5	18,861.8
Intangible assets	224,654.8	219,112.9	275,243.7
Equity-accounted investments	876,399.7	874,698.9	153,942.2
Trade and other receivables	407,046.2	417,056.9	462,809.2
Income tax receivables	16,826.0	16,834.7	16,853.6
Other financial instruments	145,625.9	148,201.9	207,145.2
Deferred tax assets	17,543.9	14,135.7	39,839.7
Non-current assets	8,356,929.1	8,332,497.8	10,438,683.0
Trade and other receivables	192,754.9	204,241.3	315,538.1
Income tax receivables	21,282.5	20,888.0	14,817.1
Other financial assets	262,626.1	262,366.1	0.0
Non-current assets held for sale	110,592.7	175,066.5	570,761.2
Real estate inventories	154,502.2	155,777.2	258,981.2
Cash and cash equivalents	246,274.9	235,864.0	724,369.4
Current assets	988,033.3	1,054,203.1	1,884,467.0
Assets	9,344,962.4	9,386,700.9	12,323,150.0
Share capital	1,172,059.9	1,172,059.9	1,172,059.9
Capital reserves	3,629,746.3	3,629,746.3	4,518,235.9
Treasury shares	-329,504.5	-329,504.5	-329,504.5
Accumulated other equity	-343,670.6	-379,680.6	-88,700.3
Retained earnings	146,601.4	159,803.2	46,499.5
Thereof attributable to owners of IMMOFINANZ AG	4,275,232.5	4,252,424.3	5,318,590.5
Non-controlling interests	8,431.6	8,159.8	13,269.5
Equity	4,283,664.1	4,260,584.1	5,331,860.0
Liabilities from convertible bonds	496,000.6	494,043.0	525,221.4
Long-term financial liabilities	2,348,835.0	2,387,783.8	3,946,390.7
Trade and other payables	122,893.0	146,994.5	208,879.6
Income tax liabilities	240.6	222.3	366.7
Provisions	48,953.5	48,595.5	53,361.2
Deferred tax liabilities	473,296.0	464,399.9	557,680.5
Non-current liabilities	3,490,218.7	3,542,039.0	5,291,900.1
Liabilities from convertible bonds	50,313.8	44,219.0	28,887.0
Short-term financial liabilities	1,237,651.6	1,231,374.1	739,275.8
Trade and other payables	200,896.0	203,537.3	594,888.6
Income tax liabilities	34,002.8	35,254.2	28,710.1
Provisions	48,215.4	49,772.3	55,152.6
Financial liabilities held for sale	0.0	19,920.9	252,475.8
Current liabilities	1,571,079.6	1,584,077.8	1,699,389.9
Equity and liabilities	9,344,962.4	9,386,700.9	12,323,150.0

¹ The comparable prior year figures were adjusted accordingly (see section 1).

Consolidated Cash Flow Statement

All amounts in TEUR	1 May 2014– 31 July 2014	1 May 2013– 31 July 2013 ¹
Earnings before tax (EBT) from continued operations	-18,529.1	115,200.2
Earnings before tax (EBT) from discontinued operations	-	32,768.7
Revaluation/impairment losses/recognition of gains on bargain purchases	82,185.2	-72,023.0
Gains/losses from equity-accounted investments	274.3	-5,265.3
Gains/losses from disposal of non-current assets	-3.2	13.6
Temporary changes in the fair value of financial instruments	-13,978.9	-15,175.2
Income taxes paid	-5,733.6	-15,343.1
Net interest	41,532.5	57,628.2
Results from the change in investments	-5,573.1	-1,063.6
Other non-cash income/expense	705.3	2,216.5
Gross cash flow	80,879.4	98,957.0
Receivables and other assets	-4,031.7	-15,212.3
Trade payables	-11,474.4	-15,658.5
Provisions	-2,019.8	-3,958.8
Other liabilities	9,908.1	-6,452.4
Cash flow from operating activities	73,261.7	57,675.0
Thereof from discontinued operation	-	-7,194.3
Acquisition of/Investments in investment property	-969.0	-4,688.7
Acquisition of/Investments in property under construction	-37,625.9	-39,738.4
Acquisition of property companies including change in joint venture receivables, net of cash and cash equivalents	-263.7	-2,149.2
Acquisition of other tangible assets	-439.3	-617.3
Acquisition of intangible assets	-138.2	-90.4
Acquisition of financial investments	-260,366.4	-2,933.4
Proceeds from disposal of property companies net of cash and cash equivalents	33,820.1	505.7
Proceeds from disposal of non-current assets	29,085.0	113,433.6
Proceeds from disposal of financial assets	31,869.3	1,258.6
Interest received	1,279.6	13,421.1
Cash flow from investing activities	-203,748.5	78,401.6
Thereof from discontinued operation	-	59,690.1
Cash inflows from long-term financing	282,736.9	105,063.4
Cash outflows for long-term financing	-90,193.6	-284,111.3
Cash in-/outflows from the change in investments	-	-408.8
Cash outflows for derivative transactions	-5,384.3	-8,987.9
Interest paid	-36,454.8	-38,812.7
Distributions to non-controlling interests	-84.4	-
Cash flow from financing activities	150,619.8	-227,257.4
Thereof from discontinued operation	-	-17,051.7
Net foreign exchange differences	-9,722.1	1,991.2
Change in cash and cash equivalents	10,410.9	-89,189.6
Cash and cash equivalents at the beginning of the period	235,864.0	724,369.4
Cash and cash equivalents at the end of the period	246,274.9	635,179.8
Change in cash and cash equivalents	10,410.9	-89,189.6

¹ The comparable prior year figures were adjusted accordingly (see section 1).

Statement of Changes in Equity

2014/15	Attributable to owners of IMMOFINANZ AG					
				Accumulated other equity		
All amounts in TEUR	Share capital	Capital reserves	Treasury shares	Revaluation reserve	AFS reserve	IAS 19 reserve
Balance on 30 April 2014	1,172,059.9	3,629,746.3	-329,504.5	3,320.7	-3,951.0	-20.9
Revaluation of available-for-sale financial instruments					746.8	
Currency translation adjustments						
Other comprehensive income from equity-accounted investments						
Other comprehensive income for Q1 2014/15					746.8	
Net profit for Q1 2014/15						
Total comprehensive income					746.8	
Distributions						
Deconsolidations				4.0		
Balance on 31 July 2014	1,172,059.9	3,629,746.3	-329,504.5	3,324.7	-3,204.2	-20.9
2013/14						
All amounts in TEUR	Share capital	Capital reserves	Treasury shares	Revaluation reserve	AFS reserve	IAS 19 reserve
Balance on 30 April 2013	1,172,059.9	4,518,235.9	-329,504.5	91,411.0	7.2	0.0
Retrospective adjustment in acc. with IAS 8, incl. transition guidance in IFRS 10 and IFRS 11				-540.8		
Balance on 30 April 2013 (adjusted)	1,172,059.9	4,518,235.9	-329,504.5	90,870.2	7.2	0.0
Revaluation of available-for-sale financial instruments					-16.0	
Currency translation adjustments						
Other comprehensive income from equity-accounted investments						
Other comprehensive income for Q1 2013/14					-16.0	
Net profit for Q1 2013/14						
Total comprehensive income					-16.0	
Structural changes/capital dilution				-0.2		
Change in consolidation method/addition to the scope of consolidation						
Deconsolidations						
Balance on 31 July 2013	1,172,059.9	4,518,235.9	-329,504.5	90,870.0	-8.8	0.0

Attributable to owners
of IMMOFINANZ AG

2014/15	Accumulated other equity				
All amounts in TEUR	Currency translation reserve	Retained earnings	Total	Non- controlling interests	Total equity
Balance on 30 April 2014	-379,029.4	159,803.2	4,252,424.3	8,159.8	4,260,584.1
Revaluation of available-for-sale financial instruments			746.8		746.8
Currency translation adjustments	35,234.1		35,234.1	797.4	36,031.5
Other comprehensive income from equity-accounted investments	360.8		360.8		360.8
Other comprehensive income for Q1 2014/15	35,594.9		36,341.7	797.4	37,139.1
Net profit for Q1 2014/15		-13,537.6	-13,5317.6	-441.2	-13,978.8
Total comprehensive income	35,594.9	-13,537.6	22,804.1	356.2	23,160.3
Distributions				-84.4	-84.4
Deconsolidations	-335.7	335.7	4.0		4.0
Balance on 31 July 2014	-343,770.2	146,601.4	4,275,232.5	8,431.6	4,283,664.1
2013/14					
All amounts in TEUR	Currency translation reserve	Retained earnings	Total	Non- controlling interests	Total equity
Balance on 30 April 2013	-173,586.7	37,692.4	5,316,315.2	10,751.7	5,327,066.9
Retrospective adjustment in acc. with IAS 8, incl. transition guidance in IFRS 10 and IFRS 11	-6,146.7	8,962.7	2,275.2	2,517.8	4,793.0
Balance on 30 April 2013 (adjusted)	-179,733.4	46,655.1	5,318,590.4	13,269.5	5,331,859.9
Revaluation of available-for-sale financial instruments			-16.0		-16.0
Currency translation adjustments	-31,840.4		-31,840.4	-1,778.0	-33,618.4
Other comprehensive income from equity-accounted investments	163.9		163.9		163.9
Other comprehensive income for Q1 2013/14	-31,676.5		-31,692.5	-1,778.0	-33,470.5
Net profit for Q1 2013/14		118,973.9	118,973.9	807.0	119,780.9
Total comprehensive income	-31,676.5	118,973.9	87,281.4	-971.0	86,310.4
Structural changes/capital dilution		-1,514.8	-1,515.0	1,106.2	-408.8
Change in consolidation method/addition to the scope of consolidation				6.3	6.3
Deconsolidations	-1,160.6	1,161.0	0.4	0.4	0.8
Balance on 31 July 2013	-212,570.5	165,275.2	5,404,357.2	13,411.4	5,417,768.6

Notes

1. Basis of Preparation

The consolidated interim financial statements of IMMOFINANZ Group as of 31 July 2014 were prepared in accordance with the International Financial Reporting Standards (IFRS) which were adopted by the EU and are applicable to interim reporting.

