

IMMOFINANZ GROUP

ANNUAL REPORT **2010/11**



Key Figures on the IMMOFINANZ Group

Earnings Data

	30 April 2011	Change in %	30 April 2010
Revenues in EUR mill.	578.9	6.9%	541.7
Results of operations in EUR mill.	458.7	25.7%	364.9
EBIT in EUR mill.	424.1	134.1%	181.1
EBT in EUR mill.	342.3	64.4%	208.2
Net profit for the period in EUR mill.	313.5	60.3%	195.6
Earnings per share in EUR	0.32	87.0%	0.17
Interest coverage ratio in %	188.7%	23.0%	153.5%
Gross cash flow in EUR mill.	363.8	-6.1%	387.5
Cash flow from operating activities in EUR mill.	317.0	-21.1%	401.7

Asset Data

	30 April 2011	Change in %	30 April 2010
Balance sheet total in EUR mill.	11,755.9	-0.2%	11,774.4
Equity as a % of the balance sheet total	44.0%	0.4%	43.8%
Loan to value ratio in %	57.8%	-3.6%	60.0%
Gearing in %	92.5%	-3.3%	95.7%

THE IMMOFINANZ SHARE

€ 5.36

NAV
(diluted) per share,
as of 30/04/2011

€ 3.356 bill.

MARKET CAPITALISATION
based on the share price of
EUR 3.21 on 30/04/2011

■ ■ ■ ■ 1.045 bill.

NUMBER OF SHARES
as of 30/04/2011

Property Data

	30 April 2011	Change in %	30 April 2010
Number of properties	1,847	0.1%	1,845
Lettable space in sqm	6,614,398	-3.3%	6,843,352
Occupancy rate	89.9%	-0.1%	90.0%
Carrying amount of investment properties in EUR mill.	8,670.1	-0.2%	8,684.7
Carrying amount of properties under construction in EUR mill.	299.6	66.6%	179.9
Carrying amount of inventories in EUR mill.	214.5	-15.0%	252.3

Stock Exchange Data

	30 April 2011	Change in %	30 April 2010
Carrying amount per share in EUR	5.48	11.8%	4.90
Net asset value per share diluted in EUR	5.36	12.2%	4.78
Share price at end of period in EUR	3.21	-0.9%	3.24
Discount of share price to diluted NAV per share in %	40.2%	24.7%	32.2%
Number of shares	1,045,373,586	0.1%	1,044,216,775
Number of treasury shares	104,421,677	n.a.	0
Market capitalisation at end of period in EUR mill.	3,355.6	-0.8%	3,383.3

INVESTMENT PROPERTY



8.469 bill.

STANDING INVESTMENTS

carrying amount
as of 30/04/2011

1,672

STANDING INVESTMENTS

number of properties
as of 30/04/2011

6.614 mill.

RENTABLE SPACE

in the standing investments
as of 30/04/2011

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Report of the Executive Board





Dear Shareholders,

The 2010/11 financial year marks a milestone in the history of IMMOFINANZ Group. We successfully completed the restructuring process and are now concentrating on the further optimisation of the company. In an economic climate that was in part very unfavourable, we used our leaner structures and new strategic orientation to increase net profit by 60.3% to EUR 313.5 million. At the same time, we created a solid foundation for a successful future.

An important focal point in asset management was the creation and expansion of a decentralised staff for our commercial properties in Central, Eastern and South-Eastern Europe. That allowed us to master the crisis with stable occupancy levels and rents that are again on the rise. Increased investments in refurbishment and modernisation made, and will continue to make, an important contribution to maintaining the long-term value of our properties and increasing rental income.

We also expanded our development activities to profit even more from the earnings potential associated with successful properties. The new commercial development department is responsible for project development in the office, retail and logistics segments and also realises special projects such as urban quarters. In total, we are currently working on more than 20 promising development projects. Pipeline projects are evaluated regularly and reactivated when the timing is right. We have the know-how to successfully handle a complete range of assignments from site acquisition to rental. Our strategy calls for our own development projects to generate 10% of the results of operations over the medium-term.

In addition to property management and development activities, the sale of properties is a further source of income for IMMOFINANZ Group. A substantial increase in income from transactions and sales at prices significantly above the carrying amount of the respective assets, underscores our ability to also successfully implement our strategy – to optimise or develop properties and then sell them profitably at the peak of their price cycle – under challenging conditions. With the establishment of an experienced transaction team in 2010/11, we have created the basis to better utilise the added value potential in our properties. In the first 15 months we exceeded our pro rate targets of our EUR 2.5 billion sales programme which was laid out until 2014/15.

Earnings indicators confirm the sound development of our operating business. Rental income rose by 6.9% in year-on-year comparison from EUR 541.7 million to EUR 578.9 million. Results of operations increased 25.7% from EUR 364.9 million to EUR 458.7 million, among others due to higher income from property sales. Operating profit (EBIT) grew by an impressive 134.1% from EUR 181.1 million to EUR 424.1 million. A strong improvement was also recorded in net profit, which was 60.3% higher than the previous year. Diluted net asset value (NAV) per share rose from EUR 4.78 on 30/04/2010 to EUR 5.36 at the end of the reporting year.

With the successful issue of the 2018 convertible bond (CB 2018), we generated proceeds of EUR 515.1 million. Most of these funds were used to repurchase the outstanding 2014 and 2017 convertible bonds. This step allowed IMMOFINANZ Group to refinance convertible bonds that can be put by the bondholders in 2012 and also significantly improved the maturity profile of its liabilities.

The price of the IMMOFINANZ share generally followed an upward trend during the 2010/11 financial year, but was unable to disengage from the recent turbulence on international financial markets. The inclusion of the IMMOFINANZ share in the ATX reflects the importance of the company for the

Austrian capital market and increased the visibility for international investors. In 2010/11 the price of our share was, for the most part, higher than the previous year – but remained consistently below the net asset value (NAV) per share. Our goal is to restore the confidence of investors and achieve a share price that exceeds the NAV. Our performance curve shows a strong positive trend. Economic developments in our core countries are generally positive and the signs are pointing to an upturn. IMMOFINANZ Group has an important head start in a number of the fastest growing European countries: the “first mover advantage”. We have been active in these countries for a long time and we remained during the crisis. We have expanded our network and our local know-how. We used this time to develop new properties at top locations and to modernise our standing investments. All this gives us an excellent starting position to generate sustainable returns in growing markets.

These sound results and successful optimisation were made possible by the experience and commitment of the entire team at IMMOFINANZ Group. We would like to thank all these men and women for their hard work and dedication.

The development of IMMOFINANZ Group leads us to assume that we will continue to produce positive results for our shareholders. Consequently, we will recommend the approval of a 10 cent per share dividend for the 2010/11 financial year to the annual general meeting on 28/09/2011.

Our plans for 2011/12 call for a continuation of the optimisation course. The sale of selected properties outside our four core segments and the reinvestment of these funds in high-quality properties will support the continuous strengthening of our portfolio. We are increasing our focus on the completion of development projects and the selective reactivation of pipeline projects. In the operating area, we will concentrate on the active management of the standing investments. Our goals are to increase occupancy levels and rents in our properties and further optimise the cost structure.



Eduard Zehetner
Chief Executive Officer



Daniel Riedl FRICS
Member of the Executive Board



Manfred Wiltchnigg MRICS
Member of the Executive Board



IMMOFINANZ GROUP.

A profitable, stable and risk-optimised real estate company.

WHO WE ARE

IMMOFINANZ Group is a real estate investment and development corporation that is listed on the Vienna Stock Exchange. Since its founding in 1990, the company has compiled a high-quality property portfolio that now includes more than 1,600 standing investments with a carrying amount of approx. EUR 8.5 billion. Our standing investment portfolio covers 6.6 million sqm of rentable space, which currently has an occupancy rate of 89.9%.

WHAT WE DO

We generate sustainable income for our shareholders with first-class properties. Our activities are concentrated on prime properties in four core segments – retail, office, logistics and residential. The diversification of risk is supported by our portfolio in eight core countries: projects in Austria and Germany form the basis for investments in Czech Republic, Slovakia, Hungary, Romania, Poland and Russia.

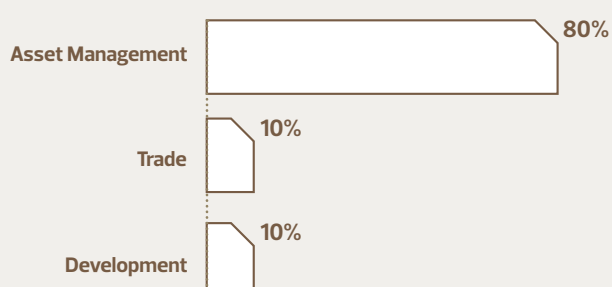
WHERE WE GENERATE OUR EARNINGS

Our core business involves the acquisition and management of standing investments, the realisation of development projects and the sale of properties. Roughly 80% of our earnings come from the rental of prime properties in top locations. The other 20% come from property sales and the development of our own real estate projects. Together these three components form the basis for the profitable, stable and risk-optimised business of IMMOFINANZ Group.

WHAT FORMS THE FOUNDATION FOR OUR FUTURE

Following the successful restructuring of the company, we are working hard to generate increasing profits for our shareholders with each and every one of our projects. Transparency and a clear understanding of our business model play an important role in this process. That is why we have refined our strategic orientation and divided our four property classes into twelve business segments. Each business segment stands for a clearly defined, uniform group of properties that can be independently optimised and managed. We have a detailed strategy for each business segment. Our goal is to further optimise our portfolio through the implementation of these individual strategies and thereby create attractive and understandable products for the market.

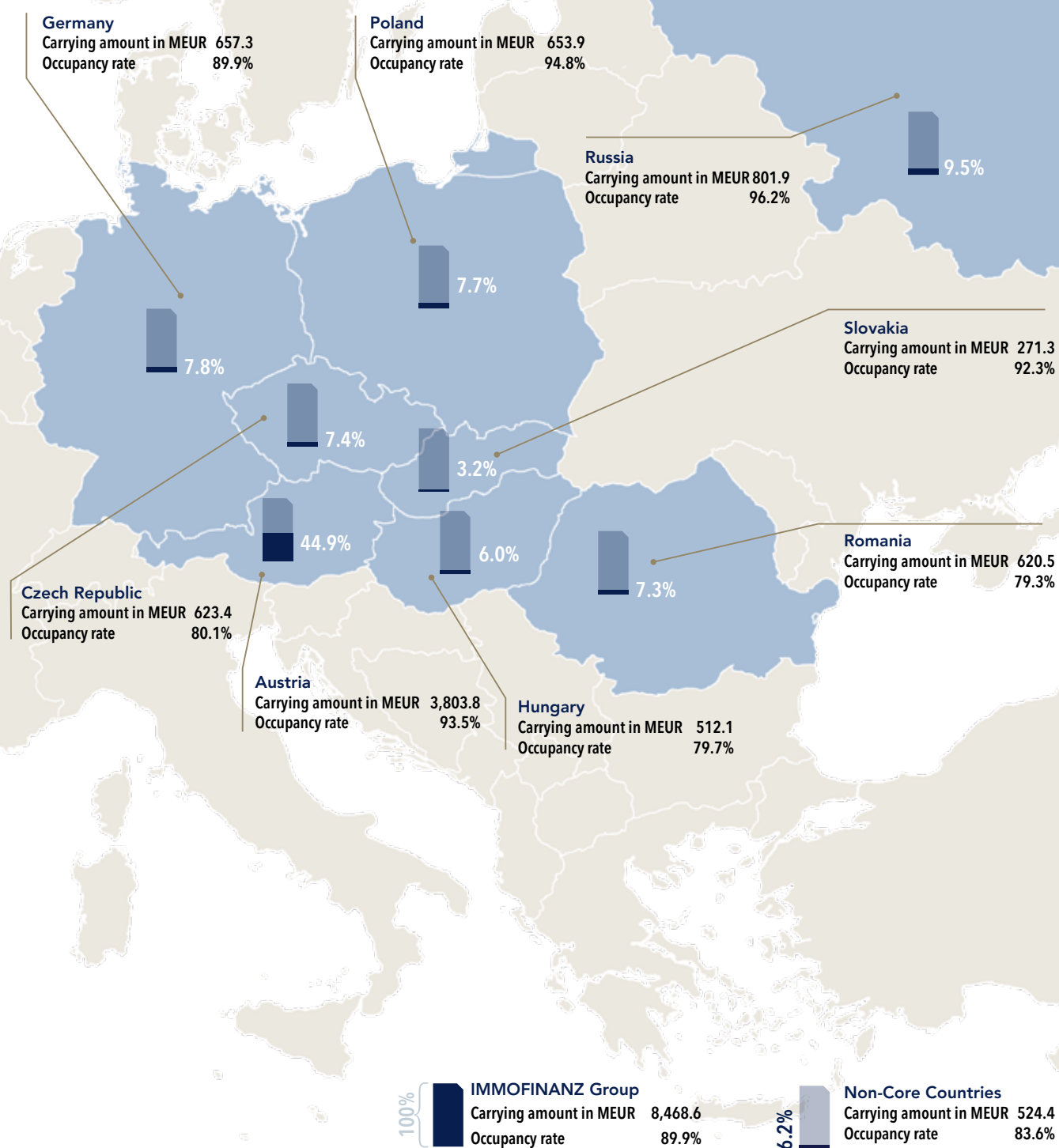
INCOME SOURCES



SEGMENTS



Carrying amounts & occupancy rates of standing investments as of 30/04/2011





INTERNATIONAL HIGH-CLASS OFFICE
SECONDARY OFFICE AT/DE
SECONDARY OFFICE EAST

IMMOFINANZ GROUP.

A well-known investor in high-quality office buildings for international corporations.

112

STANDING INVESTMENTS
as of 30/04/2011

€

2,633.2 mill.

STANDING INVESTMENTS
carrying amount
as of 30/04/2011

sqm

1.3 mill.

RENTABLE SPACE
in the standing investments
as of 30/04/2011

FOCUS ON HIGH-CLASS OFFICE –

ADDITIONAL FUNCTIONAL OFFICE BUILDINGS FOR COST-CONSCIOUS TENANTS

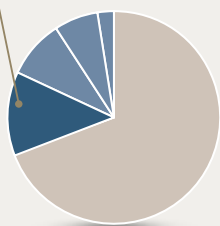
IMMOFINANZ Group has been active in the office sector since 1990. Our office portfolio contained 112 standing investments at the end of April 2011. These assets have a combined carrying amount of EUR 2,633.2 million, which represents 31.1% of our standing investment portfolio. Our activities in the office sector are concentrated, above all, on the markets in Austria, Czech Republic, Poland and Romania.

Our office portfolio consists mainly of high-quality properties in good or excellent locations. This strategy also proved to be successful during the economic crisis, since rental prices and occupancy rates remained stable on most office markets – above all in the top segment. Our know-how and many years of experience flow into the successful management and development of office properties. We are currently realising promising development projects in a number of cities that also include Warsaw, which is currently one of the most attractive office markets

We concentrate on three business segments.

INTERNATIONAL HIGH-CLASS OFFICE

Share of total portfolio: **12.6%**



1. FOR SUPERIOR DEMANDS

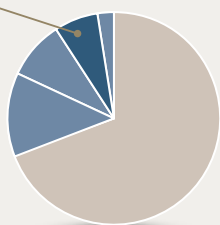
The International High-Class Office business segment includes prime properties in top locations and is a main source of stability for IMMOFINANZ Group. Asset management that is tailored to meet individual tenant needs and building features reinforces this segment, which is characterised by high demand and low price fluctuations.

Our strategic goals for the International High-Class Office business segment

- Strengthening and further expansion of activities
- Continuation as a key source of income and stability

SECONDARY OFFICE AT/DE

Share of total portfolio: **6.8%**



2. FOR COST-CONSCIOUS TENANTS IN AUSTRIA & GERMANY

In the Secondary Office AT/DE business segment we bundle good, functional office buildings in the stable markets of Austria and Germany. The activities in Austria also underscore our commitment to our home market.

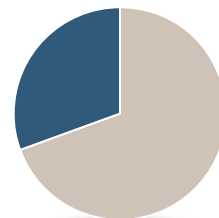
Our strategic goals for the Secondary Office AT/DE business segment

- Optimisation of properties, continuous improvement in quality
- Transformation of selected properties into top assets through active management and specially directed investments



BB Center Gamma,
Prague, Czech Republic

**31.1% SHARE OF
STANDING INVESTMENT
PORTFOLIO**
as of 30/04/2011



% 82.9 %

OCCUPANCY
as of 30/04/2011

€ 43.4 mill.

RENTAL INCOME
in Q4 2010/11

% 6.6%

GROSS RETURN
based on rental income
in Q4 2010/11

in Eastern Europe. In July 2011 we had three office buildings under construction. Our strategy for this sector also includes the optimisation of our investment structure through the complete takeover of standing investments and development projects.

3. FOR COST-CONSCIOUS TENANTS IN EASTERN EUROPE

The Secondary Office East business segment comprises good B-class office buildings in the capital cities of Eastern Europe. Many years of asset management experience in this region make it possible for us to generate sound returns and hold occupancy at a high level, even in difficult markets.

Our strategic goals for the Secondary Office East business segment

- Strengthening of our market position in Eastern Europe
- Generation of higher returns with our experience and capacity to act in this region
- Transformation of selected properties into top assets through active management and specially directed investments

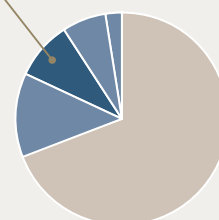
FOR FUTURE SALE:

In the Opportunistic Office business segment, we combine properties with conceptual challenges like size, location or quality, which have a substantial potential for repositioning but do not fit in with one of our three business segments.

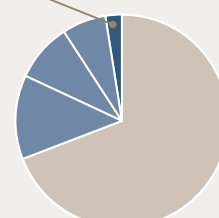
Our strategic goal for the Opportunistic Office business segment

- Sale of these properties

SECONDARY OFFICE EAST
Share of total portfolio: **8.9%**



OPPORTUNISTIC OFFICE
Share of total portfolio: **2.3%**



**IMMOFINANZ GROUP.**

A respected international shopping center developer and operator.

191

STANDING INVESTMENTS
as of 30/04/2011

€ 2,144.5 mill.

STANDING INVESTMENTS
carrying amount
as of 30/04/2011

sqm 1.0 mill.

RENTABLE SPACE
in the standing investments
as of 30/04/2011

Polus Center,
Cluj, Romania

WE ARE ONE OF THE LARGEST FOREIGN REAL ESTATE INVESTORS IN THE MOSCOW RETAIL SECTOR

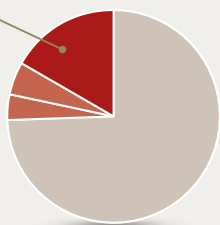
IMMOFINANZ Group has been active in the retail sector since 1990. At the end of April 2011 our retail portfolio included 191 standing investments. These shopping centers have a combined



We concentrate on two business segments.

QUALITY SHOPPING CENTER

Share of total portfolio: **16.7%**



1. FOR SUPERIOR DEMANDS

In the Quality Shopping Center business unit we bundle large, modern retail properties at top locations – in capital cities as well as heavily populated economic regions with strong purchasing power. Our excellent connections to major international brand retailers ensure continued high occupancy and stable earnings.

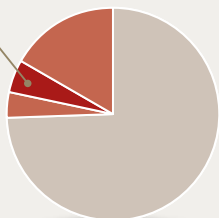
Our strategic goal for the Quality Shopping Center business segment

- Strengthening and further expansion

STOP.SHOP./

RETAIL WAREHOUSE

Share of total portfolio: **5.1%**



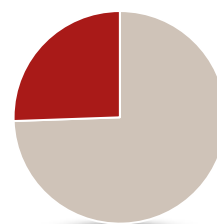
2. STANDARDISED SOLUTIONS FOR EVERYDAY NEEDS

With STOP.SHOP. we have created and established a strong brand for retail parks in Central Europe. The success of the STOP.SHOP. concept is based on a high degree of standardisation that maximises cost efficiency for our tenants and also creates valuable synergy effects.



Golden Babylon Rostokino,
Moscow, Russia

**25.3% SHARE OF
STANDING INVESTMENT
PORTFOLIO**
as of 30/04/2011



% 92.6%

OCCUPANCY
as of 30/04/2011

€ 47.8 mill.

RENTAL INCOME
in Q4 2010/11

% 8.9%

GROSS RETURN
based on rental income
in Q4 2010/11

carrying amount of EUR 2,144.5 million, or 25.6% of our standing investment portfolio. Russia, or to be more precise Moscow, is our single most important retail market, followed by Austria and Poland.

Many years of experience as well as established networks with international retail chains and partners in key markets are our success factors for the successful management of shopping centers. We also rely on these strengths for the development of our own projects.

Our projects under construction in July 2011 included, among others, three high-value properties that represent benchmarks for their respective regions: the expansion of the *Silesia Shopping Center* in Poland, the *Maritimo Shopping Center* in Romania and the *GoodZone* shopping center in Moscow.

Our STOP.SHOP.s are generally developed at locations with good traffic connections and in regional population centers with catchment areas of 30,000 to 150,000 residents. We also benefit from our excellent customer relations in this segment, which is reflected in occupancy rates near 100% and stable cash flows.

Our strategic goals for the STOP.SHOP. retail park business segment

- Further standardisation
- Introduce the STOP.SHOP. brand in Austria

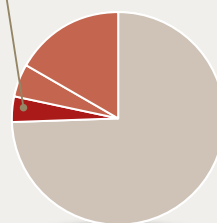
FOR FUTURE SALE:

The Opportunistic Retail business segment combines properties with conceptual challenges like size, location or quality, which have a substantial potential for repositioning but do not fit in with our shopping centers or retail parks.

Our strategic goal for the Opportunistic Retail business segment

- Sale of these properties

OPPORTUNISTIC RETAIL
Share of total portfolio: **3.8%**





LOGISTICS WEST
LOGISTICS EAST

IMMOFINANZ GROUP.

Rely on the know-how of Deutsche Lagerhaus to realise the opportunities inherent in the growing logistics market.



102

STANDING INVESTMENTS
as of 30/04/2011

€ 872.3 mill.

STANDING INVESTMENTS
carrying amount
as of 30/04/2011

sqm 1.6 mill.

RENTABLE SPACE
in the standing investments
as of 30/04/2011

Deutsche Lagerhaus,
Dormagen, Germany

WE SUCCESSFULLY RENT LOGISTICS PROPERTIES ON THE MAJOR TRANSIT CORRIDORS IN WESTERN AND EASTERN EUROPE.

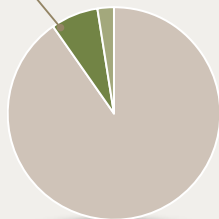
IMMOFINANZ Group has been active in the logistics sector since 1991. By the end of April 2011 our logistics portfolio had grown to 102 standing investments with a combined carrying amount of



We concentrate on two business segments.

LOGISTICS WEST

Share of total portfolio: 7.2%



1. ESTABLISHED PLAYER IN A STRONG MARKET

Our logistics portfolio in Western Europe represents an important addition to our office and retail properties. The logistics activities in Western Europe are combined under the Deutsche Lagerhaus umbrella. Deutsche Lagerhaus is an established player in a strong market that continues to offer excellent prospects for growth.

Our strategic goals for the Logistics West business segment

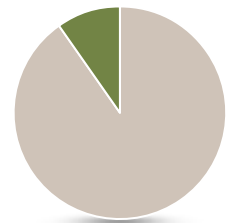
- Utilisation of the outstanding prospects on the logistics markets in Germany, Switzerland and the Benelux countries
- Expansion and strengthening of the market position

**Shushary,**

St. Petersburg, Russia

**10.3% SHARE OF
STANDING INVESTMENT
PORTFOLIO**

as of 30/04/2011



% 83.7%

OCCUPANCY

as of 30/04/2011

€ 18.6 mill.

RENTAL INCOME

in Q4 2010/11

% 8.5%

GROSS RETURNbased on rental income
in Q4 2010/11

EUR 872.3 million. That represents 10.3% of our standing investment portfolio. Our most important logistics market, Germany, is growing rapidly thanks to that country's strong export performance.

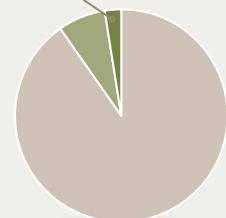
The focal point of our logistics activities lies in the active asset management of the standing investments. Our goals are to increase occupancy and optimise the portfolio. Economic recovery is triggering a steady increase in the demand for logistics space in a number of our core countries. Deutsche Lagerhaus, a wholly owned subsidiary of IMMOFINANZ Group and our competence center for the logistics segment, recorded the best rental results in its history during 2010 with the closing of contracts for 196,000 sqm.

2. EMERGING LOGISTICS MARKETS IN THE EAST

Logistics East covers all logistics activities in Eastern Europe. Close cooperation with our West European competence center creates an important competitive advantage for the Logistics East business segment.

Our strategic goals for the Logistics East business segment

- Harmonise portfolio and evaluate opportunities
- Concentration on three East European core markets with uniform branding
- Utilisation of Deutsche Lagerhaus know-how and tenant contacts

LOGISTICS EASTShare of total portfolio: **2.7%**



RESIDENTIAL WEST
RESIDENTIAL EAST

IMMOFINANZ GROUP.

Bundled expertise for residential properties in Western and Eastern Europe.



1,263

STANDING INVESTMENTS
as of 30/04/2011



€ 2,628.1 mill.

STANDING INVESTMENTS
carrying amount
as of 30/04/2011



2.7 mill.

RENTABLE SPACE
in the standing investments
as of 30/04/2011

WE USE OUR KNOW-HOW FROM THE STABLE, LOW-RISK BUSINESS IN AUSTRIA TO MEET HOUSING NEEDS IN EASTERN EUROPE.

IMMOFINANZ Group has been active in the residential sector since 1990. By the end of April 2011 our logistics portfolio had grown to 1,263 standing investments with a combined carrying

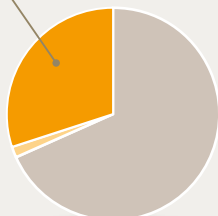


Erlaaer Strasse,
Vienna, Austria

We concentrate on two business segments.

RESIDENTIAL WEST

Share of total portfolio: 30.1%



1. LARGE-SCALE RESIDENTIAL PROPERTIES

In the Residential West business segment, we focus on rental apartments and development projects in Austria and Germany. A strong network in our home market and the expertise of BUWOG allow us to efficiently utilise opportunities in this area of business.

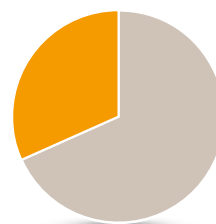
Our strategic goals for the Residential West business segment

- Increasing focus on large-scale residential projects
- Expansion of project development for rental and condominium apartments
- Constant volume of standing investments, increased acquisitions and sales



Moselgasse,
Vienna, Austria

**31.0% SHARE OF
STANDING INVESTMENT
PORTFOLIO**
as of 30/04/2011



% 95.9%

OCCUPANCY
as of 30/04/2011

€ 32.7 mill.

RENTAL INCOME
in Q4 2010/11

% 5.0%

GROSS RETURN
based on rental income
in Q4 2010/11

amount of EUR 2,628.1 million. That represents 31.0% of our standing investment portfolio. Our most important – and a very stable – market in this segment is Austria, where the majority of our residential properties are located.

Our subsidiary BUWOG designs, realises and manages a wide range of individual residential solutions in Austria. At the same time, BUWOG is our competence center for residential properties. Its know-how helps us in Eastern Europe, where there is substantial pent-up demand for housing in many countries. Our residential development activities are concentrated in Austria, Poland, Czech Republic, Slovakia and Romania. Fourteen properties were under construction in July 2011.

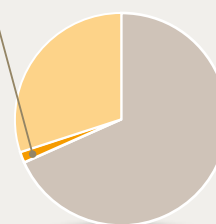
2. BENEFIT FROM PENT-UP DEMAND

Residential construction activities in Eastern Europe are bundled in the Residential East business segment. The goal is to benefit from the high demand for large-scale new residential construction for the emerging middle class. The efficient and professional realisation of our development projects is supported by a network that includes BUWOG experts as well as local partners and subsidiaries like the Romanian Adama.

Our strategic goals for the Residential East business segment

- Realisation of residential construction projects on available land reserves
- Successive acquisition of new sites for project development
- Development focused solely on condominium apartments
- Realisation of large-scale residential construction projects for the middle class

RESIDENTIAL EAST
Share of total portfolio: **1.7%***



* Only development of condominium apartments, no standing investments

INCOME SOURCE: DEVELOPMENT

Realisation of development projects

The development of our own real estate projects supplements asset management and trade as an additional source of income. Real estate development also makes it possible for IMMOFINANZ Group to profit from the growth on the property markets of Central and Eastern Europe – along the entire value chain.

IMMOFINANZ Group increased the pace of internal project development during the reporting year. Through its subsidiary BUWOG – one of the most experienced residential property developers in Austria – work focused on a number of properties in 2010/11: 223 residential units were completed in four projects at a total investment volume of approx. EUR 52 million; 769 residential units with a total investment volume of EUR 170.7 million are currently under construction; and construction started on a further six projects with 302 residential units and a total investment volume of EUR 50.1 million.

The newly created commercial development department is responsible for all development steps from planning to realisation and the rental of commercial real estate. The recently established commercial project development group was organised by asset classes to bundle the available expertise on an international basis. Near-term activities in the International High-Class Office and Quality Shopping Center business segments will focus increasingly on land and project acquisition at core

Selected development projects

Retail

DEVELOPMENT PROJECTS

Maritimo Shopping Center Constanta, Romania

- Rentable space: 34,493 sqm
- Opening: planned for October 2011

GoodZone Shopping Center Moscow, Russia

- Rentable space: 67,318 sqm
- Approx. 200 tenants
- Opening: planned for 2012

CSOB Na Příkopě 14 Prague, Czech Republic

- Rentable space: approx. 16,043 sqm
- Opening: planned for 2013

STOP.SHOP. Louny, Czech Republic

- Rentable space: 5,804 sqm
- Opening: planned for 2012

SHOPPING CENTER EXPANSION

Silesia City Center Kattowitz, Poland

- Rentable space: additional 21,055 sqm
- Opening: planned for October 2011

RETAIL PARK EXPANSION

STOP.SHOP. Tábor, Czech Republic

- Rentable space: additional 2,000 sqm
- Opening: planned for 2012

STOP.SHOP. Třebíč, Czech Republic

- Rentable space: additional 13,000 sqm
- Opening: planned for 2012/13

COMPLETIONS IN 2010/11

Shopping- und Entertainmentcenter Gold Plaza, Baia Mare, Romania

- Rentable space: 31,203 sqm
- Opening: 04/11/2010

Retail parks in Slovakia

STOP.SHOP. Dubnica Nad Váhom

- Rentable space: 3,464 sqm
- Opening: 18/11/2010

STOP.SHOP. Liptovský Mikuláš

- Rentable space: over 12,920 sqm
- Opening: 11/11/2010

STOP.SHOP. Dolný Kubín

- Rentable space: 5,804 sqm
- Opening: 14/04/2011

Retail park in Czech Republic

STOP.SHOP. Znojmo

- Rentable space: over 5,122 sqm
- Opening: 04/11/2010

Office

DEVELOPMENT PROJECTS

CSOB Jungmannova, Prague, Czech Republic

- Rentable space: 7,668 sqm
- Opening: planned for 2nd half-year 2013

Nimbus, Warsaw, Poland

- Rentable space: 19,631 sqm
- Opening: planned for 2013

COMPLETION IN 2011

General renovation Bureau am Belvedere, Vienna, Austria

- Rentable space: 15,994 sqm
- Opening: July 2011

Mixed-Use

DEVELOPMENT PROJECT

Gerling Quartier, Cologne, Germany

- Residential space: approx. 75,000 sqm
- State-of-the-art office and retail space plus 130 high-quality apartments
- Opening: planned for 2013

und core+ locations throughout the eight core markets of IMMOFINANZ Group. The highly successful STOP.SHOP. business unit (the IMMOFINANZ Group brand for retail parks) will also be expanded in the future. Residential property development projects will remain in the hands of the experienced BUWOG team. The efficiency and professionalism of the project development department are based on many years of experience, detailed knowledge of the markets and the extensive know-how of employees. The goal is to generate roughly 10% of total income through the realisation of development projects. IMMOFINANZ Group – and BUWOG Group – place high value on resource-conserving construction methods and energy efficiency in renovation and project development. Climate protection and low energy consumption are important elements of the corporate strategy.

After the end of the 2010/11 financial year IMMOFINANZ Group concluded an agreement for the full takeover of Adama, the leading Romanian residential property developer. Adama has completed approx. 1,500 apartments since its founding in 2005, and a further nine projects are currently under construction or realisation. The company has a property development portfolio with a combined floor area of over 1,360,000 sqm, which will allow for the realisation of more than 40 additional projects. For IMMOFINANZ Group, Adama is the ideal platform for the planned expansion of residential activities and development projects.

**Extensive know-how
for profitable real estate
projects**

Residential

DEVELOPMENT PROJECTS

Heller Park, Vienna, Austria

- Rentable space: 40,904 sqm
- 239 apartments as well as a geriatric center, shops and offices
- Opening: apartments in September 2011, geriatric center in November 2011 and offices by May 2012

CONSTRUCTION STARTS IN 2010/11

Mühlgrundgasse, Vienna, Austria

- Residential space: 5,099 sqm
- 54 subsidised rental apartments
- Completion: winter 2011

Assmayergasse, Vienna, Austria

- Residential space: 7,804 sqm
- 82 subsidised and privately financed condominium apartments
- Completion: autumn 2012

INVESTMENT APARTMENT PROJECTS

Holochergasse, Vienna, Austria

- Residential space: 2,107 sqm
- 40 privately financed condominium apartments
- Completion: autumn 2011

Koflergasse, Vienna, Austria

- Residential space: 2,615 sqm
- 47 privately financed condominium apartments
- Completion: winter 2011/12

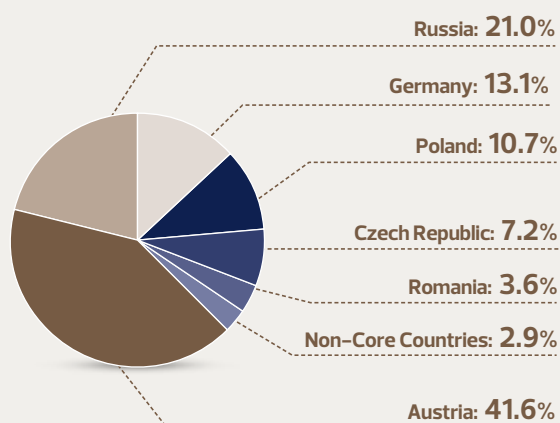
Rosasgasse, Vienna, Austria

- Residential space: 2,085 sqm
- 37 privately financed condominium apartments
- Completion: spring 2012

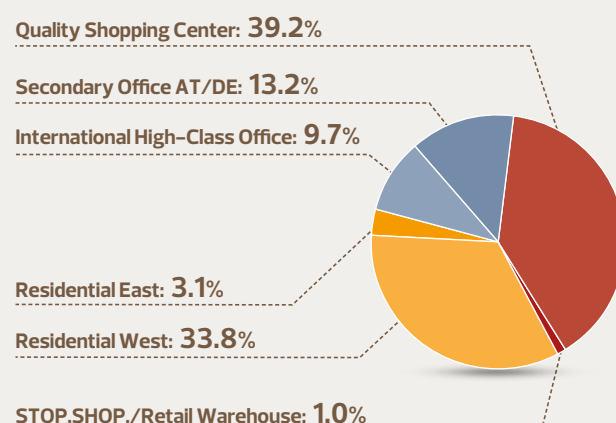
Investor project Mollardgasse, Vienna, Austria

- Residential space: 2,188 sqm
- 39 privately financed condominium apartments
- Completion: autumn 2011

Carrying amount of the development portfolio by country



Carrying amount of the development portfolio by segment



INCOME SOURCE: TRADE

Acquisition and sale of properties

In addition to property management and development, the acquisition and sale of properties is one of the three main sources of income for IMMOFINANZ Group. These activities are designed to profitably strengthen the property portfolio through selective transactions that reflect the corporate strategy. Sales are focused, above all, on properties whose size, quality and/or location – e.g. properties in secondary or tertiary cities, or outside the core countries – as well as use (e.g. hotels) do not fit in with IMMOFINANZ Group's target portfolio. The strategy for property trading includes increasing the value of these assets through professional management and optimisation, and then realising this value increase through sales. Acquisitions focus mainly on high-quality properties in prime locations.

The activities of IMMOFINANZ Group in the residential segment concentrate on portfolio optimisation through a reduction in commitments at peripheral locations and further investments in large cities. In September 2010 BUWOG, a wholly owned subsidiary of IMMOFINANZ Group, sold 24 residential buildings with 581 apartments and 46,200 sqm of usable space in the Austrian province of

Selected Transactions in 2010/11

SALES

Office

Valdek, Prague, Czech Republic

- Total space: over 5,800 sqm
- Buyer: Danish investor
- Sale: end of September 2010
- Strategy: opportunistic sale

Museumsstrasse 3, Innsbruck, Austria

- Total space: approx. 1,500 sqm
- Buyer: private investor
- Sale: April 2011
- Strategy: opportunistic sale

Retail

Murgasse 2, Graz, Austria

- Approx. 900 sqm
- Sale: August 2010
- Strategy: opportunistic sale

Bauhaus Budweis, Czech Republic

- Rentable space: approx. 17,400 sqm
- Buyer: CPI Group
- Sale: December 2010
- Strategy: sale of non-controlling interests and joint-venture-shares

Mönckebergstrasse 13, Hamburg, Germany

- Total space: 6,400 sqm
- Buyer: Aachener Grundvermögen Kapitalanlagegesellschaft
- Sale: February 2011 (Closing: March 2011)
- Strategy: opportunistic sale, withdrawal from the retail segment in Germany

Castrop Rauxel Specialty Shopping Center, Dortmund, Germany

- Rentable space: approx. 10,000 sqm
- Buyer: Cordea Savills German Retail Fund
- Sale: February 2011
- Strategy: opportunistic sale, withdrawal from the retail segment in Germany

Residential

Brandhofgasse 5–5A, Graz, Austria

- Sale: September 2010
- Strategy: opportunistic sale

11 apartment buildings, Styria, Austria

- Buyer Benedictine Monastery Admont
- Sale: December 2010
- Strategy: opportunistic sale, focus on population centers

24 apartment buildings in Vorarlberg, Austria

- Buyer: a local consortium
- Sale: March 2010
- Strategy: opportunistic sale, focus on population centers

ACQUISITIONS

Retail

STOP.SHOP. Gödöllő, Hungary

- Total space: approx. 8,300 sqm
- Stake acquired: from 90% to 100%
- Acquisition: May 2010
- Strategy: acquire remaining shares

STOP.SHOP. Zatec, Czech Republic

- Total space: approx. 5,900 sqm
- Stake acquired: from 50.5% to 100%
- Acquisition: June 2010
- Strategy: acquire remaining shares

STOP.SHOP. Usti Nad Orlici, Czech Republic

- Total space: approx. 4,300 sqm
- Stake acquired: from 50% to 100%
- Acquisition: June 2010
- Strategy: acquire remaining shares

STOP.SHOP. Puchov, Slovakia

- Total space: approx. 6,300 sqm
- Stake acquired: from 90% to 100%
- Acquisition: December 2010
- Strategy: acquire remaining shares

Gold Plaza, Baia Mare, Romania

- Rentable space: over 30,000 sqm
- Stake acquired: remaining 25% ownership now 100%
- Acquisition: February 2011
- Strategy: acquire remaining shares

Logistics

LogCenter Nove Mesto I, Slovakia

- Total space: approx. 24,800 sqm
- Stake acquired: remaining 50%, ownership now 100%
- Acquisition: August 2010
- Strategy: acquire remaining shares

Deutsche Lagerhaus

- Rentable space: approx. 980,000 sqm
- Stake acquired: almost 10% (remaining 5% in Q1 2011), ownership now nearly 100%
- Strategy: acquire remaining shares

Vorarlberg to a local investor. In Styria, 13 buildings with 288 apartments were sold. The proceeds from these transactions exceeded fair value and will be reinvested primarily in planned expansion steps on the domestic and international markets. In Austria and Germany, 354 individual apartments were sold for a total of EUR 48.81 million. The average square metre price was 5% higher than the previous year at EUR 1,736/sqm.