The condensed scope of reporting in the consolidated interim financial statements of IMMOFINANZ Group is in agreement with IAS 34. Information on the IFRSs and significant accounting policies applied by IMMOFINANZ AG is provided in the consolidated financial statements of IMMOFINANZ Group as of 30 April 2014.

These consolidated interim financial statements of IMMOFINANZ Group were not subjected to a full audit or review by the auditor, Deloitte Audit Wirtschaftsprüfungs GmbH.

The interim financial statements are presented in thousand EURO ("TEUR", rounded). The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

1.1 First-time application of standards and interpretations

First-time application

With the exception of the initial application of IFRS 10 and IFRS 11, the revised or changed standards and interpretations had no significant effects on the consolidated interim financial statements of IMMOFINANZ Group. The additional disclosures required by IFRS 12 will only apply in full to the consolidated financial statements as of 30 April 2015.

The following new or revised standards and interpretations were applied for the first time in the 2014/15 financial year:

Standard	Content	Published by the IASB (endorsed by the EU)	Mandatory application for IMMOFINANZ Group	Effects on IMMOFINANZ Group
New standards and interpretations				
IFRS 10	Consolidated Financial Statements	12 May 2011 (11. December 2012)	1 May 2014	Yes
IFRS 11	Joint Arrangements	12 May 2011 (11 December 2012)	1 May 2014	Yes
IFRS 12	Disclosure of Interests in Other Entities	12 May 2011 (11 December 2012)	1 May 2014	Notes disclosures
Changes to standards and interpretations				
IFRS 10, 11, 12	Transition Guidance	28 June 2012 (4 April 2013)	1 May 2014	Yes
IAS 27	Separate Financial Statements	12 May 2011 (11 December 2012)	1 May 2014	No
IAS 27, IFRS 10, 12	Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)	31 October 2012 (20 November 2013)	1 May 2014	No
IAS 28	Investments in Associates and Joint Ventures	12 May 2011 (11 December 2012)	1 May 2014	Yes
IAS 32	Offsetting Financial Assets and Financial Liabilities	1. December 2011 (13 December 2012)	1 May 2014	No
IAS 36	Recoverable Amount Disclosures for Non-Financial Assets	29 May 2013 (19 December 2013)	1 May 2014	Notes disclosures
IAS 39	Novation of Derivatives and Continuation of Hedge Accounting	27 June 2013 (19 December 2013)	1 May 2014	No

IFRS 10 "Consolidated Financial Statements"

IFRS 10 was applied for the first time as of 1 May 2014. This standard replaces the accounting regulations for consolidated financial statements in IAS 27 "Consolidated and Separate Financial Statements" and SIC-12 "Consolidation – Special Purpose Entities". IAS 27 "Separate Financial Statements" now only regulates the accounting treatment of (investments in) subsidiaries, joint ventures and associates in separate financial statements under IFRS. IFRS 10 provides a new definition of control that applies to all companies, including special purpose entities. In accordance with IFRS 10, control is considered to exist when the parent company is entitled to receive or is exposed to the risk of variable returns from its investment in a company and has the ability to affect these returns. Furthermore, IFRS 10 provides specific information on how to apply the control principle through the acknowledgment or evaluation of potential voting rights, joint decision-making powers or protective rights of third parties as well as constellations that are characterised by delegated or retained decision-making rights or de facto control. The assessment of control will require a more comprehensive assessment (i.e. requiring greater discretion) to determine the parent company's influence over the investee.

The management of IMMOFINANZ Group reassessed the scope of consolidation as of 1 May 2014 in connection with the initial application of IFRS 10 and the new definition of control. In agreement with the transition guidance for IFRS 10, this assessment led to the following changes retrospective to 1 May 2013:

- > eight Turkish companies previously included through proportionate consolidation are now included through full consolidation;
- > five Austrian and one Polish company previously included through full consolidation are now accounted for at equity; and
- > five Austrian companies are no longer consolidated.

The comparative data for the first quarter of 2013/14 and the consolidated balance sheet as of 1 May 2013 were adjusted in agreement with the applicable transition guidance.

IFRS 11 "Joint Arrangements"

IFRS 11 was applied for the first time as of 1 May 2014. This standard replaces the accounting rules for joint ventures, joint operations and jointly managed assets in IAS 31 "Interests in Joint Ventures" and SIC 13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers". IAS 28 was therefore renamed. IFRS 11 eliminates proportionate consolidation as an optional method for recognising investments in joint ventures; these investments must be accounted for at equity beginning with the current financial year. The difference between joint ventures and joint operations was also defined more precisely; the latter now also includes jointly managed assets. If the partner companies to a joint arrangement have direct rights to the assets of the joint arrangement or obligations arising from its liabilities based on the legal form, contract terms or other facts and circumstances, the joint arrangement is no longer classified as a joint venture but as a joint operation. Under a joint operation, the partner companies must recognize their proportional share of the assets, liabilities, income and expenses in their IFRS consolidated financial statements.

The management of IMMOFINANZ Group reassessed the Group's joint arrangements as of 1 May 2014 in connection with the initial application of IFRS 11. In agreement with the transition guidance for IFRS 11, this assessment led to the retrospective change from proportionate consolidation to the equity method for 44 companies as of 1 May 2013.

The comparative data for the first quarter of 2013/14 and the consolidated balance sheet as of 1 May 2013 were adjusted in agreement with the applicable transition guidance. The carrying amount of the investments previously included through proportionate consolidation and subsequently accounted for at equity as of 1 May 2013 represents the aggregated carrying amounts of the assets and liabilities included by IMMOFINANZ Group through proportionate consolidation in the past. A negative carrying amount resulted in the reduction of receivables whose economic substance would lead to their classification as a net investment in the respective company under IAS 28 or to an appropriate retained earnings adjustment if these types of receivables or legal or actual obligations were not available to cover the loss. The new carrying amounts were tested for impairment as of 1 May 2013, which led to the recognition of impairment losses totalling TEUR 848.8. These impairment losses were recognised through an adjustment of retained earnings in agreement with the respective transition guidance.

The following table shows the carrying amounts of the companies previously included through proportionate consolidation and now included at equity as of 1 May 2013:

All amounts in TEUR	1 May 2013
Investment property	303,628.5
Other assets	139,611.8
Non-current and current liabilities (incl. liabilities previously included through proportionate consolidation)	-437,787.7
Proportional share of net assets	5,452.5
Cumulative offset against receivables classified as net investments in acc. with IAS 28	47,576.3
Adjustment of retained earnings in acc. with IFRS 11	6,004.4
Reclassification to non-current assets held for sale	0.0
Impairment	-848.8
Equity investment	58,184.4

1.2 Change in comparative information

The following transition table shows the effects on the comparative information in the consolidated income statement for the first quarter of 2013/14 arising from

- > the initial application of IFRS 10 and IFRS 11,
- > discontinued operations (the spin-off of the BUWOG operating segment in the fourth quarter of 2013/14) and
- > the change in presentation of individual positions on the consolidated income statement in the previous financial year.

All amounts in TEUR	1 May 2013– 31 July 2013 as reported	BUWOG	Transactions with BUWOG – Facility Management GmbH	IFRS 10	IFRS 11	Reclassi- fication	1 May 2013– 31 July 2013 adjusted
Rental income	161,430.9	-28,071.4	0.0	-1,531.9	-5,691.1	0.0	126,136.5
Operating costs charged to tenants	48,207.2	-16,842.7	4.8	-279.2	-1,020.5	0.0	30,069.6
Other revenues	3,098.7	-388.2	12.6	-0.9	-286.7	0.0	2,435.5
Revenues	212,736.8	-45,302.3	17.4	-1,812.0	-6,998.3	0.0	158,641.6
Expenses from investment property	-30,872.0	8,686.5	-400.9	51.0	2,618.2	-809.7	-20,726.9
Operating expenses	-45,577.7	18,135.4	-1,614.1	262.8	1,033.6	115.4	-27,644.6
Results of asset management	136,287.1	-18,480.4	-1,997.6	-1,498.2	-3,346.5	-694.3	110,270.1
Sale of properties	77,703.5	-20,897.6	0.0	0.0	-1,020.4	0.0	55,785.5
Carrying amount of sold properties	-77,704.4	20,897.6	0.0	0.0	1,020.4	0.0	-55,786.4
Gains/losses from deconsolidation	491.1	-1,033.3	0.0	3,616.8	-3,044.4	0.0	30.2
Expenses from property sales	-2,999.9	723.0	0.0	0.0	0.0	0.0	-2,276.9
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	8,197.8	-6,216.8	0.0	0.0	-646.4	0.0	1,334.6
Results of property sales before foreign exchange effects	5,688.1	-6,527.1	0.0	3,616.8	-3,690.8	0.0	-913.0
Revaluation of properties sold and held for sale resulted for foreign exchange effects	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Results of property sales	5,688.1	-6,527.1	0.0	3,616.8	-3,690.8	0.0	-913.0
Sale of real estate inventories	28,637.3	-26,249.1	0.0	0.0	0.0	0.0	2,388.2
Cost of real estate inventories sold	-22,279.5	20,164.9	0.0	0.0	0.0	0.0	-2,114.6
Expenses from real estate inventories	-637.1	409.7	0.0	0.0	0.0	-497.1	-724.5
Real estate development expenses	-3,903.9	1,495.8	0.0	0.0	3.4	0.0	-2,404.7
Revaluation of properties under construction adjusted for foreign exchange effects	-371.1	0.0	0.0	0.0	0.0	0.0	-371.1

All amounts in TEUR	1 May 2013– 31 July 2013 as reported	BUWOG	Transactions with BUWOG – Facility Management GmbH	IFRS 10	IFRS 11	Reclassi- fication	1 May 2013– 31 July 2013 adjusted
Results of property development before foreign exchange effects	1,445.7	-4,178.7	0.0	0.0	3.4	-497.1	-3,226.7
Revaluation of properties under construction resulting from foreign exchange effects	6,672.7	0.0	0.0	0.0	-157.8	0.0	6,514.9
Results of property development	8,118.4	-4,178.7	0.0	0.0	-154.4	-497.1	3,288.2
Other operating income	4,913.4	-781.4	0.0	-37.4	-486.8	0.0	3,607.8
Other not directly attributable expenses	-21,054.6	3,907.0	0.0	-166.3	-47.8	-1,684.1	-19,045.8
Results of operations	133,952.4	-26,060.6	-1,997.6	1,914.9	-7,726.3	-2,875.5	97,207.3
Revaluation of investment properties adjusted for foreign exchange effects	4,734.4	-7,311.1	0.0	-3,531.7	-1,811.2	0.0	-7,919.6
Revaluation of investment properties resulting from foreign exchange effects	67,705.7	0.0	0.0	491.2	-2,159.0	0.0	66,037.9
Impairment, related reversals and earn-out adjustments	-5,956.7	3,240.2	0.0	5.3	-770.0	3,481.2	0.0
Goodwill impairment and earn-out effects on income	0.0	0.0	0.0	0.0	0.0	-25.5	-25.5
Addition to/reversal of provision for onerous contracts	-682.9	0.0	0.0	0.0	0.0	682.9	0.0
Other revaluation results	65,800.5	-4,070.9	0.0	-3,035.2	-4,740.2	4,138.6	58,092.8
Operating profit (EBIT)	199,752.9	-30,131.5	-1,997.6	-1,120.3	-12,466.5	1,263.1	155,300.1
Financing costs	-66,961.5	15,498.9	0.0	226.4	2,397.8	0.0	-48,838.4
Financing income	4,725.5	-1,796.4	0.0	140.9	2,096.4	0.0	5,166.4
Foreign exchange differences	-20,044.8	-0.1	0.0	1,306.3	3,295.6	0.0	-15,443.0
Other financial results	30,807.2	-14,342.9	0.0	81.6	-1,533.0	-1,263.1	13,749.8
Shares of profit/loss from equity-accounted investments	468.8	0.0	0.0	2,446.7	2,349.8	0.0	5,265.3
Financial results	-51,004.8	-640.5	0.0	4,201.9	8,606.6	-1,263.1	-40,099.9
Earnings before tax (EBT)	148,748.1	-30,772.0	-1,997.6	3,081.6	-3,859.9	0.0	115,200.2
Current income taxes	-10,449.3	243.9	0.0	1,196.0	-3.1	0.0	-9,012.5
Deferred tax expenses (other)	-20,621.5	-9,799.8	0.0	938.7	750.3	0.0	-28,732.3
Net profit for the period from continued operations	117,677.3	-40,327.9	-1,997.6	5,216.3	-3,112.7	0.0	77,455.4
Net profit from discontinued operations	0.0	40,327.9	1,997.6	0.0	0.0	0.0	42,325.5
Net profit for the period	117,677.3	0.0	0.0	5,216.3	-3,112.7	0.0	119,780.9
Thereof attributable to owners of IMMOFINANZ AG	118,183.4	0.0	0.0	3,903.2	-3,112.7	0.0	118,973.9
Thereof attributable to non-controlling interests	-506.1	0.0	0.0	1,313.1	0.0	0.0	807.0

The following transition table shows the effects as of 1 May 2013 on investment property and property under construction resulting from the initial application of IFRS 10 and IFRS 11.

All amounts in TEUR	1 May 2013 as reported	IFRS 10	IFRS 11	1 May 2013 adjusted
Investment property	9,297,431.3	-73,985.1	-281,878.5	8,941,567.6
Property under construction	344,170.1	0.0	-21,750.0	322,420.0
Total	9,641,601.4	-73,985.1	-303,628.5	9,263,987.6

2. Scope of Consolidation

2.1 Development of the scope of consolidation

The development of the scope of consolidation during the first quarter of 2014/15, including the changes resulting from the retrospective initial application of IFRS 10 and IFRS 11 as of 30 April 2013, is presented in the following table.

Scope of consolidation	Full consolidation	Proportionate consolidation	Equity method	Total
Balance on 1 May 2013	698	52	27	777
Changes from the initial application of IFRS 10	-3	-8	6	-5
Changes from the initial application of IFRS 11	0	-44	44	0
Balance on 1 May 2013 due to IFRS 10 and 11	695	-	77	772
Changes in the scope of consolidation in 2013/14	-64	-	-22	-86
Balance on 30 April 2014	631	-	55	686
Initially included due to acquisition	5	-	0	5
Disposal	-9	-	-3	-12
Balance on 31 July 2014	627	-	52	679
Thereof foreign companies	390	-	42	432

2.2 Initial consolidations and additions to investments

The following companies were fully consolidated for the first time during the first quarter of 2014/15. These acquisitions generally involve the purchase of shell companies and do not represent business combinations as defined in IFRS 3.

Segment	Country	Headquarters	Company	Direct stake	Consolidation method	Date
Germany	DE	Cologne	IMMOFINANZ Development Services Deutschland GmbH	100.0%	F	31 July 2014
Poland	PL	Warsaw	Cortan Enterprise Sp. z o.o.	100.0%	F	26 May 2014
Poland	PL	Warsaw	Dessa Enterprise Sp. z o.o.	100.0%	F	26 May 2014
Poland	PL	Warsaw	Karam Enterprise Sp. z o.o.	100.0%	F	26 May 2014
Poland	PL	Warsaw	Wolkar Enterprise Sp. z o.o.	100.0%	F	26 May 2014

F = Full consolidation, E = Equity method

2.3 Deconsolidations and disposals of investments

The following subsidiaries and companies included at equity were sold or liquidated during the first quarter of 2014/15.

Segment	Country	Headquarters	Company	Direct stake	Consolidation method	Date
Austria	AT	Vienna	CBB-L Beta Beteiligungs GmbH in Liqu.	100.0%	F	18 June 2014
Austria	AT	Vienna	CBB-L Jota Beteiligungs GmbH in Liqu.	100.0%	F	18 June 2014
Austria	AT	Vienna	CBB-L Realitäten Beteiligungs GmbH in Liqu.	100.0%	F	8 July 2014
Austria	AT	Vienna	TCB Telecom Beteiligungsgesellschaft m.b.H. in Liqu.	100.0%	F	19 June 2014
Poland	PL	Warsaw	IMMOEAST Projekt Investment jeden Sp.z o.o. w likwidacji	100.0%	F	16 May 2014
Poland	PL	Warsaw	Madeley Investments Sp. z o.o.	100.0%	F	15 July 2014
Poland	PL	Warsaw	Residea Alpha Sp. z o.o.	50.0%	E	26 June 2014
Other	LU	Luxembourg	Adama Luxembourg S.à.r.l	100.0%	F	19 June 2014
Other	CY	Nicosia	Graviscalar Limited	100.0%	F	30 July 2014
Other	US	Houston	IMF Investments 105 LP	66.0%	E	30 July 2014
Other	US	Houston	IMF Investments 307 LP	90.0%	E	18 July 2014
Czech Republic	CZ	Prague	ABLO Property s.r.o.	100.0%	F	30 June 2014

F = Full consolidation, E = Equity method

3. Information on Operating Segments

Information on the operating segment of IMMOFINANZ Group is provided in the following tables:

All amounts in TEUR	Austria		Germany	
	2014/15	2013/14 ¹	2014/15	2013/14 ¹
Office	9,006.2	9,604.9	1,598.2	1,492.7
Logistics	400.1	449.6	5,939.2	6,722.8
Retail	7,067.2	7,250.5	154.8	177.3
Other	3,128.2	4,094.6	704.4	720.3
Rental income	19,601.7	21,399.6	8,396.6	9,113.1
Operating costs charged to tenants	2,795.2	4,234.7	1,365.5	1,506.5
Other revenues	476.5	703.8	7.7	31.4
Revenues	22,873.4	26,338.1	9,769.8	10,651.0
Expenses from investment property	-4,543.6	-4,109.5	-1,777.2	-1,799.4
Operating expenses	-2,822.3	-4,222.9	-1,386.8	-1,732.3
Results of asset management	15,507.5	18,005.7	6,605.8	7,119.3
Sale of properties	3,428.1	8,466.8	0.0	46,885.0
Carrying amount of sold properties	-3,428.1	-8,466.8	0.0	-46,885.0
Gains/losses from deconsolidation	0.2	2.0	0.0	-3.0
Expenses from property sales	-283.0	-344.7	-8.7	-1,729.2
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	681.4	2,043.6	0.0	-835.2
Results of property sales before foreign exchange effects	398.6	1,700.9	-8.7	-2,567.4
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	398.6	1,700.9	-8.7	-2,567.4
Sale of real estate inventories	0.0	390.0	0.0	0.0
Cost of real estate inventories sold	0.0	-289.7	0.0	0.0
Expenses from real estate inventories	0.0	-48.3	0.0	0.0
Real estate development expenses	-37.4	-11.6	-203.3	-527.6
Revaluation of properties under construction adjusted for foreign exchange effects	0.0	0.0	32.4	0.0
Results of property development before foreign exchange effects	-37.4	40.4	-170.9	-527.6
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property development	-37.4	40.4	-170.9	-527.6
Other operating income	251.0	575.2	604.5	191.9
Other not directly attributable expenses	-779.1	-931.8	-1,450.5	-1,566.8
Results of operations	15,340.6	19,390.4	5,580.2	2,649.4
Revaluation of investment properties adjusted for foreign exchange effects	1,707.6	-6,321.1	4,594.1	-391.9
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Goodwill impairment and earn-out effects on income	0.0	0.0	0.0	-8.2
Other revaluation results	1,707.6	-6,321.1	4,594.1	-400.1
Operating profit (EBIT)	17,048.2	13,069.3	10,174.3	2,249.3
Financial results				
Current income taxes				
Net profit from discontinued operations				
Net profit for the period				
Segment investments	221.8	194.2	4,991.4	10,127.7
	31 July 2014	30 April 2014¹	31 July 2014	30 April 2014¹
Investment property	1,309,801.2	1,306,825.8	453,225.5	448,110.0
Property under construction	0.0	0.0	116,374.5	110,990.4
Goodwill	0.0	0.0	0.0	0.0
Properties held for sale	1,300.0	1,625.0	0.0	0.0
Real estate inventories	1,084.5	4,270.0	74,722.9	66,198.0
Segment assets	1,312,185.7	1,312,720.8	644,322.9	625,298.4

¹ The comparable prior year figures were adjusted accordingly (see section 1).