Plans call for the sale of commercial and residential properties to generate roughly 10% of total Group income in the future. A five-year, EUR 2.5 billion sale programme was launched at the beginning of the 2010/11 financial year to optimise the property portfolio and thereby improve the balance sheet structure. IMMOFINANZ Group completed the following transactions, among others, during and after the reporting period, which involved the sale of assets totalling EUR 665.4 million.

IMMOFINANZ Group continued its strategic acquisitions and sales after the end of the reporting year

(Selection)

SALES

Office

Simmeringer Hauptstrasse 47–49, Vienna, Austria

- Total space: nearly 13,000 sqm
- Buyer: HIH Global Invest
- Sale: April 2011 (as of 30.04.2011, closing on 20/05/2011)
- Strategy: opportunistic sale

Cirrus Development project, Warsaw, Poland

- Buyer: Karimpol S.A.
- Sale: June 2011
- Strategy: sale of non-controlling interests/ joint venture shares

Office Campus Gasometer Phase 2, Vienna, Austria

- Office space: 28,400 sqm
- Buyer: Bank Austria Real Invest Immobilien-Kapitalanlage GmbH
- Sale: August 2011
- Strategy: sale of non-controlling interests/ joint venture shares

Logistics

SelfStorage – Dein Lager

- Total space: approx. 130,000 sqm
- Buyer: MyPlace SelfStorage Holding GmbH
- Sale: signed in May 2011 (closing: July 2011)
- Strategy: sale of non-controlling interests/ joint venture shares

Property Funds

9 Fund Investments

- 5 European property funds: Europa Emerging Europe Fund Ltd., Europa Fund II LP., FF&P Russia Real Estate Ltd., FF&P Development Ltd. and Polonia Property Fund Ltd. II
- 4 American property funds: Carlyle Halley Co- Investment Inc., Prologis North American Industrial Fund II LP., Gotham City Residential Partners I LP. and Broadway Partners Real Estate Fund II, LP
- Sale: agreed in June 2011
- Strategy: sale of non-controlling interests/ joint venture shares

ACQUISITIONS

Office

Grand Centar, Zagreb, Croatia

- Total space: approx. 15,900 sqm
- Stake acquired: remaining 20%, ownership now 100%
- Acquisition: May 2011
- Strategy: acquire remaining shares

Equator, Warsaw, Poland

- Rentable space: 19,100 sqm
- Stake acquired: remaining 49%, ownership now 100%
- Acquisition: June 2011
- Strategy: acquire remaining shares

Nimbus Development project, Warsaw, Poland

- Rentable space: approx. 20,000 sqm
- Stake acquired: remaining 49%, ownership now 100%

- Acquisition: June 2011
- Strategy: acquire remaining shares

Retail

GoodZone Shopping Center Moscow, Russia

- Rentable space: 67,300 sqm
- Stake acquired: remaining 25%, ownership now 100%
- Acquisition: May 2011
- Strategy: acquire remaining shares

Lublin Development project, Poland

- Site: 29,300 sqm
- Start of construction: planned for spring 2012
- Opening: planned for 2013
- Strategy: strengthening of portfolio with high-quality development projects

Residential

Adama Holding Public Ltd., Romania

- Residential construction group
- Stake acquired: remaining 69.22% ownership now 100%
- Acquisition: signed in June 2011 (subject to formal approval by cartel authorities)
- Strategy: acquire remaining shares of a successful developer

IMMOFINANZ GROUP.

A reliable partner that takes responsibility seriously.

 937

EMPLOYEES

as of 30/04/2011

 23

NATIONALITIES

as of 30/04/2011

 61%

SHARE OF WOMEN

as of 30/04/2011

WE ACCEPT RESPONSIBILITY.

IMMOFINANZ Group pursues clear financial goals in the interest of its shareholders. At the same time, we acknowledge our responsibility to the environment, society and our employees. Corporate responsibility is a central element of our identity and the IMMOFINANZ culture. We believe we can grow more sustainably and more profitably when we conserve resources, focus on energy-efficiency in our properties and treat our shareholders, partners and employees fairly and with respect.

WE SUPPORT INNOVATION AND ENVIRONMENTAL PROTECTION.

IMMOFINANZ Group is a founding member of the Austrian Society for Sustainable Real Estate Management (ÖGNI). In our function as a sponsor, we also assist the Research Institute for Spatial and Real Estate Economics at the Vienna University of Economics and Business in developing new impulses and expertise for the real estate sector www.wu.ac.at/immobilienwirtschaft.

Our strengths and values form the basis for our work, each and every day.

Experience



“We have been active in the real estate sector for over 20 years.”

Our experience is a key success factor. It gives us security and the necessary mindset to realistically evaluate new developments – and to master challenges rationally and professionally.

Ralph Bezjak, Peter Oesterle

Responsibility



“We act responsibly.”

We work responsibly to optimise the assets entrusted to us. We treat our employees and partners, the environment and the economies in our core regions with respect.

Birgit Noggler

Profitability



“We act in line with strategic principles.”

Cost-efficiency and lean structures are the foundation that allows us to generate sustainable earnings with our clear advantage in know-how and experience and our well-defined strategic guidelines.

Marco Kohla



“We are real professionals.”

We are successful in one of the fastest growing economic regions in Europe. We think, plan and act as experts – and that makes us different.

Clemens Eisinger



Professionalism

“We invest passion.”

We approach every one of our projects with a strong personal commitment and high motivation. We are convinced ambitious goals can only be reached by someone who thinks and works with a passion.

Karin Kernmayer, Sandra Bauer, Martina Wimmer



Passion

“We are looking to the future as a stronger company.”

IMMOFINANZ Group has developed a solid financial base and a crisis-resistant property portfolio. Our shareholders and partners benefit from this stability.

Stefan Frömmel



Stability

“We connect success factors.”

Our real estate projects link emerging regions and innovative companies with the extensive market know-how of our experts.

Wolfgang Idl



Networks

Report of the Supervisory Board

The Supervisory Board of IMMOFINANZ AG can look back on a productive and successful year in 2010/11. In a total of six meetings we discussed the financial position and the strategy of IMMOFINANZ Group as well as market conditions and the latest developments. The 2010/11 financial year was the first year of business following the merger with IMMOEAST AG to create IMMOFINANZ Group. The agreements with Constantia Packaging B.V. on the "IBAG bond" (EUR 512 million) and the takeover of Aviso Delta GmbH and Aviso Zeta AG (formerly Aviso Zeta Bank AG) finalised the internalisation of employees in IMMOFINANZ Group.

The Supervisory Board met three times during the period from 01/05/2010 to 28/09/2010 (17th annual general meeting). Consultations at these meetings focused on the agreements to be concluded with Constantia Packaging B.V. on the "IBAG bond" (EUR 512 million) and on the acquisition of Aviso Zeta AG and Aviso Delta GmbH to internalise IMMOFINANZ Group's personnel. These agreements were concluded in May 2010. The closing of the agreement with Constantia Packaging B.V. took place in June 2010, while the takeover of Aviso Zeta AG and Aviso Delta GmbH was finalised in December 2010. Other issues dealt with by the Supervisory Board included preparations for the 17th annual general meeting and the acquisition or sale of properties.

In accordance with the articles of association, the Supervisory Board held an organisational session immediately after the 17th annual general meeting of shareholders in September 2010. This meeting confirmed the existing structures, both for the presidium and the committees.

SUCCESSFUL REFINANCING THROUGH ISSUE OF THE 2018 CONVERTIBLE BOND

In November 2010 the Supervisory Board approved a share buyback programme for 2010 and 2011, which covers a volume of approx. 47.35 million IMMOFINANZ shares. The share buyback was successfully concluded in March 2011.

The refinancing of the convertible bonds was successfully concluded with the issue of the convertible bond 2018 (CB 2018) at a total nominal value of approx. EUR 515.1 million and the repurchase of tendered convertible bonds from the CB 2014 and CB 2017 series for EUR 465.2 million. The Supervisory Board resolutions for the issue of the CB 2018 were passed in February/March 2011.

APPOINTMENT OF EDUARD ZEHETNER AS CHIEF EXECUTIVE OFFICER AND EXTENSION OF TERM OF OFFICE

In a June 2010 meeting the Supervisory Board unanimously appointed Eduard Zehetner chief executive officer. The terms of office for Eduard Zehetner and Daniel Riedl on the Executive Board were extended for a further three years during April 2011. Accordingly, the term of office for Eduard Zehetner, chief executive officer, extends to 30/11/2014 and the term of office for Daniel Riedl, member of the Executive Board, to 30/06/2014. The third member of the Executive Board of IMMOFINANZ AG, Manfred Wiltschnigg, is appointed up to 31/03/2012. Michael Wurzinger resigned from the Executive Board of IMMOFINANZ AG as of 31/08/2010.

REVISION OF THE RULES OF PROCEDURE FOR THE EXECUTIVE BOARD

The distribution of duties on the Executive Board of IMMOFINANZ AG was restructured at the February 2011 Supervisory Board meeting. The full Executive Board is now responsible for strategy and corporate development, internal audit, risk management and the internal control system as well as transactions that require the approval of the Supervisory Board.

Personal data	Term of office	Responsibilities	Other supervisory board positions or comparable functions in other domestic or foreign companies not included in the consolidated financial statements
Eduard Zehetner born on 09/08/1951	Appointed from 21/11/2008 to 30/11/2014	Chief executive officer, financing strategy, corporate and property financing, capital market transactions, treasury, accounting and reporting, controlling, taxes, legal, investor and public relations, general project management, general procurement and property development, commercial and strategic investments and funds. Operations in the areas of internal audit, internal control system and risk management, whereby the full Executive Board carries the overall responsibility for these areas.	• Medical Innovation GmbH – member of the supervisory board “HSF” Vermögensverwaltung GmbH – managing director • GriffnerHaus AG – vice-chairman of the supervisory board • Privatstiftung Sparkasse Niederösterreich – member of the supervisory board • Sparkasse Niederösterreich Mitte West Aktiengesellschaft – member of the supervisory board
Daniel Riedl FRICS born on 07/09/1969	Appointed from 01/07/2008 to 30/06/2014	Personnel, process development and organisation, information technology, marketing, residential construction management (incl. operating investments such as BUWOG, ESG and Adama), residential property development and transactions	-
Manfred Wiltchnigg MRICS born on 28/04/1962	Appointed from 29/04/2010 to 31/03/2012	Management of all commercial properties, incl. operating investments, portfolio strategy and management as well as commercial property transactions	-

BUDGET FOR THE 2011/12 FINANCIAL YEAR

The budget for the 2011/12 financial year was presented by the Executive Board and approved by the Supervisory Board during the April 2011 meeting.

AUDIT COMMITTEE

The Audit Committee of the Supervisory Board, which met twice during the reporting year, is responsible among others for monitoring accounting processes and for overseeing the audit of the annual and consolidated financial statements. This committee also monitors the effectiveness of the company's internal control system, the internal audit system and the risk management systems.

In summer 2010 the Audit Committee and the Supervisory Board addressed the appointment of an auditor for the annual financial statements and consolidated financial statements and requested

offers from several well-known public accounting firms. Following the extensive examination of all offers, the three best bidders were invited to present their offers to the Supervisory Board. This presentation resulted in a recommendation to the 17th annual general meeting, calling for the appointment of Deloitte Audit Wirtschaftsprüfungs GmbH to audit the annual financial statements and consolidated financial statements for the 2010/11 financial year. The annual general meeting in September 2010 appointed Deloitte Audit Wirtschaftsprüfungs GmbH to audit the annual financial statements and consolidated financial statements. The Audit Committee had verified the independence of Deloitte Audit Wirtschaftsprüfungs GmbH in advance.

The meetings of the Audit Committee in June and August 2011 focused on a review of the annual financial statements and management report of IMMOFINANZ AG and the consolidated financial statements and group management report as well as the recommendation for the distribution of profit and the corporate governance report, each for the 2010/11 financial year. The results of this review were presented to the full Supervisory Board.

STRATEGY COMMITTEE

The Strategy Committee is responsible for the company's strategic orientation, investments and divestments. These duties were performed by the full Supervisory Board during the reporting year. The Supervisory Board dissolved the Strategy Committee on 14/02/2011 and subsequently took over all related responsibilities.

PERSONNEL AND NOMINATING COMMITTEE

The duties of the Personnel and Nominating Committee of the Supervisory Board cover the appointment and remuneration of the Executive Board members as well as their employment contracts. This committee did not meet during the reporting year as all relevant work was performed by the full Supervisory Board.

EXTENSIVE INFORMATION FROM THE EXECUTIVE BOARD AND EXTERNAL EXPERTS

The Executive Board provided the Supervisory Board with comprehensive, regular and timely information on the development and financial position of the company. In addition to the above-mentioned issues, the Supervisory Board held extensive discussions on the company's strategic orientation, financial position and developments in the target markets as well as capital market trends. Special focus was placed on the optimisation and financing of the property portfolio. External specialists were included in consultations on individual points of the agendas for the Supervisory Board meetings. Selected topical issues were also handled outside these meetings in direct discussions between the Executive Board, the chairman and the members of the Supervisory Board.

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS FOR 2010/11

The Executive Board presented the Supervisory Board with the following documents: the annual financial statements for 2010/11, which were prepared in accordance with the Austrian Commercial Code, and the management report; the consolidated financial statements for 2010/11, which

were prepared in accordance with International Financial Reporting Standards (IFRS), and the group management report, the recommendation of the Executive Board for the distribution of profit and the corporate governance report for 2010/11. The annual financial statements for 2010/11 and the management report as well as the consolidated financial statements for 2010/11 and the group management report were audited by Deloitte Audit Wirtschaftsprüfungs GmbH and each awarded an unqualified opinion.

The annual financial statements and consolidated financial statements as well as the auditor's reports were discussed by the Audit Committee in detail in the presence of the auditor and the Executive Board and reviewed in accordance with § 96 of the Austrian Stock Corporation Act. Following this examination and discussion, the members of the Audit Committee unanimously agreed to recommend the unqualified acceptance of these documents to the Supervisory Board. The Supervisory Board has accepted the annual financial statements, which are considered approved in accordance with § 96 (4) of the Austrian Stock Corporation Act.

The Supervisory Board would like to thank the members of the Executive Board and the employees of IMMOFINANZ Group for their outstanding commitment and also express its gratitude to shareholders for their confidence.

Vienna, 03 August 2011

For the Supervisory Board



Herbert Kofler

Chairman



Corporate Governance Report

Voluntary commitment to transparency and good corporate management

COMMITMENT TO COMPLIANCE WITH THE AUSTRIAN CORPORATE GOVERNANCE CODE

The Executive Board and Supervisory Board of IMMOFINANZ AG confirm their intent to comply with the rules of the Austrian Corporate Governance Code and underscore their commitment to transparency and good corporate management. The Austrian Corporate Governance Code, which was developed by the Austrian Working Group for Corporate Governance in 2002, represents a vital component of the Austrian capital market system as well as an essential tool for strengthening investors' confidence in the management and monitoring of companies. It is a voluntary self-imposed obligation for listed companies, which exceeds legal requirements and is reviewed and adapted each year to reflect national and international developments. The code (in the version dated January 2010) is published on the IMMOFINANZ AG website and on the website of the Austrian Working Group for Corporate Governance under www.corporate-governance.at.

The Corporate Governance Code includes legal requirements (L-Rules) as well as standard international regulations that must be met or explained and justified (comply or explain, C-Rules). It also includes rules with a recommendation attribute (R-Rules).

IMMOFINANZ AG complied with the Austrian Corporate Governance Code during the 2010/11 financial year. Deviations from the comply or explain rules are as follows:

Rule 2: The company has six registered shares, which are held by Aviso Zeta AG. Each of these registered shares carries the right to nominate one member to the Supervisory Board, but this right has never been exercised. Aviso Zeta AG was acquired by IMMOFINANZ Group in 2010/11. The acquisition agreement would allow for the withdrawal of the registered shares after the closing and the related amendment of the articles of association. A motion to this effect will be placed before the 18th annual general meeting for voting.

Rule 16: The Executive Board did not have a chairman during the period from 01/05/2010 to 24/06/2010, but Eduard Zehetner performed similar functions as the spokesman for this body. On 24/06/2010 the Supervisory Board appointed Eduard Zehetner chief executive officer of IMMOFINANZ Group.

Rules 30 and 31: The remuneration of individual Executive Board members and the fixed and variable components of this remuneration are not disclosed separately because the Executive Board believes this data does not provide any additional information for investors. The total remuneration paid to the Executive Board is disclosed in the notes to the consolidated financial statements.

SHAREHOLDERS AND ANNUAL GENERAL MEETING

The share capital of IMMOFINANZ AG was divided into 1,045,373,586 shares as of 30/04/2011.

The IMMOFINANZ AG shares represent free float. The company has been notified that the shareholder Rudolf Fries held over 5% of the shares (5.21%) directly and indirectly as of 30/04/2011.

All Supervisory Board members were elected by the annual general meeting. IMMOFINANZ AG endeavours to provide its shareholders with the best possible support for attending the annual general meeting and exercising their rights. In accordance with the 2009 Austrian Stock Corporation Amendment Act and the Austrian Corporate Governance Code, annual general meetings are announced at least four weeks in advance and extraordinary general meetings at least three weeks in advance. Documents are also published on the company's website three weeks before the annual general meeting wherever possible, and remain on the website for one month after the meeting. The results of voting and any amendments to the articles of association are published immediately on the website.

Support for shareholders in the exercise of their rights

EXECUTIVE BOARD

The Executive Board of IMMOFINANZ AG had four members up to 31/08/2010 and three members after that date. Michael Wurzinger resigned from the Executive Board as of 31/08/2010. Following his resignation, the rules of the procedure for the Executive Board were amended to restructure the cooperation between and responsibilities of the remaining board members. The responsibilities defined in the rules of procedure are listed in the following table. Eduard Zehetner currently serves as the chief executive officer of IMMOFINANZ AG. In 2010/11 the Supervisory Board approved new rules of procedure for the Executive Board and updated the assignment of responsibilities.

Personal data	Term of office	Responsibilities	Other supervisory board positions or comparable functions in other domestic or foreign companies not included in the consolidated financial statements
Eduard Zehetner born on 09/08/1951	Appointed from 21/11/2008 to 30/11/2014	Chief executive officer, financing strategy, corporate and property financing, capital market transactions, treasury, accounting and reporting, controlling, taxes, legal, investor and public relations, general project management, general procurement and property development, commercial and strategic investments and funds. Operations in the areas of internal audit, internal control system and risk management, whereby the full Executive Board carries the overall responsibility for these areas.	• A.M.I. Agency for Medical Innovation GmbH – member of the supervisory board • „HSF“ Vermögensverwaltung GmbH – managing director • GriffnerHaus AG – vice-chairman of the supervisory board • Privatstiftung Sparkasse Niederösterreich – member of the supervisory board • Sparkasse Niederösterreich Mitte West Aktiengesellschaft - member of the supervisory board
Daniel Riedl FRICS born on 07/09/1969	Appointed from 01/07/2008 to 30/06/2014	Personnel, process development and organisation, information technology, marketing, residential construction management (incl. operating investments such as BUWOG, ESG and Adama), residential property development and transactions	-
Manfred Wiltchnigg MRICS born on 28/04/1962	Appointed from 29/04/2010 to 31/03/2012	Management of all commercial properties, incl. operating investments, portfolio strategy and management as well as commercial property transactions	-

Resigned during the 2010/11 financial year

Personal data	Term of office
Michael Wurzinger born on 09/04/1971	Appointed from 01/07/2008 to 31/08/2010

COOPERATION BETWEEN THE EXECUTIVE BOARD AND SUPERVISORY BOARD

The cooperation between the two bodies is based on open and constructive discussions. The Executive Board provides the Supervisory Board with regular, timely and comprehensive information on all issues related to the development of business. In addition, the presidium of the Supervisory Board is immediately informed of all important events – also outside of the meetings – that could influence the profitability or liquidity of IMMOFINANZ Group.

REMUNERATION OF THE EXECUTIVE BOARD AND SUPERVISORY BOARD

The remuneration of the Executive Board members includes a fixed component as well a performance-based or variable component that currently equals up to 175% of fixed remuneration. The performance-based payment is tied to the fulfilment of qualitative and quantitative targets. In order to motivate the Executive Board members during the restructuring process and to encourage them to remain with the company, a long-term incentive programme was established in 2009. This programme covers the granting of loans for purchase of convertible bonds. Details on this programme are provided in the notes to the consolidated financial statements. A defined contribution pension scheme equalling 10% of annual fixed remuneration was also established for the members of the Executive Board. The total remuneration paid to the Executive Board is disclosed in the notes to the consolidated financial statements.

Supervisory Board remuneration for the 2009/10 financial year	Fixed payment	Number of functions	Committee work in EUR ¹	Number of committees
IMMOFINANZ AG				
Herbert Kofler	20,000.0	1	5,000.0	1
Michael Knap	20,000.0	1	5,000.0	1
Christian Böhm*	20,000.0	1	0.0	1
Vitus Eckert	20,000.0	1	5,000.0	1
Rudolf Fries	20,000.0	1	5,000.0	1
Klaus Hübner*	20,000.0	1	0.0	1
Guido Schmidt-Chiari	20,000.0	1	5,000.0	1
Nick van Ommen	20,000.0	1	5,000.0	1
	160,000.0		30,000.0	
IMMOEAST AG				
Herbert Kofler	20,000.0	1	5,000.0	1
Michael Knap	20,000.0	1	5,000.0	1
Christian Böhm	20,000.0	1	5,000.0	1
Vitus Eckert	20,000.0	1	5,000.0	1
Rudolf Fries	0.0	0	0.0	0
Klaus Hübner	20,000.0	1	5,000.0	1
Guido Schmidt-Chiari	0.0	0	0.0	0
Nick van Ommen	20,000.0	1	5,000.0	1
	120,000.0		30,000.0	
Total				
Herbert Kofler	40,000.0	2	10,000.0	2
Michael Knap	40,000.0	2	10,000.0	2
Christian Böhm	40,000.0	2	5,000.0	2
Vitus Eckert	40,000.0	2	10,000.0	2
Rudolf Fries	20,000.0	1	5,000.0	1
Klaus Hübner	40,000.0	2	5,000.0	2
Guido Schmidt-Chiari	20,000.0	1	5,000.0	1
Nick van Ommen	40,000.0	2	10,000.0	2
	280,000.0		60,000.0	

* These members were appointed by the extraordinary general meeting in January 2010.

¹ Member of a committee on the IMMOFINANZ/IMMOEAST Supervisory Board during the past financial year

² Chairman/Vice-Chairman of the IMMOFINANZ/IMMOEAST Supervisory Board during the past financial year. The remuneration for the chairman and vice-chairman of the Supervisory Board equalled twice and one and a half times the amount, respectively, of an ordinary member.

³ Factor based on Supervisory Board meetings attended during the past financial year

A directors' and officers' insurance policy (D&O insurance) with coverage of EUR 20 million was concluded for the corporate bodies of IMMOFINANZ AG. This policy does not include any deductible for the insured persons.

The members of the Supervisory Board received remuneration of EUR 338,063.– in 2010/11 for their activities on behalf of IMMOFINANZ AG and IMMOEAST AG following the merger of these companies in 2009/10. The remuneration for the Supervisory Board is approved each year by the annual general meeting. The 18th annual general meeting on 28/09/2011 will be asked to approve a resolution covering remuneration for the 2010/11 financial year.

The Supervisory Board remuneration for the 2009/10 financial year was based on a fixed payment of EUR 20,000.– plus EUR 5,000.– for services performed on a committee. The remuneration for the chairman and vice-chairman of the Supervisory Board equals twice and one and a half times this amount, respectively. These amounts are distributed proportionally based on the attendance at meetings.

**Performance-based
remuneration for the
Supervisory Board**

Subtotal in EUR	Chairman/Vice-Chairman ²	Total in EUR	Factor ³	Final amount in EUR
25,000.0	2.00	50,000.0	100%	50,000.0
25,000.0	1.50	37,500.0	100%	37,500.0
20,000.0	1.00	20,000.0	22.22%	4,444.0
25,000.0	1.00	25,000.0	77.78%	19,445.0
25,000.0	1.00	25,000.0	88.89%	22,222.5
20,000.0	1.00	20,000.0	22.22%	4,444.0
25,000.0	1.00	25,000.0	66.67%	16,667.5
25,000.0	1.00	25,000.0	66.67%	16,667.5
190,000.0		227,500.0		171,390.5
25,000.0	1.50	37,500.0	100%	37,500.0
25,000.0	2.00	50,000.0	100%	50,000.0
25,000.0	1.00	25,000.0	83.34%	20,835.0
25,000.0	1.00	25,000.0	66.67%	16,667.5
-	-	-	0.00%	-
25,000.0	1.00	25,000.0	83.34%	20,835.0
-	-	-	0.00%	-
25,000.0	1.00	25,000.0	83.34%	20,835.0
150,000.0		187,500.0		166,672.5
50,000.0	3.50	87,500.0	100.00%	87,500.0
50,000.0	3.50	87,500.0	100.00%	87,500.0
45,000.0	1.00	45,000.0	52.78%	25,279.0
50,000.0	1.00	50,000.0	72.23%	36,112.5
25,000.0	1.00	25,000.0	44.45%	22,222.5
45,000.0	1.00	45,000.0	52.78%	25,279.0
25,000.0	1.00	25,000.0	33.34%	16,667.5
50,000.0	1.00	50,000.0	75.01%	37,502.5
340,000.0		415,000.0		338,063.0



From left to right standing: Nick J. M. van Ommen, Klaus Hübner, Rudolf Fries, Vitus Eckert

SUPERVISORY BOARD AND COMMITTEES

Herbert Kofler

born on 14/05/1949

- Chairman of the Supervisory Board
- First appointed in: 2008
- Term of office ends in: 2012

Chairman of the supervisory board of B+S Bankssysteme AG, Germany; university professor; head of the Institute for Financial Management, Alpen Adria University of Klagenfurt

Michael Knap

born on 18/05/1944

- Vice-Chairman of the Supervisory Board
- First appointed in: 2008
- Term of office ends in: 2011

Vice-president of IVA Interessenverband für Anleger, Vienna

Christian Böhm

born on 20/09/1958

- Member
- First appointed in: 2010
- Term of office ends in: 2014

Chairman of APK – Pensionskasse AG; APK – Versicherung and APK Vorsorgekasse AG

Vitus Eckert

born on 14/07/1969

- Member
- First appointed in: 2008
- Term of office ends in: 2011

Attorney, partner of Eckert & Fries Rechtsanwälte Gesellschaft m.b.H., Baden near Vienna



From left to right seated: Guido Schmidt-Chiari, Michael Knap, Herbert Kofler, Christian Böhm

Rudolf Fries

born on 09/05/1958

- Member
- First appointed in: 2008
- Term of office ends in: 2011

Chairman of the supervisory board of EAG-Beteiligungs Aktiengesellschaft, Austria;
Attorney, partner of Eckert & Fries Rechtsanwälte Gesellschaft m.b.H., Baden near Vienna

Klaus Hübner

born on 09/11/1952

- Member
- First appointed in: 2010
- Term of office ends in: 2014

Managing partner of Hübner & Hübner Wirtschaftsprüfung und Steuerberatung GmbH & Co KG; chairman of the Chamber of Austrian Chartered Accountants

Guido Schmidt-Chiari

born on 13/09/1932

- Member
- First appointed in: 1998
- Term of office ends in: 2012

Former chairman of the management board of Creditanstalt-Bankverein AG

Nick J. M. van Ommen

born on 17/08/1946

- Member
- First appointed in: 2008
- Term of office ends in: 2011

Member of supervisory boards of the following listed companies: BABIS VOVOS INTERNATIONAL CONSTRUCTION S.A., Greece Intervest Retail Actions au Port. O.N., Belgium Intervest Offices SICAFI Actions Nom. O.N., Belgium W.P. Carey & Co. LLC, USA Former chief executive officer of the European Public Real Estate Association (EPRA)

The Supervisory Board monitors the Executive Board and provides support for the management of the company, particularly on decisions of fundamental importance. In addition to its primary function as a monitoring and support body, the Supervisory Board constantly strives to further increase the efficiency of its work through self-evaluation. The Supervisory Board currently has eight members, all of whom were elected by the annual general meeting. One organisational session and six regular meetings were held during the 2010/11 financial year.

The Supervisory Board has established three committees:

AUDIT COMMITTEE

Herbert Kofler – Chairman

Michael Knap – Vice-Chairman

Vitus Eckert

Rudolf Fries

The Audit Committee deals with accounting issues as well as the audit of the company and the Group. It is responsible for examining and preparing the approval of the annual financial statements and management report, the consolidated financial statements and group management report, the recommendation for the distribution of profit and the corporate governance report. Other duties include the monitoring of accounting, the effectiveness of the internal control system and the audit of the annual and consolidated financial statements as well as the verification and control of the auditor's independence. In the 2010/11 financial year, the Audit Committee held two meetings. In accordance with the provisions of the code, the Audit Committee includes at least one financial expert.

STRATEGY COMMITTEE (DISSOLVED ON 14/02/2011)

Herbert Kofler – Chairman

Michael Knap – Vice-Chairman

Vitus Eckert

Rudolf Fries

Nick van Ommen

The Strategy Committee was responsible for the regular evaluation of the Group's strategy and consultations with the Executive Board on the definition of this strategy. It evaluated strategic opportunities for development, with the aim of improving the Group's competitive position and increasing the sustainable creation of value for shareholders. The Strategy Committee was also authorised to make decisions in urgent cases, when a decision by the full Supervisory Board was not possible for scheduling reasons. Any such approvals were discussed at the next meeting of the Supervisory Board. In 2010/11 the work of the Strategy Committee was performed by the full Supervisory Board, which is authorised to deal with important issues facing the committees. The Supervisory Board dissolved the Strategy Committee on 14/02/2011 and now deals with all issues previously handled by this committee.

PERSONNEL AND NOMINATING COMMITTEE

Michael Knap – Chairman

Herbert Kofler – Vice-Chairman

Guido Schmidt-Chiari

The Personnel and Nominating Committee handles issues related to the remuneration of the Executive Board members and the content of their employment contracts. It also prepares recommendations for the Supervisory Board on appointments to fill vacant positions on the Executive and Supervisory Boards. The Personnel and Nominating Committee did not meet during the reporting year as all related work was performed by the full Supervisory Board.

INDEPENDENCE AND AVOIDANCE OF CONFLICTS OF INTEREST

The members of the Executive Board are required to make their decisions independent of any personal interests or the interests of controlling shareholders. Moreover, these decisions must be based on well-founded knowledge and comply with all relevant legal regulations. The members of the Executive Board must disclose any personal interests in the company's transactions or other conflicts of interest to the Supervisory Board without delay and also inform their colleagues on the board. Persons serving on the Executive Board may only accept appointments to the supervisory bodies of non-Group companies with the consent of the Supervisory Board. The legal prohibition on competition was not revoked. There are no contracts between members of the Supervisory Board and IMMOFINANZ Group or subsidiaries in terms of rule L-Rule 48.

The members of the Supervisory Board are also obliged to represent the interests of the company and must disclose any conflicts of interest. They may not serve on the bodies of any other companies that compete with IMMOFINANZ AG.

The members of the IMMOFINANZ AG Supervisory Board have defined rule C-53 and the guidelines presented in Appendix 1 of the Austrian Corporate Governance Code as the criteria for their independence. All members have declared their independence in accordance with these criteria. Investment companies attributable to Supervisory Board member Rudolf Fries held approx. 5.21% of the voting rights in IMMOFINANZ AG as of 30/04/2011. No Supervisory Board member represents a shareholder with a stake of more than 10% or his/her interests. There are no cross-representations and no contracts between IMMOFINANZ AG and members of the Supervisory Board or companies in which a Supervisory Board member holds a significant financial interest. The Supervisory Board does not include any former members of the Executive Board or key employees of the company.

Clear criteria regulate the independence of the Supervisory Board members

CRITERIA FOR THE INDEPENDENCE OF THE SUPERVISORY BOARD

A Supervisory Board member is deemed independent if he/she has no professional or personal relationship with the company or its Executive Board that could constitute a material conflict of interest, and thus be likely to influence the behaviour of the member.

The Supervisory Board has defined the following guidelines, which are included in Appendix 1 to the Austrian Corporate Governance Code, as decisive for determining the independence of a Supervisory Board member:

- The Supervisory Board member may not have been a member of the Executive Board or a key employee of the company or a subsidiary of the company during the past five years.

- The Supervisory Board member may not presently have/or have had in the previous year any business relations with the company or a subsidiary of the company of a scale that is significant for the Supervisory Board member. This also applies to business relationships with companies in which the Supervisory Board member holds a significant financial interest, but does not include positions on corporate bodies. The approval of individual transactions by the Supervisory Board in accordance with L-Rule 48 does not automatically result in qualification as not independent.
- The Supervisory Board member may not have been an auditor of the company or a participant in or employee of the examining audit company during the previous three years.
- The Supervisory Board member may not be an executive board member in another company in which an Executive Board member serves on the supervisory board.
- The Supervisory Board member may not serve on this body for more than 15 years. This criterion does not apply to Supervisory Board members who are shareholders with an entrepreneurial interest or who represent the interests of such shareholders.
- The Supervisory Board member may not be a close family member (direct descendant, spouse, life partner, parent, uncle/aunt, brother/sister, nephew/niece) of an Executive Board member or a person in one of the positions described above.

COMPLIANCE

In accordance with the Austrian Issuer Compliance Guidelines, the Executive Board has issued an internal directive for the distribution of information in order to prevent insider violations. The rules defined in these compliance guidelines apply to all employees and corporate bodies working for IMMOFINANZ AG. This underscores the efforts of the Executive Board to ensure the equal treatment of all shareholders, to prevent conflicts of interest and to represent the interests of all stakeholder groups. Adherence to the compliance guidelines is monitored on an ongoing basis.

DIRECTORS' DEALINGS

Full transparency in all transactions

In accordance with section 48d (4) of the Austrian Stock Exchange Act, members of management and persons closely related to these members are required to report all purchases and sales of IMMOFINANZ shares to the Financial Market Authority. These transaction reports are disclosed on the IMMOFINANZ AG website via a link to the relevant section of the Financial Market Authority homepage. The table below presents an overview of the direct and indirect shareholdings of the corporate bodies.

Executive Board as of 30/04/2011:

Name	IMMOFINANZ shares
Eduard Zehetner	1,452,000
Daniel Riedl	400,942*
Manfred Wiltschnigg	65,400

* The changes in relation to the previous annual report resulted primarily from the inclusion of shares held by close relatives as defined in § 48a (1) no. 9 of the Austrian Stock Exchange Act.

Supervisory Board as of 30/04/2011:

Name	IMMOFINANZ shares
Herbert Kofler	65,400
Michael Knap	1,250
Christian Böhm	0
Vitus Eckert	20,000
Investment companies attributed to Rudolf Fries	54,423,346
Klaus Hübner	25,000
Guido Schmidt-Chiari	0
Nick J. M. van Ommen	23,200

INTERNAL AUDIT AND RISK MANAGEMENT

In agreement with C-Rule 18 of the Austrian Corporate Governance Code, internal audit was established as a separate staff department reporting directly to the Executive Board. The Audit Committee of the Supervisory Board receives at least one report each year on the audit schedule and the results of these reviews.

EXTERNAL EVALUATION

Compliance with the provisions of the Austrian Corporate Governance Code by IMMOFINANZ AG was evaluated and confirmed by Deloitte Audit Wirtschaftsprüfungs GmbH. The results of this evaluation are available for download under www.immofinanz.com.

WOMEN IN IMMOFINANZ AG

IMMOFINANZ AG offers equal compensation, equal opportunities for promotion and equal working conditions to male and female employees. Women filled 22% of the management positions and represented 61% of the total workforce in 2010/11. IMMOFINANZ Group has implemented coaching measures that focus on specialised professional training and personal development to further increase the share of women in management positions.

Investor Relations

Airport Business Centre, Prague, Czech Republic



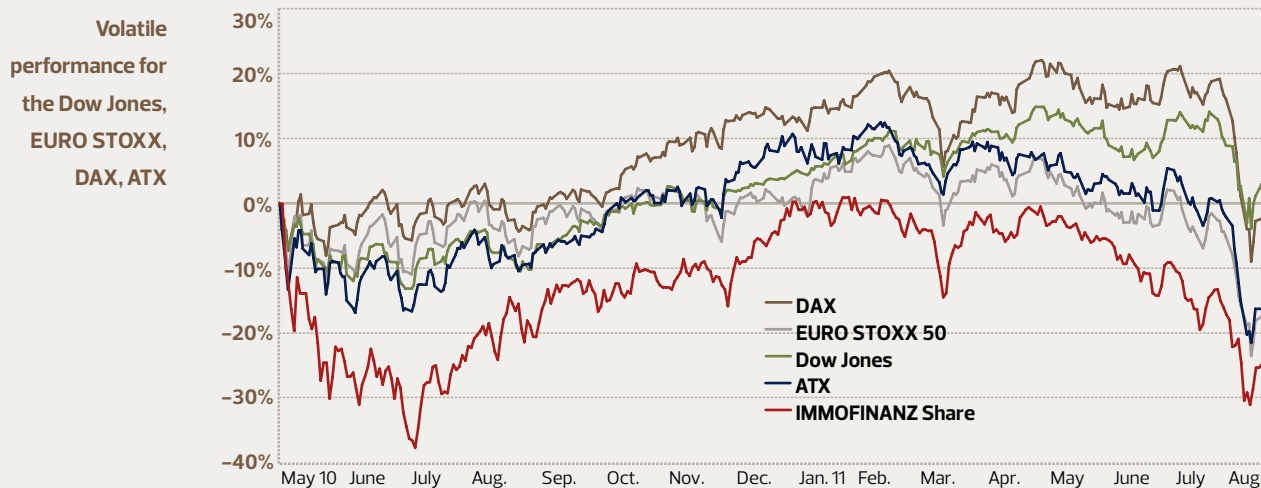


Investor Relations

The capital markets and share development

The economic recovery had a major influence on the international stock markets during the 2010/11 financial year. Share price movements were highly volatile, especially at the beginning of the year, with the downgrading of several heavily indebted European states triggering uncertainty and reservation on the part of investors. Autumn 2010 brought a substantial recovery in share prices and, by the end of the year, the ATX and international markets were able to report strong year-on-year growth. The ATX recorded an increase of 16.39%, the DAX 15.87% and the Dow Jones 9.75%. However, the losses that followed the unrest in North Africa and the Near East as well as the nuclear disaster in Japan were a clear sign that this recovery was not yet sustainable. This warning was confirmed by the global debt crisis and the downgrading of the USA's credit rating, which led to a sharp drop in share prices, growing apprehension and higher volatility on the international markets. At the start of August 2011 the DAX and the US Dow Jones index dropped roughly 15% and 10%, respectively, within eight days.