All amounts in TEUR	Poland		Czech Republic	
	2014/15	2013/14 ¹	2014/15	2013/14 ¹
Office	4,630.2	5,173.6	5,547.8	5,895.6
Logistics	405.6	464.6	225.8	339.3
Retail	544.8	6,594.7	2,732.4	2,591.5
Other	454.9	504.7	602.8	598.6
Rental income	6,035.5	12,737.6	9,108.8	9,425.0
Operating costs charged to tenants	2,003.8	4,103.5	2,164.5	2,622.1
Other revenues	69.5	152.2	77.7	119.6
Revenues	8,108.8	16,993.3	11,351.0	12,166.7
Expenses from investment property	-857.6	-684.8	-1,402.2	-1,182.3
Operating expenses	-2,082.2	-3,778.4	-2,101.5	-2,569.7
Results of asset management	5,169.0	12,530.1	7,847.3	8,414.7
Sale of properties	9,845.1	121.6	0.0	0.0
Carrying amount of sold properties	-9,845.1	-122.5	0.0	0.0
Gains/losses from deconsolidation	44.0	0.0	5,521.9	0.0
Expenses from property sales	-90.2	-3.2	-94.3	-26.6
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	1,686.3	0.0	0.0	0.0
Results of property sales before foreign exchange effects	1,640.1	-4.1	5,427.6	-26.6
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	1,640.1	-4.1	5,427.6	-26.6
Sale of real estate inventories	1,386.8	112.9	0.0	0.0
Cost of real estate inventories sold	-585.2	-16.1	0.0	0.0
Expenses from real estate inventories	-390.8	-297.4	0.0	0.0
Real estate development expenses	-1,166.7	-272.9	4.1	-308.3
Revaluation of properties under construction adjusted for foreign exchange effects	27.7	0.0	8.1	-214.5
Results of property development before foreign exchange effects	-728.2	-473.5	12.2	-522.8
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property development	-728.2	-473.5	12.2	-522.8
Other operating income	172.5	954.1	67.9	102.8
Other not directly attributable expenses	-520.3	-1,079.7	712.6	-469.0
Results of operations	5,733.1	11,926.9	14,067.6	7,499.1
Revaluation of investment properties adjusted for foreign exchange effects	66.0	-408.2	-313.6	-413.7
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Goodwill impairment and earn-out effects on income	-126.2	-11.5	0.0	0.0
Other revaluation results	-60.2	-419.7	-313.6	-413.7
Operating profit (EBIT)	5,672.9	11,507.2	13,754.0	7,085.4
Financial results				
Current income taxes				
Net profit from discontinued operations				
Net profit for the period				
Segment investments	26,805.7	4,905.9	2,525.0	2,138.1
	31 July 2014	30 April 2014¹	31 July 2014	30 April 2014¹
Investment property	402,950.0	415,700.0	528,618.4	525,209.1
Property under construction	120,213.0	93,503.4	15,158.2	16,420.0
Goodwill	7,961.7	8,087.9	30,268.3	30,268.3
Properties held for sale	0.0	0.0	0.0	22,309.7
Real estate inventories	30,929.7	36,627.9	0.0	0.0
Segment assets	562,054.4	553,919.2	574,044.9	594,207.1

¹ The comparable prior year figures were adjusted accordingly (see section 1).

Segments

All amounts in TEUR	Slovakia		Hungary	
	2014/15	2013/14 ¹	2014/15	2013/14 ¹
Office	903.2	1,320.8	3,082.9	3,237.8
Logistics	214.0	251.2	1,061.4	1,069.2
Retail	3,372.9	3,458.1	2,944.7	2,826.2
Other	60.4	109.8	246.9	244.4
Rental income	4,550.5	5,139.9	7,335.9	7,377.6
Operating costs charged to tenants	2,127.5	2,517.4	2,812.9	2,831.4
Other revenues	98.2	108.3	45.0	49.7
Revenues	6,776.2	7,765.6	10,193.8	10,258.7
Expenses from investment property	-613.0	-816.4	-2,538.3	-1,716.5
Operating expenses	-1,682.6	-2,125.1	-2,676.0	-2,722.7
Results of asset management	4,480.6	4,824.1	4,979.5	5,819.5
Sale of properties	0.0	0.0	39.9	0.0
Carrying amount of sold properties	0.0	0.0	-39.9	0.0
Gains/losses from deconsolidation	0.0	0.0	0.0	31.2
Expenses from property sales	-2.7	0.0	-17.0	0.0
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	0.0	0.0	-8.1	0.0
Results of property sales before foreign exchange effects	-2.7	0.0	-25.1	31.2
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	-2.7	0.0	-25.1	31.2
Sale of real estate inventories	0.0	0.0	0.0	0.0
Cost of real estate inventories sold	0.0	0.0	0.0	0.0
Expenses from real estate inventories	-316.5	-70.0	0.0	0.0
Real estate development expenses	0.0	-19.2	14.6	0.0
Revaluation of properties under construction adjusted for foreign exchange effects	0.0	0.0	0.0	0.0
Results of property development before foreign exchange effects	-316.5	-89.2	14.6	0.0
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property development	-316.5	-89.2	14.6	0.0
Other operating income	47.4	20.4	340.5	355.5
Other not directly attributable expenses	-354.4	-195.2	-348.9	-491.0
Results of operations	3,854.4	4,560.1	4,960.6	5,715.2
Revaluation of investment properties adjusted for foreign exchange effects	-67.2	48.7	271.2	-177.9
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Goodwill impairment and earn-out effects on income	0.0	0.0	0.0	-5.8
Other revaluation results	-67.2	48.7	271.2	-183.7
Operating profit (EBIT)	3,787.2	4,608.8	5,231.8	5,531.5
Financial results				
Current income taxes				
Net profit from discontinued operations				
Net profit for the period				
Segment investments	52.1	5.7	634.7	-103.9
	31 July 2014	30 April 2014¹	31 July 2014	30 April 2014¹
Investment property	263,130.0	263,130.0	527,650.0	527,700.0
Property under construction	0.0	0.0	1,613.7	1,040.1
Goodwill	1,055.6	1,055.6	5,603.4	5,603.4
Properties held for sale	0.0	0.0	0.0	0.0
Real estate inventories	10,260.0	10,260.0	0.0	0.0
Segment assets	274,445.6	274,445.6	534,867.1	534,343.5

¹ The comparable prior year figures were adjusted accordingly (see section 1).

All amounts in TEUR	Romania		Russia	
	2014/15	2013/14 ¹	2014/15	2013/14 ¹
Office	4,889.5	5,651.0	93.3	80.4
Logistics	884.0	988.0	943.1	808.4
Retail	5,070.6	5,110.1	43,685.2	41,588.3
Other	832.0	850.1	54.0	49.2
Rental income	11,676.1	12,599.2	44,775.6	42,526.3
Operating costs charged to tenants	4,495.5	4,938.3	8,313.6	6,974.0
Other revenues	387.7	346.9	1,145.7	858.2
Revenues	16,559.3	17,884.4	54,234.9	50,358.5
Expenses from investment property	-2,524.0	-2,964.9	-9,761.4	-5,199.0
Operating expenses	-3,835.5	-4,824.0	-8,276.5	-5,326.0
Results of asset management	10,199.8	10,095.5	36,197.0	39,833.5
Sale of properties	0.0	0.0	0.0	19.2
Carrying amount of sold properties	0.0	0.0	0.0	-19.2
Gains/losses from deconsolidation	0.0	0.0	0.0	0.0
Expenses from property sales	-20.0	-24.8	-19.1	0.0
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales before foreign exchange effects	-20.0	-24.8	-19.1	0.0
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	-20.0	-24.8	-19.1	0.0
Sale of real estate inventories	2,484.4	1,480.4	0.0	0.0
Cost of real estate inventories sold	-2,484.4	-1,480.4	0.0	0.0
Expenses from real estate inventories	209.7	-265.9	0.0	0.0
Real estate development expenses	-299.3	-181.1	-679.1	-1,085.2
Revaluation of properties under construction adjusted for foreign exchange effects	11.8	0.0	0.0	-156.6
Results of property development before foreign exchange effects	-77.8	-447.0	-679.1	-1,241.8
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	6,514.9
Results of property development	-77.8	-447.0	-679.1	5,273.1
Other operating income	861.6	353.7	391.6	253.9
Other not directly attributable expenses	-1,992.1	-1,422.7	-859.6	-553.7
Results of operations	8,971.5	8,554.7	35,030.8	44,806.8
Revaluation of investment properties adjusted for foreign exchange effects	-399.8	-193.8	-8,394.0	-750.9
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	-75,418.9	64,820.7
Goodwill impairment and earn-out effects on income	0.0	0.0	0.0	0.0
Other revaluation results	-399.8	-193.8	-83,812.9	64,069.8
Operating profit (EBIT)	8,571.7	8,360.9	-48,782.1	108,876.6
Financial results				
Current income taxes				
Net profit from discontinued operations				
Net profit for the period				
Segment investments	465.7	466.5	2,671.3	22,061.8
	31 July 2014	30 April 2014¹	31 July 2014	30 April 2014¹
Investment property	918,436.7	929,061.5	1,740,671.3	1,744,300.0
Property under construction	10,670.0	0.0	0.0	0.0
Goodwill	20,851.3	20,851.3	138,172.3	136,866.4
Properties held for sale	0.0	0.0	0.0	0.0
Real estate inventories	34,869.0	35,706.3	0.0	0.0
Segment assets	984,827.0	985,619.1	1,878,843.6	1,881,166.4

¹ The comparable prior year figures were adjusted accordingly (see section 1).