DEVELOPMENT OF INTERNATIONAL STOCK MARKET INDEXES



THE IMMOFINANZ SHARE

The price of the IMMOFINANZ share generally paralleled the market trend during 2010/11 and was accordingly volatile, but rose to EUR 3.189 as of 31/12/2010. That represents a plus of 27.56% in annual comparison. The share came under pressure as a result of the turbulence in spring 2011, but still ended the reporting year at EUR 3.21. The IMMOFINANZ share was unable to disengage from the general market developments that followed the debt crisis and, above all, the negative change in the US rating, and fell to EUR 2.692 as of 31/07/2011.

SHARE PRICE SUBSTANTIALLY BELOW NAV

The price of the IMMOFINANZ share remained clearly below the net asset value (NAV) per share throughout the 2010/11 financial year. For example: the share traded at EUR 3.21 at the end of April, while the NAV per share was EUR 5.36. This represents a discount of 40.1% to the NAV per share. External analysts see the reasons for this development, above all, in general market trends, the global recession expected by some investors and the reservation of international investors over investments in Eastern Europe as well as the widely diverse regional and sector portfolio and complex balance sheet structure of IMMOFINANZ Group. The goal of IMMOFINANZ Group is to regain the confidence of analysts and investors, and achieve a share price that exceeds the NAV.

INVESTOR RELATIONS ACTIVITIES

The activities of the investor relations department focused on restructuring and an increase in professionalism during 2010/11. In addition, the team intensified communications with analysts as well as institutional and private investors.

REGULAR PRESENCE AT ROAD SHOWS, CONFERENCES AND TRADE FAIRS

The investor relations team of IMMOFINANZ Group took part in numerous road shows, conferences and trade fairs in Austria and other countries during 2010/11. The most important issues involved the restructuring of IMMOFINANZ Group, the merger of IMMOFINANZ AG with IMMOEAST AG, the refinancing of convertible bonds CB 2014 and CB 2017, the inclusion of the IMMOFINANZ share in the ATX and EPRA and developments on the markets in Central and Eastern Europe.

AN INCREASING NUMBER OF EXTERNAL ANALYSES RAISES THE AWARENESS AND INTEREST OF INSTITUTIONAL INVESTORS

Corporate analyses by well-known institutions are an important decision tool for institutional investors. IMMOFINANZ Group is therefore interested in improving and increasing the quality and number of external analyses through professional cooperation with analysts.

In numerous discussions, telephone calls, meetings, presentations etc., the investor relations team communicated the information and explanations required for well-substantiated corporate analyses. That led to a significant increase in the number and, above all, an improvement in the quality of analyses during 2010/11, giving institutional investors greater visibility over IMMOFINANZ Group. Eleven analyses were available on IMMOFINANZ Group in May 2011 and, by the end of July 2011, the number had risen to 15. This range should increase further, since three other institutions are currently working to complete their reports. The sizeable interest on the part of analysts confirms the standing of IMMOFINANZ Group as one of the leading listed real estate companies in Europe.

The following table shows the current evaluations of the IMMOFINANZ share, with nine buy and one sell recommendations.

**Average
target price EUR 3.57**

	Date	Recommendation	Target Price
UniCredit Group	09 August 2011	Buy	4.10
Bank of America Merrill Lynch	05 August 2011	Neutral	3.31
Wood & Company	05 August 2011	Buy	4.04
Deutsche Bank	04 August 2011	Buy	3.80
Morgan Stanley	04 August 2011	Equal-weight	3.60
Credit Suisse	20 July 2011	Outperform	3.70
KBC	20 June 2011	Buy	3.60
Kempen & Co	20 June 2011	Neutral	3.05
Société Generale	17 June 2011	Hold	3.20
Rabobank	15 June 2011	Reduce	2.60
Erste Group	05 April 2011	Buy	4.00
HSBC	15 February 2011	Overweight	4.50
Raiffeisen Centrobank	14 January 2011	Buy	4.00
Cheuvreux	14 January 2011	Underperform	2.90
Atlantik FT	29 July 2010	Buy	3.20

The average target price of the analysts is EUR 3.57, or 51.5% over the share price as of 18/08/2011 (EUR 2.354).

Expanded communications

GREATER TRANSPARENCY

Announcements by property companies were generally limited to legally required information in the past, but IMMOFINANZ Group is moving one step further in the interest of transparency. In addition to legally required disclosures on the financial and earnings positions, the IMMOFINANZ reports now provide detailed information such as gross return, occupancy, external financing, financing costs etc. for all business segments.

OPTIMISED HOMEPAGE

IMMOFINANZ Group's homepage underwent a general revision and redesign in 2010/11 that also improved user-friendliness. Further optimisation is planned in connection with the relaunch scheduled for autumn 2011.

CONFERENCE CALLS WITH INSTITUTIONAL INVESTORS AND ANALYSTS

IMMOFINANZ Group has expanded its communications offering for analysts and institutional investors: since 30/03/2011, the Executive Board presents the latest indicators on the date of announcement in a moderated conference call and also responds to participants' questions.

THE IMMOFINANZ BLOG

**Chat online
with the CEO**

In IMMOFINANZ Group's blog, investors can talk to representatives of the company online, in particular with CEO Eduard Zehetner (blog.immofinanz.com). Evaluations and feedback show that this offering has become very popular. Greater transparency and faster information flow is provided by an RSS feed service, which is available free of charge through subscription on the IMMOFINANZ website.

COMMUNICATIONS CAMPAIGN FOR PRIVATE INVESTORS

IMMOFINANZ Group significantly increased its communications with private investors in 2010/11. In connection with IVA – Austrian Shareholder Association, IMMOFINANZ Group has launched a campaign for private investors "Decide for yourself! Exercise your voting rights." An extensive information package was prepared to inform private investors of the importance of voting at the annual general meeting and invite them to actively follow the development of their investment. The campaign includes a brochure for private investors and magazine advertisements.

NEW ORGANISATION FOR CORPORATE COMMUNICATIONS

The last optimisation step in the communications department of IMMOFINANZ Group was taken after the end of the reporting year. The importance of communications with national and international media and the general public was reflected in the spinoff of corporate communications from investor relations as a separate staff department.

HEAD OF INVESTOR RELATIONS & CORPORATE FINANCE TO ADDRESS NEW CHALLENGES

Clemens Eisinger not only played an important role in improving the professionalism of the investor relations department in recent years but, under CEO Eduard Zehetner, he made a key contribution to the restructuring of IMMOFINANZ Group and the optimisation of its financing structure. Since the restructuring of IMMOFINANZ Group and the transformation of the investor relations department are now completed, Clemens Eisinger has decided to direct his attention to new challenges in the future.

After transferring his duties, Mr. Eisinger will use the experience gained in over five years with IMMOFINANZ in a key function related to the restructuring of the Group's activities in South-Eastern Europe. His new responsibilities will focus, above all, on the integration of Adama Group, whose full takeover was agreed in June 2011.

He will be succeeded as the Head of Investor Relations & Corporate Finance by Stefan Schönaauer, who has been responsible for special projects in the finance area since December 2008.

The securities of IMMOFINANZ AG

OVERVIEW OF IMMOFINANZ SECURITIES

The following securities issued by IMMOFINANZ AG are traded on public exchanges:

Description	ISIN	Type of security
IMMOFINANZ share	AT0000809058	Share
Convertible bond 2009–2011	XS0416178530	Convertible bond
Convertible bond 2007–2014	XS0283649977	Convertible bond
Convertible bond 2007–2017	XS0332046043	Convertible bond
Convertible bond 2011–2018	XS0592528870	Convertible bond

The Investor Relations Team of IMMOFINANZ Group



Clemens Eisinger

Head of Investor Relations & Corporate Finance

T. +43 (0)5 7111 2315
C.Eisinger@immofinanz.com



Stefan Schönaauer

Investor Relations & Corporate Finance

T. +43 (0)5 7111 2312
S.Schoenauer@immofinanz.com



Simone Korbilius

Investor Relations

T. +43 (0)5 7111 2291
S.Korbilius@immofinanz.com



Helmut Sandner

Investor Relations & Corporate Finance

T. +43 (0)5 7111 2341
H.Sandner@immofinanz.com

The Corporate Communications Team of IMMOFINANZ Group



Sandra Bauer

Head of Corporate Communications
Private Investor Communications

T. +43 (0)5 7111 2292
S.Bauer@immofinanz.com



Susanne Paschke

Corporate Communications

T. +43 (0)5 7111 2293
S.Paschke@immofinanz.com

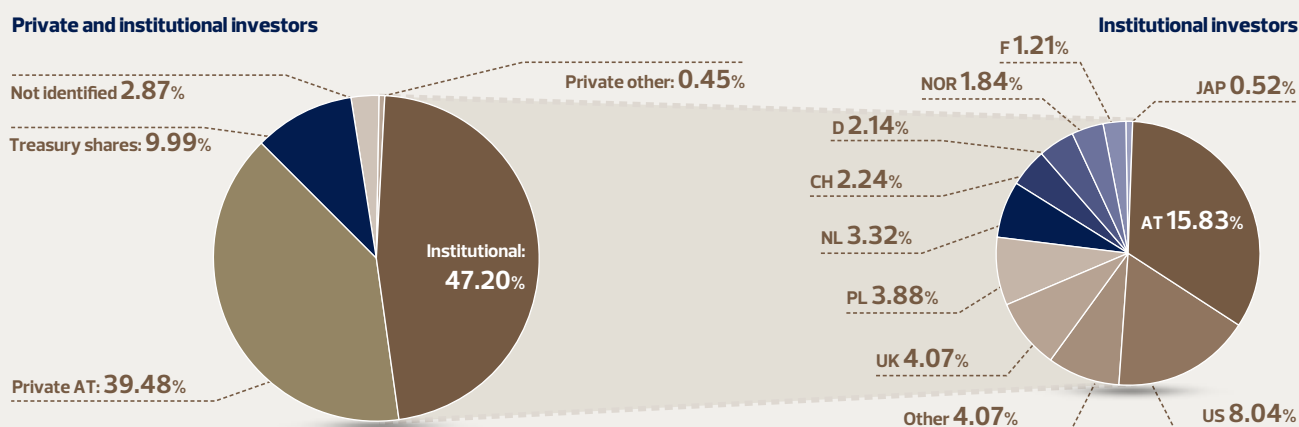
SHAREHOLDER STRUCTURE

In order to improve the precision of communications with current and potential investors, IMMOFINANZ Group has started to conduct regular surveys of its shareholder structure.

The shareholder structure was first surveyed by an external service provider during February and March 2011, and a structural analysis of the top 100 investors was conducted from May to June. This resulted in the allocation of 97% of the shares to specific investors or investor groups. In addition to private and institutional investors from Austria (15.83%), established global institutional investors hold a combined stake of 31.38%. The institutional investors come primarily from Austria, the USA, Great Britain and Poland.

A total of 94.37% of the shares are held in free float. As of 15/04/2011 FRIES Familien-Privatstiftung, which maintains its registered headquarters in Schwertberg, and Dr. Rudolf FRIES Familien-Privatstiftung, which maintains its registered headquarters in Kaumberg, and Mr. and Mrs. Rudolf Fries in 4311 Schwertberg held a combined investment of 5.06% and therefore more than 5% of the share capital of IMMOFINANZ AG. This stake was increased to 5.6% through share purchases as of 31/07/2011.

Private and institutional investors by country



INDEXES

The IMMOFINANZ share is currently included in the following indexes:

Index	Index manager
WBI	Vienna Stock Exchange
ATX	Vienna Stock Exchange
ATX Prime	Vienna Stock Exchange
Immobilien-ATX	Vienna Stock Exchange
NTX (New Europe Blue Chip Index)	Vienna Stock Exchange
GPR 250	Global Property Research
E&G EPIX	Ellwanger & Geiger
EURO STOXX	STOXX Ltd.
STOXX EUROPE 600	STOXX Ltd.

ATX INCLUSION STRENGTHENS THE IMMOFINANZ SHARE

Inclusion in the ATX and EPIX

The upward trend continued into 2011. On 02/03/2011 the ATX committee announced that the IMMOFINANZ share would be included in the ATX as of 21/03/2011. The addition of IMMOFINANZ

AG to the ATX reflects the importance of the company for the Vienna Stock Exchange and improved the visibility over the company for international investors.

IMMOFINANZ SHARE ADDED TO THE E&G EPIX INDEX

In 2010/11 the IMMOFINANZ share was also included in the E&G EPIX, the European index for property companies that is prepared by the private bank Ellwanger & Geiger.

INCLUSION IN THE EPRA INDEX EXPECTED

According to well-informed circles, the Committee of the European Public Real Estate Association (EPRA) is considering a change in the guideline for inclusion in its recognised indexes. This amendment is necessary because, under the current rules, property companies whose investments are balanced between Eastern and Western Europe may not be included in the EPRA indexes. The inclusion of IMMOFINANZ Group, which has been called for by numerous investors for some time, should then be a matter of course.

The next meeting of the EPRA committee is scheduled for the beginning of September 2011.

INCREASE IN NAV/SHARE THROUGH SHARE BUYBACK PROGRAMME 2010–2011

On 08/11/2010 the Executive Board of IMMOFINANZ AG decided to make use of an authorisation provided by the 17th annual general meeting on 28/09/2010 in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act and announced a share buyback programme. A total of 47,350,248 IMMOFINANZ shares were repurchased for EUR 145.8 million on or before 18/03/2011. The average price was EUR 3.0782 per repurchased share. After the conclusion of this share buyback programme, IMMOFINANZ Group held 9.99% of share capital as treasury shares.

DIVIDEND POLICY

Based on the sound development of the company and the improvement in the results of operations from EUR 364.9 million to EUR 458.7 million – which represents a year-on-year increase of EUR 93.8 million – IMMOFINANZ Group will make a recommendation to the annual general meeting on 28/09/2011, calling for the payment of a ten cent per share dividend. The distribution of increasing dividends to IMMOFINANZ shareholders is part of the Group's long-term policy, whereby plans call for the distribution of 15 cents per share in 2011/12 and 20 cents per share in 2012/13.

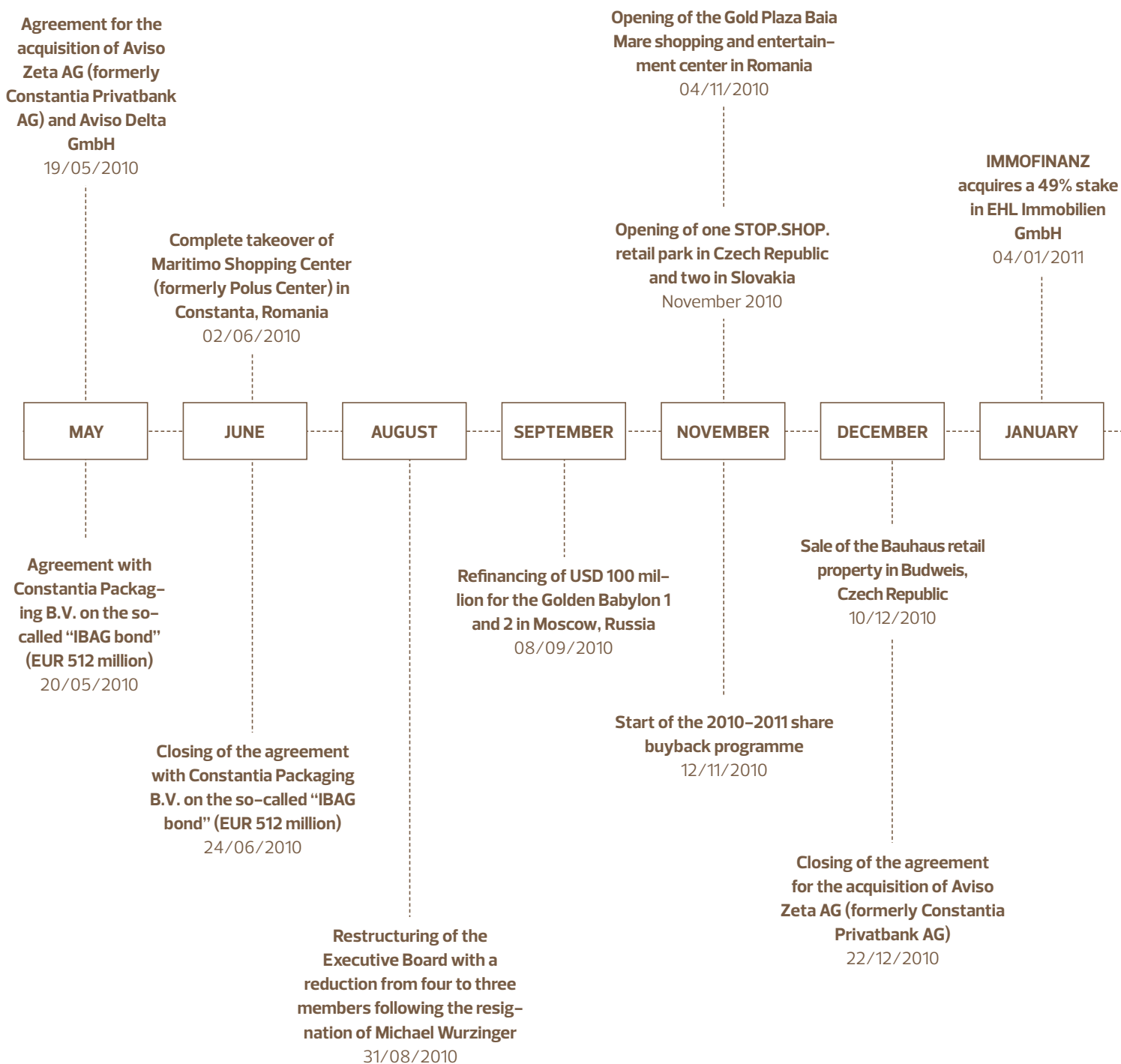
INCREASE IN SHARE CAPITAL THROUGH CONVERSIONS

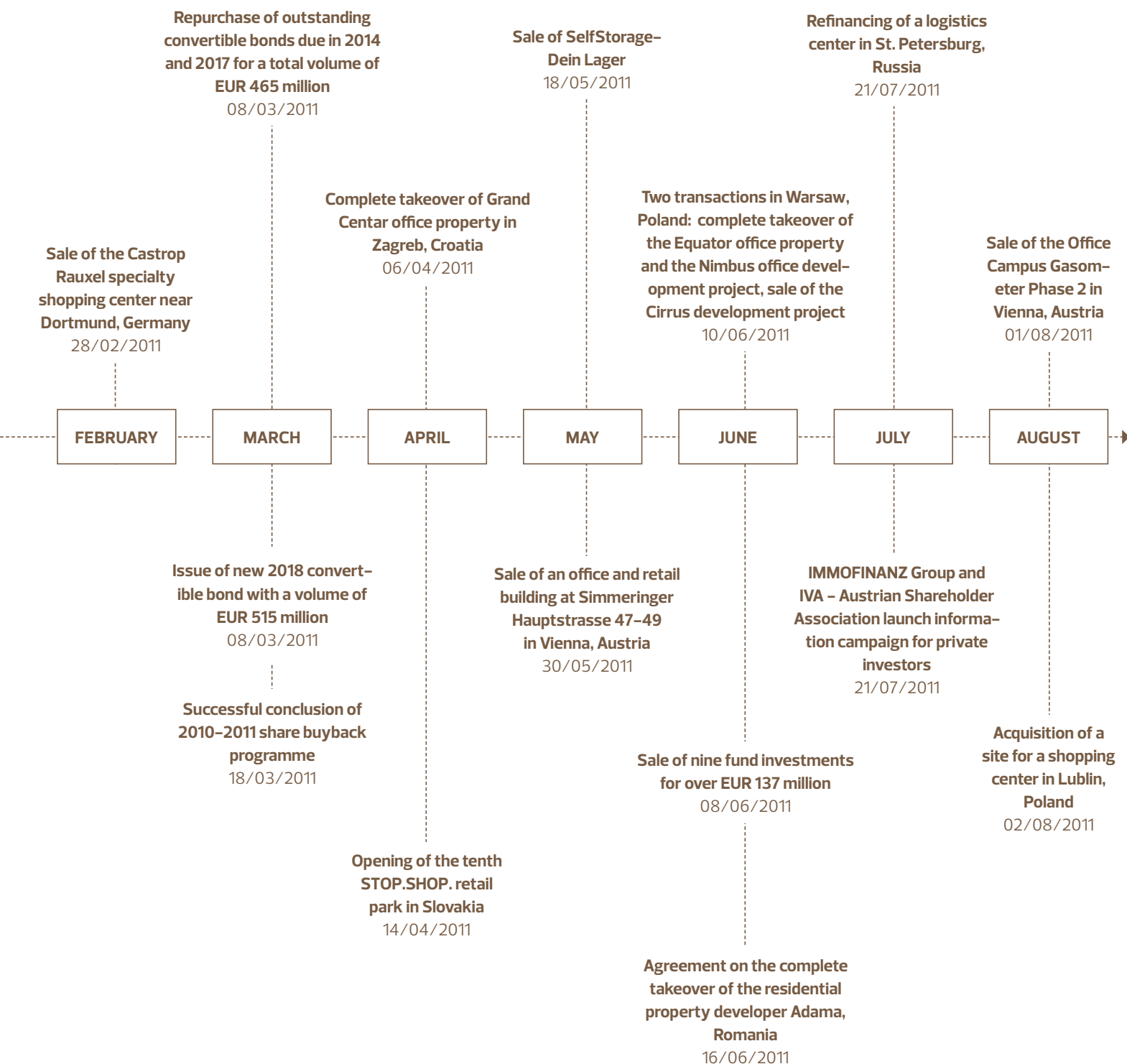
The share capital of IMMOFINANZ AG totalled EUR 1,085,289,399.25 as of 30/04/2011. This share capital is divided into 1,045,373,586 zero par value shares with voting rights, each of which represents a proportional share of EUR 1.04 (rounded) in share capital. The increase of 1,156,811 shares in 2010/11 resulted from the issue of shares following the exercise of conversion rights by the holders of convertible bonds issued by IMMOFINANZ AG. Conversion rights were also exercised after the balance sheet date: at the end of July 2011, share capital amounted to EUR 1,104,495,838.48 and is divided into 1,063,873,586 shares.

REFINANCING OF CONVERTIBLE BONDS CB 2014 AND CB 2017

On 03/03/2011 IMMOFINANZ AG issued a convertible bond that is due in 2018 (CB 2018). The proceeds from this security were used, above all, to repurchase convertible bonds that could be put by the bondholders in 2012. The CB 2018 had a total issue volume of EUR 515 million. Additional information on the convertible bonds issued by IMMOFINANZ AG is provided in the management report under the section "Information on capital".

Highlights and Timeline





Focus on the Executive Board

Gold Plaza, Baia Mare, Romania





“Results are the only thing that really counts.”

“We can accomplish a great deal more than the ordinary property owner because we have more know-how, more experience and more expertise in our company,” emphasised CFO **Eduard Zehetner** in this interview on strategic goals, increased development activities – and the question as to how he wants to generate maximum added value for all shareholders.

Here we are in your new office in the Vienna Twin Tower, everything is very open and transparent. Did this new environment provide the inspiration to make your communications more transparent? You recently launched a communications campaign for private investors.

No, we’ve been working on special communications for our private investors for some time. They deserve this attention and deserve to be kept up to date on our achievements and our goals. It’s also important for us to know they support our course. And isn’t it interesting for every investor – however large or small his or her investment is – to see: What is going on in my company? Where is my company heading? And how can my investment develop, and just what is it worth?

In your opinion, what were the milestones in 2010/11?

We continued to move into an optimisation phase. The successful completion of restructuring allowed us to turn our full attention to the core business. We significantly expanded our development department and development activities, and now have more than 20 projects in progress. In Katowice we are expanding a shopping center. In Russia we acquired the remaining 25% stake in GoodZone and are now working to complete this shopping center.

What are your next strategic goals?

We intend to do just what we always wanted to do with our portfolio and our properties: make money. We plan to optimise these properties and develop new projects. Properties that have reached the peak of their price cycle will be sold. We want to use our nearly 12 billion balance sheet total to generate as much money as possible for our shareholders.

Most of your activities are concentrated in Eastern Europe. Why?

Because we inherited this structure. And because we also see the east as the setting for Europe’s future – and its growth.

In other words, you’re happy with this legacy?

Whether I’m happy or not is beside the point. I’m happy to see that we’re invested in Eastern Europe and not in Ireland, Italy or Greece. We’re actually very satisfied with our properties in this region. In a number of countries we still have a lot to do, for example in Romania, where the necessary economic growth is only just starting. In contrast, we’ve already passed the turning point in Poland and recovery is rapidly gaining momentum.

How does this growth course fit in with the economic climate?

It doesn’t just fit, but is directly dependent on the economic climate. Property investments don’t take place at the peak of an economic cycle, they lag behind. When the economy is growing, you have a shortage of retail space, offices and housing. And that leads to investment.

Are development projects important for this growth?

We at IMMOFINANZ Group can accomplish a great deal more than the ordinary property owner because we have more know-how, more experience and more expertise. It’s not enough for us to purchase completed, fully rented buildings and then just watch the leases expire. We can generate

“We want to generate increasing profits for our shareholders with each and every project.”

Eduard Zehetner
Chief Executive Officer



the added value we want, above all, when we create it ourselves through development projects. That means purchasing properties at a favourable price followed by development, successful rentals and optimisation. And then selling when the right time comes. These are our three main sources of income. When the combination is optimal, we can maximise added value – and that is our goal.

IMMOFINANZ Group is one of the five largest listed property companies. What makes the company so special?

One unique feature is ours for sure: the “first mover advantage” in Eastern Europe. Today we have a large number of properties in the best locations. Local staff makes it possible for us to move faster than outside investors or local developers who first need to look for financing partners in Western Europe. We have both. We have the development capability and a strong financial base. That represents a significant advantage because we can react quickly to opportunities as they arise. Another special factor is our know-how – we built up this expertise through hard work and it gives us a head start over the competition. We know what is happening, where it is happening and how fast you need to be. We know how to build a shopping center in Europe. Not too many people can do that. We finished construction during the crisis and opened the *Golden Babylon Rostokino* shopping center in Moscow during November 2009 with an occupancy rate of 66%. Today we have over 92% occupancy, and the value of the property has risen by nearly 300 million. One thing we learned during the crisis: we have a goal that we intend to meet. It’s not always the easiest way, but we are very persistent. And that’s what makes us different.

“We benefit from strong networks.”

“A key step was the combination of individual portfolios that were previously segmented by geographical regions,” commented Executive Board member **Manfred Wiltschnigg** in an interview on successful restructuring measures, the right way to take advantage of opportunities and the importance of networks for long-term success in the real estate business.

As part of the restructuring, IMMOFINANZ Group reduced its Executive Board from five to three members. A tour de force?

It was certainly a challenge to integrate and restructure these two areas and, after that, to redefine the key aspects of property management for the entire portfolio. However, these measures were unavoidable because they gave us an integrated overview of our entire portfolio. Only then could we define the major functions, processes and strategies for the standing investments. Our first step was to assign each property to a matrix built on asset classes and countries – then we set the direction for the development of the portfolio with respect to product quality, market presence and investment volume. We are now much further along and have implemented a product group classification based on strategic business segments. This segmentation allows us to manage the individual sub-portfolios a great deal more effectively and efficiently while, at the same time, monitoring the effects on the total portfolio. That produces significantly better results. Our activities on the various markets and the degree to which we have reached our goals are now much more transparent for our shareholders.

You are responsible for the office, retail and logistics asset classes. What were the milestones in 2010/11?

All things considered, we were faced with very difficult markets. But we still achieved a great deal: we optimised the quality of the standing investment portfolio, increased occupancy and improved local management. We replaced a number of property managers whose performance didn't meet our standards. The central asset management department in Vienna was completely restructured, and cooperation with local asset management and the property managers was improved. In the office segment, we have significantly higher occupancy levels than the competition in nearly all our markets because of this intensive asset management, proactive communications with current tenants and close supervision of the property managers. An independent analysis by IPD recently confirmed that we outperform the competition in nearly all property management categories.

We recently introduced a classification for the retail sector that differentiates between quality shopping centers and retail parks operating under our STOP.SHOP brand. For the STOP.SHOPs we have created a completely new strategy. We're in the process of establishing STOP.SHOP as a central brand in all our markets, including Austria. In some cases we are redesigning existing retail parks to make them more attractive for customers – and this under the umbrella of a strong common brand. In our Quality Shopping Center business segment, we did not extend half the current management contracts and found new, lower cost solutions that will allow us to more closely supervise the local center managers. This has produced outstanding results in a number of markets and allowed us to defend our position in difficult regions like west Romania.

In the logistics sector, we completed the full takeover of Deutsche Lagerhaus. This corporate group recorded the best results in its history during the 2010/11 financial year and functions extremely well as a business model. A completely new strategy was also developed for the east. We plan to concentrate on a few core markets where we will develop and/or acquire high-quality logistics properties and create a standardised product with respect to the tenant structure, type of location, quality of construction and branding. This standardisation will facilitate handling and give us the urgently needed market presence. It will also increase our opportunities to work together with the same tenants in several countries.



“Our portfolio strategy has been further developed and significantly refined.”

Manfred Wiltschnigg MRICS
Member of the Executive Board

What makes IMMOFINANZ different from its competitors in the commercial sector?

On the one hand, we are one of the major players and, at the present time, practically the only developer and investor on many of the East European property markets. On the other hand, we have proven our resistance to crisis – even if that sounds funny in our case. We did a good job in mastering both the internal corporate crisis and the external financial crisis that swept over us like a huge wave and, at the same time, also held our market positions. In the meantime, we have regained a good deal of confidence with our business partners, not least because they’ve seen how well we met the enormous challenges of a “near collapse”. People know us, people believe in us, people trust us, we are dependable. And we have a closely knit network of business and private contacts throughout Western, Central and Eastern Europe – because we’ve been on the market for a long time, and because our managers have personal networks that they can depend on. Especially in the CEE region, we have a large number of ambitious, skilled men and women who think in terms of opportunities, can rely on many years of experience and can work successfully under pressure.

How important are these personal networks?

They give us a decisive advantage. The real estate business is not like industrial manufacturing, where standardised raw materials and goods can be produced almost anywhere for sale on any number of markets. Property rental is a local business with a product that’s not standardised – it involves rental space that is subjectively different at every location and sometimes in every part of a building – and, above all, it is a business between people. It’s based on long-term cooperation between the landlord and tenant, and will only function well over the long-term when there is fundamental trust between the two parties. In the real estate investment area, advance information is decisive and you only get this information if you are a serious, fair and stable partner who can be completely trusted. We’ve worked hard to reach this position and it represents an important foundation for our future growth course. We expect our markets will recover in the near future. IMMOFINANZ will then gain substantial benefits from its improved and newly developed properties and rising market prices, and can look with optimism and confidence to many more successful years.

"The value creation could be gigantic."

"We want to strengthen our market position in Austria and grow in Germany. We're also ready to move in the east as soon as demand starts to rise. Not many companies can say that", explained Executive Board member **Daniel Riedl** in an interview on the residential portfolio of IMMOFINANZ Group, the high potential for value creation through rezoning and the best brains on the continent.

What makes IMMOFINANZ Group different from its competitors in the residential segment?

We cover the entire value chain in the residential sector, and that in a scope that allows us to have specialists for every field right here in the company. In Austria we are not only one of the largest apartment owners, but also one of the largest private facility management companies. In Vienna we have grown to become one of the top three residential property developers. What also makes us different is the fact that we managed to sell more at higher prices and also buy a great deal in spite of the market turmoil.

Are the circumstances surrounding the BUWOG acquisition still an issue?

Some of our staff still hear comments or questions, but this story doesn't have any impact on our business. I believe our institutional customers, just the same as our tenants and people who buy investment apartments, can very well draw a line between the political events connected with the BUWOG acquisition in 2004 and what we now do every day. We have a good standing on the market, we can see that in our daily business – and the numbers confirm it. During the past year we sold nearly 400 apartments from our portfolio, or almost 25% more than the year before. And at prices that were roughly 5% higher. The seeds we planted in earlier years are now growing, and that's nice to see. Apartment sales are a "cash cow" for IMMOFINANZ Group because we can sell most of these units at a sound margin. We also closed important portfolio transactions during the past year, for example in Styria and Vorarlberg. In Berlin we were able to integrate residential properties in the BUWOG portfolio and increase rents.

Why the concentration on Austria and Germany?

Austria is our home market. In BUWOG Group's portfolio, we have a solid foundation and an important source of stability for IMMOFINANZ Group. Germany is the next logical step, in part because we have reached our growth limits in Austria. The German market is comparable to Austria, it's stable and has a similar legal framework. We feel at home in Germany and intend to realise part of our future growth in the residential segment of this market. Germany is now an attractive investment location where we can acquire properties and generate sound returns. Later on, we might add project development to our activities in that market.

Is the takeover of the Romanian Adama an indication that you also intend to increase your project development activities in the east?

Yes, because of the strong growth forecasted for condominium markets. The only thing no one can predict is just when this will happen. You really need to differentiate between these countries. In Romania, economic recovery is just starting. In Bucharest, the first signs of improvement have appeared and we are ready to move. We're preparing for the upturn and, with Adama, have a platform to realise residential construction projects on land from the IMMOFINANZ portfolio. We already have two major sites in Bucharest – a former ventilator factory and a former bus factory – with very large areas that we want to develop for housing projects.

What role does rezoning play in your strategy?

One of our most important goals is to get the most out of IMMOFINANZ Group's portfolio – in all asset classes. We're currently working in the Czech Republic to rezone land in a residential neighbourhood for a logistics project. When an industrial location is transformed into residential property, the potential for an increase in value is enormous.



“Apartment sales are an important source of income because we can sell most of these units at a sound margin.”

Daniel Riedl FRICS
Member of the Executive Board

Do your residential experts exchange information with the development departments in the other asset classes?

Of course, as often as possible. There has always been an active exchange between IMMOFINANZ Group and the troop at BUWOG, which has one of the largest development units in the corporation. In the last 12 months, we established a commercial development department. An excellent example of this mutual support is the project in Breitenfurterstrasse, where we worked together to rezone the site. It should soon become the location for two large retail markets and, in the area behind, a home for numerous residents in several hundred apartments – a successful cooperation project that we are creating together. We use synergies wherever we find them. Adama has also led to numerous opportunities for cooperation and cost optimisation – for example, on the bus factory project in Bucharest.

What about sustainability in residential construction?

BUWOG realised its first sustainable residential construction projects in the 1990s and has significantly intensified this focus in recent years with low(est) energy and passive house projects. To a certain extent we have taken on a leading role, but without being all too experimental. Experimenting with customers is not a particularly smart approach. We employ technologies as soon as they are proven. We build what our customers want – and many of them see sustainability and energy efficiency as important issues. During the past year we signed a contract with an energy provider at extremely favourable conditions, and now purchase 100% eco-electricity for IMMOFINANZ Group in Austria. And that at substantially better terms than our previous purchases of conventional electricity. We can successfully realise this mixture of cost efficiency and sustainability because of our market size and, at the same time, also make a contribution to social responsibility.

Speaking about responsibility: what progress have you made in the area of human relations?

Over the past years we have built up a structure that is there for our employees. The central element: working in IMMOFINANZ Group must be attractive because that is the only way to attract and retain the best brains on the continent. We have a new location here in the Vienna Twin Tower, and we want to show how spirit and enjoyment can be an integral part of modern work.

Group Management Report

STOP.SHOP. Erd, Hungary





1. Company Profile

IMMOFINANZ AG is an international real estate investment and development corporation whose headquarters are located in Vienna, Austria. It serves as the parent company of IMMOFINANZ Group and is listed in the ATX segment of the Vienna Stock Exchange (ISIN AT0000809058). As of 30/04/2011 the company had 1,045,373,586 zero par value, voting shares outstanding. Market capitalisation amounted to approx. EUR 3.4 billion at the end of the 2010/11 financial year based on a closing price of EUR 3.21. As of 30/04/2011 5.2% of the IMMOFINANZ shares were held by the FRIES Family Private Foundation, the Dr. Rudolf FRIES Family Private Foundation and Mr. and Mrs. Rudolf Fries. The remaining 94.8% of the shares are held in free float by private and institutional investors.

The core business of IMMOFINANZ Group is the generation of rental income through the active management of a diversified real estate portfolio in Central and Eastern Europe. Development projects and portfolio-optimising sales represent additional sources of income. The Group's activities are based on an 80:10:10 strategy: property rentals are responsible for 80% of operating income, and 10% each is realised on development projects and property sales. This combination of standing investments and development projects allows IMMOFINANZ Group to optimise the balance between opportunities and risks. The standing investments produce steady income, while development activities create a potential for the future.

In order to achieve an optimal diversification of risk, IMMOFINANZ Group selects properties in different locations and sectors. Other strategic factors included in risk minimisation are the scale of the investment and the tenant structure. This diversification helps to offset market cycles and fluctuations.

The business activities of the IMMOFINANZ Group are focused on the residential, office, retail and logistics asset classes in the core markets of Austria, Germany, Poland, Hungary, Czech Republic, Slovakia, Romania and Russia.

IMMOFINANZ Group currently owns 1,672 standing investments with a combined value of approx. EUR 8.5 billion (as of 30/04/2011). Additionally, IMMOFINANZ Group holds investments in international property companies and funds. One element of the current strategy is to reduce these passive commitments through sales or to gain majority control. The funds released by the sale of non-core assets and by opportunistic property sales are reinvested in prime properties. During the 2010/11 financial year and after the balance sheet date, IMMOFINANZ Group recorded proceeds of approx. EUR 665.4 million – thereof EUR 304.6 million after 30/04/2011 – on the sale of properties.

2. Economic Developments in the Core Countries of IMMOFINANZ Group

ANALYSES AND OUTLOOK

A positive economic climate is an important factor for the success of real estate projects. Stable operating conditions, sound consumer purchasing power and companies focused on expansion drive rental prices, increase the demand for space and lead to higher investment. In 2010/11 the global economy returned to a growth course. Calculations by Credit Suisse show a notable improvement in worldwide growth from -0.7% in 2009 to +4.9% in 2010. The strongest development among the major Euro countries was registered in Germany with +3.6%. In contrast, development was negative in Spain (-0.1%), Ireland (-1.0%) and Greece (-4.5%).