Segments

All amounts in TEUR	Other non-core countries		Total reportable segments	
	2014/15	2013/14 ¹	2014/15	2013/14 ¹
Office	461.3	481.2	30,212.6	32,938.0
Logistics	4,740.4	4,894.4	14,813.6	15,987.5
Retail	858.0	377.7	66,430.6	69,974.4
Other	53.3	64.9	6,136.9	7,236.6
Rental income	6,113.0	5,818.2	117,593.7	126,136.5
Operating costs charged to tenants	347.1	341.7	26,425.6	30,069.6
Other revenues	321.1	65.4	2,629.1	2,435.5
Revenues	6,781.2	6,225.3	146,648.4	158,641.6
Expenses from investment property	-2,060.6	-2,254.1	-26,077.9	-20,726.9
Operating expenses	-305.6	-343.5	-25,169.0	-27,644.6
Results of asset management	4,415.0	3,627.7	95,401.5	110,270.1
Sale of properties	40.1	292.9	13,353.2	55,785.5
Carrying amount of sold properties	-40.1	-292.9	-13,353.2	-55,786.4
Gains/losses from deconsolidation	7.0	0.0	5,573.1	30.2
Expenses from property sales	-53.9	-148.4	-588.9	-2,276.9
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	-0.4	126.2	2,359.2	1,334.6
Results of property sales before foreign exchange effects	-47.3	-22.2	7,343.4	-913.0
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	-47.3	-22.2	7,343.4	-913.0
Sale of real estate inventories	79.2	404.9	3,950.4	2,388.2
Cost of real estate inventories sold	-68.8	-328.4	-3,138.4	-2,114.6
Expenses from real estate inventories	-1.6	-42.9	-499.2	-724.5
Real estate development expenses	-60.5	1.2	-2,427.6	-2,404.7
Revaluation of properties under construction adjusted for foreign exchange effects	0.0	0.0	80.0	-371.1
Results of property development before foreign exchange effects	-51.7	34.8	-2,034.8	-3,226.7
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	6,514.9
Results of property development	-51.7	34.8	-2,034.8	3,288.2
Other operating income	138.8	662.7	2,875.8	3,470.2
Other not directly attributable expenses	-1,181.0	-1,790.2	-6,773.3	-8,500.1
Results of operations	3,273.8	2,512.8	96,812.6	107,615.4
Revaluation of investment properties adjusted for foreign exchange effects	-141.2	689.2	-2,676.9	-7,919.6
Revaluation of investment properties resulting from foreign exchange effects	-501.6	1,217.2	-75,920.5	66,037.9
Goodwill impairment and earn-out effects on income	-256.2	0.0	-382.4	-25.5
Other revaluation results	-899.0	1,906.4	-78,979.8	58,092.8
Operating profit (EBIT)	2,374.8	4,419.2	17,832.8	165,708.2
Financial results				
Current income taxes				
Net profit from discontinued operations				
Net profit for the period				
Segment investments	490.9	720.9	38,858.6	40,516.9
	31 July 2014	30 April 2014¹	31 July 2014	30 April 2014¹
Investment property	251,583.9	251,603.8	6,396,067.0	6,411,640.2
Property under construction	359.3	252.2	264,388.7	222,206.1
Goodwill	17,974.0	13,594.5	221,886.6	216,327.4
Properties held for sale	94,861.7	94,426.2	96,161.7	118,360.9
Real estate inventories	2,636.1	2,715.0	154,502.2	155,777.2
Segment assets	367,415.0	362,591.7	7,133,006.2	7,124,311.8

¹ The comparable prior year figures were adjusted accordingly (see section 1).

All amounts in TEUR	Total reportable segments		Transition to consolidated financial statements		IMMOFINANZ Group	
	2014/15	2013/14 ¹	2014/15	2013/14 ¹	2014/15	2013/14 ¹
Office	30,212.6	32,938.0	0.0	0.0	30,212.6	32,938.0
Logistics	14,813.6	15,987.5	0.0	0.0	14,813.6	15,987.5
Retail	66,430.6	69,974.4	0.0	0.0	66,430.6	69,974.4
Other	6,136.9	7,236.6	0.0	0.0	6,136.9	7,236.6
Rental income	117,593.7	126,136.5	0.0	0.0	117,593.7	126,136.5
Operating costs charged to tenants	26,425.6	30,069.6	0.0	0.0	26,425.6	30,069.6
Other revenues	2,629.1	2,435.5	0.0	0.0	2,629.1	2,435.5
Revenues	146,648.4	158,641.6	0.0	0.0	146,648.4	158,641.6
Expenses from investment property	-26,077.9	-20,726.9	0.0	0.0	-26,077.9	-20,726.9
Operating expenses	-25,169.0	-27,644.6	0.0	0.0	-25,169.0	-27,644.6
Results of asset management	95,401.5	110,270.1	0.0	0.0	95,401.5	110,270.1
Sale of properties	13,353.2	55,785.5	0.0	0.0	13,353.2	55,785.5
Carrying amount of sold properties	-13,353.2	-55,786.4	0.0	0.0	-13,353.2	-55,786.4
Gains/losses from deconsolidation	5,573.1	30.2	0.0	0.0	5,573.1	30.2
Expenses from property sales	-588.9	-2,276.9	0.0	0.0	-588.9	-2,276.9
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	2,359.2	1,334.6	0.0	0.0	2,359.2	1,334.6
Results of property sales before foreign exchange effects	7,343.4	-913.0	0.0	0.0	7,343.4	-913.0
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0	0.0	0.0
Results of property sales	7,343.4	-913.0	0.0	0.0	7,343.4	-913.0
Sale of real estate inventories	3,950.4	2,388.2	0.0	0.0	3,950.4	2,388.2
Cost of real estate inventories sold	-3,138.4	-2,114.6	0.0	0.0	-3,138.4	-2,114.6
Expenses from real estate inventories	-499.2	-724.5	0.0	0.0	-499.2	-724.5
Real estate development expenses	-2,427.6	-2,404.7	0.0	0.0	-2,427.6	-2,404.7
Revaluation of properties under construction adjusted for foreign exchange effects	80.0	-371.1	0.0	0.0	80.0	-371.1
Results of property development before foreign exchange effects	-2,034.8	-3,226.7	0.0	0.0	-2,034.8	-3,226.7
Revaluation of properties under construction resulting from foreign exchange effects	0.0	6,514.9	0.0	0.0	0.0	6,514.9
Results of property development	-2,034.8	3,288.2	0.0	0.0	-2,034.8	3,288.2
Other operating income	2,875.8	3,470.2	456.2	137.6	3,332.0	3,607.8
Other not directly attributable expenses	-6,773.3	-8,500.1	-6,390.2	-10,545.7	-13,163.5	-19,045.8
Results of operations	96,812.6	107,615.4	-5,934.0	-10,408.1	90,878.6	97,207.3
Revaluation of investment properties adjusted for foreign exchange effects	-2,676.9	-7,919.6	0.0	0.0	-2,676.9	-7,919.6
Revaluation of investment properties resulting from foreign exchange effects	-75,920.5	66,037.9	0.0	0.0	-75,920.5	66,037.9
Goodwill impairment and earn-out effects on income	-382.4	-25.5	0.0	0.0	-382.4	-25.5
Other revaluation results	-78,979.8	58,092.8	0.0	0.0	-78,979.8	58,092.8
Operating profit (EBIT)	17,832.8	165,708.2	-5,934.0	-10,408.1	11,898.8	155,300.1
Financial results					-30,427.9	-40,099.9
Current income taxes					4,550.3	-37,744.8
Net profit from discontinued operations					0.0	42,325.5
Net profit for the period					-13,978.8	119,780.9
Segment investments	38,858.6	40,516.9	0.0	0.0	38,858.6	40,516.9
	31 July 2014	30 April 2014 ¹	31 July 2014	30 April 2014 ¹	31 July 2014	30 April 2014 ¹
Investment property	6,396,067.0	6,411,640.2	0.0	0.0	6,396,067.0	6,411,640.2
Property under construction	264,388.7	222,206.1	0.0	0.0	264,388.7	222,206.1
Goodwill	221,886.6	216,327.4	0.0	0.0	221,886.6	216,327.4
Properties held for sale	96,161.7	118,360.9	0.0	0.0	96,161.7	118,360.9
Real estate inventories	154,502.2	155,777.2	0.0	0.0	154,502.2	155,777.2
Segment assets	7,133,006.2	7,124,311.8	0.0	0.0	7,133,006.2	7,124,311.8

¹ The comparable prior year figures were adjusted accordingly (see section 1).

4. Notes to the Consolidated Income Statement

4.1 Rental income

The following table shows the classification of rental income by asset class:

All amounts in TEUR	1 May 2014– 31 July 2014	1 May 2013– 31 July 2013
Office	30,212.6	32,938.0
Logistics	14,813.6	15,987.5
Retail	66,430.6	69,974.4
Other	6,136.9	7,236.6
Total	117,593.7	126,136.5

4.2 Expenses directly related to investment property

All amounts in TEUR	1 May 2014– 31 July 2014	1 May 2013– 31 July 2013
Vacancies	-4,824.7	-3,720.1
Commissions	-205.9	-739.8
Maintenance	-2,305.7	-2,016.7
Operating costs charged to building owners	-7,379.6	-6,046.3
Property marketing	-1,885.1	-1,095.4
Personnel expenses from asset management	-2,417.2	-2,141.0
Other expenses from asset management	-432.6	-902.8
Lease payments	-1,783.0	-1,123.6
Extension costs	-532.3	-113.1
Write-off of receivables from asset management	-2,700.2	-809.7
Other expenses	-1,611.6	-2,018.4
Total	-26,077.9	-20,726.9

The position "vacancies" covers the operating costs for vacant properties that must be carried by IMMOFINANZ Group as the owner.

4.3 Other operating income

Other operating income comprises the following items:

All amounts in TEUR	1 May 2014– 31 July 2014	1 May 2013– 31 July 2013
Expenses passed on	688.6	506.9
Insurance compensation	103.1	160.3
Income from derecognised liabilities	792.3	1,337.2
Reimbursement for penalties	129.6	14.1
Miscellaneous	1,618.4	1,589.3
Total	3,332.0	3,607.8

4.4 Other expenses not directly attributable

Other expenses not directly attributable consist of the following:

All amounts in TEUR	1 May 2014 – 31 July 2014	1 May 2013 – 31 July 2013
Administration	-183.1	-222.6
Legal, auditing and consulting fees	-1,592.3	-3,757.2
Penalties	-159.3	-88.1
Taxes and duties	-819.7	-531.6
Advertising	-264.9	-539.5
Rental and lease expenses	-272.9	-321.6
EDP and communications	-498.5	-465.8
Expert opinions	-272.2	-370.7
Personnel expenses	-6,757.9	-6,564.4
Addition to/reversal of provision for onerous contracts	0.0	-682.9
Other write-downs	-987.2	-885.8
Miscellaneous	-1,355.5	-4,615.6
Total	-13,163.5	-19,045.8

The personnel expenses shown in the above table cover non-operating areas whose services could not be directly allocated to the functional areas of IMMOFINANZ Group.

The reduction in the miscellaneous expenses shown in the above table resulted primarily from a decline in expenses for legal proceedings compared with the first quarter of 2013/14.

4.5 Revaluation of properties

Detailed information on the regional distribution of revaluation gains and losses is provided under segment reporting. These revaluation gains and losses are classified as follows:

All amounts in TEUR	Investment property		Property under construction		Properties sold and held for sale	
	1 May 2014 – 31 July 2014	1 May 2013 – 31 July 2013	1 May 2014 – 31 July 2014	1 May 2013 – 31 July 2013	1 May 2014 – 31 July 2014	1 May 2013 – 31 July 2013
Revaluation gains	10,092.1	66,305.7	302.1	6,365.4	2,367.7	2,169.8
Impairment losses	-88,689.5	-8,187.4	-222.1	-221.6	-8.5	-835.2
Total	-78,597.4	58,118.3	80.0	6,143.8	2,359.2	1,334.6

The revaluation gains and losses recognised during the first quarter of 2014/15 are shown below:

Write-ups All amounts in TEUR	Investment property	Property under construction	Properties sold and held for sale	Total
Austria	3,919.2	0.0	681.4	4,600.6
Germany	5,038.3	32.4	0.0	5,070.7
Poland	182.6	249.8	1,686.3	2,118.7
Czech Republic	132.2	8.1	0.0	140.3
Slovakia	34.8	0.0	0.0	34.8
Hungary	421.3	0.0	0.0	421.3
Romania	267.8	11.8	0.0	279.6
Russia	0.0	0.0	0.0	0.0
Other	95.9	0.0	0.0	95.9
Total	10,092.1	302.1	2,367.7	12,761.9
Impairment losses All amounts in TEUR	Investment property	Property under construction	Properties sold and held for sale	Total
Austria	-2,211.6	0.0	0.0	-2,211.6
Germany	-444.2	0.0	0.0	-444.2
Poland	-116.6	-222.1	0.0	-338.7
Czech Republic	-445.8	0.0	0.0	-445.8
Slovakia	-102.0	0.0	0.0	-102.0
Hungary	-150.1	0.0	-8.1	-158.2
Romania	-667.6	0.0	0.0	-667.6
Russia	-83,812.9	0.0	0.0	-83,812.9
Other	-738.7	0.0	-0.4	-739.1
Total	-88,689.5	-222.1	-8.5	-88,920.1

4.6 Financial results

All amounts in TEUR	1 May 2014– 31 July 2014	1 May 2013– 31 July 2013
Net financing costs	-48,587.4	-48,838.4
Net financing revenue	7,028.4	5,166.4
Foreign exchange differences	17,060.2	-15,443.0
Profit/(loss) on other financial instruments and proceeds on the disposal of financial instruments	-3,285.8	15,928.3
Valuation of financial instruments at fair value through profit or loss	-293.7	-1,082.3
Income from distributions	162.9	166.8
Write-off of receivables	-1,792.0	-1,263.0
Other financial results	-5,208.6	13,749.8
Share of profit/loss from equity-accounted investments	-720.5	5,265.3
Financial results	-30,427.9	-40,099.9

Financing revenue and financing costs are related primarily to financial instruments that are not carried at fair value. The foreign exchange differences resulted chiefly from the valuation of loans and group financing in US Dollars.

Profit/loss on other financial instruments and proceeds on the disposal of financial instruments include EUR -2.7 million (Q1 2013/14: EUR 16.8 million) from the valuation of derivatives.

The valuation of financial instruments at fair value through profit or loss comprises revaluation gains of EUR 0.6 million (Q1 2013/14: EUR 2.8 million) and revaluation losses of EUR 0.9 million (Q1 2013/14: EUR 3.9 million).

Information on the share of profit/loss received from associated companies is provided in section 5.3 Equity-accounted investments.

5. Notes to the Consolidated Balance Sheet

5.1 Investment property

The development of the investment properties during the first quarter of 2014/15 is shown below:

All amounts in TEUR	Investment property
Balance on 1 May 2014	6,411,640.2
Deconsolidation	-11,800.0
Currency translation adjustments	75,970.0
Additions	969.0
Disposals	-11,246.7
Revaluation	-76,238.2
Reclassifications (incl. accrued lease incentives)	8,072.7
Reclassification IFRS 5	-1,300.0
Balance on 31 July 2014	6,396,067.0

5.2 Property under construction

The following table shows the development of property under construction during the first quarter of 2014/15:

All amounts in TEUR	Property under construction
Balance on 1 May 2014	222,206.1
Currency translation adjustments	-2.4
Additions	37,625.9
Disposals	-120.7
Revaluation	80.0
Reclassification	4,599.8
Balance on 31 July 2014	264,388.7

The above additions represent capitalised construction costs.

5.3 Equity-accounted investments

The following table shows the development of equity-accounted investments:

31 July 2014 All amounts in TEUR	BUWOG	TriGránit Holding Ltd.	Bulreal EAD	IMMOKRON Immobilienbetriebs- gesellschaft m.b.H.	IMF Invest- ments 111 LP	VTI Varna Trade Invest OOD	TriGránit Centrum a.s.	Others	Total
Shares held by IMMOFINANZ Group	49.00%	25.00%	49.00%	80.00%	90.00%	50.00%	25.00%		
Carrying amount as of 1 May 2014	746,323.9	49,457.6	25,917.5	22,006.2	16,340.3	5,541.0	2,520.5	6,591.9	874,698.9
Share of profit/(loss) from investments in other companies	0.0	0.0	546.6	180.1	164.6	-18.8	329.1	-1,475.9	-274.3
Other comprehensive income from equity-accounted investments	0.0	0.0	0.0	0.0	402.0	0.0	0.0	-41.2	360.8
Offset of losses with other net investment positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,614.3	1,614.3
Carrying amount as of 31 July 2014	746,323.9	49,457.6	26,464.1	22,186.3	16,906.9	5,522.2	2,849.6	6,689.1	876,399.7

The share of profit/loss from the investments accounted for at equity includes losses of TEUR 446.2 on the sale of two US investments that were classified as non-current assets held for sale as of 30 April 2014.

The investments previously included through proportional consolidation and now accounted for at equity were included on the basis of interim financial statements prepared as of IMMOFINANZ Group's balance sheet date.

The investment in the BUWOG Group is accounted for at equity and carried at the proportional share of earnings from IFRS consolidated (interim) financial statements whose balance sheet date is not more than three months before the balance sheet date of IMMOFINANZ AG. Any significant events or transactions between this date and the balance sheet date of IMMOFINANZ Group are reflected in appropriate adjustments. Therefore, differences can arise between the proportional share of earnings for the period and the shares of profit/loss from equity-accounted investments – above all in the carryforward of fair value adjustments recognised in connection with the purchase of shares and adjustments from the inclusion of events and transactions between the balance sheet date of the last IFRS consolidated (interim) financial statements for the BUWOG Group and the balance sheet date of IMMOFINANZ Group. Results from the investment in the BUWOG Group for the first quarter of 2014/15 have not yet been recognised. The purchase price allocation for the 49% investment in the BUWOG Group should still be regarded as preliminary.

5.4 Trade and other receivables

All amounts in TEUR	31 July 2014	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2014
Trade accounts receivable					
Rents receivable	27,809.7	27,809.7	0.0	0.0	23,942.4
Miscellaneous	17,810.9	17,568.9	242.0	0.0	17,883.6
Total trade accounts receivable	45,620.6	45,378.6	242.0	0.0	41,826.0
Receivables due from equity-accounted investments	185,549.9	18,316.4	0.0	167,233.5	187,981.3
Other financial receivables					
Restricted funds	196,925.6	46,993.4	84,824.8	65,107.4	201,159.4
Financing	35,435.0	92.8	12,217.6	23,124.6	36,260.4
Property management	2,927.2	2,782.2	90.6	54.4	3,185.3
Insurance	1,516.9	1,504.7	12.2	0.0	1,651.2
Commissions	2,692.4	1,149.9	1,376.4	166.1	2,639.1
Accrued interest	2,828.8	2,828.8	0.0	0.0	326.5
Outstanding purchase price receivables – sale of properties	1,995.3	1,995.3	0.0	0.0	18,083.3
Outstanding purchase price receivables – sale of shares in other companies	7,384.3	1,550.9	4,666.7	1,166.7	7,335.6
Receivables due from administrative authorities	30,165.9	30,165.9	0.0	0.0	28,874.5
Miscellaneous	22,497.5	13,935.5	5,806.1	2,755.9	30,304.8
Total other financial receivables	304,368.9	102,999.4	108,994.4	92,375.1	329,820.1
Other non-financial receivables					
Tax authorities	64,261.7	26,060.5	34,865.4	3,335.8	61,670.8
Total other non-financial receivables	64,261.7	26,060.5	34,865.4	3,335.8	61,670.8
Total	599,801.1	192,754.9	144,101.8	262,944.4	621,298.2

Miscellaneous financial receivables include, among others, prepaid expenses and deposits receivable.

5.5 Other financial assets

The following table shows the development of the investments accounted for in accordance with IAS 39:

All amounts in TEUR	31 July 2014	30 April 2014	Change in %
Real estate funds – AFS			
Focal points in Europe	25,133.3	26,411.6	-4.84%
Real estate funds – fair value option			
Focal points in Europe	95,601.5	95,789.0	-0.20%
Focal points in America	2,082.8	1,874.3	11.12%
Other investments	785.2	1,946.9	-59.67%
Total	123,602.8	126,021.8	-1.92%

5.6 Non-current assets held for sale

As of 30 April 2014 six properties (four logistics properties and two properties from the asset class "other") with a combined carrying amount of EUR 96.2 million were classified as held for sale. In line with its "real estate machine" strategy, IMMOFINANZ Group plans to sell these properties in the form of asset deals. One investment carried at equity (carrying amount: EUR 14.4 million) was also classified as a non-current asset held for sale; this investments includes a property allocated to the asset class "other".

All non-current assets classified as held for sale are attributable to the operating segment "other non-core countries".

With regard to the non-current assets classified as held for sale as of 30 April 2014, three share deals and one asset deal closed during the first quarter of 2014/15. These sales were related primarily to the "other non-core countries" and "Czech Republic" segments.

5.7 Liabilities from convertible bonds

All amounts in TEUR	31 July 2014	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2014
Convertible bond 2007–2017	41,751.2	41,751.2	0.0	0.0	41,105.5
Convertible bond 2011–2018	504,563.2	8,562.6	496,000.6	0.0	497,156.5
Total	546,314.4	50,313.8	496,000.6	0.0	538,262.0

5.8 Financial liabilities

The following table shows the composition and classification of financial liabilities by remaining term as of 31 July 2014.