EASTERN EUROPE LEADS THE RECOVERY

The road to recovery from the financial and economic crisis has been marked by substantial regional differences. A number of West European countries are still faced with massive consequences as well as enormous deficits and high unemployment, but the situation in the CEE region is significantly better. Average growth in Central and Eastern Europe was substantially stronger than most of Western Europe. With an expected increase of 4.2% in 2011, Poland should again outperform most of the other European countries. The European Central Bank (ECB) projects average growth of 1.3% to 2.1% for the Euro zone in 2011. EuroStat, the statistical agency of the European Union, confirms this estimate and forecasts GDP growth of 1.6% for the Euro zone. Economic development in the EU should reach 1.8%, as indicated by EuroStat. In the first quarter of 2011, the GDP in both the Euro zone and the EU-27 rose by 0.8%. The countries with the strongest momentum include IMMOFINANZ Group core regions like Austria, Germany, Poland, the Czech Republic and Slovakia – and international investors are increasingly turning their attention to the opportunities available in these markets.

**Economic upturn in
the IMMOFINANZ core
regions**

	Unemployment rate 2010 in %	Inflation rate 2010 in %*	Gross national debt 2010 in % of GDP	Deficit/surplus 2010 in % of GDP	GDP growth rate 2010 in %**	Forecasted GDP growth rate 2011 in %**	Forecasted GDP growth rate 2012 in %**
AT ¹	4.4%	1.7%	72.3%	-4.6%	2.1%	2.4%	2.0%
DE ¹	7.1%	1.2%	83.2%	-3.3%	3.6%	2.6%	1.9%
PL ¹	9.6%	2.7%	55.0%	-7.9%	3.8%	4.0%	3.7%
CZ ¹	7.3%	1.2%	38.5%	-4.7%	2.3%	2.0%	2.9%
SK ¹	14.4%	0.7%	41.0%	-7.9%	4.0%	3.5%	4.4%
HU ¹	11.2%	4.7%	80.2%	-4.2%	1.2%	2.7%	2.6%
RO ¹	7.3%	6.1%	30.8%	-6.4%	-1.3%	1.5%	3.7%
RU ²	7.5%	8.8%	11.3%	-4.0%	4.0%	4.2%	3.9%
Average 8 core countries	8.6%	3.4%	51.5%	-5.4%	2.5%	2.9%	3.1%
EU-27 ¹	9.6%	2.1%	80.0%	-6.4%	1.8%	1.8%	1.9%
Euro zone (17 countries) ¹	10.1%	1.6%	85.1%	-6.0%	1.7%	1.6%	1.8%

* Change in the annual average of the harmonised index of consumer prices (HICP) ** Growth in GDP volume – per cent change in relation to the prior year
Sources: ¹ EU = EuroStat, ² RU = Federal State Statistics Service/Ministry of Finance/Ministry of Economics of the Russian Federation

ATTRACTIVE MARKETS FOR INTERNATIONAL INVESTORS

Statistics published by the Vienna Institute for International Economic Studies (wiiw) show that international investors placed EUR 60.9 billion in Central and Eastern Europe during 2010 and are expected to invest nearly one-third more this year (EUR 79.2 billion). Nearly one-half of this volume (EUR 31.2 billion) was directed to Russia in 2010. Poland (EUR 6.9 billion) and the Czech Republic (EUR 5.1 billion) are two further core regions of IMMOFINANZ Group that benefit to a significant extent from foreign investors.

AUSTRIA

- GDP Q1 2011: 4.0% (change versus the same quarter of the previous year)*
- National debt/deficit 2010: -4.6% (versus GDP)*
- Unemployment rate April 2011: 4.2%; April 2010: 4.6%*

Austria has the best employment rate in the EU

Strong demand served as the driver for steady growth in the Austrian economy during and after the 2010/11 financial year. With a year-on-year GDP increase of 2.0% in 2010, the country's economic performance was stronger than the Euro zone average. This development was supported above all by higher consumer spending and rising exports. The April export indicator issued by the Austrian National Bank shows a 4% increase in nominal goods exports during the first quarter of 2011. According to the economic research institute WIFO, the GDP rose by 4.2% in annual comparison during the first quarter of 2011 and by 0.9% in quarter-on-quarter analysis. Austrian National Bank forecasts predict a 3% year-on-year plus in the second quarter. Positive impulses are coming above all from the export sector, from rising capital expenditure and from an easing on the previously tense labour market. A report by the Austrian Federal Ministry of Labour, Social Affairs and Consumer Protection shows a decline of 2.5% or 5,720 in the number of unemployed to 221,369 in May 2011. In the construction branch, the number of unemployed people fell by 12.6%. The unemployment rate announced by EuroStat for April 2011 was higher than expected at 4.2% but, as in previous months, will presumably be revised downward. However, Austria – together with the Netherlands (also 4.2%) – and Luxembourg (4.5%) still has the lowest unemployment of all EU member states.

GERMANY

- GDP Q1 2011: 4.8%*
- National debt/deficit 2010: -3.3%*
- Unemployment rate April 2011: 6.1%; comparison: April 2010: 7.3%*

Further upward revision expected to growth forecasts for Germany

The German economy was characterised by strong growth in 2010, with the GDP rising 3.6%. Construction investments rose by 4%; exports increased 19.5%; and consumer spending was 2.4% higher than 2009. Low interest rates during and after the reporting year held corporate investments at a high level. These favourable financing conditions provided support, above all, for the construction branch, which recorded an increase of 15.7% in production during the first three months of 2011. Unemployment fell by 118,000 to 2.96 million in May 2011, which represents the lowest May indicator since 1992 and is 276,000 less than one year ago. From January to March 2011, economic growth exceeded all expectations with a plus of 1.5%. The German Institute for Economic Research (DIW Berlin) previously revised its forecast for 2011 upward from 2% to 2.7% and has already announced a further increase.

* Source: EuroStat

CZECH REPUBLIC

- GDP Q1 2011: 2.5%*
- National debt/deficit: 2010: -4.7%*
- Unemployment rate April 2011: 6.8%; comparison: April 2010: 7.4%*

The Czech Republic “exported itself” out of the crisis. The export quota rose by 23.2% in 2010 and supported a significant improvement in the country’s economic position. After a massive decline in 2009 (-4.2%), the GDP increased 2.2% year-on-year in 2010. The government deficit fell to 4.7% of GDP, for an improvement of more than one per cent over the comparable 2009 level of 5.8%. This upward trend has continued into 2011 and should accelerate further beginning in 2012 with growth of roughly 3%.

**Czech export quota rises
by 23.2% in 2010**

SLOVAKIA

- GDP Q1 2011: 3.6%*
- National debt/deficit 2010: -7.9%*
- Unemployment rate April 2011: 13.9%; comparison: April 2010: 14.5%*

Strong global demand is an important driver for the export-oriented Slovakian economy, as is illustrated by the 22.5% rise in the export quota during 2010. The import quota increased by an even higher 24.9% and underscores the upturn and dynamic consumer behaviour. One of the most important sectors in the economy, automobile production, has experienced a boom since the end of 2010/11. The Slovakian Association of Automobile Producers indicates that 2011 will be a record year with production volumes reaching a minimum of 600,000 vehicles.

HUNGARY

- GDP Q1 2011: 2.2%*
- National debt/deficit 2010: -4.2%*
- Unemployment rate April 2011: 11.6%; comparison: April 2010: 11.3%*

The Hungarian economy recovered during the 2010/11 financial year. Growth amounted to 1.2% in 2010 and should range from 2% to 2.5% in 2011. Forecasts indicate that Hungary is the only country in Eastern Europe and, in addition to Sweden, the only EU member that will produce a budget surplus in 2011. Current estimates place this surplus at 1.6%. In February 2011, construction activity rose for the first time since 2009 (+1.7%). The rating agency Fitch revised its country ranking for Hungary from “negative” to “stable” after the end of the reporting year. The confidence of foreign investors in the Hungarian market has returned.

**Recovery in Hungarian
economy, construction
activity on the rise**

ROMANIA

- GDP Q1 2011: 0.3%*
- National debt/deficit 2010: -6.4%*
- Unemployment rate March 2011: 7%; comparison: April 2010: 7.1%*

The Romanian economy is recovering, but at a gradual pace. Growth was negative at -1.3% in 2010 but, according to EuroStat forecasts, should turn positive at 1.5% in 2011 and amount to more than 3.7% beginning in 2012. The country’s financial stability is protected by a strict reform and austerity package. This upturn reflects a higher level of investments by both the private and public sector, which should rise by 7% in 2011. An increase of 10% is also expected in the export quota. The

* Source: EuroStat

foundation for this development is sound: the EU Parliament recently approved Romania's accession to the Schengen zone by a clear majority.

POLAND

- GDP Q1 2011: 4.3%*
- National debt/deficit 2010: -7.9%*
- Unemployment rate April 2011: 9.3%; comparison: April 2010: 9.7%*

**Poland is one of the
fastest growing countries
in Europe**

Poland confirmed its standing as an economic driver for the CEE region and the EU in 2010/11 and, with forecasted growth of 4.2%, will again outpace most of the other European countries in 2011. The construction branch and private consumption are the basis for these positive results. According to an analysis by RegioData Research, consumer demand in Poland is stronger than all other CEE countries and the retail trade is recording stable growth. Added impulses have been created by preparations for the UEFA EURO 2012. A less advantageous factor is the relatively high -7.9% deficit. Warsaw wants to cut the deficit in half by 2012 in order to enter the preparatory phase for the planned introduction of the Euro in 2015. Reforms and the sale of stakes in government-owned companies will be used to fill the government treasury. Poland generated EUR 473 million through privatisations during the first four months of 2011, and proceeds should reach EUR 3.75 billion by the end of the year.

RUSSIA

- GDP 2010: 4%**
- National debt/deficit: -4%**
- Unemployment rate April 2011: 7.5%; comparison: April 2010: 8.4%**

The Russian economy remained on a strong upward trend throughout the 2010/11 financial year. According to the country's statistical agency RosStat, the Russian economy grew by 4% in 2010 and clearly recovered from the crisis year of 2009 (-7.9%). This economic growth has also led to an increase in employment: in 2010 the unemployment rate fell from 8.4% to 7.5%. In addition, the budget deficit declined from -5.9% in 2009 to -4% in 2010. Important factors for this development were higher prices for energy sources and the global economic recovery. Privatisations will also be used to generate additional revenues over the coming years. Annual GDP growth should exceed 5% according to a BOFIT-Austrian National Bank forecast, but this development will be significantly influenced by international raw material prices. Russia may succeed in joining the World Trade Organisation this year.

* Source: EuroStat

** Federal State Statistics Service/Ministry of Finance/Ministry of Economics of the Russian Federation

3. The Property Markets in the Core Regions of the IMMOFINANZ Group

Developments. Results. Outlook.

Supported by the economic recovery, the European property markets recorded generally positive development during 2010/11 and into the following year. The earlier periods of rising vacancy rates, declining rental prices, weak demand for space and low investment activity were followed by a clear trend reversal. The demand for commercial properties improved significantly during the 2010/11 financial year. According to the international real estate services company CB Richard Ellis (CBRE), the volume of transactions in Europe increased 27% over the comparable prior year period to EUR 35.78 billion in the fourth quarter of 2010. That represents the highest quarterly level since 2008. The core regions of IMMOFINANZ Group were among the main drivers for this growth. For example: the demand for office space in Prague during the first quarter of 2011 was 75% higher than the comparable period of 2009, and the German logistics market produced record results during and after the reporting year. In economically strong Poland 770,000 sqm of space will be added to the retail market this year, and rental prices on Vienna's housing market rose by up to 19% in 2010.

The volume of investments by non-European market participants more than doubled over the first half of 2010 to equal EUR 9 billion in the second half-year. This represents the highest level since the beginning of 2008. The investment volume tended to increase during and after 2010/11, but investors are proceeding selectively. A CBRE survey shows a clear shift in investor preferences among the European countries. Germany (32%) and Central and Eastern Europe (24%) are viewed as the most attractive markets for real estate investments in 2011, whereby the major targets include Poland and Russia. A slight increase in the transaction volume is also expected for Hungary, which was hit hard by the financial crisis.

Investors outside Europe react to the upward trend

The gap between Europe's property markets widened during the 2010/11 financial year. The study on "Emerging Trends in Real Estate Europe 2011" by the auditing and consulting firm PwC and the Urban Land Institute shows that the property markets in the Euro crisis countries – above all Greece and Ireland – are losing ground, while earnings opportunities in Northern and Central Europe increased during and after the reporting year.

Steady improvement in market situation allows for attractive and sustainable yields over the medium- and long-term

The market indicators for the asset classes of IMMOFINANZ Group are generally pointing upward. Expectations for the further development of the economies and property markets in the Group's core countries are basically positive. Real estate projects can be developed at favourable terms during periods of economic recovery, and the prospects for IMMOFINANZ Group are excellent. Many investors withdrew from Eastern Europe during the economic crisis, but IMMOFINANZ Group stayed on and now has a head start to utilise the opportunities created by the upturn.

OFFICES

Capital city/core market	Vacancy rate in Q1 2011 for office properties in %	Top yields in Q1 2011 for office properties in %
Berlin, DE	9%	5%
Bratislava, SK	10.1%	7.25%
Budapest, HU	18%	7.5–7.75%
Bucharest, RO	16%	8–8.25%
Moscow, RU	15.1%	9%
Prague, CZ	13%	6.75%
Warsaw, PL	6.6%	6.5%
Vienna, AT	5.3%	5.25%

Sources: Jones Lang LaSalle and CB Richard Ellis

The office market in **Austria** generally stabilised part during 2010/11. Office rentals in Vienna fell by roughly 30,000 sqm to 220,000 sqm in 2010, above all due to weak results during the first quarter. In the second half-year, the market was notably more active. Forecasts for 2011 show a slight increase in rentals to 240,000 sqm. Top rents are found primarily at prime inner city locations and were stable at EUR 21/sqm towards the end of 2010/11. The production of new space is expected to fall by 5,000 sqm year-on-year to 180,000 sqm in 2011.

**German office market:
highest revenues at the
start of the year
since 2002**

The office markets in **Germany** recovered steadily during the 2010/11 financial year. High-quality properties at top inner city locations are again in high demand according to a DIP analysis (Deutsche Immobilien-Partner) of the office markets in the 15 largest German cities. The turnover of space reached 3.38 million sqm in 2010, which represents an increase of 16% and is higher than the average of the past ten years. Office rentals in Berlin amounted to 131,800 sqm in the first quarter of 2011 according to an analysis by CBRE. That reflects a quarter-on-quarter increase of 21% as well as the best start into a new year since 2002.

**Warsaw: 96% year-on-
year increase in office
rentals during 2010**

Developments on the office markets in **Eastern Europe** vary widely. For example, Warsaw and Prague are on a clear upward trend. The demand for space in Prague rose by 73.7% to 85,020 sqm in the first quarter of 2011. Office rentals in **Warsaw** totalled 549,000 sqm in 2010, for an increase of 96% over the previous year. Supply and demand are largely balanced, and top rents in Warsaw rose to EUR 24–26.5/sqm in the first quarter of 2011. In addition to Warsaw and **Prague**, the boom markets in the office sector also include **Moscow**. Top rents in this city rose by 25% over the previous year to EUR 59/sqm in the first quarter of 2011 according to Jones Lang LaSalle (JLL). **Budapest** presents a different picture with a high level of vacancies (25.7%), but the first signs of an easing in the situation have been noted. Rentals exceeded the production of new space by a substantial amount during and after the 2010/11 financial year, and vacancy rates should fall below 20% in 2011. Vacancies are also high on the **Bucharest** office market (17%). The Slovakian office market improved significantly in 2010/11. The production of new space in **Bratislava** fell by 32% to 71,500 sqm in 2010. However, a parallel increase in demand pushed the vacancy rate back to 11.5%, and a further decline down to the single-digit range is expected in 2011. As indicated by King Sturge Research, rents are stable at EUR 14–17/sqm.

RETAIL

Capital city/core market	Vacancy rate in Q1 2011 for retail properties in %	Top yields in Q1 2011 for retail properties in %
Berlin, DE	n.a.	5.2%
Bratislava, SK	9.6%	7%
Budapest, HU	19%	7–7.25%
Bucharest, RO	17.5%	8.25–8.5%
Moscow, RU	approx. 7%	9.5–10%
Prague, CZ	5.75%	6.5%
Warsaw, PL	1%	6.25%
Vienna, AT	n.a.	4.5%

Sources: Jones Lang LaSalle and CB Richard Ellis, * Q4 2010

The ongoing economic recovery, declining unemployment and corporate expansion provided major impulses for the retail property market in 2010/11. In spring 2011 the CEE shopping climate index published by RegioData Research was significantly higher than earlier periods, with top values recorded by the IMMOFINANZ Group core countries of Austria, Poland, Czech Republic and Russia. A CBRE report shows an increase in the transaction volume for retail properties in Europe to EUR 12.2 billion during the first quarter of 2011. This level is not only 4% above the fourth quarter of 2010, but also represents the strongest growth since the fourth quarter of 2008. The investment market for retail properties is outpacing the overall market and reached a share of 46% in the first quarter of 2011.

In **Austria**, selling space in the shopping centers is increasing slowly but steadily. The total selling space in the 100 largest shopping centers amounted to approx. 1.6 million sqm in 2005 but, according to an analysis by RegioPlan Consulting, had grown to approx. 1.9 million sqm by the end of the 2010/11 financial year. The vacancy rate in the top 100 shopping centers equalled 3%, in contrast to 6% one year ago. Average square metre turnover in Austria's 100 largest shopping centers equalled nearly EUR 4,500.– per year in 2010/11.

The retail market in **Poland** benefited from the strong growth of the national economy during 2010/11. A CBRE analysis indicates that this country was not only as one of the most liquid markets, but also the focal point of interest by foreign investors in 2010. In the coming quarters Poland should maintain its position as the leading CEE destination for retailers, followed by the Czech Republic, Russia and Hungary. According to a Cushman & Wakefield analysis, 560,000 sqm of retail space opened in Poland during 2010. The EHL Real Estate Market Report estimates that 770,000 sqm of new retail space will be added in 2011. The steady rise in demand should lead to a decline in vacancy rates, which equalled 3.5% at the beginning of 2011. Top rents range from EUR 75 to 85/sqm and a further increase is expected in 2011. As indicated by the CBRE report "How Global is the Business of Retail", the presence of international retailers in Poland rose by more than 1.5% in 2010.

In the **Czech Republic**, top rents remained stable at EUR 65–100/sqm and the vacancy rate was constant at 5%. A further decline in vacancies rate is expected because the forecasted production of new space will fall from 150,000 sqm in 2010 to 60,000 sqm in 2011. Additionally, a number of international retail chains have announced further expansion plans for the Czech market during the second half of 2011 and in 2012.

The retail market in **Hungary** was characterised by weak demand at the beginning of the 2010/11 financial year. An upturn is expected in 2011, with an increase in demand to 95,000 sqm (2010: 70,000 sqm). However, consumers remain very price-sensitive. The retail market in **Slovakia** was distinguished by subdued consumer spending and an oversupply of new retail space in 2010/11. A total of 210,000 sqm of new space were opened in 2010, with the majority – 155,000 sqm – representing state-of-the-art shopping areas. The oversupply is substantial, above all in and around Bratislava. Retail rents are more stable outside the capital city.

Rental prices on the retail market in **Romania** declined throughout 2010, but the first signs of a trend reversal were noted towards the end of the 2010/11 financial year. International chains like Zara, Mango, and C&A as well as supermarket operators plan to increase their investments in the Romanian market. The demand for space is expected to rise from 150,000 sqm in 2010 to 200,000 sqm in 2011. Demand has already started to improve for centers in top locations.

**6% increase in rents on
Moscow retail
market in 2010**

The shopping centers in **Russia** registered a steady increase in tenants during 2010/11. Construction activity is low, and the supply of new rentable space is growing more slowly than the demand. Consequently, vacancy rates in Moscow – a key retail market for IMMOFINANZ Group – are declining and rents rose by 6% in 2010 according to CBRE.

LOGISTICS

Capital city/core market	Vacancy rate in Q1 2011 for logistics properties in %	Top yields in Q1 2011 for logistics properties in %
Berlin, DE	n.a.	7.4%
Bratislava, SK	9%	8.25–8.5%
Budapest, HU	approx. 22%	9–9.25%
Bucharest, RO	13%	9.75–10%
Moscow, RU	3.7%	11%
Prague, CZ	approx. 10.3%	8–8.25%
Warsaw, PL	18%	8%
Vienna, AT	n.a.	4.5%

Sources: Jones Lang LaSalle and CB Richard Ellis
* Q4 2010

Strong performance by the export sector was a decisive factor for the upturn in the German economy during the 2010/11 financial year. The high demand for German goods and products, and the related increased demand for warehouse and logistics space, led to record results in Germany. The logistics branch indicator published by the Kiel Institute for the World Economy reached 160.8 index points in the fourth quarter of 2010, which is the highest level since 2006. As indicated by a CBRE analysis, revenues from logistics property transactions nearly doubled to EUR 880 million in 2010. The dynamic momentum in foreign trade has also supported an increase in rentals and investment activity on the German logistics market since the end of 2010/11.

**Transaction volume on
Polish logistics market
rises by 86% in 2010**

The logistics market in **Poland** benefited significantly from the economic upturn in 2010/11. In comparison with 2009, the transaction volume rose by 86% to 1,419,000 sqm in 2010 according to Cushman & Wakefield. Investments in logistics facilities totalled EUR 215 million for 2010, which is the highest volume since 2006. Rents were constant at EUR 4.5–5.3/sqm towards the end of the 2010/11 financial year, despite the growing supply of new space. However, prices are expected to

increase somewhat in the future, above all due to the strong demand. More than 1.4 million sqm of warehouse space were let in Poland during 2010 (+29% versus 2009).

In **Czech Republic**, recovery is being driven by both the import and export sectors. The logistics market successfully completed the turnaround in 2010. Demand of 650,000 sqm was contrasted by new production of only 190,000 sqm, which led to a decline in the vacancy rate from over 17% to roughly 10% according to an EHL analysis. For 2011 EHL has forecasted demand of 450,000 sqm as well as the production of 300,000 sqm in new space, i.e. good conditions for a further drop in vacancy rates and stable prices. Jones Lang LaSalle reported top rents of EUR 4.25/sqm in Prague and up to EUR 4.5/sqm in modern distribution centers outside the capital city at the end of the 2010/11 financial year.

The logistics market in **Hungary** profited from the recovery in industrial production to only a limited extent in 2010, with an increase of 5% in the transaction volume according to JLL. Rents remain stable, but are under growing pressure because many tenants are looking for opportunities to cut costs. The vacancy rate rose to nearly 20% at the end of 2010/11. New rentals amounted to 210,000 sqm in 2010, for the best results since 2007. This modest upward trend is also reflected in rising demand, which should grow to 220,000 sqm in 2011.

Prices on the logistics market in **Romania** are stable at EUR 4.15/sqm. Demand should rise from 70,000 sqm to 80,000 sqm in 2011 due to recovery in the retail sector, while the production of new space should decline from 120,000 sqm auf 100,000 sqm.

The logistics branch in **Russia** mastered the most severe crisis since the end of the Soviet Union during the post-2009 period. Market conditions generally normalised in 2010/11. Strong economic growth and dynamic bilateral trade – RosStat reports show an increase in exports from USD 304 billion (2009) to USD 396 billion (2010), and in imports from USD 191.9 billion auf USD 229 billion – are driving the Russian export sector and fuelling the demand for logistics space. According to CBRE, rents on the Moscow logistics market have increased to EUR 6.75–7.25/sqm. A Jones Lang LaSalle analysis shows that Moscow logistics market recorded the second highest revenue growth in Europe, after Great Britain, with a plus of 102% in newly rented or leased logistics space. Russia was followed in this ranking by the Czech Republic (+ 46%), Poland (+ 34%) and Germany (+ 32%), further core regions of IMMOFINANZ Group.

RESIDENTIAL

The housing market in **Austria** and Germany was characterised by rising demand and higher rental prices during and after the 2010/11 financial year. The Association of Real Estate and Asset Trustees of the Austrian Federal Economic Chamber reported a nationwide rise of 4.4% in the prices for building sites during 2010 (2009: 3.8%) as well as an increase of 4.3% (2009: 2.3%) in the prices for used condominiums. The prices for single-family houses were 3.3% higher (2009: 2.2%). Rental prices on the Vienna housing market increased by up to 19% in 2010.

In **Germany**, the residential index published by the consultancy firm F+B showed an increase of almost 3% in prices and rents for residential properties in 2010. Prices declined slightly during the fourth quarter (-0.4% in comparison to the third quarter), while the first three months of 2011 brought a further rise in purchase prices (+3.3%) and rents (+2%).

The residential market in **Poland** stabilised during 2010. Favourable loans and government subsidies led to an increase in demand. An analysis by Cushman & Wakefield indicates that 136,000 residential units were completed in 2010, or 15% less than 2009. However, it is expected that a growing number of projects postponed by developers during the crisis will be reactivated in 2011.

The demand for residential properties in **Slovakia** improved during the 2010/11 financial year, with a 75% year-on-year increase during the first quarter of 2011. Selling prices on the condominium market in Bratislava also increased during the fourth quarter of 2010 and now amount to over EUR 1,900 per sqm, as reported by the real estate company Lexxus.

New production is low on the housing market in **Romania**, with a steady decline in prices since the start of the economic crisis. Jones Lang LaSalle places the decline in Bucharest at roughly 20% since 2009. In spite of this development, prices are still too high for most Romanian households. Many families are realising their housing dreams primarily on the secondary market, which benefits from the "Prima Casa" ("first house") government subsidy programme. According to data published by the National Romanian Statistical Institute, residential construction rose by 12% year-on-year in February 2011. The moderate upward trend in the Romanian economy also leads to expectations of an improvement on the primary market.

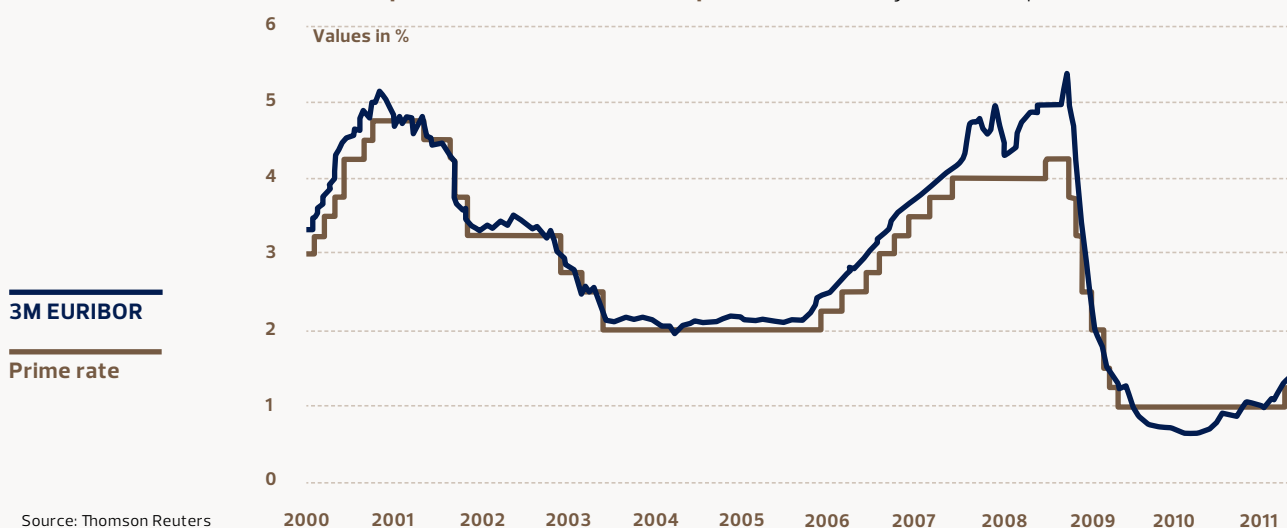
4. Developments on the Financial Markets

Interest rates and refinancing in the core markets

Interest rates remained at a historical low throughout the 2010/11 financial year. As a reaction to the economic and financial crisis, the European Central Bank (ECB) cut its base rate to 1.00% in several steps by April 2009 and made no changes during the following two years. A first tenuous adjustment was made in mid-April 2011, when the ECB raised the base rate by 0.25% to 1.25%.

The three-month EURIBOR (3M EURIBOR), the reference rate for most variable financing, followed a similar trend. It fell from a high of 5.39% in October 2008 to less than 1.00% – and thereby below

Development of 3M EURIBOR and prime rate January 2000 to April 2011



the ECB base rate – for the first time in July 2009. This decline continued up to the end of March 2010 when the historical low of 0.63% was reached. The three-month EURIBOR then rose steadily and broke the prime rate “hurdle” of 1.00% in mid-October 2010. Indications of an increase in base rates at the beginning of the year led to a resumption of the upward movement. The first signs of normalisation since the onset of the financial crisis were noted at the beginning of the year, when the 3M EURIBOR exceeded the prime rate by 20 basis points at the end of March 2011. This trend continued after the end of the reporting year, with the 3M EURIBOR at times 25 basis points higher than the rate. The 3M EURIBOR levelled off at roughly 1.60% following a second increase in the rate to 1.50% in early July, still maintaining a 10 basis point spread.

The trend reversal in mid- and long-term interest rates began roughly six months later. Five- and ten-year SWAP rates reached a historical low of 1.55% and 2.21%, respectively, at the end of August 2010, but then rose steadily to reach 3.10% and 3.67% at the end of the 2010/11 financial year. Of special note, and a sign further of normalisation, is the stabilisation of the interest differential. The gap between the interest rate curves, which was narrow before the start of the financial crisis in 2007, shifted to an inverse structure in 2008 at the high point of the liquidity shortage.

The situation on credit markets continued to ease or normalise during 2010/11. The arrangement of financing for standing investments still includes a greater focus on the eligibility of loans to serve as coverage for mortgage bonds. However, this reduces not only refinancing costs but also the loan-to-value ratio.

The availability and terms of financing are still heavily dependent on the asset class and the market. Very attractive conditions are again available for high-quality properties in established markets such as Austria and Germany, while stable markets like the Czech Republic and the “economic wonderland” Poland are again approaching the pre-crisis level. In contrast, substantial downgrades in the country ratings for Hungary and Romania have led to limited availability and comparatively high margins. Russia remains a special case: although financing conditions have deteriorated further, they are still considerably better than the other core markets and the difference to the realisable yield makes financing very attractive.

Development of EUR-SWAP rates from May 2006 to April 2011



Source: Thomson Reuters

Financing volumes are currently related less to market value (loan-to-value ratio) and more to cash flow, whereby a key objective is to ensure that the related financial liabilities can be serviced over the long-term (debt service-coverage ratio).

Sufficient debt financing is available for development projects, even though it is connected with certain requirements. Margins during the construction phase are higher than the comparable amounts for the financing of investment properties. However, there is a potential for optimisation in combination with the latter or with previously arranged follow-up financing. The decisive factors are cost certainty and secured, demonstrable realisation of the property in advance to ensure that interest payments can be met after completion.

OUTLOOK

The first increase in interest rates since 2008 was announced during April 2011 and followed by a second step at the beginning of July 2011 – an event not only anticipated, but already priced in by the market. The ECB raised the base rate for the Euro zone by a further 0.25% to 1.50%. Most forecasts expect at least one more increase before the end of 2011. High inflation, which will exceed the 2.0% ECB target by a substantial margin this year, is the main argument for this action. However, commercial institutions can still rely on secured and unlimited money supply from the national banks.

Money market interest rates will also rise accordingly. Estimates by the largest European banks place the 3M EURIBOR at 2% or slightly higher by year-end.

5. 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.

IMMOFINANZ Group's activities are concentrated in the core markets of Austria, Germany, Czech Republic, Poland, Hungary, Romania, Slovakia and Russia as well as the office, retail, residential and logistics asset classes. These activities are further divided into 12 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 inventories.

Investment property consist of standing investments as well as temporarily suspended development projects and undeveloped land.

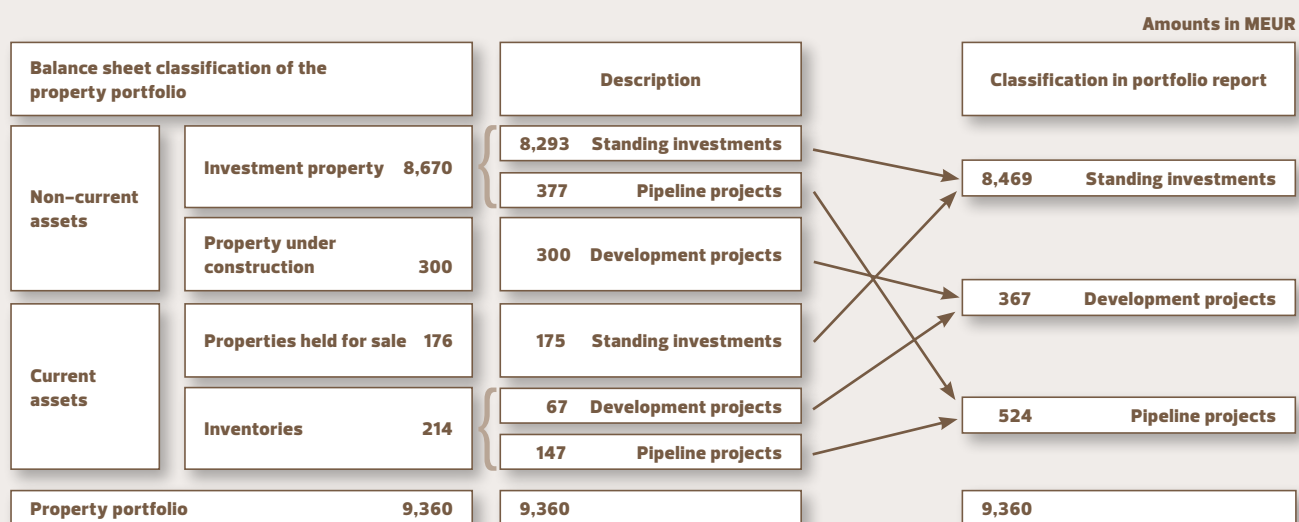
Property under construction consists solely of development projects currently in progress, which will be reclassified as investment property after completion.

Inventories comprise properties that are developed for sale after completion. The classic example of an inventory property is a condominium apartment.

Properties held for sale represent standing assets for which the Group had concrete sale plans as of 30/04/2011 that were realised after this date. In the portfolio report, these properties are included under standing investments at a total of EUR 175.5 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 and undeveloped land).

The following charts reconcile the property assets of IMMOFINANZ Group as reported on the balance sheet as of 30/04/2011 with the presentation in this portfolio report:



The following table shows the carrying amount of IMMOFINANZ Group's property portfolio as of 30/04/2011 classified by asset class and country:

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	1,527	3,803.8	152.6	79.0	4,035.4	43.1%
Germany	89	657.3	47.9	29.8	735.0	7.9%
Czech Republic	36	623.4	26.6	13.3	663.3	7.1%
Hungary	33	512.1	0.0	44.9	557.0	6.0%
Poland	35	653.9	39.1	21.7	714.8	7.6%
Romania	50	620.5	13.2	261.0	894.7	9.6%
Russia	6	801.9	76.9	0.0	878.7	9.4%
Slovakia	19	271.3	0.0	24.1	295.4	3.2%
Non-core countries	52	524.4	10.6	50.5	585.5	6.3%
IMMOFINANZ Group	1,847	8,468.6	366.8	524.3	9,359.7	100.0%
		90.5%	3.9%	5.6%	100.0%	

The carrying amount of the property portfolio equalled EUR 9,359.7 million as of 30/04/2011. Of this total, standing investments represent the largest component at EUR 8,468.6 million or 90.5%. Active

development projects add up to EUR 366.8 million or 3.9% of the carrying amount of the property portfolio. A carrying amount of EUR 524.3 million or 5.6% is attributable to the project pipeline, which comprises temporarily suspended development projects and undeveloped land.

A regional analysis shows the main focus of IMMOFINANZ Group's portfolio on Austria with 43.1%, followed by Romania with 9.6% and Russia with 9.4%.

As indicated above, IMMOFINANZ Group has developed and implemented a product group classification based on strategic criteria. This classification supports the analysis and management of the property portfolio at the international level according to standardised parameters. The property portfolio is now divided into 12 homogeneous business segments within the individual asset classes. This process improves goal-oriented actions in different markets and also increases transparency.

OFFICE

The business segment **International High-Class Office** consists solely of prime office properties in the most attractive European 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 a 12-13% share of the total portfolio, the International High-Class Office portfolio forms the backbone of income and can be seen as a key stability factor for IMMOFINANZ Group.

The **Secondary Office AT/DE** portfolio comprises good quality, functional office properties. The target group consists primarily of cost-conscious tenants. The focal points of this business segment are the stable markets in Austria and Germany. With 6–7% of the total portfolio, these properties underscore the commitment of IMMOFINANZ Group to its home market of Austria.

The properties in the **Secondary Office CEE** portfolio are located in the capital cities of Central and Eastern Europe. This business segment also concentrates, above all, on cost-conscious tenants and is intended to strengthen the market position in Eastern Europe.

The 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 medium-term and are combined under the business segment **Opportunistic Office**. This category represents only 2-3% of the entire portfolio.

RETAIL

The main focus of the retail asset class is on **Quality Shopping Centers**. These prime shopping facilities with international tenants are found exclusively in large strong clusters. The minimum requirements for size and quality in this business segment are very high. Substantial retail expertise and an extensive international network make it possible for IMMOFINANZ Group to produce sustainable competitive advantages in this area.

The business segment **STOP.SHOP./Retail Warehouses** comprises specialty shopping centers in Austria and Eastern Europe that are characterised by a standardised format and an attractive tenant mix. IMMOFINANZ Group has been able to successfully establish STOP.SHOP. as a brand in CEE. In the future, this brand will be strengthened by the integration of activities in CEE and Austria.

The 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 retail properties are designated for sale over the medium-term and are combined under the business segment **Opportunistic Retail**. This category represents only 3-4% of the entire portfolio.

LOGISTICS

The **Logistics East** portfolio, which is concentrated mainly in the promising Central and East European region, covers all logistics activities in CEE. 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.

Logistics activities in Western Europe are located primarily in Germany, Switzerland and the Benelux countries and are combined in the **Logistics West** business segment. With the subsidiaries Deutsche Lagerhaus and Citybox, IMMOFINANZ Group has developed a strong position in a market with outstanding growth forecasts.

RESIDENTIAL

The **Residential West** portfolio consists primarily of rental apartments in Austria and Germany. With roughly 30% of the total portfolio, this business segment is a major focal point and stabilising factor for IMMOFINANZ Group. The BUWOG Group, an IMMOFINANZ subsidiary, serves as the corporate competence center and concentrates on the rental and sale of portfolio apartments, on the development of new rental and condominium apartments and on facility management. Plans call for the further expansion of new developments over the coming years, especially in Vienna. The Residential West portfolio is extremely stable and low-risk due to its high level of occupancy and low tenant turnover.

The **Residential East** business segment combines residential construction projects in Eastern Europe. These activities reflect the Group's strategy to participate in the future demand for new housing by the emerging middle class in these countries. With a large number of residential construction sites already in its portfolio, IMMOFINANZ Group is well positioned to meet this goal. Additional sites will also be purchased and developed if the need arises. The 100% takeover of the Romanian residential property developer Adama gives IMMOFINANZ Group a strong platform for the expansion of residential construction and development in this region.

HOTELS

The business segment **Hotels** is not part of the Group's core business. It includes four properties that are located in Vienna, respectively in St. Moritz, Switzerland. In accordance with IMMOFINANZ Group's strategy, these properties will be sold over the medium-term.

The following table shows the carrying amount of IMMOFINANZ Group's property portfolio as of 30/04/2011 classified by business segment and country:

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	29	1,103.1	35.6	41.8	1,180.5	12.6%
Secondary Office AT/DE	31	582.8	48.4	8.9	640.1	6.8%
Secondary Office CEE	43	736.1	0.0	95.2	831.2	8.9%
Opportunistic Office	30	211.3	0.0	4.3	215.6	2.3%
Office	133	2,633.2	83.9	150.3	2,867.4	30.6%
Quality Shopping Centers	17	1,421.4	143.9	0.0	1,565.3	16.7%
STOP.SHOP./RETAIL WAREHOUSE	56	472.2	3.6	0.0	475.8	5.1%
Opportunistic Retail	144	250.9	0.0	105.5	356.5	3.8%
Retail	217	2,144.5	147.5	105.5	2,397.5	25.6%
Logistics East	27	197.5	0.0	55.8	253.3	2.7%
Logistics West	93	674.8	0.0	2.3	677.1	7.2%
Logistics	120	872.3	0.0	58.1	930.4	9.9%
Residential West	1,348	2,628.1	124.0	67.3	2,819.4	30.1%
Residential East	25	0.0	11.3	143.2	154.5	1.7%
Residential	1,373	2,628.1	135.3	210.4	2,973.9	31.8%
Hotels	4	190.5	0.0	0.0	190.5	2.0%
IMMOFINANZ Group	1,847	8,468.6	366.8	524.3	9,359.7	100.0%

The carrying amount of IMMOFINANZ Group's portfolio equalled EUR 9,359.7 million as of 30/04/2011. An analysis by carrying amount ranks the Residential West business segment first with 30.1%, followed by Quality Shopping Centers with 16.7% and International High-Class Office with 12.6%.

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Austria	1,439	3,803.8	44.9%	3,263,346	3,051,186
Germany	82	657.3	7.8%	1,163,769	1,046,504
Czech Republic	28	623.4	7.4%	375,212	300,420
Hungary	28	512.1	6.0%	379,446	302,541
Poland	23	653.9	7.7%	289,352	274,184
Romania	16	620.5	7.3%	411,620	326,612
Russia	5	801.9	9.5%	181,245	174,443
Slovakia	14	271.3	3.2%	136,873	126,269
Non-core countries	37	524.4	6.2%	413,537	345,756
IMMOFINANZ Group	1,672	8,468.6	100.0%	6,614,398	5,947,916

* Annualised rental income in Q4 2010/11 based on the primary use in relation to the carrying amount

Development and pipeline projects

Properties sold in Q4 2010/11

Rental income recognised in Q1–Q3 2010/11

Group financing

IMMOFINANZ Group

STANDING INVESTMENTS

Standing investments are properties held by IMMOFINANZ Group as of 30/04/2011 for the purpose of generating rental income. The standing investment portfolio represents a carrying amount of EUR 8,468.6 million or 90.5% of the total property portfolio of IMMOFINANZ Group.

IMMOFINANZ Group held 1,672 standing investments with a carrying amount of EUR 8,468.6 million and a return of 6.9% as of 30/04/2011. Rental income of EUR 155.8 million for the fourth quarter of 2010/11 includes gross rents of EUR 1.0 million relating to properties, development projects and pipeline projects sold during this three-month period. Rental income also includes MEUR 8.8 of rental incentives for the *Rostokino* shopping center in Russia that relate to other reporting periods but were recognised in the first three quarters of 2010/11. The occupancy rate in IMMOFINANZ Group's standing investments was 89.9% as of 30/04/2011. The regional focus of the standing investments is Austria (EUR 3,803.8 million), followed by Russia (EUR 801.9 million) and Germany (EUR 657.3 million).

The standing investments in the non-core countries include EUR 225.1 million in Switzerland, EUR 115.5 million in the Netherlands and EUR 96.0 million in the USA. IMMOFINANZ Group also owns standing investments in Croatia, Slovenia, France, Bulgaria and Italy.

The segment report in the consolidated financial statements classifies rental income from mixed-use properties based on the actual use and not according to the primary use. This can lead to shifts between the individual asset classes.

In addition, the segment report in the consolidated financial statements reports financial liabilities related to properties sold after 30/04/2011 under the balance sheet position "liabilities held for sale" and not under "financial liabilities". However, these financial liabilities are included in this portfolio presentation.

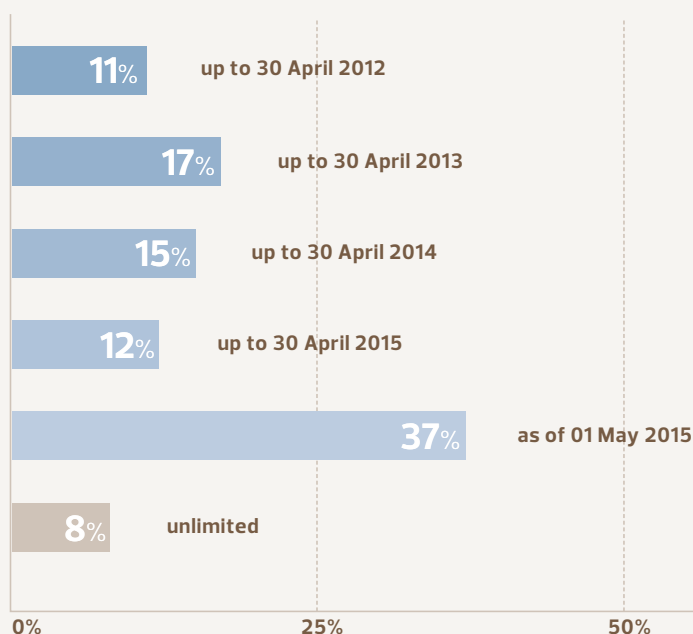
Occupancy rate in %	Rental income Q4 2010/11 in MEUR*	Gross return in %*	Remaining liability on existing financing in MEUR	Financing costs in %	LTV in %
93.5%	51.0	5.4%	1,967.3	2.2%	51.7%
89.9%	13.2	8.0%	343.1	3.2%	52.2%
80.1%	10.2	6.6%	275.2	2.6%	44.1%
79.7%	9.2	7.2%	251.1	3.0%	49.0%
94.8%	11.2	6.8%	415.1	3.3%	63.5%
79.3%	12.1	7.8%	324.7	3.9%	52.3%
96.2%	23.5	11.7%	5.0	10.0%	0.6%
92.3%	5.0	7.3%	190.5	3.3%	70.2%
83.6%	10.5	8.0%	270.4	3.0%	51.6%
89.9%	145.9	6.9%	4,042.4	2.7%	47.7%
	0.6		180.7	4.2%	
	0.4		0.0	0.0%	
	8.8				
	0.0		1,247.8	4.2%	
	155.8		5,470.9	3.1%	

OFFICES

The 112 office standing investments have a combined carrying amount of EUR 2,633.2 million, which represents 31.1% of the standing investment portfolio. This office portfolio has 1,300,440 sqm and an occupancy rate that equalled 82.9% as of 30/04/2011. Rental income for the fourth quarter of the reporting year amounted to EUR 43.4 million, which reflects a return of 6.6%.

The regional focal points of the office standing investment portfolio are the core markets of Austria (EUR 999.3 million), Czech Republic (EUR 446.2 million) and Romania (EUR 342.0 million). Two of the most important properties are the *Business Park Vienna* in Vienna, Austria, and the *IRIDE Business Park* in Bucharest, Romania.

Contract expiration office



Key data on the standing investments is provided by business segments in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Intern. High-Class Office	21	1,103.1	41.9%	455,982	397,289
Secondary Office AT/DE	28	582.8	22.1%	266,007	223,629
Secondary Office CEE	37	736.1	28.0%	420,208	352,570
Opportunistic Office	26	211.3	8.0%	158,243	104,273
IMMOFINANZ Group	112	2,633.2	100.0%	1,300,440	1,077,761

* Annualised rental income in Q4 2010/11 based on the primary use in relation to the carrying amount



The office sector in the IMMOFINANZ core markets

IMMOFINANZ Group	
Properties	112
Carrying amount in MEUR	2,633.2
Rent. income Q4 in MEUR ¹	43.4
Occupancy rate	82.9%
Return ²	6.6%

100%

Germany

Properties	6
Carrying amount in MEUR	93.9
Rent. income Q4 in MEUR ¹	1.6
Occupancy rate	82.0%
Return ²	6.8%

Poland

Properties	17
Carrying amount in MEUR	323.8
Rent. income Q4 in MEUR ¹	5.8
Occupancy rate	91.0%
Return ²	7.2%

Slovakia

Properties	2
Carrying amount in MEUR	78.3
Rent. income Q4 in MEUR ¹	1.6
Occupancy rate	85.6%
Return ²	8.2%

Romania

Properties	9
Carrying amount in MEUR	342.0
Rent. income Q4 in MEUR ¹	8.0
Occupancy Rate	85.6%
Return ²	9.3%

Czech Republic

Properties	16
Carrying amount in MEUR	466.2
Rent. income Q4 in MEUR ¹	7.6
Occupancy rate	86.0%
Return ²	6.5%

Austria

Properties	48
Carrying amount in MEUR	999.3
Rent. income Q4 in MEUR ¹	13.6
Occupancy rate	81.3%
Return ²	5.5%

Hungary

Properties	11
Carrying amount in MEUR	281.2
Rent. income Q4 in MEUR ¹	4.3
Occupancy rate	76.0%
Return ²	6.1%

Non-core countries

Properties	3
Carrying amount in MEUR	48.5
Rent. income Q4 in MEUR ¹	0.8
Occupancy rate	58.2%
Return ²	6.9%

1.8%

¹ Rental income based on main type of use 2010/11² Based on annualised rental income in 2010/11

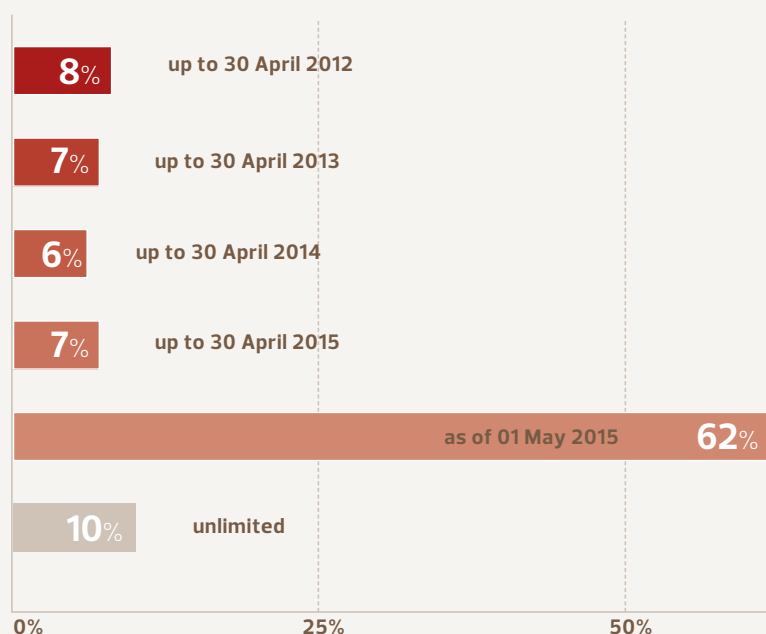
Occupancy rate in %	Rental income Q4 2010/11 in MEUR*	Gross return in %*	Remaining liability on existing financing in MEUR	Financing costs in %	LTV in %
87.1%	17.3	6.3%	557.2	3.0%	50.5%
84.1%	8.4	5.7%	231.7	3.0%	39.8%
83.9%	14.3	7.8%	337.0	3.3%	45.8%
65.9%	3.4	6.4%	110.6	3.4%	52.3%
82.9%	43.4	6.6%	1,236.5	3.1%	47.0%

RETAIL

The carrying amount of the 191 retail standing investments is EUR 2,144.5 million. The occupancy rate was 92.6% as of 30/04/2011. Rental income amounted to EUR 47.8 million in the fourth quarter of 2010/11, which represents a return of 8.9%. The highest return was recorded in Russia with 11.6%.

The core markets of Russia, Austria and Poland are most important markets in the retail segment based on the carrying amount. The most important retail properties based on the carrying amount are the *Golden Babylon Rostokino* shopping center in Moscow, Russia, and the *Silesia City Center* in Katowice, Poland.

Contract expiration retail



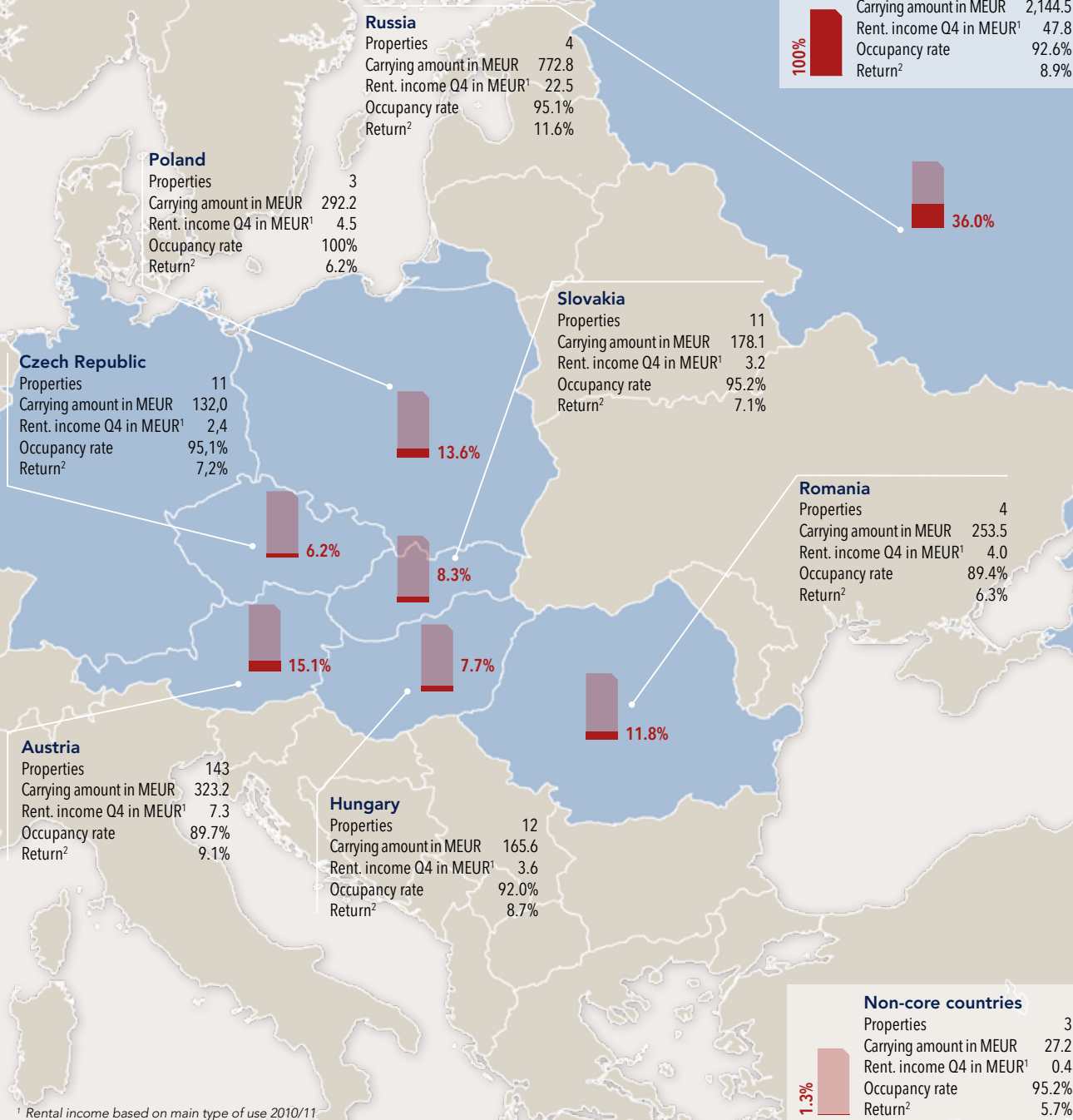
Key data on the individual business segments is provided in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Quality Shopping Centers	13	1,421.4	66.3%	378,356	358,565
STOP.SHOP./Retail Warehouse	53	472.2	22.0%	337,906	319,507
Opportunistic Retail	125	250.9	11.7%	285,001	248,813
IMMOFINANZ Group	191	2,144.5	100.0%	1,001,263	926,884

* Annualised rental income in Q4 2010/11 based on the primary use in relation to the carrying amount



The retail sector in the IMMOFINANZ core markets



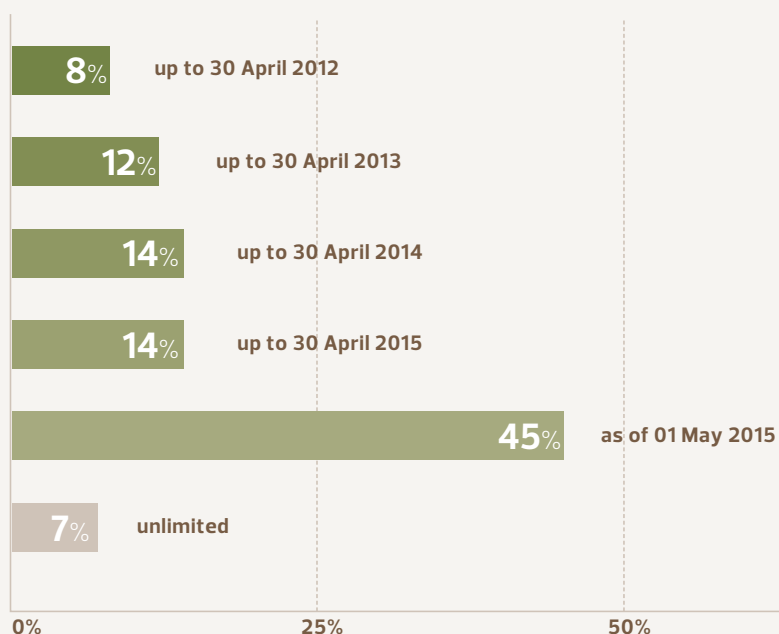
Occupancy rate in %	Rental income Q4 2010/11 in MEUR*	Gross return in %*	Remaining liability on existing financing in MEUR	Financing costs in %	LTV in %
94.8%	33.5	9.4%	406.3	3.4%	28.6%
94.6%	9.6	8.1%	226.9	3.5%	48.0%
87.3%	4.8	7.6%	44.4	3.1%	17.7%
92.6%	47.8	8.9%	677.6	3.4%	31.6%

LOGISTICS

The 102 logistics standing investments have a total carrying amount of EUR 872.3 million, which represents 10.3% of the standing investment portfolio. The highest return among the core markets is recorded in Russia at 14.3%. The occupancy rate in the logistics portfolio is 83.7%.

The main focal point of the logistics portfolio is Germany where, based on the carrying amount, 50.8% of the logistics standing properties are located. The other core markets of IMMOFINANZ Group each represent less than 8% of this portfolio. Other important logistics portfolios are located in the non-core countries of the Netherlands (EUR 111.6 million) and Switzerland (EUR 87.6 million).

Contract expiration logistics



Key data on the individual business segments is provided in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Logistics East	14	197.5	22.6%	334,438	223,881
Logistics West	88	674.8	77.4%	1,226,943	1,083,030
IMMOFINANZ Group	102	872.3	100.0%	1,561,381	1,306,911

* Annualised rental income in Q4 2010/11 based on the primary use in relation to the carrying amount



The logistics sector in the IMMOFINANZ core countries

Germany

Properties 52
Carrying amount in MEUR 442.9
Rent. income Q4 in MEUR¹ 9.2
Occupancy rate 89.6%
Return² 8.3%

Poland

Properties 3
Carrying amount in MEUR 38.0
Rent. income Q4 in MEUR¹ 0.8
Occupancy rate 97.4%
Return² 8.4%

Russia

Properties 1
Carrying amount in MEUR 29.1
Rent. income Q4 in MEUR¹ 1.0
Occupancy rate 100.0%
Return² 14.3%

Slovakia

Properties 1
Carrying amount in MEUR 14.9
Rent. income Q4 in MEUR¹ 0.2
Occupancy rate 95.5%
Return² 5.2%

Romania

Properties 3
Carrying amount in MEUR 25.0
Rent. income Q4 in MEUR¹ 0.2
Occupancy rate 27.5%
Return² 2.9%

Czech Republic

Properties 1
Carrying amount in MEUR 25.2
Rent. income Q4 in MEUR¹ 0.3
Occupancy rate 36.9%
Return² 4.3%

Austria

Properties 9
Carrying amount in MEUR 16.7
Rent. income Q4 in MEUR¹ 0.5
Occupancy rate 77.4%
Return² 12.5%

Hungary

Properties 5
Carrying amount in MEUR 65.3
Rent. income Q4 in MEUR¹ 1.4
Occupancy rate 72.0%
Return² 8.3%

IMMOFINANZ Group	
Properties	102
Carrying amount in MEUR	872.3
Rent. income Q4 in MEUR ¹	18.6
Occupancy rate	83.7%
Return ²	8.5%

24.7%

Non-core countries

Properties 27
Carrying amount in MEUR 215.2
Rent. income Q4 in MEUR¹ 5.0
Occupancy rate 83.4%
Return² 9.3%

¹ Rental income based on main type of use 2010/11

² Based on annualised rental income in 2010/11

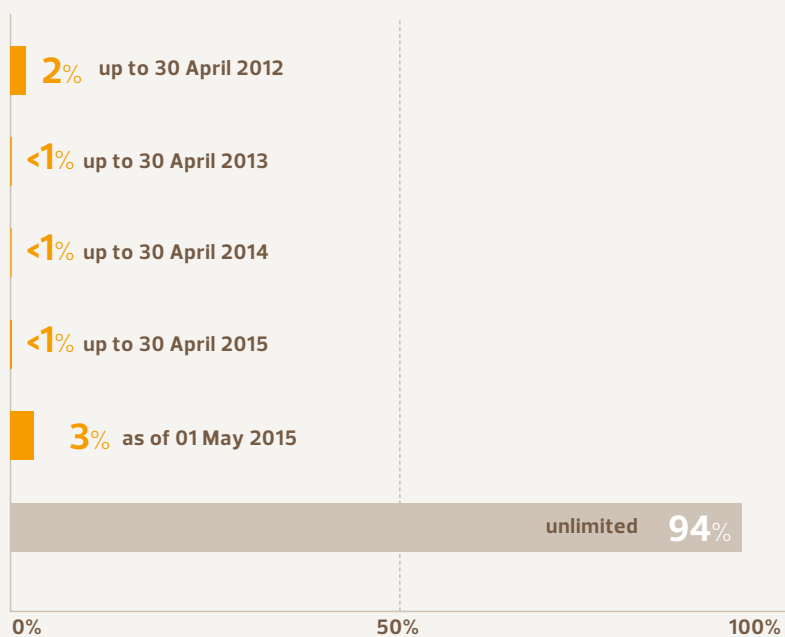
Occupancy rate in %	Rental income Q4 2010/11 in MEUR*	Gross return in %*	Remaining liability on existing financing in MEUR	Financing costs in %	LTV in %
66.9%	3.8	7.8%	112.9	3.1%	57.2%
88.3%	14.8	8.8%	388.7	2.9%	57.6%
83.7%	18.6	8.5%	501.6	2.9%	57.5%

RESIDENTIAL

The carrying amount of the 1,263 residential standing investments totals EUR 2,628.1 million or 31.0% of the standing investment portfolio. Rental income equalled EUR 32.7 million in the fourth quarter of the reporting year, for a return of 5.0%. The occupancy rate remains constant at a high 95.9%.

The residential properties owned by IMMOFINANZ Group are located primarily Austria, followed by Germany. The properties in Germany generate a significantly higher return than Austria. This reflects the lower returns recorded by the BUWOG properties as a result of the limitations set by Austrian regulations for non-profit housing. However, financing costs are very low due to subsidies in Austria.

Contract expiration residential



Key data on the business segment is provided in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Residential West	1,263	2,628.1	100.0%	2,684,091	2,573,881
IMMOFINANZ Group	1,263	2,628.1	100.0%	2,684,091	2,573,881

* Annualised rental income in Q4 2010/11 based on the primary use in relation to the carrying amount



The residential sector in the IMMOFINANZ core markets

IMMOFINANZ Group	
Properties	1,263
Carrying amount in MEUR	2,628.1
Rent. income Q4 in MEUR ¹	32.7
Occupancy rate	95.9%
Return ²	5.0%

100%

Germany

Properties	24
Carrying amount in MEUR	120.5
Rent. income Q4 in MEUR ¹	2.4
Occupancy rate	94.0%
Return ²	7.8%

Austria

Properties	1,236
Carrying amount in MEUR	2,411.5
Rent. income Q4 in MEUR ¹	28.4
Occupancy rate	96.3%
Return ²	4.7%

4.6%

91.8%

Non-core countries

Properties	3
Carrying amount in MEUR	96.0
Rent. income Q4 in MEUR ¹	1.9
Occupancy rate	88.8%
Return ²	8.0%

3.7%

¹ Rental income based on main type of use 2010/11

² Based on annualised rental income in 2010/11

Occupancy rate in %

Rental income Q4
2010/11 in MEUR*

Gross return in %*

Remaining liability on
existing financing in MEUR

Financing costs in %

LTV in %

95.9%

32.7

5.0%

1,532.2

2.1%

58.3%

95.9%**32.7****5.0%****1,532.2****2.1%****58.3%**

HOTELS

The carrying amount of the business segment "Hotels" equals EUR 190.5 million or 2.2% of the standing investment portfolio. These four properties – three hotels in Austria and one in Switzerland – have 67,222 sqm of rentable space and an occupancy rate of 92.9%. The Hotel Kempinski in St. Moritz, Switzerland, is the most important property in this category based on the carrying amount.

Plans call for the sale of these hotels at an advantageous point in time over the short- to medium term, since they lie outside the strategic focus of IMMOFINANZ Group.

Key data on the Hotels business segment is shown below:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %	Rental income Q4 2010/11 in MEUR*	Gross return in %*	Remaining liability on existing financing in MEUR	Financing costs in %	LTV in %
Hotels	4	190.5	100.0%	67,222	62,478	92.9%	3.4	7.1%	94.5	1.9%	49.6%
IMMOFINANZ Group	4	190.5	100.0%	67,222	62,478	92.9%	3.4	7.1%	94.5	1.9%	49.6%

* Annualised rental income in Q4 2010/11 based on the primary use in relation to the carrying amount

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 the positions "property under construction" and "inventories".

The development projects have a combined carrying amount of EUR 299.6 million or 81.7% of all development projects currently under construction by IMMOFINANZ Group. These properties are designated for rental after completion and will be held as standing investments. A share of 13.4% is attributable to condominium apartments under construction, which represents 4.9% of the completed condominium apartments.

Development projects & (completed) condominium apartments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR*	Planned rentable/sellable space in sqm*	Expected fair value after completion in MEUR
Austria	10	152.6	41.6%	38.4	72,692	206.5
Germany	2	47.9	13.1%	88.9	37,553	164.9
Czech Republic	5	26.6	7.2%	44.5	33,297	87.3
Poland	2	39.1	10.7%	34.4	21,055	84.2
Romania	1	13.2	3.6%	47.1	34,493	67.1
Russia	1	76.9	21.0%	67.3	50,488	190.8
Non-core countries	3	10.6	2.9%	0.0	0	11.6
IMMOFINANZ Group	24	366.8	100.0%	320.6	249,577	812.4

* No outstanding construction costs or rentable space for the completed condominium apartments that are available for sale



Property development is currently focused on the core markets of Austria, Russia, Czech Republic and Germany. All of the development projects in non-core countries involve completed condominium apartments. These assets also include seven completed residential projects with a carrying amount of EUR 18.1 million and a fair value of EUR 19.1 million.

Austria is the most important core market in the project development segment based on the expected fair value after completion, followed by Russia and Germany.

Development projects	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable space in sqm	Expected fair value after completion in MEUR
Intern. High-Class Office	2	35.6	9.7%	66.1	29,678	123.2
Secondary Office AT/DE	1	48.4	13.2%	9.4	15,994	59.8
Quality Shopping Centers	4	143.9	39.2%	165.1	114,058	380.7
STOP.SHOP./Retail Warehouse	3	3.6	1.0%	14.2	17,607	21.5
Residential West	10	124.0	33.8%	65.8	72,241	214.9
Residential East	4	11.3	3.1%	0.0	0	12.3
IMMOFINANZ Group	24	366.8	100.0%	320.6	249,577	812.4

The following table shows the most important development projects based on the expected fair value after completion:

Project	Country	Primary use	Planned rentable space in sqm*
GoodZone	Russia	Retail	67,318
Friesenquartier Cologne	Germany	Office	75,105
Heller Park	Austria	Residential	40,904
Maritimo Shopping Center	Romania	Retail	34,493
Expansion Silesia City Center	Poland	Retail	21,055
CSOB Na Prikope	Czech Republic	Retail	16,043
Prinz Eugen Strasse	Austria	Office	15,994
Expansion STOP.SHOP. Trebic	Czech Republic	Office	12,740
CSOB Jungmannova	Czech Republic	Retail	7,668
STOP.SHOP. Louny	Czech Republic	Office	5,821
BUWOG	Austria	Retail	5,629

* Rentable space represents the entire project and does not reflect the stake held by IMMOFINANZ Group.

PIPELINE PROJECTS

The pipeline projects generally represent undeveloped land or temporarily suspended projects. These projects are monitored regularly by IMMOFINANZ Group to identify the best timing for their (re)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, expectations for opportunities to sell the project and other project-specific factors.

Pipeline projects	Number of properties	Carrying amount in MEUR	Carrying amount in %
Austria	78	79.0	15.1%
Germany	5	29.8	5.7%
Czech Republic	3	13.3	2.5%
Hungary	5	44.9	8.6%
Poland	10	21.7	4.1%
Romania	33	261.0	49.8%
Slovakia	5	24.1	4.6%
Non-core countries	12	50.5	9.6%
IMMOFINANZ Group	151	524.3	100.0%

IMMOFINANZ Group had temporarily suspended projects and undeveloped land with a carrying amount of EUR 524.3 million as of 30/04/2011. Romania is the most important market for pipeline projects based on the carrying amount, followed by Austria and Hungary.

PROPERTIES HELD FOR SALE

Properties held for sale represent standing assets for which the Group had concrete sale plans as of 30/04/2011 that were realised after this date. In the portfolio report, these properties are included under standing investments at a total of EUR 175.5 million. These properties are located in Austria, Germany and Switzerland.

6. Property Valuation

IMMOFINANZ Group prepared its consolidated financial statements as of 30/04/2011 in accordance with International Financial Reporting Standards (IFRS), which include the application of the fair value method. Since the investment properties owned by IMMOFINANZ Group must be stated at fair value (present value), the regular valuation of these properties by independent experts is necessary. The valuation of the property portfolio follows the EPRA's Best Practices Policy Recommendation for the application of the fair value method as defined in IFRS.

The following appraisers were appointed by IMMOFINANZ Group to value the various components of the portfolio as of 30/04/2011:

CB RICHARD ELLIS

CB Richard Ellis (CBRE) was engaged by IMMOFINANZ Group to value the residential properties in Austria and Germany as well as selected office and retail properties in Austria. This company is headquartered in Los Angeles and, according to its own reports, is the world's largest

service company in the commercial real sector based on annual revenues for 2010. With roughly 30,000 employees in more than 300 offices throughout the world (excluding affiliated companies and subsidiaries), CBRE is active as a property service provider for owners, investors and users. CBRE Residential Valuation Germany is one of the market leaders for the valuation of residential properties in Germany and Austria. In 2010 the company valued roughly 480,000 residential units with a total volume of approx. EUR 25 billion.

JONES LANG LASALLE

Jones Lang LaSalle (JLL), an international financial, service and consulting company in the real estate sector, values IMMOFINANZ Group's properties in the CEE, SEE and CIS regions. JLL advises owners, tenants and investors and has roughly 185 offices in more than 1,000 cities in 60 countries. Revenues amounted to USD 2.9 billion in 2010. In May 2011 JLL merged with the international property consultant King Sturge.

BNP PARIBAS REAL ESTATE CONSULT

IMMOFINANZ Group commissioned BNP Paribas Real Estate Consult GmbH to value its properties in the Netherlands, the USA, Switzerland, Italy and France as well as Germany (with the exception of the residential properties). BNP Paribas Real Estate Consult GmbH has over 20 years of experience in advising national and international investors, owners and other companies in the development and optimisation of their properties. Integration in the BNP Paribas Real Estate Group, one of the strongest real estate appraisers in Europe, allows for the utilisation of wide-ranging synergies, e.g. in the development of primary market data.

AUSTRIAN CONSORTIUM OF PROPERTY EXPERTS

The properties in Austria – with the exception of residential properties and individual office and retail properties – are valued by a consortium of Austrian specialists, which is composed of court-certified property experts and property economists. These experts value properties, among others, for courts and public institutions and are members of national and international professional associations such as "Österreichische Verband der Immobilienreuhänder" (ÖVI), the Royal Institution of Chartered Surveyors (RICS) and the "Fédération Internationale des Administrateurs de Biens Conseils Immobiliers" (FIABCI).

The above-mentioned appraisers valued the following shares of IMMOFINANZ Group's property portfolio as of 30/04/2011:

Appraiser	Carrying amount as of 30 April 2011 in TEUR	in %
Jones Lang LaSalle	4,118.0	44.0%
CB Richard Ellis	2,519.3	26.9%
Austrian consortium of property experts	1,531.3	16.4%
BNP Paribas	1,013.9	10.8%
Properties carried at sale price*	175.5	1.9%
Internal valuation	1.7	0.0%
	9,359.7	100.0%

* In accordance with IFRS 5, properties sold after the balance sheet date are carried at the sale price.

7. Financing

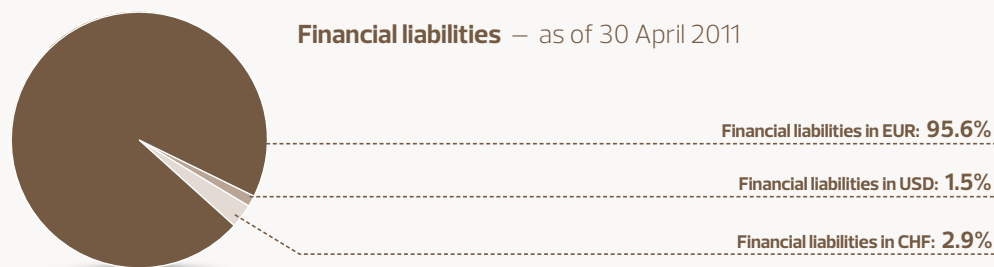
IMMOFINANZ Group successfully refinanced or extended all financing that was due in 2010/11. In addition, a number of previously unencumbered investment properties were refinanced with long-term debt. This process has continued to date in the 2011/12 financial year, with all necessary financing for investment properties and development projects arranged as planned. IMMOFINANZ Group benefits from long-standing business relationships with over 70 banks in Austria and other countries. With this broad diversification of financing sources, the Group is not dependent on the actions of individual institutions and also has the broadest possible access to a variety of financing sources.

The major financial liabilities of IMMOFINANZ Group comprise liabilities from convertible bonds, amounts due to financial institutions and amounts due to local authorities. The following table shows the individual positions as of 30/04/2011:

	Outstanding liability as of 30 Apr. 2010 in TEUR	Weighted average interest rate as of 30 Apr. 2011 in %	Fixed interest rate, share in %	Variable interest rate, share in %	Fixed interest rate as of 30 Apr. 2011 in %	Variable interest rate as of 30 Apr. 2011 in %
Convertible bonds in EUR	1,007,822.33	4.52%	100.0%	0.0%	4.52%	0.00%
Bank liabilities in EUR	3,666,340.60	3.02%	12.7%	87.3%	4.04%	2.87%
Bank liabilities in CHF	158,155.92	1.98%	17.7%	82.3%	3.55%	1.64%
Bank liabilities in USD	83,541.12	4.18%	30.7%	69.3%	5.58%	3.56%
Local authorities in EUR	555,016.10	1.15%	100.0%	0.0%	1.15%	0.00%
IMMOFINANZ Group	5,470,876.07	3.09%	38.1%	61.9%	3.51%	2.83%

In the consolidated financial statements, financial liabilities relating to properties that were sold after 30/04/2011 are not reported on the balance sheet under financial liabilities but under liabilities held for sale.

The remaining balance of the major financial liabilities held by IMMOFINANZ Group as of 30/04/2011 amounted to TEUR 5,470,876.1 and comprised four outstanding convertible bonds (see below), amounts due to financial institutions and amounts due to local authorities. As of 30 April 2011 95.6% of the major financial liabilities were denominated in EUR, a further 2.9% in CHF and 1.5% in USD. The weighted average interest rate of these financial liabilities was 3.09%.



Of the major financial liabilities, 61.9% carry variable interest rates. The weighted average interest rate of these liabilities, excluding derivatives, is 2.83%. The remaining 38.1% of the major financial liabilities have a fixed interest rate of 3.51%.

CONVERTIBLE BONDS

The owners of the 2014 convertible bonds (CB 2014) and the 2017 convertible bonds (CB 2017) have the option to put these securities in 2012. In order to refinance these convertible bonds, IMMOFINANZ AG issued another convertible bond on 03/03/2011 (CB 2018) with a nominal value of EUR 515,122,331.0. The proceeds from the CB 2018 were used primarily to repurchase the CB 2014 and CB 2017.