All amounts in TEUR	31 July 2014	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2014
Amounts due to financial institutions	3,229,560.8	1,020,313.0	1,419,321.5	789,926.3	2,997,802.2
Thereof secured by collateral	3,227,552.9	1,018,305.1	1,419,321.5	789,926.3	2,996,019.2
Thereof not secured by collateral	2,007.9	2,007.9	0.0	0.0	1,783.0
Liabilities arising from finance leases	6,902.9	2,529.0	3,141.0	1,232.9	7,154.9
Liabilities arising from the issue of bonds	301,895.1	202,627.2	99,267.9	0.0	306,897.3
Financial liability – limited partnership interest	143.3	133.3	0.0	10.0	135.4
Other financial liabilities	47,984.5	12,049.1	35,483.0	452.4	307,168.1
Total	3,586,486.6	1,237,651.6	1,557,213.4	791,621.6	3,619,157.9

5.9 Trade and other payables

All amounts in TEUR	31 July 2014	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2014
Trade accounts payable	66,372.4	64,231.9	2,025.3	115.2	83,391.0
Other financial liabilities					
Fair value of derivative financial instruments (liabilities)	55,104.9	4,017.5	43,999.6	7,087.8	52,571.4
Property management	5,539.6	5,539.6	0.0	0.0	3,257.7
Amounts due to joint venture companies	6,666.9	585.7	4,023.0	2,058.2	6,117.7
Deposits and guarantees received	46,109.6	12,192.9	15,526.1	18,390.6	41,909.3
Prepayments received on apartment sales	39,906.1	36,497.7	3,408.4	0.0	34,422.3
Construction and refurbishment	13,706.2	13,441.6	138.7	125.9	17,654.6
Outstanding purchase prices (share deals)	3,810.1	1,612.1	2,198.0	0.0	3,939.4
Outstanding purchase prices (acquisition of properties)	1,353.1	1,353.1	0.0	0.0	1,352.8
Miscellaneous	37,461.3	16,202.1	3,025.1	18,234.1	49,961.1
Total financial liabilities	209,657.8	91,442.3	72,318.9	45,896.6	211,186.3
Other non-financial liabilities					
Tax authorities	16,674.4	16,062.2	612.2	0.0	19,411.0
Rental and lease prepayments	31,055.0	29,157.5	1,492.6	404.9	36,513.6
Income from the sale of rental rights	29.4	2.1	8.4	18.9	29.9
Total non-financial liabilities	47,758.8	45,221.8	2,113.2	423.8	55,954.5
Total	323,789.0	200,896.0	76,457.4	46,435.6	350,531.8

The miscellaneous other financial liabilities include, among others, amounts due to the holders of non-controlling interests in subsidiaries.

6. Other Information on Financial Instruments

6.1 Classes and categories of financial instruments

The following table shows the carrying amount and fair value of each class of financial assets and financial liabilities defined by the company and for each IAS 39 category, and reconciles these amounts to the appropriate balance sheet line items. Since the balance sheet positions trade and other receivables and trade and other liabilities can contain financial instruments as well as non-financial assets/liabilities (e.g. tax receivables), the column "Non- FI" allows for a full reconciliation with the balance sheet line items.

Assets		FA@FV/P&L					Carrying amount	Fair value
All amounts in TEUR	AFS	Fair Value Option	HFT	L&R/at Cost	Cash reserve	Non-FI	31 July 2014	31 July 2014
Trade and other receivables	0.0	0.0	0.0	535,539.4	0.0	64,261.7	599,801.1	599,801.1
Trade accounts receivable	0.0	0.0	0.0	45,620.6	0.0	0.0	45,620.6	45,620.6
Financing receivables	0.0	0.0	0.0	35,435.0	0.0	0.0	35,435.0	35,435.0
Loans and other receivables	0.0	0.0	0.0	454,483.8	0.0	64,261.7	518,745.5	518,745.5
Other financial assets	25,133.3	361,095.6	4,896.0	17,127.1	0.0	0.0	408,252.0	408,252.0
Investments acc. to IAS 39	25,133.3	98,469.5	0.0	0.0	0.0	0.0	123,602.8	123,602.8
Derivatives	0.0	0.0	4,896.0	0.0	0.0	0.0	4,896.0	4,896.0
Other current financial assets	0.0	262,626.1	0.0	0.0	0.0	0.0	262,626.1	262,626.1
Miscellaneous other financial instruments	0.0	0.0	0.0	17,127.1	0.0	0.0	17,127.1	17,127.1
Cash and cash equivalents	0.0	0.0	0.0	0.0	246,274.9	0.0	246,274.9	246,274.9
Total assets	25,133.3	361,095.6	4,896.0	552,666.5	246,274.9	64,261.7	1,254,328.0	1,254,328.0

Liabilities		FL@FV/P&L				Carrying amount	Fair value
All amounts in TEUR		Fair Value Option	HFT	FLAC	Non-FI	31 July 2014	31 July 2014
Liabilities from convertible bonds		0.0	0.0	546,314.4	0.0	546,314.4	557,342.1
Financial liabilities		0.0	0.0	3,586,486.6	0.0	3,586,486.6	3,593,913.7
Bonds		0.0	0.0	301,895.1	0.0	301,895.1	310,101.0
Amounts due to financial institutions		0.0	0.0	3,229,560.8	0.0	3,229,560.8	3,228,782.0
Other financial liabilities		0.0	0.0	55,030.7	0.0	55,030.7	55,030.7
Trade and other liabilities		0.0	55,104.9	220,925.3	47,758.8	323,789.0	323,789.0
Trade accounts payable		0.0	0.0	66,372.4	0.0	66,372.4	66,372.4
Derivatives		0.0	55,104.9	0.0	0.0	55,104.9	55,104.9
Miscellaneous other liabilities		0.0	0.0	154,552.9	47,758.8	202,311.7	202,311.7
Total liabilities		0.0	55,104.9	4,353,726.3	47,758.8	4,456,590.0	4,475,044.8

AFS: available for sale

FA@FV/P&L: financial assets at fair value through profit or loss

FL@FV/P&L: financial liabilities at fair value through profit or loss

HFT: held for trading

L&R/at cost: loans and receivables measured at amortised cost; at cost/miscellaneous other financial instruments measured at amortised cost

FLAC: financial liabilities measured at amortised cost

Non-FI: non-financial assets/liabilities

Assets		FA@FV/P&L					Carrying amount	Fair value
All amounts in TEUR	AFS	Fair Value Option	HFT	L&R/at Cost	Cash reserve	Non-FI	30 April 2014	30 April 2014
Trade and other receivables	0.0	0.0	0.0	559,627.4	0.0	61,670.8	621,298.2	621,298.2
Trade accounts receivable	0.0	0.0	0.0	41,826.0	0.0	0.0	41,826.0	41,826.0
Financing receivables	0.0	0.0	0.0	36,260.4	0.0	0.0	36,260.4	36,260.4
Loans and other receivables	0.0	0.0	0.0	481,541.0	0.0	61,670.8	543,211.8	543,211.8
Other financial assets	26,411.6	361,976.3	5,053.0	17,127.1	0.0	0.0	410,568.0	410,568.0
Investments acc. to IAS 39	26,411.6	99,610.2	0.0	0.0	0.0	0.0	126,021.8	126,021.8
Derivatives	0.0	0.0	5,053.0	0.0	0.0	0.0	5,053.0	5,053.0
Other current financial assets	0.0	262,366.1	0.0	0.0	0.0	0.0	262,366.1	262,366.1
Miscellaneous other financial instruments	0.0	0.0	0.0	17,127.1	0.0	0.0	17,127.1	17,127.1
Cash and cash equivalents	0.0	0.0	0.0	0.0	235,864.0	0.0	235,864.0	235,864.0
Total assets	26,411.6	361,976.3	5,053.0	576,754.5	235,864.0	61,670.8	1,267,730.2	1,267,730.2

Liabilities		FL@FV/P&L					Carrying amount	Fair value
All amounts in TEUR		Fair Value Option	HFT	FLAC	Non-FI		30 April 2014	30 April 2014
Liabilities from convertible bonds		0.0	0.0	538,262.0	0.0		538,262.0	548,112.0
Financial liabilities		0.0	0.0	3,619,157.9	0.0		3,619,157.9	3,624,547.0
Bonds		0.0	0.0	306,897.3	0.0		306,897.3	316,087.3
Amounts due to financial institutions		0.0	0.0	2,997,802.2	0.0		2,997,802.2	2,994,001.3
Other financial liabilities		0.0	0.0	314,458.4	0.0		314,458.4	314,458.4
Trade and other liabilities		0.0	52,571.4	242,005.9	55,954.5		350,531.8	350,531.8
Trade accounts payable		0.0	0.0	83,391.0	0.0		83,391.0	83,391.0
Derivatives		0.0	52,571.4	0.0	0.0		52,571.4	52,571.4
Miscellaneous other liabilities		0.0	0.0	158,614.9	55,954.5		214,569.4	214,569.4
Total liabilities		0.0	52,571.4	4,399,425.8	55,954.5		4,507,951.7	4,523,190.8

AFS: available for sale

FA@FV/P&L: financial assets at fair value through profit or loss

FL@FV/P&L: financial liabilities at fair value through profit or loss

HFT: held for trading

L&R/at cost: loans and receivables measured at amortised cost; at cost/miscellaneous other financial instruments measured at amortised cost

FLAC: financial liabilities measured at amortised cost

Non-FI: non-financial assets/liabilities

6.2 Fair value hierarchy for financial instruments

The following section includes an analysis of the financial instruments carried at fair value. For this analysis, the financial instruments were categorized in accordance with the fair value hierarchy defined in IFRS 13:

- Level 1: Quoted prices for identical assets or liabilities on an active market (without any adjustments)
- Level 2: Inputs that can be derived directly (e.g. as prices) or indirectly (e.g. based on prices) for the individual assets or liabilities and cannot be classified under Level 1
- Level 3: Inputs for assets or liabilities that are not based on observable market data.