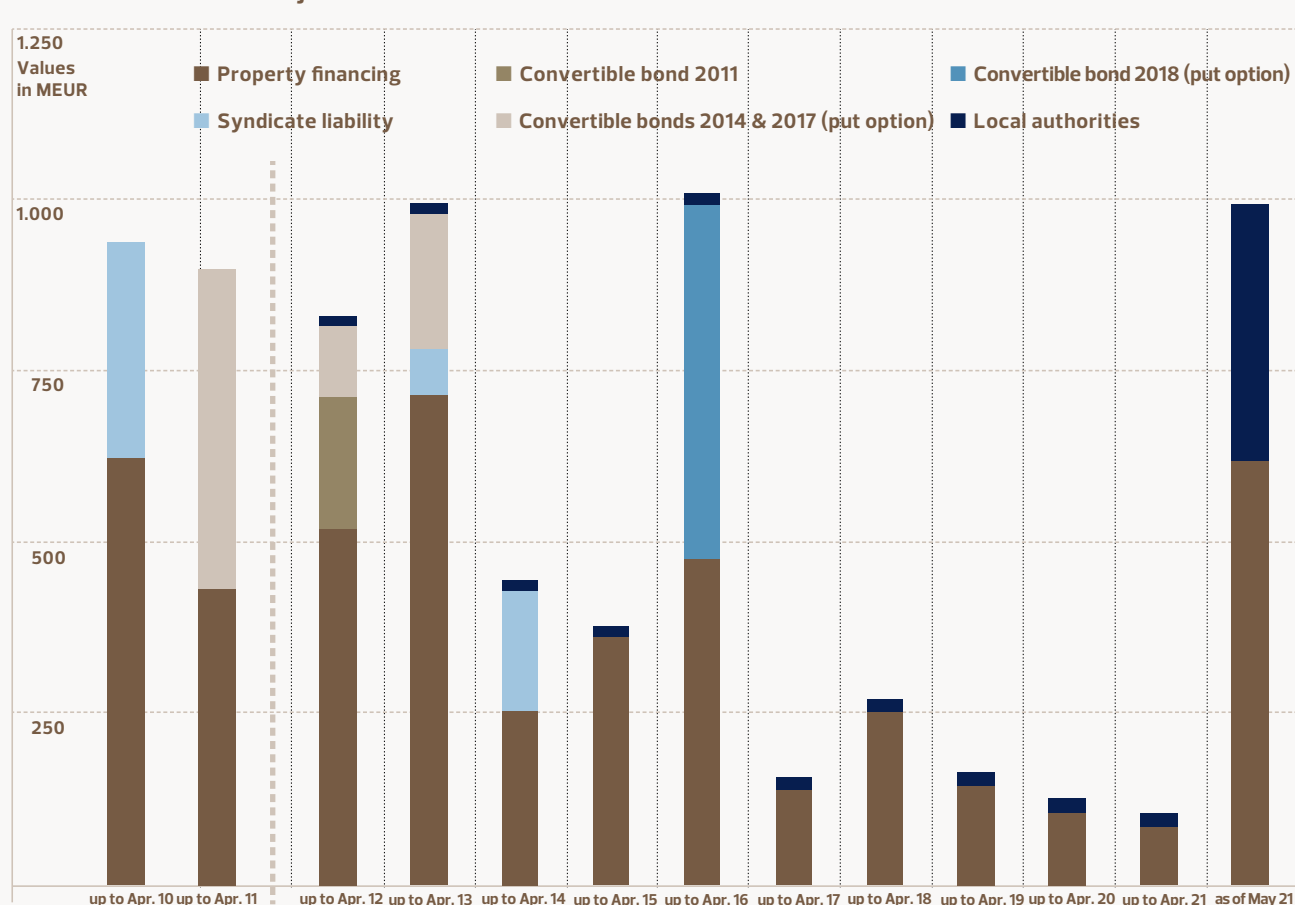
Key data on the convertible bonds as of 30/04/2011 is presented in the following table:

Convertible bonds	ISIN	Maturity	Coupon in %	Conversion price in EUR/ share	Nominal value as of 30 April 2011 in TEUR	Conversions to date in 2011/12 in TEUR	Nominal value as of 30 June 2011 in TEUR
Convertible bond 2009–2011	XS0416178530	22 Dec. 2011	7.00%	2.00	191,900.0	36,400.0	155,500.0
Convertible bond 2007–2014	XS0283649977	19 Jan. 2012*	2.75%	14.68	103,300.0	0.0	103,300.0
Convertible bond 2007–2017	XS0332046043	19 Nov. 2012*	1.25**%	9.26	197,500.0	0.0	197,500.0
Convertible bond 2011–2018	XS0592528870	08 Mar. 2016*	4.25***%	4.12	515,122.3	0.0	515,122.3
IMMOFINANZ Group					1,007,822.3	0.0	971,422.3

* Put option for convertible bondholders ** Yield to maturity 3.75% *** Semi-annual interest payments

The term structure of the major financial liabilities is as follows:

Term structure of the major financial liabilities



The 2011 convertible bond is due for repayment on 22/12/2011. Since the EUR 2.00 conversion price is substantially lower than the current share price, the company expects investors will exercise their conversion right. IMMOFINANZ AG will then exchange these rights for shares in the company. Under the assumption that all investors exercise their conversion right, the weighted average interest rate for all major financial liabilities would be 2.95% because the coupon (7% per year) would not be payable after the conversion on 22/12/2011. Convertible bonds with a nominal value of MEUR 36.4 were converted into 18.2 million shares between the end of the reporting year and 30/06/2011.

DERIVATIVES

As of 30/04/2011 IMMOFINANZ Group held derivatives with a reference value of TEUR 2,512,043.4 to hedge or cap interest rates.

Derivative	Variable element	Market value incl. interest as of 30 April 2011 in TEUR	Reference amounts in TEUR	Average fixed interest rate in %
CAP	3M-EURIBOR	-337.1	791,244.5	4.55%
CAP	6M-EURIBOR	-413.7	490,000.0	3.67%
SWAP	1M-EURIBOR	11.4	13,347.7	1.90%
SWAP	3M-EURIBOR	-16,438.4	1,016,260.0	3.07%
SWAP	6M-EURIBOR	7,926.0	170,886.0	3.08%
SWAP	3M-Libor USD/CHF	-469.9	30,305.3	1.65%
IMMOFINANZ Group		-9,721.7	2,512,043.4	

CAPS define an upper limit for the interest rate: if the base rate (e.g. 3-M-EURIBOR) exceeds this limit, IMMOFINANZ Group receives a settlement payment from its contract partner. A SWAP exchanges variable for fixed interest payments: variable interest liabilities that are hedged with a SWAP are viewed as fixed from an economic standpoint. Of the major financial liabilities, 61.9% carried variable interest rates as of 30/04/2011. The interest payments for 45.9 percentage points of this amount are hedged through derivatives. Including the expenses for derivatives, the weighted average interest rate for the major financial liabilities equals 3.47%.



8. Earnings, Balance Sheet and Cash Flow Analysis

INCOME STATEMENT

IMMOFINANZ Group recorded sound development during 2010/11, with net profit rising 60% year-on-year to TEUR 313,529.3.

A condensed version of IMMOFINANZ Group's income statement for the 2010/11 and 2009/10 financial years is presented in the following table:

Amounts in TEUR	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010 (adjusted)	Absolute change	Change in %
Income from asset management	440,779.0	438,192.6	2,586.4	0.6%
Income from property sales	53,770.3	30,792.3	22,978.0	74.6%
Income from property development	44,609.1	-19,365.1	63,974.2	n/a
Results of operations	458,717.2	364,901.2	93,816.0	25.7%
Other revaluation results	-34,656.2	-183,758.8	149,102.6	n/a
Operating profit (EBIT)	424,061.0	181,142.4	242,918.6	134.1%
Financial results	-81,769.4	27,078.9	-108,848.3	n/a
Earnings before tax (EBT)	342,291.6	208,221.3	134,070.3	64.4%
Net profit for the period	313,529.3	195,568.4	117,960.9	60.3%

Income from asset management comprises rental income, other revenues, operating income and operating costs as well as real estate expenses. Rental income rose by a substantial 6.9% from TEUR 541,710.7 in 2009/10 to TEUR 578,857.3, but income from asset management increased by only a moderate amount from TEUR 438,192.6 to TEUR 440,779.0. This more moderate development reflected a sizeable increase in real estate expenses as the result of higher maintenance costs, above all for properties in Austria.

Income from property sales increased from TEUR 30,792.3 in 2009/10 to TEUR 53,770.3. Most of these properties are located in Austria and Germany.

Income from property development improved from TEUR -19,365.1 in the previous year to TEUR 44,609.1 in 2010/11. Most of the properties sold represent apartments Austria and Poland.

Increase in income from property development

An increase was also recorded in other operating income, which rose from TEUR 52,701.6 to TEUR 69,245.0. Income from operations grew by 21.1% from TEUR 502,321.4 to TEUR 608,403.4. Despite an increase of TEUR 12,266.0 in overhead expenses and personnel costs, results of operations improved significantly from TEUR 364,901.2 to TEUR 458,717.2.

Other valuation results improved from TEUR -183,758.8 in 2009/10 to TEUR -34,656.2. This shift reflected the recovery on real estate and investment markets, especially in Central and Eastern Europe.

**Upward trend: solid
increase in EBIT during
2010/11**

The above-mentioned factors led to a clear improvement in EBIT during the reporting year: EBIT amounted to TEUR 181,142.4 in 2009/10, but more than doubled to TEUR 424,061.0 in 2010/11.

Financial results – which were positive at TEUR 27,078.9 in 2009/10, above all due to foreign exchange effects of TEUR 161,995.7 – totalled TEUR -81,769.4 for the reporting year. EBT rose by more than 64% from TEUR 208,221.3 to TEUR 342,291.6.

**Significant improvement
in valuation results**

Net profit of TEUR 195,568.4 recorded by IMMOFINANZ Group in 2009/10 was influenced by negative valuation results and positive financial results. The above-mentioned notable improvement in valuation results during 2010/11 supported a 60.3% increase in net profit to TEUR 313,529.3 for the reporting year.

BALANCE SHEET

The balance sheet total of IMMOFINANZ Group amounted to TEUR 11,755,926.6 as of 30/04/2011 and reflects a decline of 0.2% in comparison with the prior year (TEUR 11,774,381.9).

A condensed version of IMMOFINANZ Group's balance sheet as of 30/04/2011 and 30/04/2010 is presented in the following table:

Amounts in TEUR	30 April 2011	in %	30 April 2010 (adjusted)	in %	Change in % points
Investment property	8,670,084.6	80.7%	8,639,980.3	77.4%	3.3%
Property under construction	299,646.5		179,864.6		
Inventories	214,482.4		252,308.5		
Non-current assets held for sale	304,585.7		44,759.5		
Other financial assets	288,855.5	3.4%	414,589.9	4.5%	-1.1%
Investments in associated companies	105,750.4		115,722.2		
Trade and other receivables	1,053,041.6	9.0%	1,311,251.8	11.1%	-2.2%
Other tangible assets	23,873.6	0.2%	21,947.2	0.2%	0.0%
Intangible assets	208,110.2	1.8%	211,819.3	1.8%	0.0%
Deferred tax assets ¹	61,862.4	0.5%	76,735.9	0.7%	-0.1%
Cash and cash equivalents	525,633.7	4.5%	505,402.7	4.3%	0.2%
Assets	11,755,926.6	100.0%	11,774,381.9	100.0%	0.0%
Equity	5,170,111.3	44.0%	5,157,433.3	43.8%	0.2%
Liabilities from convertible bonds ³	981,092.3	8.3%	1,035,139.9	8.8%	-0.4%
Financial liabilities	4,329,182.6	36.8%	4,406,428.4	37.4%	-0.6%
Trade and other liabilities ³	577,525.6	4.9%	603,845.2	5.1%	-0.2%
Provisions	150,237.6	1.3%	150,212.7	1.3%	0.0%
Deferred tax liabilities ^{1,2}	471,301.1	4.0%	421,322.4	3.6%	0.4%
Liabilities held for sale	76,476.1	0.7%	0.0	0.0%	0.7%
Equity and liabilities	11,755,926.6	100.0%	11,774,381.9	100.0%	0.0%

¹ In connection with initial consolidations, deferred tax assets were reduced through impairment losses in prior years because of uncertain use at the Group level. Deferred tax liabilities were recognised for all revaluations in subsequent years, without any adjustment of the deferred tax assets. The application of IAS 8 led to an increase of EUR 284.6 million in profit carried forward and a reduction of the same amount in deferred tax liabilities.

² Additional deferred tax assets and deferred tax liabilities totalling EUR 189.2 million were offset as of 30/04/2010 in accordance with IAS 12.74f.

³ The derivative component of the convertible bonds is not valued separately and is therefore included under liabilities from convertible bonds. Consequently, EUR 50.0 million was reclassified from other liabilities to liabilities from convertible bonds for the comparative period ending on 30/04/2010.

The balance sheet positions investment property, property under construction, inventories and non-current assets held for sale represent 80.7% or TEUR 9,488,799.2 of total assets (30/04/2010: 77.4% or TEUR 9,116,912.9). IMMOFINANZ Group was able to increase these assets by 3.3 percentage points in relation to the previous year.

Investments in associated companies and other financial assets declined from TEUR 530,312.1 to TEUR 394,605.9, or by 25.6%, following the sale of shares in funds.

Non-current and current trade and other receivables declined from TEUR 1,311,251.8 to TEUR 1,053,041.6, or by 19.7% in year-on-year comparison, above all due to the settlement of the "Berlin contracts".

Group equity rose by 0.2% from TEUR 5,157,433.3 to TEUR 5,170,111.3 despite the negative effect of the share buyback programme (net presentation of treasury shares TEUR -302,615.3). The carrying amount per share rose by 11.8% from EUR 4.90 to EUR 5.48.

Liabilities from convertible bonds decreased from TEUR 1,035,139.9 as of 30/04/2010 to TEUR 981,092.3 at the end of the reporting year. The amount outstanding was increased by the issue of the 2018 convertible bond, but reduced by the repurchase or redemption of convertible bonds by IMMOFINANZ AG and by conversions in 2010/11.

Group liabilities declined by a slight 0.5% from TEUR 6,616,948.6 as of 30/04/2010 to TEUR 6,585,815.3.

The weighted average interest rate on the major financial liabilities, including liabilities from convertible bonds, was 3.09% at the end of 2010/11. Including the cost of derivative financial instruments, the weighted average interest rate on these major financial liabilities equalled 3.47%.

Deferred tax assets rose by 11.9% from TEUR 421,322.4 to TEUR 471,301.1, above all due to positive revaluation results.

CASH FLOW

A condensed version of IMMOFINANZ Group's cash flow statement for the 2010/11 and 2009/10 financial years is shown in the following table:

Amounts in TEUR	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010
Earnings before tax	342,291.6	208,221.3
Revaluation/impairment losses/recognition of gains on bargain purchases	-80,342.3	316,809.9
Gains/(losses) from associated companies	-1,279.5	19,345.9
Gains/(losses) from the disposal of non-controlling interests	1,245.8	5,725.3
Temporary changes in the market value of financial instruments	-39,491.9	-191,298.8
Income taxes paid	-11,064.0	-5,163.1
Net financing costs	147,963.2	124,777.8
Gains on the change in investments	-2,952.4	-7,748.8
Other non-cash income/(expense)	7,450.4	-83,216.5
Gross cash flow	363,820.9	387,453.0
Cash flow from operating activities	317,018.5	401,730.0
Cash flow from investing activities	173,411.9	-242,447.1
Cash flow from financing activities	-445,153.6	-305,504.6
Change in cash and cash equivalents	30,594.1	-178,109.9
Cash and cash equivalents at the beginning of the period	536,653.0	714,762.9
Cash and cash equivalents at the end of the period	567,247.1	536,653.0
Change in cash and cash equivalents	30,594.1	-178,109.9

Gross cash flow fell by 6.1% year-on-year from TEUR 387,453.0 to TEUR 363,820.9.

Cash flow from operating activities declined 21.1% from TEUR 401,730.0 in the previous year to TEUR 317,018.5.

Due to the positive results of property revaluations, gross cash flow of TEUR 363,820.9 was only TEUR 21,529.3 higher than net profit for the year before tax. Cash flow from operating activities of TEUR 317,018.5 for 2010/11 was 21.1% below the prior year level of TEUR 401,730.0, above all due to the comparatively high use of provisions.

Cash flow from investing activities increased from TEUR -242,447.1 in the previous year to TEUR 173,411.9. This growth reflects the positive effects from the purchase of property companies and, in particular, a decline in the acquisition of investment properties and the increased sale of non-core assets.

Cash flow from financing activities consists primarily of additions to and reductions in financial liabilities and convertible bonds and totalled TEUR -445,153.6 in 2010/11 (2009/10: TEUR -305,504.6).

Cash and cash equivalents rose by 5.7% over the level on 30/04/2010 to TEUR 567,247.1.

KEY DATA

The following table provides a summary of key data on the balance sheet, financial and earnings position of IMMOFINANZ Group:

	30 April 2011	30 April 2010
Return on sales ¹	55.6%	25.2%
Return on equity ²	6.1%	1.6%
Return on investment ³	3.6%	1.5%
Net debt in MEUR ⁴	4,784.6	4,936.2
Equity ratio ⁵	44.0%	43.8%
Gearing ⁶	92.5%	95.7%
Net asset value (diluted) per share in EUR ⁷	5.36	4.78

¹ EBIT/Revenues

² Net profit after non-controlling interests /Equity
(excl. non-controlling interests)

³ EBIT/Total assets

⁴ Liabilities arising from convertible bonds plus non-current and current
financial liabilities – cash and cash equivalents

⁵ Equity/Total capital employed

⁶ Net debt/Equity

⁷ See section 4.10 of the notes for calculation method

The key data in the above table showed sound development during the reporting year. This is underscored by a comparison with 2009/010: the return on sales rose by 30.4 percentage points to 55.6%. Further significant improvements were recorded in the return on equity and the return on investment, which doubled to 6.1% and 3.6%, respectively.

Net debt declined slightly from MEUR 4,936.2 as of 30/04/2010 to MEUR 4,784.6.

The development of both the equity ratio and gearing was positive: The equity ratio increased slightly from 43.8% to 44.0%. In addition, gearing declined from 95.7% to 92.5%.

The improvement in NAV represents a major success for the reporting year. This indicator rose from EUR 4.78 to EUR 5.36 per share, which reflects a year-on-year increase of 12.1%.

9. Sustainability

One of IMMOFINANZ Group's most important goals as a real estate investor and developer is to generate sustainable success for its shareholders, customers and employees. Since this objective can only be realised in harmony with society and the environment, IMMOFINANZ Group takes its role as a responsible member of society seriously. The Group focuses not only on economic issues, but also includes social and ecological concerns in the implementation of its corporate strategy. An important focus within the company is the creation of a working environment that supports the optimal development of all employees.

Human Resources

Employees – the most important asset of IMMOFINANZ Group

When IMMOFINANZ speaks of assets, the focus is normally on properties in the residential, office, retail and logistics segments. However, the Group has another asset that is decisive for its success – namely its employees. In order to recruit and retain motivated and competent staff, to place these men and women in the right positions and to develop their potential, IMMOFINANZ Group established the Group human resources department in 2008. This department is responsible for personnel management and recruiting as well as organisational and staff development. The significant commitment of the human resources team in accompanying employees through the change process – which included a large number of professional strategy, communication and teambuilding events – led to second place for IMMOFINANZ Group in the European Change Communications Award for 2010. Following the successful completion of the restructuring process, the human resources department turned its focus to process documentation, training programmes, services and the positioning of IMMOFINANZ as an employer during the past year. A broad-based branding campaign using IMMOFINANZ employees as testimonials now presents the Group as an attractive, dynamic employer.

CAREERS WITH IMMOFINANZ GROUP

Motivation through performance-based compensation

In all countries the IMMOFINANZ team is characterised by convincing personal responsibility, motivation, flexibility and professionalism. As an expression of the high regard for employees and to support their continuous development, appraisal meetings are held each year. These meetings cover the definition of goals as well as decisions on individual training plans, which can involve individual courses or Group workshops. For example, the IMMOFINANZ Academy offers interested employees an opportunity to obtain basic real estate training. This programme, which was developed by the human resources department together with the Group's specialist units, is extremely popular and has been attended by nearly half the workforce. In addition to ongoing management development, the IMMOFINANZ training programmes include an expert curriculum that is directed to specialists in the various corporate areas and includes, among others, career-oriented instruction in soft skills, project management and negotiations. Another important element of this offering is the IMMOFORUM, an internal series of events that addresses a wide variety of subjects: from strategy and financial indicators to lectures on special topics.

IMMOFINANZ Group not only looks after its current employees – a special introductory event was also developed for new staff members. Together with ongoing discussions with the respective supervisors, this event is designed to ensure fast and smooth integration in IMMOFINANZ Group.

IMMOFINANZ Group expects high motivation and commitment from its employees, and therefore honours performance and productivity with variable compensation: 38% of the staff receive a variable bonus that averages 14% of their annual salary. The exact amount of the bonus is dependent on the attainment of defined and verifiable, qualitative and quantitative goals for each employee.

KNOWLEDGE MANAGEMENT AND KNOW-HOW TRANSFER: KEY SUCCESS FACTORS

With over 900 employees in 12 countries, knowledge management and know-how transfer represent a key success factor for IMMOFINANZ Group. This led to the establishment of the IMMnet (Intranet), a central internal information and knowledge management platform that was launched in November 2010. IMMnet contains information on new developments, important dates, facts & figures and training programmes and also provides documentation, downloads, guidelines and the like in German and English. Information on process management is also available in the IMMnet: Who works in which areas, with whom and how, and what rules need to be followed? Know-how and experience is available at all times to everyone in the Group. The clear presentation helps new employees to access the various subjects quickly and to understand the internal control system (ICS).

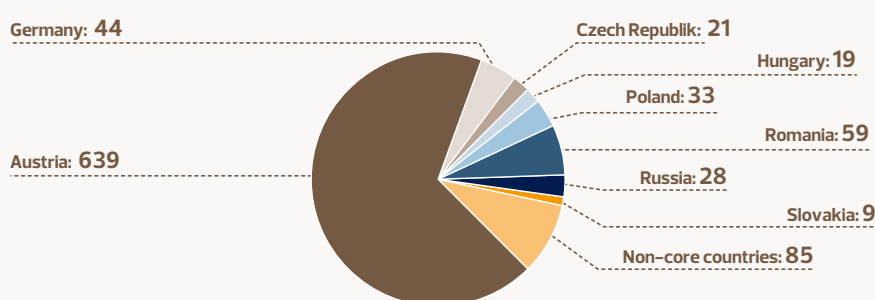
FOCUS ON PEOPLE: THE IMMOFINANZ FEEL-GOOD FACTOR

IMMOFINANZ employees are hard workers. For this reason, IMMOFINANZ Group places high value on increasing the feel-good factor at work with small tokens. Since its relocation to new, modern offices in the Business Park Vienna / Twin Tower with its light and airy offices and open communication zones, the company offers its employees an extremely attractive workplace. IMMOFINANZ Group also supports team building activities outside office hours, which include sporting events like the Business Run, the Dragon Boat Cup and the Vienna City Marathon.

IMMOFINANZ EMPLOYEES: FACTS AND FIGURES

The fully and proportionately consolidated companies of IMMOFINANZ Group had a total of 937 employees as of 30/4/2011. The comparable prior year figure is 955 and includes the employees working for IMMOFINANZ Group based on the management contract with Aviso Zeta AG, formerly Constantia Privatbank Aktiengesellschaft. IMMOFINANZ workforce includes both salaried and wage employees, and is distributed among 12 countries. Approx. 91% of the employees work in the eight core markets and roughly 18% are employed by the CEE, CIS and SEE companies.

**IMMOFINANZ Group has
937 employees**



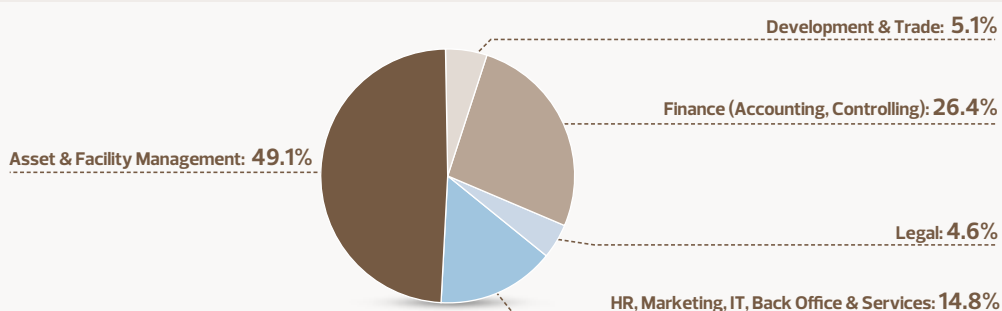
IMMOFINANZ Group: 937

Employees in proportionally consolidated companies were included on a proportional basis

Networking in 12 countries

AREAS OF ACTIVITY IN THE IMMOFINANZ COMPANIES

The core business of IMMOFINANZ Group covers the management, development and trading of real estate assets, which together are responsible for 54% of the total number of employees. The workforce increased by 183 during the reporting year as the result of hiring to reflect additional requirements and the integration of new companies. Employee turnover reflected the branch average.



IMMOFINANZ GROUP: A SIGN OF DIVERSITY AND EQUAL OPPORTUNITY

IMMOFINANZ Group unites 23 countries under a single roof and views this international orientation and diversity as a genuine competitive advantage. In keeping with the motto “think global – act local”, the Group relies, for the most part, on local experts in the individual core markets. However, IMMOFINANZ Group also places high value on cultural diversity in the corporate headquarters. The basis for successful coexistence is formed by the regular exchange of ideas and the smooth flow of information, which is guaranteed, on the one hand, by the IMMnet information and knowledge management platform and, on the other hand, by regular Group-wide personnel development measures. Equal opportunity between women and men is also a central goal of IMMOFINANZ Group: in this respect, IMMOFINANZ is a pioneer with women comprising 61% of the total workforce and 22% of the managerial positions.

The Environment

Environmental protection represents a challenge for property companies like IMMOFINANZ Group. Consequently, high value is placed on resource-conserving construction methods and energy efficiency in renovation, new acquisitions and internal project development. The importance of environmental protection for IMMOFINANZ Group is illustrated by its commitment as a founding member of the Austrian Society for Sustainable Real Estate Management (“Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft”, ÖGNI).

BUWOG RESIDENTIAL CONSTRUCTION PROJECTS: ACTIVE ENVIRONMENTAL PROTECTION IN IMMOFINANZ GROUP

Energy efficiency and climate protection are key elements of the corporate strategy of BUWOG, a wholly owned subsidiary of IMMOFINANZ Group that is specialised in residential construction. BUWOG has implemented extensive measures to minimise energy consumption and increase the

use of renewable energy sources for many years. With a 24.5% share of IMMOFINANZ Group's portfolio, BUWOG makes an important contribution to environmental protection in the corporation.

Most of the new BUWOG buildings meet or exceed low energy standards. However, BUWOG also owns passive energy properties. Additionally, an improvement in the thermal insulation of older buildings as part of renovation and modernisation projects has led to a significant reduction in energy consumption. BUWOG has cut CO₂ emissions by up to 10,000 tonnes in recent years through selective thermal insulation measures and the modernisation of heating systems.

BUWOG Group and the Carinthian electricity provider Kärntner Elektrizitäts-Aktiengesellschaft (KELAG) signed a cooperation agreement during the reporting period to centralise Austrian electricity and gas procurement in IMMOFINANZ Group for roughly 2,200 residential projects and nearly one million sqm of office and retail space that is administered by BUWOG's facility management. This agreement will allow BUWOG Group to purchase its entire electricity requirements from hydroelectric power and eco-energy sources. That will save nearly 20,000 tonnes of CO₂ alone on the electricity purchased directly by BUWOG Group, which represents the yearly CO₂ emissions from the energy consumption of approx. 28,000 households. This contract has another very positive side effect: it will save tenants almost EUR 1.38 million in operating costs.

Conversion to eco-electricity cuts CO₂ emissions by 20,000 tonnes

BUWOG Group is also well known for the realisation of innovative residential construction concepts. In new construction, e-mobility will play an important role in the future. Fuelling stations for electric cars and e-bicycles will create the necessary infrastructure for the problem-free use of electricity-driven vehicles. A BUWOG pilot project for e-residential construction can be found in the Assmayergasse in Vienna's 12th district. A loading station for electric cars in the underground garage and a second for e-bicycles make this property an ecological showpiece with its planned internal electricity generation. Dual photovoltaic equipment with a total output of 10 kWh will be installed on the roof. This equipment will meet the electricity requirements for the public parts of the building (lighting, elevators etc.) and the two electricity fuelling stations, which means there will be practically no feed-in to the power grid. It is therefore more economical than larger solar installations that also generate surplus electricity. In the future, BUWOG will evaluate opportunities to include loading stations in all new construction projects.

BUWOG enters e-residential construction

COMMITMENT TO SUSTAINABLE CONSTRUCTION IN THE COMMERCIAL SECTOR

The commitment of IMMOFINANZ Group to environmental protection also extends to its activities in the commercial sector. Energy efficiency and resource-conserving construction methods therefore play an important role in renovation projects, new acquisitions and, above all, in the Group's development projects.

The commercial development department, which was established in autumn 2010, is committed to the sustainable construction of commercial properties as well as a clear focus on the optimisation of projects throughout the entire development cycle. The management of a comprehensive, sustainable process that covers planning, realisation and start-up plays an important role in this connection. In order to also make this environmental commitment visible and understandable for the

outside world, sustainability certification will be evaluated for all current and future development projects. In addition to “GreenBuilding”, a certification system for commercial properties initiated by the European Commission, IMMOFINANZ Group is also evaluating the certification of its office buildings under “LEED” (Leadership in Energy and Environment-Design) and shopping centers under “BREEAM” (BRE Environmental Assessment Method). Comparisons are also made with the “ÖGNI” and “DGNB” systems developed by the German Sustainable Building Council, depending on local requirements.

On the right road: revitalisation project in Vienna's inner city according to LEED and GreenBuilding standards

IMMOFINANZ Group realised a first environmental showpiece project during the reporting year with the sustainable revitalisation of the Bureau am Belvedere in the inner city of Vienna. This building was awarded the “GreenBuilding” label before construction was completed. In early summer 2011 the Bureau am Belvedere also received pre-certification for the LEED Gold Standard, which underscores compliance with strict requirements for the site concept, water and energy consumption, protection of the earth's atmosphere and the use of building materials.

ENVIRONMENTAL PROTECTION IN THE GROUP HEADQUARTERS

IMMOFINANZ Group is not only committed to environmental protection in its core business. Specific measures have also been implemented in the Group's headquarters in keeping with the growing influence of energy management on corporate profits. For example, state-of-the-art technologies are helping to make the IMMOFINANZ Group's IT infrastructure greener and have already led to a reduction of approx. 300,000 kWh in energy consumption per year in the two computing centers.

10. Legal Disputes

IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsverwaltung GmbH (in the following “IMBEA”) are involved in a number of legal disputes.

LEGAL PROCEEDINGS BY SHAREHOLDERS AGAINST IMMOFINANZ AG AND IMBEA IMMOEAST BETEILIGUNGSVERWALTUNG GMBH

A number of shareholders filed claims against IMMOFINANZ AG and IMMOEAST AG (now IMBEA) beginning in November 2008. Some of the plaintiffs are IMMOFINANZ AG shareholders, while others are shareholders of the former IMMOEAST AG who brought claims against IMMOEAST AG or IMBEA as the legal successor of IMMOEAST AG. In all cases, the plaintiffs are claiming damages based on prospectus liability. The plaintiffs' argumentation is based primarily on alleged deficiencies in the prospectuses of IMMOFINANZ AG and IMMOEAST AG. The plaintiffs' claims are also based on other legal grounds, e.g. the violation of ad-hoc reporting requirements. Among others, the plaintiffs allege that the funds raised from the public offering were not used for acquisitions or the development of new real estate projects, but for the financing of IMMOFINANZ AG and IMMOEAST AG and for the purchase of shares in IMMOFINANZ AG and IMMOEAST AG. IMMOFINANZ AG and IMBEA reject these claims.

Of special note are two class-action suits of Austrian origin involving claims by 69 and 242 plaintiffs, respectively, against IMMOFINANZ AG. These cases are still in the early stages. AdvoFin, a company that finances legal proceedings, is carrying the plaintiffs' costs.

A total of 157 lawsuits had been filed against IMMOFINANZ AG (whereby IMBEA was also sued in some cases) and 68 against IMMOEAST AG/IMBEA (in addition to IMMOFINANZ AG in some cases) by the end of May 2011. Most of the plaintiffs are covered by insurance for legal expenses or represented by a company that finances such proceedings. It is expected that several more claims will be filed under the coordination of insurance carriers or companies that finance legal proceedings.

The status of the pending proceedings is different, whereby most are in the early stages. Eight pending lawsuits against IMMOEAST AG/IMBEA were suspended until the final judgment is issued in a similar case. In eight other cases, a judgment in the first instance or a final judgment was issued, each – for different reasons – in favour of IMMOFINANZ AG or IMMOEAST AG/IMBEA.

LEGAL PROCEEDINGS BY SHAREHOLDERS AGAINST INVESTMENT CONSULTANTS AND AVISO ZETA AG; THIRD-PARTY NOTICES AGAINST IMMOFINANZ AG/ IMBEA IMMOEAST BETEILIGUNGSVERWALTUNG GMBH

At the beginning of August 2008 shareholders of IMMOFINANZ AG and IMMOEAST AG (now IMBEA Immoeast Beteiligungsverwaltung GmbH) filed lawsuits against Constantia Privatbank AG (now Aviso Zeta AG) and AWD Gesellschaft für Wirtschaftsberatung GmbH, through which they purchased IMMOFINANZ and IMMOEAST shares. The plaintiffs allege incorrect investment advising, misleading advertising and false depiction of IMMOFINANZ AG and IMMOEAST AG in public due to the withholding of information on the close relationship between the former Constantia Privatbank AG and IMMOFINANZ AG/IMMOEAST AG. Furthermore, the lawsuits contend that information on material transactions by the former Constantia Privatbank AG with shares of IMMOFINANZ AG and IMMOEAST AG was withheld and maintain that investors' funds were not used for the purposes stated in the prospectuses. The plaintiffs are seeking compensation and/or the assessment of the resulting financial losses.

The plaintiffs did not lodge any direct claims against IMMOFINANZ AG/IMMOEAST AG in these cases. IMMOFINANZ AG and IMBEA Immoeast Beteiligungsverwaltung GmbH are involved as intervening parties in some of the cases against Aviso Zeta AG or AWD Gesellschaft für Wirtschaftsberatung mbH. An intervening party is someone who has a legal interest in the success of one party to pending legal proceedings between other persons. Participation in legal proceedings as an intervening party allows the defendant to file a recourse claim against IMMOFINANZ AG/ IMBEA if the case is lost; otherwise the objections would not be allowed in subsequent proceedings.

By the end of May 2011 Aviso Zeta AG had served IMMOFINANZ AG and/ or IMBEA with third-party notices in 577 cases. AWD Gesellschaft für Wirtschaftsberatung GmbH has also served IMMOFINANZ AG and/ or IMBEA with third-party notices in 181 cases. IMMOFINANZ AG and IMBEA joined in most of these cases.

According to the information currently available to IMMOFINANZ AG, judgments have been issued in 11 lawsuits against AWD Gesellschaft für Wirtschaftsberatung GmbH and Aviso Zeta AG. The judgments were issued in favour of the defendant in most of these cases. Neither AWD Gesellschaft für Wirtschaftsberatung GmbH nor Aviso Zeta AG has filed recourse claims against IMMOFINANZ AG or IMBEA to date.

LEGAL PROCEEDINGS AGAINST AVISO ZETA AG

Aviso Zeta AG is the defendant in 1,698 lawsuits. In a further 130 lawsuits, Aviso Zeta AG has been served with a third-party notice by one of the defendants.

IFAG/IMBEA	Number of lawsuits	Value in dispute in EUR
	157	Proceedings against IFAG
	68	Proceedings against IMBEA
	225	32,627,878.22
Third-party notices to IFAG/ IMBEA	577	Aviso Zeta
	181	AWD
	758	56,055,814.06
Aviso Zeta	Number of lawsuits	
	1,698	Defendant
	130	Intervening party
	1,828	105,174,608.83

**PROCEEDINGS TO REVIEW THE EXCHANGE RATIO APPLIED
TO THE MERGER OF IMMOEAST AG WITH IMMOFINANZ AG**

IMMOFINANZ AG, as the accepting company, was merged with IMMOEAST AG, as the transferring company, in accordance with a merger agreement dated 21/01/2010. In connection with this merger, the former shareholders of IMMOEAST AG were granted a total of 567,363,702 shares in IMMOFINANZ AG based on the agreed exchange ratio of three IMMOFINANZ shares for each two IMMOEAST shares. Petitions were subsequently filed with the commercial court of Vienna by IMMOFINANZ shareholders and shareholders of the former IMMOEAST AG for a review of this exchange ratio pursuant to §§ 225c ff of the Austrian Stock Corporation Act. This step led to the start of court proceedings, and IMMOFINANZ AG has filed an extensive statement in response to the petitions.

Decisions or settlements in the proceedings to review the exchange ratio will apply to all shareholders in the respective shareholder groups (erga omnes right). If the proceedings lead to additional payments (additional settlement payments), the shareholders in the disadvantaged shareholder group will receive these payments plus interest at a rate of 2% over the base interest rate on the registration date (29/04/2010). IMMOFINANZ AG has requested permission to grant additional IMMOFINANZ shares in place of cash settlements. Settlement through shares is subject to the limitations defined in § 225j (2) of the Austrian Stock Corporation Act: treasury shares must be used first; new shares may only be issued when the lowest issue amount is covered by voluntary reserves, profit carried forward or net assets.

The outcome of the proceedings to review the exchange ratio cannot be predicted at the present time. It is not possible to estimate whether the shareholder groups will be granted additional payments (additional settlement payments) or how high these payments might be.

OTHER LEGAL DISPUTES

In March 2011 IMMOFINANZ AG filed a lawsuit against three former members of the Executive Board and members of the Supervisory Board of the former Constantia Privatbank AG over option transactions to the detriment of the former IMMOEAST AG. This case is still in the early stages.

PROVISIONS

In accordance with IAS 37.14, a liability whose timing or amount is uncertain should be recognised as a provision when it is probable that the settlement of a present obligation arising from past events will lead to an outflow of resources and the related amount can be reliably estimated. Provisions are recognised at the amount considered to represent the best estimate of the expenditure required to settle the obligation at the time the financial statements are prepared. This best estimate is the amount the company would rationally pay to settle the obligation as of the balance sheet date or to transfer it to a third party at that time. The consolidated financial statements of IMMOFINANZ Group include sufficient provisions for legal proceedings and the costs associated with such proceedings, which are based on estimates of their presumed outcome.

11. Information on Equity

The share capital of IMMOFINANZ AG totalled EUR 1,085,289,405.48 as of 30/04/2011 (30 April 2010: EUR 1,084,088,464.68). This share capital is divided into 1,045,373,586 (2009/10: 1,044,216,775) zero par value shares with voting rights, each of which represents a proportional share of EUR 1.04 (rounded) in share capital.

The distribution of shares is as follows:

	30 April 2011		30 April 2010	
	Number of shares	Share capital in EUR	Number of shares	Share capital in EUR
Registered shares	6	6.23	6	6.23
Bearer shares	1,045,373,580	1,085,289,399.25	1,044,216,769	1,084,088,458.45
Total	1,045,373,586	1,085,289,405.48	1,044,216,775	1,084,088,464.68

The shares with numbers 1 through 6 are registered shares that are held by Aviso Zeta AG, 1010 Vienna, Bösendorferstrasse 4. The holders of these shares have the right to nominate one member to the Supervisory Board for each registered share held. The registered shares may only be transferred with the approval of IMMOFINANZ AG. Based on a share purchase agreement that was signed on 19/05/2010 and closed in December 2010, Aviso Zeta AG was acquired in full by IMBEA IMMOEAST Beteiligungsverwaltung GmbH (a wholly owned subsidiary of IMMOFINANZ AG). Plans call for a recommendation to the annual general meeting of IMMOFINANZ AG, requesting cancellation of the previously unused right of delegation to the Supervisory Board that is connected with the registered shares and conversion of the registered shares to bearer shares.

The remaining shares of IMMOFINANZ AG are bearer shares and entitle the holders to participate in the annual general meeting and to exercise their voting rights, similar to the registered shares. Each bearer share is entitled to one vote.

The Executive Board is not aware of any agreements between shareholders that restrict voting rights or the transfer of shares.

There are no shares with special controlling rights as defined in § 243a (1) no. 4 of the Austrian Commercial Code.

IMMOFINANZ AG has no employee share participation programme. Therefore, no information is provided on the control of voting rights pursuant to § 243a (1) no. 5 of the Austrian Commercial Code.

The development of the number of shares during 2010/11 is shown below:

	Number of shares	Difference	Transaction
30 April 2010	1,044,216,775		
November 2010	1,044,273,586	56,811	Conversion of CB 2011 and CB 2014
December 2010	1,044,373,586	100,000	Conversion of CB 2011
January 2011	1,044,773,586	400,000	Conversion of CB 2011
February 2011	1,044,973,586	200,000	Conversion of CB 2011
April 2011	1,045,373,586	400,000	Conversion of CB 2011
30 April 2011	1045,373,586		

Convertible bonds

CONVERTIBLE BOND 2014 (CB 2014)

The annual general meeting on 28/09/2006 authorised the Executive Board to issue convertible bonds with a total nominal value of EUR 750 million. A conditional capital increase of EUR 58,076,106.11 pursuant to § 159 of the Austrian Stock Corporation Act was also approved to service the exchange or subscription rights of these convertible bonds, which were subsequently issued in accordance with the authorisation of the annual general meeting.

On 19/01/2007 IMMOFINANZ AG issued convertible bonds with a total nominal value of EUR 750 million and a term ending on 20/01/2014.

A resolution of the annual general meeting on 02/10/2009 extended the purpose of the capital increase approved on 28/09/2006 to include servicing the exchange and subscription rights in the convertible bonds which were issued in accordance with a resolution of the annual general meeting on 27/09/2007.

CONVERTIBLE BOND 2017 (CB 2017)

The annual general meeting on 27/09/2007 authorised the Executive Board to issue convertible bonds with a total nominal value of EUR 750 million. A conditional capital increase of EUR 156,828,594.90 pursuant to § 159 of the Austrian Stock Corporation Act was also approved to service the exchange or subscription rights in these convertible bonds.

On 19/11/2007, IMMOFINANZ AG consequently issued convertible bonds with a total nominal value of EUR 750 million and a term ending on 19/11/2017.

The annual general meeting of IMMOFINANZ AG on 02/10/2009 resolved the following: the conditional capital increase approved by the annual general meeting on 27/09/2007 will also be executed to service exchange and/or subscription rights in the convertible bonds that were issued pursuant to a resolution of the annual general meeting on 28/09/2006.

EXCHANGE OFFER AND CONVERTIBLE BOND 2011 (CB 2011)

In connection with an exchange offer to the holders of convertible bonds CB 2014 and CB 2017, convertible bonds with a total nominal value of EUR 229.6 million and a term ending on 22/12/2011 were issued on 28/04/2009. This issue was based on resolutions of the annual general meetings of IMMOFINANZ AG on 28/09/2006 and 27/09/2007. The exchange offer reduced the nominal liability of convertible bonds CB 2014 and CB 2017 by a total of EUR 574.0 million.

The annual general meeting of IMMOFINANZ AG on 02/10/2009 approved a conditional capital increase pursuant to § 159 of the Austrian Stock Corporation Act. This conditional capital increase amounts to EUR 23,384,795.39 and is designed to service the exchange or subscription rights in the convertible bonds which were issued in accordance with resolutions of the annual general meetings on 28/09/2006 and/or 27/09/2007.

Details of the exchange offer are shown below:

	ISIN	Nominal value as of 30 April 2008 in TEUR	Nominal value of exchanged convertible bonds in TEUR	Nominal value as of 30 April 2009 in TEUR
Convertible bond 2007–2014	XS0283649977	750,000.00	75,500.00	674,500.00
Convertible bond 2007–2017	XS0332046043	750,000.00	498,500.00	251,500.00
Convertible bond 2009–2011	XS0416178530	0.00	0.00	229,600.00
Total		1,500,000.00	574,000.00	1,155,600.00

**BUYBACK OF CONVERTIBLE BONDS AND EXERCISE OF
CONVERSION RIGHTS IN 2010/11**

During the first half of the 2010/11 financial year IMMOFINANZ AG repurchased convertible bonds with a nominal value of EUR 96,200,000.- from the CB 2014 issue and convertible bonds with a nominal value of EUR 4,300,000.- from the CB 2017 issue. IMMOFINANZ AG has not withdrawn these repurchased bonds to date.

IMMOFINANZ AG made a tender offer to the holders of the CB 2014 and CB 2017 in February/ March 2011. This tender offer resulted in the repurchase and withdrawal of CB 2014 certificates with a nominal value of EUR 454.7 million and CB 2017 certificates with a nominal value of EUR 10.5 million during March 2011.

In 2010/11 the exchange right was exercised for one certificate from the CB 2014 with a nominal value of EUR 100,000.00.

Exchange rights were also exercised in 2010/11 for 23 certificates from the CB 2011 with a total nominal value of EUR 2.3 million.

These conversions led to an increase of EUR 1,200,940.8 in the share capital of IMMOFINANZ AG during the reporting year through the issue of 1,156,811 new shares pursuant to § 167 of the Austrian Stock Corporation Act.

CONVERTIBLE BOND 2018 (CB 2018)

On 08/03/2011 IMMOFINANZ AG issued 125,029,692 convertible bonds with a total nominal value of EUR 515,122,331.04 and a term ending on 08/03/2018. This issue was based on a resolution of the annual general meeting on 27/09/2007 covering the issue of convertible bonds and a resolution on 28/09/2010 authorising the Executive Board to sell treasury shares in full or in part by means other than over the stock exchange or through a public offer.

The original conversion rights connected with the CB 2018 for 125,029,692 shares of IMMOFINANZ AG are supported by up to 20,608,015 new shares from conditional capital and up to 104,421,683 treasury shares. A proposal will be made to the annual general meeting, calling for a resolution on further conditional capital.

The following table shows the development of the nominal value of the convertible bonds during 2010/11 and after the end of the reporting year:

Convertible bonds	ISIN	Nominal value as of 30 April 2010 in MEUR	Nominal value of repurchased convertible bonds (not withdrawn)	Nominal value of convertible bonds repurchased through tender offer (withdrawn or new issue)	Conversions in 2010/11	Nominal value as of 30 April 2011 in MEUR	Conversions in 2011/12	Nominal value as of 30 June 2011 in MEUR
Convertible bond 2009–2011	XS0416178530	194,20	0,00	0,00	-2,30	191,90	-36,40	155,50
Convertible bond 2007–2014*	XS0283649977	654,30	-96,20	-454,70	-0,10	103,30	0,00	103,30
Convertible bond 2007–2017*	XS0332046043	212,30	-4,30	-10,50	0,00	197,50	0,00	197,50
Convertible bond 2011–2018*	XS0592528870	0,00	0,00	515,12	0,00	515,12	0,00	515,12
		1.060,80	-100,50	49,92	-2,40	1.007,82	-36,40	971,42

* Put option for convertible bondholders

Treasury shares**SHARE PURCHASE BASED ON AGREEMENTS FOR THE "IBAG BOND" AND AVISO ZETA**

As of 30/04/2011 IMBEA IMMOEAST Beteiligungsverwaltung GmbH (a wholly owned subsidiary of IMMOFINANZ AG) held 57,071,429 shares of IMMOFINANZ AG. That represents a proportional stake of EUR 59,250,607.08 or roughly 5.46% of the company's share capital as of 30/04/2011.

IMBEA IMMOEAST Beteiligungsverwaltung GmbH purchased 55,005,409 IMMOFINANZ shares during 2010/11 in connection with the closing of the agreements between the IMMOFINANZ Group and Constantia Packaging B.V. on the so-called "IBAG bond" (EUR 512 million) as part of the contract performance by Constantia Packaging B.V. This purchase was based on the statutory provision for the prevention of damages as defined in § 65 (1) no. 1 of the Austrian Stock Corporation Act.

The details of the share purchase by IMBEA IMMOEAST Beteiligungsverwaltung GmbH are as follows: The 55,005,409 IMMOFINANZ shares were held by four companies belonging to the CPB Enterprise Group. The transfer of the companies holding the shares (together with the other companies in the CPB Enterprise Group) from Constantia Packaging B.V. to IMBEA IMMOEAST Beteiligungsverwaltung AG represented part of the contract performance by Constantia Packaging B.V. based on the agreements covering the "IBAG bond" (EUR 512 million). In order to enable

IMBEA IMMOEAST Beteiligungsverwaltung GmbH to hold these shares directly, the 55,005,409 IMMOFINANZ shares were purchased by IMBEA IMMOEAST Beteiligungsverwaltung GmbH from the four above-mentioned CPB Enterprise Group companies at the closing price of the IMMOFINANZ share on 23/08/2010 (i.e. at EUR 2.75 per share). The purchase price was settled through an offset with financial receivables held by IMBEA IMMOEAST Beteiligungsverwaltung GmbH against the companies holding the shares, which are now member companies of IMMOFINANZ Group – with the exception of the purchase price for 465,409 IMMOFINANZ shares from a company with no financial liabilities due to IMBEA IMMOEAST Beteiligungsverwaltung GmbH – which represented an intragroup liability/receivable as of 30/04/2011.

IMBEA IMMOEAST Beteiligungsverwaltung GmbH also purchased 2,066,020 IMMOFINANZ shares from Aviso Zeta AG (formerly Aviso Zeta Bank AG) on 29/09/2010 at the closing price of the IMMOFINANZ share on that date (i.e. EUR 2.708 per share). This purchase was based on the statutory provision for the prevention of damages as defined in § 65 (1) no. 1 of the Austrian Stock Corporation Act. The transaction made it possible for Aviso Zeta AG to terminate its banking activities without the “emergency sale” of these IMMOFINANZ shares and to fulfil the closing conditions for the share purchase agreement dated 19/05/2010 for the shares of Aviso Zeta AG.

The six registered shares of IMMOFINANZ AG are held by Aviso Zeta AG. The purchase of all shares of Aviso Zeta by IMBEA IMMOEAST Beteiligungsverwaltung GmbH in December 2010 also resulted in the acquisition of these shares, here also based on the statutory provision for the prevention of damages (§ 65 (1) no. 1 of the Austrian Stock Corporation Act).

SHARE BUYBACK PROGRAMME 2010–2011

A resolution by the annual general meeting on 28/09/2010 authorised the Executive Board to repurchase the company's shares in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act at an amount equalling up to 10% of share capital. This authorisation is valid for a period of 30 months. This resolution also authorised the Executive Board, subject to the consent of the Supervisory Board, to sell treasury shares during a period of five years in full or in part in another manner than over the stock exchange or through a public offering, also under the exclusion of the general purchase option (exclusion of subscription rights), if this sale of treasury shares (i) represents return consideration for properties or stakes in property companies transferred to the company or its subsidiaries or (ii) if this sale of treasury shares is intended to service exchange and/or subscription rights of the convertible bondholders. The Executive Board is also authorised, subject to the consent of the Supervisory Board, to withdraw these shares without a further resolution of the annual general meeting.

Based on the resolution of the annual general meeting on 28/09/2010 that authorised the Executive Board pursuant to § 65 (1) no. 8 of the Austrian Stock Corporation Act to repurchase the company's shares up to 10% of share capital, IMMOFINANZ AG carried out a share buyback programme from 12/11/2010 to 18/03/2011. The purpose of this buyback was to use treasury shares for capital market instruments to refinance the CB 2017 and CB 2014. The share buyback programme led to the repurchase of 47,350,248 IMMOFINANZ shares for a total of EUR 145,755,598.48. These shares had a proportional stake of EUR 49,158,238.87 in the share capital of the company, which represents 4.53% of share capital as of 30/04/2011.

The treasury shares purchased in 2010/11 are shown in the following table:

Date	Number of shares	Circumstances and statutory provision	Proportional share of share capital as of 30 April 2011 in EUR	Proportional share of share capital as of 30 April 2011 in %	Purchase price in EUR
Aug. 2010	55,005,409	Closing of the agreements with Constantia Packaging B.V. on the "IBAG bond" (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	57,105,699.52	5.26%	151,264,874.75 (Group settlement)
Sept. 2010	2,066,020	Termination of banking activities by Aviso Zeta (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	2,144,907.56	0.20%	5,594,782.16
Dec. 2010	6	Acquisition of Aviso Zeta (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	6.23		1.00
Nov. 2010 to Mar. 2011	47,350,248	Share buyback programme 2010 – 2011 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	49,158,238.87	4.53%	145,755,598.48
Total	104,421,683		108,408,852.18	9.99%	

IMMOFINANZ AG held 104,421,683 treasury shares as of 30/04/2011, which represents 9.99% of share capital.

ISSUE OF THE CONVERTIBLE BOND 2018 (CB 2018)

IMMOFINANZ AG issued the CB 2018 on 08/03/2011 based on a resolution passed by the annual general meeting on 28/09/2010, which authorised the Executive Board to sell treasury shares in part or in full in another manner than over the stock exchange or through a public offer.

CHANGE OF CONTROL PROVISIONS

The terms of the convertible bonds CB 2011, CB 2014, CB 2017 and CB 2018 entitle all bondholders to put some or all of the securities not yet converted or redeemed if there is a change of control. In such case, IMMOFINANZ AG must redeem the tendered securities at nominal value plus accrued interest as of the respective date. Details on these provisions are provided in the terms of issue for convertible bonds CB 2011, CB 2014, CB 2017 and CB 2018.

In 2006 a syndicate of Austrian and international banks granted IMMOFINANZ Finance B.V. a revolving credit facility (syndicated loan). In the event of a change of control, the lenders are entitled to demand immediate repayment of the outstanding amounts. IMMOFINANZ AG has provided the lenders with a guarantee for the liabilities incurred under this arrangement. The outstanding nominal amount was EUR 240,000,000.– as of 30/04/2011.

EXECUTIVE BOARD AND SUPERVISORY BOARD

As explained above, the holders of the registered shares are entitled to delegate one member to the Supervisory Board for each registered share held. These registered shares are held by Aviso Zeta AG which, as a subsidiary of IMMOFINANZ AG (§ 228 (3) of the Austrian Commercial Code), is not permitted by § 65 (5) of the Austrian Stock Corporation Act to exercise the delegation right connected with these registered shares. Plans call for a recommendation to the annual general meeting of IMMOFINANZ AG, requesting cancellation of the previously unused right of delegation to the Supervisory Board that is connected with the registered shares and conversion of the registered

shares to bearer shares. There are no other provisions governing the appointment and removal of the members of the Executive Board or Supervisory Board that are not derived directly from law.

All Executive Board agreements contain a change of control clause that may lead to the cancellation of a contract. There are no other significant agreements which enter into force, change or terminate in the event of a change of control in the company following a takeover bid.

The company and the Executive Board have concluded compensation agreements that will take effect in the event of a public takeover bid. Depending on the remaining term of the Executive Board member, the respective contract entitlement will equal one or two years at most.

There are no such agreements for the members of the Supervisory Board or for employees.

Eduard Zehetner was appointed chief executive officer of IMMOFINANZ AG as of 24/06/2010. Accordingly, he has the deciding vote in the event of a tie.

SIGNIFICANT HOLDINGS

On 15/04/2011 the company was informed that FRIES Familien-Privatstiftung, Dr. Rudolf FRIES Familien-Privatstiftung and Mr. and Mrs. Rudolf Fries (together the "Fries Group") hold a total of 52,873,309 voting rights directly and through their holdings. This represents a combined investment of more than 5% in the share capital of IMMOFINANZ AG.

IMMOFINANZ AG held 47,350,248 treasury shares as of 30/04/2011. IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, held 57,071,429 shares of IMMOFINANZ AG as of this same date. Aviso Zeta AG, a wholly owned subsidiary of IMBEA IMMOEAST Beteiligungsverwaltung GmbH, holds the six registered shares. In total member companies of IMMOFINANZ Group held roughly 9.99% of the share capital of IMMOFINANZ AG in the form of treasury shares as of 30/04/2011.

12. Risk Report

As an international property investor and developer, IMMOFINANZ Group is exposed to a variety of risks. A systematic risk management process ensures the timely identification of developments that could endanger the realisation of strategic and operating goals and also allows for the inclusion of important information in decision-making processes.

IMMOFINANZ Group has integrated an active risk management system into its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct impact on strategic decisions and operating processes. Internal guidelines, reporting systems and control measures have been installed throughout IMMOFINANZ Group to support the monitoring, evaluation and control of risks related to the operating business. Risk management in IMMOFINANZ Group takes place at all levels and is ultimately the responsibility of the Executive Board, which is involved in all risk-related decisions. The internal control system (ICS) was also expanded to support the early identification and monitoring of risk. The auditor evaluates

the efficiency and effectiveness of the ICS – to the extent this is necessary for the preparation of the annual financial statements and the provision of a true and fair view of the asset, financial and earnings position of the company – and presents the results of this analysis to the Executive Board.

The most significant risk factors can be summarised under financial risks and market/property-specific risks. The major financial risk factors are associated with fluctuations in foreign exchange rates and interest rates as well as negative changes in the credit standing or liquidity of customers and business partners. Market/property-specific risks arise from micro- and macroeconomic events in individual countries and developments at the property level.

The primary objective of risk management in IMMOFINANZ Group is to identify risks at an early point in time and thereby support the rapid implementation of appropriate countermeasures.

Financial risks

DEFAULT/CREDIT RISK

Default and credit risks arise when a contract partner of IMMOFINANZ Group is unable to meet his or her obligations, and this situation leads to financial damage for IMMOFINANZ Group. The amounts reported on the balance sheet under assets represent the maximum risk of default. Default risks are accounted for through appropriate value allowances.

The most important instrument for managing default risk is the continuous evaluation of the credit standing of contract partners. In various development projects, IMMOFINANZ Group works together with local project developers. This cooperation can represent a risk for IMMOFINANZ Group if the business partners are unable to meet their contractual obligations in full or on time. Appropriate contractual provisions – e.g. penalties or damage payments in cases where performance does not meet the contract terms – are used to address this risk. In addition, specific activities and goal attainment are monitored regularly by the Group's asset management.

The risk of default on receivables due from tenants is low because tenants are generally required to provide security deposits (for residential properties: cash deposits; for commercial properties: bank guarantees or cash deposits) and the credit standing of tenants is monitored on a regular basis. The risk of default on receivables due from banks is also considered to be low because all financing transactions are concluded with financial institutions that have excellent credit ratings.

CAPITAL MARKET AND FINANCING RISK

The ability to obtain refinancing on the capital markets is an important strategic factor for IMMOFINANZ Group. Significant fluctuations on these markets can limit the availability of equity and/or debt. In order to minimise refinancing risk, IMMOFINANZ Group works to maintain a balance between equity and debt and distributes bank financing over various terms.

In order to ensure conformity with capital market regulations, IMMOFINANZ Group has issued a compliance guideline. This guideline is designed to guarantee the fulfilment of all relevant obligations under stock market law and, in particular, to prevent the misuse or distribution of insider information. The measures implemented in this connection include: the development of a compliance organisation; the definition of authorisations and duties for the compliance officer; the implementation of permanent and, where necessary, temporary classified units as well as blackout periods and trading prohibitions for persons assigned to these units.

The generation of liquidity from the operating business represents a central element of IMMOFINANZ Group's strategy. Processes to evaluate opportunities for optimisation or a further reduction in operating costs are expanded and improved continuously. Internal procurement guidelines for the operating business, above all in the area of property services, construction and facility management, form an important part of this cost reduction and optimisation potential.

In order to receive or continue the use of funds obtained through loan agreements, IMMOFINANZ Group must meet certain obligations – so-called financial covenants. The Group continuously monitors compliance with these covenants and remains in close contact with the lending institutions. If these obligations are not met, the lender may cancel the loan agreement under certain circumstances. At the present time IMMOFINANZ Group is not aware of and does not expect a breach of any major covenants that could negatively influence its business activities.

FOREIGN EXCHANGE RISK

IMMOFINANZ Group is exposed to various forms of foreign exchange risk in connection with its balance sheet and cash flows.

FOREIGN EXCHANGE EFFECTS ON PROFIT AND CASH FLOWS IN THE GROUP COMPANIES

The individual Group companies record all transactions in a currency that differs from their functional currency (e.g. Euro loans for property financing) at the average exchange rate on the date of the respective transaction. Foreign currency monetary assets and liabilities are translated at the average exchange rate in effect on the balance sheet date. The resulting foreign exchange gains and losses are recognised to profit or loss for the financial year.

The risk of devaluation associated with foreign currency cash balances is offset by the rapid conversion of these funds into the Euro.

In order to limit the foreign exchange risk associated with rental payments, contractual agreements are used in countries where the Euro is not the functional currency. These agreements require the payment of rents in Euros (in Russia: USD in some cases) or link rental payments to the Euro exchange rate on particular dates.

The low structural foreign exchange risk is managed in part by the use of derivative financial instruments. The derivative financial instruments used by IMMOFINANZ Group to hedge this risk are recorded as independent transactions and not as hedge transactions. Hedge accounting as defined in IAS 39.85–IAS 39.102 is not applied because the relevant requirements are not met.

The recognition and measurement of derivative financial instruments reflect fair value. Derivatives with a positive market value are included under the balance sheet position “other financial assets”. Derivatives with a negative market value are reported under “trade and other liabilities”. Any changes in market value are recognised as income or expenses under financial results.

Derivative financial instruments are also used to hedge future payments in a foreign currency.

Section 7.3.4.2 of the notes provides a list of the market values and conditions of all derivative financial instruments purchased by IMMOFINANZ Group and held as of the balance sheet date as protection against foreign exchange risk.

FOREIGN EXCHANGE EFFECTS (NON-CASH, RECORDED DIRECTLY IN EQUITY) FROM THE TRANSLATION OF LOCAL SUBSIDIARY FINANCIAL STATEMENTS UNDER THE MODIFIED CURRENT RATE METHOD

In accordance with IAS 21, foreign currency translation for the Group's foreign subsidiaries, joint ventures and associated companies (in the following referred to collectively as foreign operations) is based on the functional currency concept as reflected in the modified current rate method. The assets and liabilities in the financial statements to be consolidated are translated at the average exchange rate on the balance sheet date; the income statement positions are translated at the weighted average exchange rate for the reporting year. The equity of foreign operations and foreign currency investments in other foreign entities are translated at the historical exchange rate on the date of initial consolidation. Foreign currency distributions are translated at the average exchange rate for the purpose of elimination. The components of the earned (historical) group equity of foreign operations are translated at the historical average rate. Differences arising from the above-mentioned application of different exchange rates to the individual components of financial statements or from period to period changes in exchange rates are reported under the currency translation adjustment on the statement of comprehensive income.

FOREIGN EXCHANGE EFFECTS (NON-CASH, RECORDED TO PROFIT OR LOSS) FROM PROPERTY VALUATION

Property appraisals are prepared on the basis of Euro values, and fluctuations in exchange rates influence revaluation results. These effects are recognised to profit or loss.

An upward shift in foreign exchange rates compared to the Euro increases the Euro fair value of investment properties over the fair value reported in the previous year's appraisal. When the latest value is compared with the prior year equivalent, translation back into the functional currency (local currency) produces a lower value – because of the higher exchange rate – and therefore leads to a write-down. If the value in the appraisal rises, this foreign exchange effect reduces the upward valuation of the property; if the value in the appraisal is lower, this effect increases the write-down.

A decline in foreign exchange rates versus the Euro decreases the Euro fair value of investment properties in comparison with the fair value reported in the previous year's appraisal. When the latest value is compared with the prior year equivalent, translation back into the functional currency (local currency) produces a higher value – because of the lower exchange rate – and therefore leads to a write-up. If the value in the appraisal rises, this foreign exchange effect increases the upward valuation of the property; if the value in the appraisal is lower, this effect reduces the write-down.

INTEREST RATE RISK

As an international company, IMMOFINANZ Group is exposed to the risk of interest rate fluctuations on various property submarkets. Rising interest rates can influence earnings because they increase the interest expense on the Group's variable financing.

A change in interest rates will have a direct influence on financial results through its impact on variable interest rate financing. IMMOFINANZ Group limits the risk associated with rising interest rates – which would lead to higher interest expense and a decline in financial results – through the use of fixed interest rate financing contracts and derivative financial instruments (above all caps and swaps). These derivative financial instruments are recorded as independent transactions and not as hedges. Hedge accounting as defined in IAS 39.85 – IAS 39.102 is not applied because the relevant requirements are not met. Information on the accounting treatment of derivative financial instruments is provided in the section on foreign exchange risk.

LIQUIDITY RISK

Liquidity risks are minimised by the preparation of a mid-term (five-year) forecast and an annual budget with monthly segmentation as well as monthly revolving liquidity reports that include variance analyses and scenario calculations. Daily liquidity management ensures that all operating obligations can be met and funds can be optimally invested, and also gives the Group the necessary flexibility to realise short-term acquisition opportunities.

IMMOFINANZ Group also uses long-term financing that reflects the financial capability of the property (interest coverage ratio and/or debt service coverage ratio) as well as its market value (loan-to-value ratio).

In order to prevent cost overruns, IMMOFINANZ Group routinely monitors budgets and the progress of construction on all development projects and maintenance work.

LEGAL RISKS

As an international company, IMMOFINANZ Group is exposed to a variety of legal risks. Included here are risks related to the purchase or sale of property and risks arising from legal disputes with tenants or joint venture and development partners. A list of the major legal proceedings in which the Group is involved is provided in the section on legal disputes beginning on page 102 of the management report.

The outcome of current and future proceedings cannot be predicted with certainty. Therefore, expenses may arise from decisions or settlement agreements by the courts or public authorities that are not covered in full or in part by insurance or provisions. These expenses could have an impact on the results recorded by IMMOFINANZ Group.

Market risk and property-specific risks

The development of property markets is heavily dependent on economic growth and trends.

The related risks involve the micro- and macroeconomic development in the countries where IMMOFINANZ Group is active as well as developments on the global financial and investment markets, together with the resulting effects on rental prices and returns.

Property-specific risks are associated, above all, with the location of the properties, the architecture and the condition of the building as well as the local competitive situation.

In order to identify these risks and allow for the timely implementation of countermeasures, the property portfolio of IMMOFINANZ Group is analysed quarterly by means of a portfolio tracker. This analysis includes the systematic evaluation of quantitative and qualitative property factors, portfolio concentration, and sector and regional allocation and forms the basis for tactical decisions.

The examination of quantitative property factors includes the calculation of an expected future return for each property based on a detailed budget for the next financial year and medium-term forecasts derived from assumptions. The properties are then ranked according to their total return on equity. The qualitative factors are made measurable with a scoring model that values the quality of the building and location as well as the market attractiveness of each property.

Properties whose location and quality do not meet the portfolio requirements are sold over the medium-term. The goal of IMMOFINANZ Group is to manage a homogeneous property portfolio with four asset classes and eight core markets.

The sector and regional diversification of the property portfolio provides an excellent balance for market cycles and fluctuations as well as concentration risks. IMMOFINANZ Group generally owns high-quality properties in good locations, and this provides special protection against the above-mentioned risks. Detailed market studies are prepared on a regular basis and analysed in connection with reports by recognised real estate experts to allow for timely reaction to changes in the market environment. All market changes are included in the portfolio analysis and have an important influence on investment, sales and project plans and thereby also on the Group's medium-term planning.

Extensive due diligence audits involving independent experts are performed to identify these types of risks prior to the acquisition of properties and to evaluate all risks related to legal, tax, economic, technical and social issues. IMMOFINANZ Group does not purchase properties that fail to meet its high quality standards. Regular commercial and technical reports are prepared after the acquisition, and the results are presented to the Executive Board.

The internal investment guideline of IMMOFINANZ Group regulates the framework and approval limits for all capital expenditure (property acquisitions, development projects and ongoing investments). This process minimises or eliminates the major strategic and property-specific risks. Approval limits are defined in an extensive guideline that applies to all Group companies and regulates all authorisations from individual employees up to the Executive Board. In some cases, these transactions are also subject to the approval of the Supervisory Board.

Development projects are exposed to increased risks in the form of schedule and construction cost overruns as well as the success of rentals. IMMOFINANZ Group minimises these risks by starting projects only after a specific level of pre-rentals is reached and by the regular monitoring of costs and schedules through variance analyses.

IMMOFINANZ Group minimises inflation risk by including index clauses in its standard leases.

CONCENTRATION RISK

Concentration risk is understood to mean the accumulation of similar risks that contradict the principle of risk diversification. These risks are reduced through particular attention to the sector and regional diversification of the portfolio and the development of larger property projects together with a partner. In addition to sector and regional diversification, IMMOFINANZ Group also works to achieve a diversified tenant structure. In this way, the loss of a tenant will not have a significant influence on the Group.

PROPERTY VALUATION RISK

Property valuation in IMMOFINANZ Group follows general branch practices and is based on fair value as defined in IAS 40. Under this method, properties are carried on the balance sheet at their fair value. The properties owned by IMMOFINANZ Group are valued semi-annually by external appraisers. The values determined by these experts are heavily dependent on the calculation method and the underlying assumptions. A change in the underlying assumptions can therefore lead to major fluctuations in the value of a property. For example: any change in the assumed occupancy rate or future investment costs of a property will have a direct effect on the resulting income and fair value. Therefore, it is important to note that the derived fair values are directly related to the underlying assumptions and the calculation model, and even minor changes to the economic or property-specific assumptions used for these valuations can have a significant influence on results reported by IMMOFINANZ Group.

13. Internal Control System

Continued optimisation of ICS

IMMOFINANZ Group continued the development of its internal audit and control department during the reporting year and also launched a number of projects to strengthen the internal control system (ICS).

ICS benchmarks support the evaluation and design of controls

The ICS comprises a wide range of methods and measures to safeguard assets and to ensure the accuracy and reliability of data for accounting and financial reporting. The ICS is also intended to support compliance with the corporate policies defined by the Executive Board. The evaluation and design of controls are based on ICS benchmarks, whereby the system ensures that internal and external regulatory requirements are met and corporate processes and controls remain efficient.

As a multinational company, IMMOFINANZ Group utilises the framework developed by the Committee of Sponsoring Organisation of the Treadway Commission (COSO) in developing its ICS. This framework consists of five components: control environment, risk assessment, control activities, information and communication, and monitoring.

New guidelines improve ICS efficiency

The control environment at the company level comprises the general framework under which internal control activities are designed and implemented. The most important components are statutory regulations and the standards and guidelines issued by IMMOFINANZ Group – e.g. the authorisation guideline, compliance guideline, investment guideline and general IT controls – as well as a clear management and organisational structure and the communication of basic values by management. Activities during the reporting year focused, above all, on the revision of procurement guidelines for legal, consulting, property-related and financial services and for the procurement of construction and facility management activities.

The existing process landscape represents the starting point for the evaluation of the ICS at the process level. The control activities of IMMOFINANZ Group are integrated into procedures with special process management and ICS software as part of a risk control matrix.

ICS ensures that accounting is correct, secure and efficient

The ICS in corporate accounting and financial reporting guarantees accuracy, security and efficiency and also ensures the correct, complete and timely preparation of necessary information. The key features of the ICS in IMMOFINANZ Group's accounting processes are the appropriate separation of functions, the application of dual controls to all order and invoice release procedures, compliance with internal guidelines (e.g. IMMOFINANZ Group's IFRS Accounting Manual), the review of accounting data by Group controlling for correctness, plausibility and completeness as well as the automation of key controls through specific system settings in the Navision financial accounting software and Hyperion consolidation software.

In order to support the implementation of new guidelines and control measures, information events and feedback rounds are held for employees. Progress and opportunities for improvement are then reported in regularly scheduled management meetings. The monthly internal report includes a comparison of budget and actual data as well as a variance analysis, which supports the early identification of risks and the timely implementation of countermeasures.

Compliance with controls is monitored by the internal audit department as part of its auditing activities. The internal audit department, as a staff department of IMMOFINANZ Group Executive Board that reports directly to the chief financial officer Eduard Zehetner, is responsible for auditing work throughout the entire corporation. The corresponding corporate organisational guidelines apply to all auditing activities.

The internal audit department independently and regularly reviews operating processes and business transactions based on an annual schedule that is approved by the Executive and Supervisory Boards. The priorities for this schedule are defined on the basis of risk criteria and organisational goals. These reviews focus primarily on compliance, the internal control systems and opportunities to improve efficiency.

The results of the audits are reported to the Executive Board of IMMOFINANZ AG on a regular basis and to the Supervisory Board at least once each year. As part of an annual report, the internal audit department gives an account of its performance during the auditing year and presents a summary of all significant auditing areas and results.

14. Research and Development

IMMOFINANZ Group incurred no expenditure for research and development during the reporting year.

15. Accounting and Valuation Standards

New accounting standards or a change in the options selected for the application of these standards could have a significant influence on the consolidated financial statements of IMMOFINANZ Group and could also limit comparability with earlier financial statements. Detailed information on the accounting and valuation methods applied by the Group in 2010/11 is provided in the notes.

16. Outlook

The merger of Immofinanz AG with Immoeast AG, which was completed on 29/04/2010, formed the basis for a new strategic orientation that is directed to making IMMOFINANZ Group the leading listed real estate company in Central, Eastern and South-Eastern Europe. The fundamental requirement for this new orientation was the restructuring of IMMOFINANZ Group. This process was successfully completed with an agreement over the so-called "IBAG bond" in summer 2010, the takeover of Aviso Zeta AG (formerly Constantia Privatbank Aktiengesellschaft) on 22/12/2010 and the refinancing of convertible bonds CB 2014 and CB 2017 in March 2011 as well as numerous internal structural and organisational optimisation measures that were implemented during the 2010/11 financial year.

We have set the following central goals for 2011/12 and the following years, which reflect a continuation of our focus during the restructuring phase:

1. OPTIMISATION OF THE PROPERTY PORTFOLIO

- Elimination of the maintenance backlog
- Sale of hotels
- Sale of properties in non-core countries
- Sale of properties whose location, size, condition, tenant structure etc. do not meet the high quality standards of IMMOFINANZ Group

This optimisation is intended to create a high-quality property portfolio with a clear focus on eight countries and four asset classes.

2. INCREASE IN PROPERTY DEVELOPMENT ACTIVITIES

- Completion and selective reactivation of development projects
- Acquisition and start of new development projects

The increase in property development activities should allow us to reach our goal to generate 10% of the results of operations from development projects.

3. OPTIMISATION OF THE INVESTMENT STRUCTURE

- Dissolution (i.e. sale or complete takeover) of non-controlling interests and joint ventures
- Sale of fund investments

The funds released by these optimisation measures will be reinvested in high-quality standing investments and development projects. This should support an increase in investment properties as a percentage of the balance sheet total to 90% over the medium-term.

4. OPERATIONAL AND ORGANISATIONAL OPTIMISATION

- Reduction in vacancies and increase in average rents through active asset management
- Optimisation of cost structure

This operational streamlining should allow for a gradual improvement in IMMOFINANZ Group's earnings and safeguard the payment of dividends over the long-term.

We are confident that we will be able to further increase the value of IMMOFINANZ Group in 2011/12 and generate growing, risk-optimised cash flows for our shareholders.

Vienna, 03 August 2011

The Executive Board



Eduard Zehetner
Chief Executive Officer



Daniel Riedl FRICS
Member of the Executive Board



Manfred Wiltschnigg MRICS
Member of the Executive Board

Consolidated Financial Statements

Pankrac Business Corner,
Prague, Czech Republic



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Consolidated Income Statement

All amounts in TEUR	Notes	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010
Office		154,640.1	169,663.3
Logistics		75,489.0	71,507.4
Retail		198,295.4	151,676.1
Residential		125,143.9	123,445.7
Other rental income		25,288.9	25,418.2
Rental income	4.1.1	578,857.3	541,710.7
Operating costs charged to tenants		161,582.7	157,851.4
Other revenues		22,940.6	19,611.0
Revenues	4.1.2	763,380.6	719,173.1
Real estate expenses	4.1.3	-164,418.8	-120,742.8
Operating expenses	4.1.4	-158,182.8	-160,237.7
Income from asset management	4.1	440,779.0	438,192.6
Sale of properties		168,471.9	86,120.0
Carrying amount of sold properties		-168,493.7	-88,393.1
Gains/losses from deconsolidation		1,134.2	10,975.1
Revaluation of properties sold and held for sale adjusted for foreign exchange effects		53,455.9	22,090.3
Income from property sales before foreign exchange effects		54,568.3	30,792.3
Revaluation of properties sold and held for sale resulting from foreign exchange effects		-798.0	0.0
Income from property sales	4.2	53,770.3	30,792.3
Sale of real estate inventories		66,854.7	28,104.4
Cost of goods sold		-52,542.0	-21,589.4
Revaluation of properties under construction adjusted for foreign exchange effects	4.6.1	28,554.6	-17,582.7
Income from property development before foreign exchange effects	4.3	42,867.3	-11,067.7
Revaluation of properties under construction resulting from foreign exchange effects	4.6.1	1,741.8	-8,297.4
Income from property development	4.3	44,609.1	-19,365.1
Other operating income	4.4	69,245.0	52,701.6
Income from operations		608,403.4	502,321.4
Overhead expenses	4.5.1	-111,350.9	-112,715.7
Personnel expenses	4.5.2	-38,335.3	-24,704.5
Results of operations	4.5	458,717.2	364,901.2
Revaluation of investment properties adjusted for foreign exchange effects	4.6.1	54,218.5	255,850.1
Revaluation of investment properties resulting from foreign exchange effects	4.6.1	-20,136.3	-246,060.6
Impairment and related reversals	4.6.2	-55,390.0	-286,144.6
Addition to/reversal of provision for onerous contracts	4.6.3	-13,348.4	92,596.3
Other revaluation results		-34,656.2	-183,758.8
Operating profit (EBIT)	4.6	424,061.0	181,142.4
Financing costs		-243,096.1	-237,787.5
Financing revenue		94,888.4	114,882.1
Foreign exchange differences		754.5	161,995.7
Other financial results		64,404.3	7,334.5
Shares of profit/loss from associated companies	5.5	1,279.5	-19,345.9
Financial results	4.7	-81,769.4	27,078.9
Earnings before tax (EBT)		342,291.6	208,221.3
Income tax expenses	4.8	-16,138.6	-10,898.1
Deferred tax expenses	4.8	-12,623.7	-1,754.8
Net profit for the period		313,529.3	195,568.4
Thereof attributable to owners of the parent company		315,825.1	80,793.7
Thereof attributable to non-controlling interests		-2,295.8	114,774.7
Basic earnings per share in EUR	4.9	0.32	0.17
Diluted earnings per share in EUR	4.9	0.30	0.17

The comparable prior year figures were adjusted accordingly (section 2.1.9).