All amounts in TEUR 31 July 2014	Level 1	Level 2	Level 3	Total
Financial assets available for sale				
IAS 39 investments	0.0	0.0	25,133.3	25,133.3
Financial assets at fair value through profit or loss				
Fair value option				
IAS 39 investments	0.0	0.0	98,469.5	98,469.5
Held for trading				
Derivatives	0.0	0.0	4,896.0	4,896.0
Other current financial assets	0.0	0.0	262,626.1	262,626.1
Financial liabilities at fair value through profit or loss				
Held for trading				
Derivatives	0.0	0.0	55,104.9	55,104.9

All amounts in TEUR 30 April 2014	Level 1	Level 2	Level 3	Total
Financial assets available for sale				
IAS 39 investments	0.0	0.0	26,411.6	26,411.6
Financial assets at fair value through profit or loss				
Fair value option				
IAS 39 investments	0.0	0.0	99,610.2	99,610.2
Held for trading				
Derivatives	0.0	0.0	5,053.0	5,053.0
Financial liabilities at fair value through profit or loss				
Held for trading				
Derivatives	0.0	0.0	52,571.4	52,571.4

The following table shows the reconciliation of the opening and closing balances of the financial instruments classified under level 3:

	IAS 39 investments	Derivatives	Other current financial assets
All amounts in TEUR	2014/15	2014/15	2014/15
Cost as of 01 May	126,021.8	-47,518.4	262,366.1
Recognised in P&L	-553.7	-2,675.6	260.0
Recognised in other comprehensive income	746.8	0.0	0.0
Disposals	-2,612.1	-14.9	0.0
Cost as of 31 July	123,602.8	-50,208.9	262,626.1

The above results reported as recognised to profit or loss are attributable to financial instruments that were held at the end of the reporting period.

Valuation procedures and input factors used to determine the fair value of financial instruments

Level	Financial instruments	Valuation method	Major input factors
3	IAS 39 investments (real estate funds)	Net present value methods, valuations based on NAV calculations with risk discounts, valuation based on contractually guaranteed minimum interest with risk discounts	Discount rate, exit yield, vacancy rate, rental prices, risk discount to NAV based on expert estimates
3	Derivatives (interest rate swaps)	Net present value method	Interest rate curves observable on the market, default probabilities, default rates, liability at the time of default
3	Current securities (BUWOG AG convertible bond)	Net present value method, option pricing models	Risk-free interest rate, credit spread, volatility

IMMOFINANZ Group calculates the fair value of derivatives by discounting the future cash flows based on a net present value method. The interest rates used to discount the future cash flows are based on an interest curve that is observable on the market. The following three parameters are required to calculate the credit value adjustment (CVA) and the debt value adjustment (DVA): the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD). The probability of default is derived from the credit default swap (CDS) spreads of the respective counterparty. Derivatives with a positive fair value represent receivables for IMMOFINANZ Group; in these cases, a CVA calculation is used to calculate the amount of the receivable. One parameter for this calculation is the probability of default for the counterparties. IMMOFINANZ Group concludes contracts with over 70 financial institutions, and observable CDS spreads are available on the market for many of them. In exceptional cases, average branch benchmarks are used as a substitute for unavailable spreads. These benchmarks represent Level 1 and 2 input factors on the fair value measurement hierarchy. Derivatives with a negative fair value represent liabilities for IMMOFINANZ Group; in these cases, a DVA calculation is used to calculate the amount of the liability and IMMOFINANZ Group's own probability of default must be determined. IMMOFINANZ Group generally concludes derivatives at the level of the property company that manages a particular property. Neither observable market CDS spreads, nor benchmarks are available for these property companies. CDS spreads are therefore used to estimate credit margins which, in turn, form the basis for deriving the probability of default. The credit margin for IMMOFINANZ Group is determined in a two-step procedure. The first step involves the calculation of an average margin based on previously concluded credit agreements and term sheets, whereby the time horizon for the applied margins equals 12 months. The second step involves obtaining indicative credit margin offers from banks and averaging these values with the margins from the credit agreements and term sheets. These offers are grouped by country and asset class. The individual property companies that have concluded financial instruments are assigned to a group based on country and asset class. The plausibility of the calculated credit margins is also verified by comparison with external market reports. This procedure results in market-conform credit margins that can be used as estimates for valuing the company's own credit risk. These input factors represent Level 3 on the IFRS 13 measurement hierarchy. The loss given default (LGD) is the relative value that would be lost on default. IMMOFINANZ Group used an ordinary market LGD to calculate the CVA and DVA. The exposure at default (EAD) represents the expected amount of the asset or liability at the time of default. The calculation of the EAD is based on a Monte Carlo simulation.

For net present value methods, an increase in the discount rate, exit yield or credit spread leads to a reduction in fair value. In contrast, fair value is increased by a reduction in these input factors.

The valuation of shares in property funds includes assumptions for rental prices and vacancy rates. An expected increase in rental prices leads to an increase in fair value, while an expected reduction leads to a decrease in fair value. An increase in the vacancy rate leads to a reduction in fair value, while a decrease in the vacancy rate leads to a higher fair value.

For the valuation of derivatives, the estimation of the default risk includes assumptions for the probability of default, loss rate and the outstanding amount at the time of expected default. An increase in the probability of default and the loss rate will reduce the fair value of a derivative with a positive outstanding amount (receivable) and reduce the liability for a derivative with a negative outstanding amount (liability). A decrease in the probability of default and the loss rate leads to the opposite effect.

7. Transactions with Related Parties

Business transactions with companies accounted for at equity led to the following amounts in the consolidated interim financial statements of IMMOFINANZ Group for the first quarter of 2014/15:

Relations with equity-accounted investments		
All amounts in TEUR	31 July 2014	30 April 2014
Receivables	185,549.9	187,981.3
Liabilities	21,647.4	279,449.9
All amounts in TEUR	1 May 2014– 31 July 2014	1 May 2013– 31 July 2013
Other income	30.8	63.0
Other expenses	-171.4	-18.5
Interest income	2,848.4	3,103.6
Interest expense	-131.6	-12.1

On 25 April 2014 BUWOG AG issued a EUR 260.0 million convertible bond with a 3.5% nominal interest rate and a term ending in 2019. This convertible bond was subscribed in full by IMMOFINANZ Group. The issue proceeds will be used by the BUWOG Group to purchase a residential property portfolio with roughly 18,000 units and approx. 1.09 million sqm of rentable space in Northern Germany. The transfer of the issue proceeds by IMMOFINANZ Group has been postponed until the closing of the DGAG portfolio transaction; the related interest reflects ordinary market conditions. The funds were transferred to BUWOG AG on 6 June 2014 and the closing took place on 30 June 2014.

There were no transactions between IMMOFINANZ Group and related persons during the period from 1 May 2014 to 31 July 2014.

8. Events after the Balance Sheet Date

The placement guarantee provided by IMMOFINANZ Group on behalf of the BUWOG Group in connection with that company's acquisition of the DGAG portfolio expired on 29 August 2014 following the successful syndication of the acquisition financing.

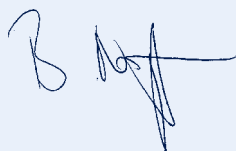
On 11 September 2014 IMMOFINANZ Group placed an exchangeable bond for shares in BUWOG AG. The exchangeable bond has a volume of EUR 375 million, a coupon of 1.5% per year and a five-year term. Interest is payable semi-annually in arrears. The exchange price for the bond was set at € 17.03 per share. The holders of the exchangeable bond received a put option, which entitles them to sell the security for the nominal value plus interest on 11 September 2017. IMMOFINANZ Group, as the issuer, received a cash settlement option and an option to deliver the redemption amount in BUWOG shares. The exchangeable bond was issued and will be redeemed at 100% of the nominal value. In addition, securities lending contracts for up to 12,000,000 BUWOG shares were concluded with BNP Paribas, J.P. Morgan and Morgan Stanley – which served as joint bookrunners for the issue of the exchangeable bond. This securities lending will not lead to any derecognition of the related carrying amount in the consolidated financial statements of IMMOFINANZ Group.

9. Statement by the Executive Board

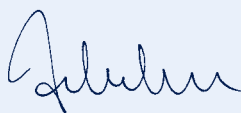
We confirm to the best of our knowledge that these consolidated interim financial statements, which were prepared in accordance with the rules for interim financial reporting defined by International Financial Reporting Standards (IFRS), give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of important events that have occurred during the first three months of the financial year and their impact on these consolidated interim financial statements and of the principal risks and uncertainties for the remaining nine months of the financial year.

Vienna, 23 September 2014

The Executive Board



Birgit Noggl
CFO



Eduard Zehetner
CEO



Dietmar Reindl
COO

Imprint

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Disclaimer

We have prepared this report and verified the data herein with the greatest possible caution. However, errors arising from rounding, transmission, typesetting or printing cannot be excluded. This report contains assumptions and forecasts that were based on information available at the time this report was prepared. If the assumptions underlying these forecasts are not realised, actual results may differ from the results expected at the present time. Automatic data processing can lead to apparent mathematical errors in the rounding of numbers or percentage rates. This report is published in German and English, and can be downloaded from the investor relations section of the IMMOFINANZ website. In case of doubt, the German text represents the definitive version. This report does not represent a recommendation to buy or sell shares in IMMOFINANZ AG.

Key Data on the IMMOFINANZ Share

Established	April 1990
Listing	Vienna Stock Exchange, Warsaw Stock Exchange
Segment	ATX, WIG
ISIN	AT0000809058
Ticker symbol Vienna Stock Exchange	IIA
Ticker symbol Warsaw Stock Exchange	IIA
Reuters	IMFI VI
Bloomberg	IIA AV
Datastream	O: IMMO 866289
ISIN ADR programme	US45253U2015
Specialist	Raiffeisen Centrobank AG
Included in the following indexes (Selection)	ATX, ATX Prime, Immobilien-ATX, NTX, WBI, EMEA Real Estate Index, Europe 500 Real Estate Index, World Real Estate Index, Emerging Europe Index, EURO STOXX Real Estate EUR, STOXX 600 Optimised Real Estate Index EUR Price, STOXX EUROPE 600 Real Estate EUR, WIG
Number of shares	1,128,952,687
Financial year	1 May to 30 April

Financial calendar 2014/15

30 September 2014	Annual general meeting
18 December 2014	Report on the second quarter
19 March 2015	Report on the third quarter

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