Consolidated Statement of Comprehensive Income

All amounts in TEUR	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010
Net profit for the period	313,529.3	195,568.4
Other income and expenses recognised directly in equity		
Investments not recognised through profit or loss	3,702.1	11,729.7
Deferred taxes not recognised through profit or loss	505.2	-3,504.7
Realisation of unrealised losses	-11,786.0	680.0
Realisation of deferred taxes	2,954.1	677.2
Currency translation adjustment	-1,056.3	78,225.4
Changes in shareholders' equity of associates	-1,186.1	-36.0
Total other income and expenses recognised directly in equity	-6,867.0	87,771.6
Total comprehensive income	306,662.3	283,340.0
Thereof attributable to owners of the parent company	316,662.9	68,419.2
Thereof attributable to non-controlling interests	-10,000.6	214,920.8

Consolidated Balance Sheet

All amounts in TEUR	Notes	30 April 2011	30 April 2010	01 May 2009
Investment property	5.1.1	8,670,084.6	8,639,980.3	7,890,236.0
Property under construction	5.2	299,646.5	179,864.6	572,674.5
Other tangible assets	5.3	23,873.6	21,947.2	22,382.9
Intangible assets	5.4	208,110.2	211,819.3	185,018.3
Investments in associated companies	5.5	105,750.4	115,722.2	144,818.3
Trade and other receivables	5.6	784,669.1	709,994.7	629,106.3
Other financial instruments	5.7	247,242.1	383,339.6	402,605.1
Deferred tax assets	5.8	61,862.4	76,735.9	56,508.8
Non-current assets		10,401,238.9	10,339,403.8	9,903,350.2
Trade and other receivables	5.6	268,372.5	601,257.1	680,616.6
Other financial assets	5.7	41,613.4	31,250.3	1,775.8
Non-current assets held for sale	5.9	304,585.7	44,759.5	5,173.5
Inventories	5.10	214,482.4	252,308.5	236,466.8
Cash and cash equivalents	5.11	525,633.7	505,402.7	712,987.1
Current assets		1,354,687.7	1,434,978.1	1,637,019.8
Assets		11,755,926.6	11,774,381.9	11,540,370.0
Share capital		1,085,289.4	1,084,088.5	476,579.0
Capital reserves		4,445,686.1	4,416,756.7	2,432,007.1
Treasury shares		-302,615.3	0.0	0.0
Accumulated other equity		-11,309.2	-8,624.9	11,054.7
Retained earnings		-61,210.0	-375,705.9	-453,723.9
		5,155,841.0	5,116,514.4	2,465,916.9
Non-controlling interests		14,270.3	40,918.9	2,383,911.2
Equity	5.12	5,170,111.3	5,157,433.3	4,849,828.1
Liabilities from convertible bonds	5.13	683,242.9	1,024,336.2	1,058,762.0
Long-term financial liabilities	5.14	3,799,539.9	3,511,791.6	3,548,816.3
Trade and other liabilities	5.15	168,508.0	201,694.6	186,051.3
Provisions	5.16/5.17	5,814.3	10,386.5	171,026.8
Deferred tax liabilities	5.8	471,301.1	421,322.4	381,276.0
Non-current liabilities		5,128,406.2	5,169,531.3	5,345,932.4
Liabilities from convertible bonds	5.13	297,849.4	10,803.7	30,904.0
Short-term financial liabilities	5.14	529,642.7	894,636.8	977,586.6
Trade and other liabilities	5.15	409,017.6	402,150.6	243,548.5
Provisions	5.16/5.17	144,423.3	139,826.2	92,570.3
Financial liabilities held for sale	5.9	76,476.1	0.0	0.0
Current liabilities		1,457,409.1	1,447,417.3	1,344,609.4
Equity and liabilities		11,755,926.6	11,774,381.9	11,540,370.0

The comparable prior year figures were adjusted accordingly (section 2.1.9).

Consolidated Cash Flow Statement

All amounts in TEUR	Notes	01 May 2010– 30 April 2011	01 May 2009–30 April 2010
Earnings before tax (EBT)		342,291.6	208,221.3
Revaluation/impairment losses/recognition of gains on bargain purchases		-80,342.3	316,809.9
Gains/losses from associated companies	5.5	-1,279.5	19,345.9
Gains/losses from disposal of non-controlling interests		1,245.8	5,725.3
Temporary changes in the fair value of financial instruments		-39,491.9	-191,298.8
Income taxes paid		-11,064.0	-5,163.1
Net financing costs		147,963.2	124,777.8
Gains on the change in investments		-2,952.4	-7,748.8
Other non-cash income/(expense)		7,450.4	-83,216.5
Gross cash flow		363,820.9	387,453.0
Receivables and other assets		14,788.9	-76,325.9
Trade liabilities		-13,333.7	-14,295.6
Provisions (excl. provisions for taxes and onerous contracts)		-62,373.7	-13,911.3
Other liabilities		14,116.1	118,809.8
Cash flow from operating activities		317,018.5	401,730.0
Acquisition of investment property		-58,201.7	-208,312.3
Acquisition of property under construction		-123,893.1	-156,065.0
Acquisition of property companies net of cash and cash equivalents (EUR 89.0 mill.; 2009/10: EUR 1.5 mill.)	3.5/3.6	80,011.9	-40,188.5
Acquisition of other tangible assets		-4,716.7	-3,802.7
Acquisition of intangible assets		-1,143.6	-3,804.3
Acquisition of financial investments		-23,664.8	-44,388.4
Acquisition/sale of current assets		10,363.1	0.0
Proceeds from disposal of property companies net of cash and cash equivalents	3.7	23,702.2	83,830.9
Proceeds from disposal of non-current assets		161,715.4	91,811.0
Proceeds from disposal of financial instruments		88,287.1	19,545.9
Interest received from financial instruments		20,952.1	18,926.3
Cash flow from investing activities		173,411.9	-242,447.1
Cash inflows from long-term financing		306,252.9	362,667.9
Cash inflows from the "Berlin contracts"		164,000.0	0.0
Cash outflows for long-term financing		-540,575.5	-504,212.9
Purchase of treasury shares		-151,350.4	0.0
Cash outflows from changes in shares of subsidiaries		-6,567.8	0.0
Cash outflows for derivative transactions		-24,933.5	-17,809.3
Interest paid		-150,309.3	-119,114.0
New issue of convertible bond		513,319.4	0.0
Cash outflows for convertible bonds		-554,989.4	-27,036.3
Cash flow from financing activities		-445,153.6	-305,504.6
Net foreign exchange differences		-14,682.7	-31,888.2
Change in cash and cash equivalents	6.	30,594.1	-178,109.9
Cash and cash equivalents at the beginning of the period	6.	536,653.0	714,762.9
Cash and cash equivalents at the end of the period	6.	567,247.1	536,653.0
Change in cash and cash equivalents	6.	30,594.1	-178,109.9

Statement of Changes in Equity

2010/11	Attributable to owners of the parent company			Accumulated other equity
	Share capital	Capital reserves	Treasury shares	Revaluation reserve
All amounts in TEUR				
Balance on 30 April 2010	1,084,088.5	4,416,756.7	0.0	107,089.7
Revaluation of investments recognised directly in equity				
Deferred taxes recognised directly in equity				
Realisation of unrealised losses				
Realisation of deferred taxes				
Currency translation adjustment				
Changes in shareholders' equity of associates				
Total other income and expenses recognised directly in equity				
Net profit as of 30 April 2011				
Total comprehensive income				
Capital increase from the conversion of convertible bonds	1,200.9	1,199.0		
Share buyback			-151,350.4	
Structural changes				
Change in consolidation method/addition to the scope of consolidation			-151,264.9	
Deconsolidations				-532.1
Common control transactions				
Equity component of convertible bonds		27,730.4		
Balance on 30 April 2011	1,085,289.4	4,445,686.1	-302,615.3	106,557.6
2009/10				
All amounts in TEUR	Share capital	Capital reserves	Treasury shares	Revaluation reserve
Balance on 30 April 2010 (reported)	476,579.0	2,432,007.2	0.0	113,619.7
Adjustment in accordance with IAS 8				
Balance on 30 April 2010 (adjusted)	476,579.0	2,432,007.2	0.0	113,619.7
Revaluation of investments recognised directly in equity				
Deferred taxes recognised directly in equity				
Realisation of unrealised losses				
Realisation of deferred taxes				
Currency translation adjustment				
Merger of IMMOEAST				
Changes in shareholders' equity of associates				
Total other income and expenses recognised directly in equity				
Net profit as of 30 April 2011				
Total comprehensive income				
Capital increase from the conversion of convertible bonds	18,481.9	18,418.1		
Merger of IMMOEAST	589,027.6	1,966,331.4		
Structural changes				
Change in consolidation method/addition to the scope of consolidation				-6,530.0
Deconsolidations				
Balance on 30 April 2011	1,084,088.5	4,416,756.7	0.0	107,089.7

AfS reserve	Currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
11,435.2	-127,149.8	-375,705.9	5,116,514.4	40,918.9	5,157,433.3
3,702.1			3,702.1		3,702.1
505.2			505.2		505.2
-11,791.1			-11,791.1	5.1	-11,786.0
2,949.5			2,949.5	4.6	2,954.1
	6,658.2		6,658.2	-7,714.5	-1,056.3
	-1,186.1		-1,186.1		-1,186.1
-4,634.3	5,472.1		837.8	-7,704.8	-6,867.0
		315,825.1	315,825.1	-2,295.8	313,529.3
-4,634.3	5,472.1	315,825.1	316,662.9	-10,000.6	306,662.3
			2,399.9		2,399.9
	-2,574.3		-153,924.7	165.6	-153,759.1
		1,340.2	1,340.2	-7,907.8	-6,567.6
	-1,375.4		-152,640.3	-9,109.9	-161,750.2
-31.6	991.3	-2,669.4	-2,241.8	-296.3	-2,538.1
				500.4	500.4
			27,730.4		27,730.4
6,769.3	-124,636.1	-61,210.0	5,155,841.0	14,270.3	5,170,111.3
AfS reserve	Currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
1,853.0	-104,418.0	-738,284.5	2,181,356.4	2,383,911.2	4,565,267.6
		284,560.6	284,560.6		284,560.6
1,853.0	-104,418.0	-453,723.9	2,465,917.0	2,383,911.2	4,849,828.2
11,729.7			11,729.7		11,729.7
-3,504.7			-3,504.7		-3,504.7
680.0			680.0		680.0
677.2			677.2		677.2
	44,436.0		44,436.0	33,789.4	78,225.4
	-66,356.7		-66,356.7	66,356.7	0.0
	-36.0		-36.0		-36.0
9,582.2	-21,956.7		-12,374.5	100,146.1	87,771.6
		80,793.7	80,793.7	114,774.7	195,568.4
9,582.2	-21,956.7	80,793.7	68,419.2	214,920.8	283,340.0
			36,900.0		36,900.0
			2,555,359.0	-2,555,359.0	0.0
		-2,594.4	-2,594.4	-2,554.1	-5,148.5
		-179.6	-6,709.6		-6,709.6
	-775.1	-1.7	-776.8		-776.8
11,435.2	-127,149.8	-375,705.9	5,116,514.4	40,918.9	5,157,433.3

Segment Reporting

	Austria	
All amounts in TEUR	2010/11	2009/10
Office	44,597.8	44,588.8
Logistics	3,155.2	2,270.9
Retail	39,116.4	36,675.0
Residential	103,813.1	106,259.7
Other rental income	12,140.0	11,074.0
Rental income	202,822.5	200,868.4
Operating costs charged to tenants	60,337.9	66,223.4
Other revenues	10,746.0	8,395.9
Revenues	273,906.4	275,487.7
Real estate expenses	-94,340.1	-64,301.4
Operating expenses	-56,956.9	-65,421.0
Income from asset management	122,609.4	145,765.3
Sale of properties	110,185.4	51,090.5
Carrying amount of sold properties	-110,185.4	-53,054.3
Gains/losses from deconsolidation	568.0	591.3
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	34,084.6	19,588.2
Income from property sales before foreign exchange effects	34,652.6	18,215.7
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0
Income from property sales	34,652.6	18,215.7
Sale of real estate inventories	51,396.0	16,397.1
Cost of goods sold	-43,580.7	-12,793.5
Revaluation of properties under construction adjusted for foreign exchange effects	9,495.2	-1,436.1
Income from property development before foreign exchange effects	17,310.5	2,167.5
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0
Income from property development	17,310.5	2,167.5
Other operating income	39,938.1	16,875.9
Income from operations	214,510.6	183,024.4
Overhead expenses	-50,735.7	-33,223.4
Personnel expenses	-16,736.3	-12,918.2
Results of operations	147,038.6	136,882.8
Revaluation of investment properties adjusted for foreign exchange effects	42,129.5	97,953.9
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0
Impairment and related reversals	19,175.6	-19,716.6
Addition to/reversal of provision for onerous contracts	-500.0	0.0
Other revaluation results	60,805.1	78,237.3
Operating profit (EBIT)	207,843.7	215,120.1
Financial results		
Income tax expenses		
Net profit for the period		
Investment property	3,734,382.9	3,712,398.5
Property under construction	116,571.9	68,101.6
Goodwill	381.0	0.0
Properties held for sale	104,594.2	44,759.5
Inventories	79,957.5	69,309.8
Segment assets	4,035,887.5	3,894,569.4
Segment investments	175,561.9	98,936.3

Germany		Poland		Czech Republic		Slovakia	
2010/11	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10
3,024.5	9,043.3	23,916.5	25,002.3	27,331.4	29,009.6	6,192.6	6,745.0
36,112.6	33,039.5	2,581.8	2,638.6	1,147.2	1,585.3	557.6	72.4
4,246.2	2,489.4	19,656.5	18,866.6	10,958.5	8,961.2	11,470.8	11,450.8
9,250.3	9,004.2	0.0	0.0	18.1	45.4	0.0	0.0
1,413.2	3,419.0	1,950.8	1,877.3	2,676.5	2,902.1	461.5	512.0
54,046.8	56,995.4	48,105.6	48,384.8	42,131.7	42,503.6	18,682.5	18,780.2
11,375.3	11,515.3	18,927.9	17,128.9	13,882.3	12,953.6	9,344.0	9,353.8
670.7	355.3	1,570.3	1,967.7	1,147.9	998.8	2,194.8	3,171.7
66,092.8	68,866.0	68,603.8	67,481.4	57,161.9	56,456.0	30,221.3	31,305.7
-13,847.3	-11,160.7	-2,987.5	-2,818.9	-4,850.9	-6,441.1	-1,287.6	-1,987.7
-11,471.4	-11,609.1	-17,961.9	-16,213.1	-13,883.4	-12,953.5	-9,344.0	-9,353.8
40,774.1	46,096.2	47,654.4	48,449.4	38,427.6	37,061.4	19,589.7	19,964.2
53,978.0	34,137.6	0.0	799.0	0.7	0.0	8.0	0.0
-54,000.0	-35,072.4	0.0	-173.5	-0.6	0.0	-8.0	0.0
0.0	12,264.3	95.7	-5.6	2,926.5	-1,878.8	0.0	0.0
17,728.3	2,502.1	76.5	0.0	0.0	0.1	0.0	0.0
17,706.3	13,831.6	172.2	619.9	2,926.6	-1,878.7	0.0	0.0
0.0	0.0	3.8	0.0	0.0	0.0	0.0	0.0
17,706.3	13,831.6	176.0	619.9	2,926.6	-1,878.7	0.0	0.0
0.0	0.0	6,931.8	6,109.3	0.0	0.0	0.0	0.0
0.0	0.0	-4,502.8	-4,658.9	0.0	0.0	0.0	0.0
-4,248.9	-352.3	16,703.4	3,741.5	-732.8	-7,025.3	0.0	49.6
-4,248.9	-352.3	19,132.4	5,191.9	-732.8	-7,025.3	0.0	49.6
0.0	0.0	84.0	-300.6	-1,384.4	-765.1	0.0	0.0
-4,248.9	-352.3	19,216.4	4,891.3	-2,117.2	-7,790.4	0.0	49.6
3,800.2	2,203.2	3,064.5	940.6	390.9	1,814.5	1,534.4	391.7
58,031.7	61,778.7	70,111.3	54,901.2	39,627.9	29,206.8	21,124.1	20,405.5
-6,069.3	-10,547.3	-7,688.1	-7,836.7	-2,539.9	-12,854.4	-2,203.3	-3,947.3
-1,174.3	-874.4	-182.0	-624.7	-0.4	0.0	-0.5	0.0
50,788.1	50,357.0	62,241.2	46,439.8	37,087.6	16,352.4	18,920.3	16,458.2
18,477.0	14,540.8	8,604.6	24,828.3	-6,873.7	-51,901.2	-6,793.1	1,288.9
0.0	0.0	2,590.2	-75,264.3	-33,345.2	-30,985.5	0.0	0.0
-4,486.4	-7,733.5	-2,252.9	-4,107.8	-18,983.8	-13,881.5	-2,208.9	3,301.1
26.0	2,024.0	0.0	-490.2	0.0	0.0	-4.0	8,161.6
14,016.6	8,831.3	8,941.9	-55,034.0	-59,202.7	-96,768.2	-9,006.0	12,751.6
64,804.7	59,188.3	71,183.1	-8,594.2	-22,115.1	-80,415.8	9,914.3	29,209.8
625,580.0	703,230.0	657,693.3	647,571.0	636,764.4	650,307.0	281,950.0	263,400.0
28,059.5	1,248.0	38,400.0	3,900.0	26,550.0	27,050.0	0.0	250.0
508.4	508.4	9,686.4	10,050.7	49,290.5	47,103.6	911.5	911.5
61,507.1	0.0	994.5	0.0	0.0	0.0	0.0	0.0
19,815.5	48,650.0	17,678.1	21,768.1	0.0	0.0	13,446.0	13,420.1
735,470.5	753,636.4	724,452.3	683,289.8	712,604.9	724,460.6	296,307.5	277,981.6
16,130.6	76,682.9	20,000.7	2,724.0	11,918.2	30,208.6	23,318.7	4,047.9

Segment Reporting

All amounts in TEUR	Hungary	
	2010/11	2009/10
Office	17,770.2	17,211.7
Logistics	3,771.8	5,211.7
Retail	13,440.9	11,681.4
Residential	0.0	0.0
Other rental income	1,201.3	1,226.1
Rental income	36,184.2	35,330.9
Operating costs charged to tenants	13,501.7	13,267.3
Other revenues	523.2	349.1
Revenues	50,209.1	48,947.3
Real estate expenses	-5,736.6	-5,110.2
Operating expenses	-13,498.4	-13,272.6
Income from asset management	30,974.1	30,564.5
Sale of properties	0.0	92.9
Carrying amount of sold properties	0.0	-92.9
Gains/losses from deconsolidation	0.0	0.0
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	0.0	0.0
Income from property sales before foreign exchange effects	0.0	0.0
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0
Income from property sales	0.0	0.0
Sale of real estate inventories	20.9	482.2
Cost of goods sold	-82.4	-441.8
Revaluation of properties under construction adjusted for foreign exchange effects	0.0	1,001.1
Income from property development before foreign exchange effects	-61.5	1,041.5
Revaluation of properties under construction resulting from foreign exchange effects	0.0	-1,001.1
Income from property development	-61.5	40.4
Other operating income	579.0	4,140.3
Income from operations	31,491.6	34,745.2
Overhead expenses	-1,569.3	-6,270.8
Personnel expenses	-106.6	-97.3
Results of operations	29,815.7	28,377.1
Revaluation of investment properties adjusted for foreign exchange effects	-13,863.4	-10,524.6
Revaluation of investment properties resulting from foreign exchange effects	-4,828.3	-42,921.3
Impairment and related reversals	-5,603.0	-9,766.7
Addition to/reversal of provision for onerous contracts	-1,735.3	-2,588.4
Other revaluation results	-26,030.0	-65,801.0
Operating profit (EBIT)	3,785.7	-37,423.9
Financial results		
Income tax expenses		
Net profit for the period		
Investment property	556,999.2	548,759.0
Property under construction	0.0	0.0
Goodwill	7,501.6	9,999.4
Properties held for sale	0.0	0.0
Inventories	0.0	0.0
Segment assets	564,500.8	558,758.4
Segment investments	22,147.3	14,474.6

Romania		Russia		Other non-core countries		Total reportable segments	
2010/11	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10
29,076.4	34,398.8	0.0	0.0	2,730.7	3,663.8	154,640.1	169,663.3
3,340.3	2,227.3	4,107.8	0.0	20,714.7	24,461.7	75,489.0	71,507.4
13,924.3	16,515.9	83,651.1	43,352.8	1,830.7	1,683.0	198,295.4	151,676.1
0.0	0.0	0.0	0.0	12,062.4	8,136.4	125,143.9	123,445.7
588.2	0.0	221.8	58.0	4,635.6	4,349.7	25,288.9	25,418.2
46,929.2	53,142.0	87,980.7	43,410.8	41,974.1	42,294.6	578,857.3	541,710.7
16,786.8	16,033.6	15,521.8	7,925.7	1,905.0	3,449.8	161,582.7	157,851.4
2,863.8	1,686.9	2,301.7	1,936.6	922.2	749.0	22,940.6	19,611.0
66,579.8	70,862.5	105,804.2	53,273.1	44,801.3	46,493.4	763,380.6	719,173.1
-17,161.4	-15,661.4	-11,845.5	-8,012.4	-12,361.9	-5,249.0	-164,418.8	-120,742.8
-16,786.8	-16,038.1	-15,525.6	-7,925.7	-2,754.4	-7,450.8	-158,182.8	-160,237.7
32,631.6	39,163.0	78,433.1	37,335.0	29,685.0	33,793.6	440,779.0	438,192.6
0.0	0.0	649.9	0.0	3,649.9	0.0	168,471.9	86,120.0
0.0	0.0	-649.9	0.0	-3,649.8	0.0	-168,493.7	-88,393.1
-5.6	1.0	0.0	0.0	-2,450.4	2.9	1,134.2	10,975.1
0.0	0.1	0.0	0.0	1,566.5	-0.2	53,455.9	22,090.3
-5.6	1.1	0.0	0.0	-883.8	2.7	54,568.3	30,792.3
0.0	0.0	0.0	0.0	-801.8	0.0	-798.0	0.0
-5.6	1.1	0.0	0.0	-1,685.6	2.7	53,770.3	30,792.3
0.0	96.7	0.0	0.0	8,506.0	5,019.1	66,854.7	28,104.4
0.0	-13.7	0.0	0.0	-4,376.1	-3,681.5	-52,542.0	-21,589.4
-17,032.8	-6,236.4	24,370.5	-4,035.7	0.0	-3,289.1	28,554.6	-17,582.7
-17,032.8	-6,153.4	24,370.5	-4,035.7	4,129.9	-1,951.5	42,867.3	-11,067.7
-83.6	-1,190.6	3,125.8	-8,329.0	0.0	3,289.0	1,741.8	-8,297.4
-17,116.4	-7,344.0	27,496.3	-12,364.7	4,129.9	1,337.5	44,609.1	-19,365.1
10,626.5	4,452.9	658.5	6,260.8	7,394.3	5,295.2	67,986.4	42,375.1
26,136.1	36,273.0	106,587.9	31,231.1	39,523.6	40,429.0	607,144.8	491,994.9
-8,909.9	-12,716.5	-14,183.3	-7,438.6	-4,954.2	-3,998.3	-98,853.0	-98,833.3
-275.5	-210.6	-380.4	-301.3	-3,559.8	-3,380.6	-22,415.8	-18,407.1
16,950.7	23,345.9	92,024.2	23,491.2	31,009.6	33,050.1	485,876.0	374,754.5
-51,876.8	-65,211.1	61,321.2	218,894.9	3,093.2	25,980.2	54,218.5	255,850.1
-10,088.6	-11,013.6	34,752.8	-67,658.7	-9,217.2	-18,217.2	-20,136.3	-246,060.6
-25,049.9	-37,136.0	-276.9	-189,224.4	-10,009.1	3,091.0	-49,695.3	-275,174.4
-10,720.6	-5,765.1	0.0	90,186.5	-414.5	3,774.2	-13,348.4	95,302.6
-97,735.9	-119,125.8	95,797.1	52,198.3	-16,547.6	14,628.2	-28,961.5	-170,082.3
-80,785.2	-95,779.9	187,821.3	75,689.5	14,462.0	47,678.3	456,914.5	204,672.2
812,249.5	821,300.0	801,850.0	697,950.0	562,615.3	595,064.8	8,670,084.6	8,639,980.3
13,190.0	18,640.0	76,875.0	60,675.0	0.1	0.0	299,646.5	179,864.6
23,666.4	25,876.7	91,630.1	93,039.7	18,705.6	18,552.3	202,281.5	206,042.3
0.0	0.0	0.0	0.0	8,391.2	0.0	175,487.0	44,759.5
69,233.0	76,244.3	0.0	0.0	14,352.3	22,916.2	214,482.4	252,308.5
918,338.9	942,061.0	970,355.1	851,664.7	604,064.5	636,533.3	9,561,982.0	9,322,955.2
71,564.7	55,454.8	2,102.5	68,117.3	4,447.1	47,889.6	347,191.7	398,536.0

Segment Reporting

All amounts in TEUR	Total reportable segments	
	2010/11	2009/10
Office	154,640.1	169,663.3
Logistics	75,489.0	71,507.4
Retail	198,295.4	151,676.1
Residential	125,143.9	123,445.7
Other rental income	25,288.9	25,418.2
Rental income	578,857.3	541,710.7
Operating costs charged to tenants	161,582.7	157,851.4
Other revenues	22,940.6	19,611.0
Revenues	763,380.6	719,173.1
Real estate expenses	-164,418.8	-120,742.8
Operating expenses	-158,182.8	-160,237.7
Income from asset management	440,779.0	438,192.6
Sale of properties	168,471.9	86,120.0
Carrying amount of sold properties	-168,493.7	-88,393.1
Gains/losses from deconsolidation	1,134.2	10,975.1
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	53,455.9	22,090.3
Income from property sales before foreign exchange effects	54,568.3	30,792.3
Revaluation of properties sold and held for sale resulting from foreign exchange effects	-798.0	0.0
Income from property sales	53,770.3	30,792.3
Sale of real estate inventories	66,854.7	28,104.4
Cost of goods sold	-52,542.0	-21,589.4
Revaluation of properties under construction adjusted for foreign exchange effects	28,554.6	-17,582.7
Income from property development before foreign exchange effects	42,867.3	-11,067.7
Revaluation of properties under construction resulting from foreign exchange effects	1,741.8	-8,297.4
Income from property development	44,609.1	-19,365.1
Other operating income	67,986.4	42,375.1
Income from operations	607,144.8	491,994.9
Overhead expenses	-98,853.0	-98,833.3
Personnel expenses	-22,415.8	-18,407.1
Results of operations	485,876.0	374,754.5
Revaluation of investment properties adjusted for foreign exchange effects	54,218.5	255,850.1
Revaluation of investment properties resulting from foreign exchange effects	-20,136.3	-246,060.6
Impairment and related reversals	-49,695.3	-275,174.4
Addition to/reversal of provision for onerous contracts	-13,348.4	95,302.6
Other revaluation results	-28,961.5	-170,082.3
Operating profit (EBIT)	456,914.5	204,672.2
Financial results		
Income tax expenses		
Net profit for the period		
Investment property	8,670,084.6	8,639,980.3
Property under construction	299,646.5	179,864.6
Goodwill	202,281.5	206,042.3
Properties held for sale	175,487.0	44,759.5
Inventories	214,482.4	252,308.5
Segment assets	9,561,982.0	9,322,955.2
Segment investments	347,191.7	398,536.0

Transition to consolidated financial statements		IMMOFINANZ Group	
2010/11	2009/10	2010/11	2009/10
0.0	0.0	154,640.1	169,663.3
0.0	0.0	75,489.0	71,507.4
0.0	0.0	198,295.4	151,676.1
0.0	0.0	125,143.9	123,445.7
0.0	0.0	25,288.9	25,418.2
0.0	0.0	578,857.3	541,710.7
0.0	0.0	161,582.7	157,851.4
0.0	0.0	22,940.6	19,611.0
0.0	0.0	763,380.6	719,173.1
0.0	0.0	-164,418.8	-120,742.8
0.0	0.0	-158,182.8	-160,237.7
0.0	0.0	440,779.0	438,192.6
0.0	0.0	168,471.9	86,120.0
0.0	0.0	-168,493.7	-88,393.1
0.0	0.0	1,134.2	10,975.1
0.0	0.0	53,455.9	22,090.3
0.0	0.0	54,568.3	30,792.3
0.0	0.0	-798.0	0.0
0.0	0.0	53,770.3	30,792.3
0.0	0.0	66,854.7	28,104.4
0.0	0.0	-52,542.0	-21,589.4
0.0	0.0	28,554.6	-17,582.7
0.0	0.0	42,867.3	-11,067.7
0.0	0.0	1,741.8	-8,297.4
0.0	0.0	44,609.1	-19,365.1
1,258.6	10,326.5	69,245.0	52,701.6
1,258.6	10,326.5	608,403.4	502,321.4
-12,497.9	-13,882.4	-111,350.9	-112,715.7
-15,919.5	-6,297.4	-38,335.3	-24,704.5
-27,158.8	-9,853.3	458,717.2	364,901.2
0.0	0.0	54,218.5	255,850.1
0.0	0.0	-20,136.3	-246,060.6
-5,694.7	-10,970.2	-55,390.0	-286,144.6
0.0	-2,706.3	-13,348.4	92,596.3
-5,694.7	-13,676.5	-34,656.2	-183,758.8
-32,853.5	-23,529.8	424,061.0	181,142.4
		-81,769.4	27,078.9
		-28,762.3	-12,652.9
		313,529.3	195,568.4
0.0	0.0	8,670,084.6	8,639,980.3
0.0	0.0	299,646.5	179,864.6
0.0	0.0	202,281.5	206,042.3
0.0	0.0	175,487.0	44,759.5
0.0	0.0	214,482.4	252,308.5
0.0	0.0	9,561,982.0	9,322,955.2
0.0	0.0	347,191.7	398,536.0

Notes

1. General Principles

1.1 Introduction

IMMOFINANZ AG is the largest listed property company in Austria. The company headquarters are located at A-1100 Vienna, Wienerbergstrasse 11. IMMOFINANZ AG (hereafter IMMOFINANZ) is the parent company of IMMOFINANZ Group. The business activities of IMMOFINANZ Group cover the development, acquisition, rental and best possible commercial utilisation of properties to optimise asset management.

The IMMOFINANZ share is listed in the Prime Market Segment of the Vienna Stock Exchange. The number of shareholders totals approximately 100,000.

These consolidated financial statements are based on Regulation (EC) no. 1606/2002 of the European Parliament and the European Union for the application of international accounting standards, which requires capital market-oriented companies in the European Union to prepare and publish their consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). This regulation requires the application of all standards that were adopted into the body of law by the European Union through the special unification procedure.

IFRS do not provide a definition of EBIT or EBT. Therefore, the EBIT or EBT announced by other companies are not necessarily comparable with the figures published by IMMOFINANZ. IMMOFINANZ follows the Best Practice Policy Recommendations of the European Public Real Estate Association (EPRA) for the calculation of EBIT and EBT.

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

The consolidated financial statements were prepared on the basis of acquisition or production cost, with the exception of the following positions:

- Completed properties and properties under construction are carried at fair value.
- Derivative financial assets and liabilities ("held for trading") are carried at fair value.
- Financial assets classified at fair value through profit or loss (fair value option) as well as financial instruments available for sale are initially recognised at fair value.
- Financial assets and financial liabilities designated for sale are carried at fair value.

1.2 Conformity with IFRS

1.2.1 STATEMENT OF COMPLIANCE WITH IFRS

The consolidated financial statements prepared by IMMOFINANZ reflect the full scope of International Financial Reporting Standards (IFRS) in their current version, to the extent these IFRS were adopted by the European Union into the European Union body of law in accordance with Art. 6 para. 2 of IAS Regulation 1606/2002 through the special unification procedure.

IFRS comprise IFRS and the International Accounting Standards (IAS) issued by the International Accounting Standards Board (IASB) as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly the SIC.

1.2.2 FIRST-TIME APPLICATION OF STANDARDS AND INTERPRETATIONS

The following changes to or new versions of standards and interpretations were applied for the first time in 2010/11:

Standard	Content	Effective date ¹
Revised standards		
IFRS 3 (2008)	Business Combinations	01 January 2010
Changes to standards and interpretations		
IAS 32	Classification of issued rights	01 February 2010
IFRS 2	Share-based payments that are settled in cash	01 January 2010
Various standards	Improvements to IFRS 2009	01 January 2010

¹ The rules apply to financial years beginning on or after the effective date in accordance with the applicable EU regulation.

IFRS 3 BUSINESS COMBINATIONS AND IAS 27 CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The major changes compared with the previous version of IFRS 3 can be summarised as follows: The new version of IFRS 3 provides an option to use fair value (full goodwill method) or the proportionate share of net identifiable assets for the recognition and measurement of non-controlling interests. For business combinations achieved in stages, the equity interest previously held by the acquirer in the acquired company must be revalued through profit or loss when control is obtained. Goodwill is then determined as the difference to the revalued carrying amount of the investment plus the purchase price of the new shares plus non-controlling interests less the net assets acquired. All acquisition-related costs must be recognised as expenses. Subsequent measurement may not include any increase or decrease in goodwill to reflect possible adjustments to cost as a result of future events that were recognised as liabilities as of the acquisition date. In accordance with the new version of IFRS 3, effects from the settlement of business relationships that existed prior to the business combination may not be included in determining the consideration for the business combination. The revised IFRS 3 also differs from the previous version in that it regulates the recognition and measurement of rights granted to another company before the business combination that are repurchased in connection with this transaction.

The most important changes to IAS 27 compared with the previous version can be summarised as follows: changes in the level of ownership interest without the attainment or loss of control must be accounted for within equity. If control over a subsidiary is lost, the consolidated assets and liabilities must be derecognised. The revised standard calls for the initial recognition of any remaining investment in the former subsidiary at fair value as well as the recognition of any resulting differences through profit or loss.

IAS 28 – INVESTMENTS IN ASSOCIATES (REVISIONS IN 2008)

The basic principle underlying the changes to IAS 27 (2008) (see above) requires a loss of control to be accounted for as a disposal and the subsequent measurement of any remaining interest at fair value; this led to changes in IAS 28. Under the revised IAS 28, the investor must carry any remaining interest in the former associate (after control is lost) at fair value and recognise any resulting gain or loss to profit or loss in the respective period. These changes apply to financial years beginning on or after 01/07/2009.

IMMOFINANZ applied these revised standards for the first time in 2010/11. The resulting effects on the presentation of financial position, financial performance and cash flows are immaterial.

ADDITIONAL FIRST-TIME APPLICATIONS

The initial application of the other changed or revised standards and interpretations had no effect on the consolidated financial statements of IMMOFINANZ.

1.2.3 STANDARDS AND INTERPRETATIONS ADOPTED BY THE EU, BUT NOT YET APPLIED

The following changes to or new versions of standards and interpretations had been adopted by the EU as of the balance sheet date, but did not require mandatory application for the reporting year and were not applied prematurely:

Standard	Content	Effective date ¹
New interpretations		
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	01 July 2010
Revised standards		
IAS 24 (2009)	Related Party Disclosures	01 January 2011
Changes to standards and interpretations		
IFRIC 14	Voluntary payments in connection with minimum funding requirements	01 January 2011
Various standards	Improvements to IFRS 2010	01 July 2010

¹ The rules apply to financial years beginning on or after the effective date in accordance with the applicable EU regulation.

IFRIC 19 EXTINGUISHING FINANCIAL LIABILITIES WITH EQUITY INSTRUMENTS

IFRIC 19 explains the accounting requirements that must be met when a company extinguishes a financial liability in full or in part by issuing shares or other equity instruments. This interpretation also clarifies that any equity instruments issued to a creditor to extinguish a financial liability represent part of the "consideration paid" and principally requires measurement of these equity instruments at fair value. The initial application of IFRIC 19 is not expected to have any material effect on the consolidated financial statements of IMMOFINANZ.

ADDITIONAL CHANGES OR REVISIONS

The other changes and revisions to standards and interpretations are not expected to have a material effect on the consolidated financial statements of IMMOFINANZ. There are no plans for premature application on a voluntary basis.

1.2.4 STANDARDS AND INTERPRETATIONS ANNOUNCED, BUT NOT YET ADOPTED BY THE EU

The following changes or revisions to standards and interpretations had been announced as of the balance sheet date, but have not yet been adopted by the EU and are therefore not applicable:

Standard	Content	Effective date ¹
New interpretations		
IFRS 9	Financial instruments	01 January 2013
IFRS 10	Consolidated Financial Statements	01 January 2013
IFRS 11	Joint Arrangements	01 January 2013
IFRS 12	Disclosure of Interests in Other Entities	01 January 2013
IFRS 13	Fair Value Measurement	01 January 2013
Changes to standards and interpretations		
IAS 1	Presentation of individual items of other comprehensive income	01 July 2012
IAS 12	Deferred taxes: recovery of underlying assets	01 January 2012
IAS 19	Employee Benefits	01 January 2013
IAS 27	Separate Financial Statements	01 January 2013
IAS 28	Investments in Associates and Joint Ventures	01 January 2013
IFRS 1	Severe hyperinflation and the elimination of fixed date references	01 July 2011
IFRS 7	Disclosures on the transfer of financial assets	01 July 2011

¹ The rules apply to financial years beginning on or after the effective date in accordance with the applicable EU regulation.

IFRS 9 FINANCIAL INSTRUMENTS

The new standard on financial instruments (IFRS 9) had not been published in full as of the balance sheet date on 30 April 2011. IFRS 9 could lead to a change in the classification and valuation of certain financial instruments.

IFRS 10 CONSOLIDATED FINANCIAL STATEMENTS

This standard replaces IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation – Special Purpose Entities. Control was redefined and is now considered to exist when an investor is exposed to the risk of variable returns from its investment in a company or has right to these variable returns and, based on its influence, has the ability to affect these returns. The investor must reassess the existence of control when any of these elements changes. This standard applies to the financial statements of financial years beginning on or after 01/01/2013 and must be applied retroactively.

IFRS 11 JOINT ARRANGEMENTS

This standard replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers. It must be applied by all companies that are party to a joint arrangement. A joint arrangement is an agreement controlled jointly by two or more parties, whereby a differentiation is made between two general types – joint operations and joint ventures. In a joint operation, the controlling parties have rights to the assets and obligations arising from their liabilities to the respective joint arrangement. Under a joint venture, the controlling parties have rights to the net assets in the respective joint arrangement. A joint operator must recognise and measure the relevant assets, liabilities, income and expenses in accordance with his stake in the joint venture and based on the IFRSs applicable to these assets, liabilities, income and expenses. In contrast, a joint venturer must recognise and measure his stake in the joint venture by applying the equity method as defined in IAS 28 Investments in Associates. This standard applies to the financial statements of financial years beginning on or after 01/01/2013. It will have significant effects on the consolidated financial statements.

IAS 12 DEFERRED TAXES: RECOVERY OF UNDERLYING ASSETS

In accounting for investment properties, it is often difficult to determine whether or not temporary tax differences will reverse during use or in connection with the sale of the asset. The revision to IAS 12 clarifies that the reversal generally takes place through sale. As a consequence of this revision, SIC 21 Income Taxes – Recovery of Revalued Non-Depreciable Assets no longer applies to investment property carried at fair value. The other guidelines were integrated into IAS 12, and SIC 21 was accordingly withdrawn.

IFRS 7 DISCLOSURES ON THE TRANSFER OF FINANCIAL ASSETS

The changes to IFRS 7 involve expanded disclosure requirements for the transfer of financial assets and therefore have no effect on the presentation of financial position, financial performance or cash flows.

IMMOFINANZ management is currently evaluating the effects of these new and revised standards on the consolidated financial statements. There are no plans for premature application on a voluntary basis.

2. Significant Accounting Policies

2.1 Consolidation methods

2.1.1 BASIS OF CONSOLIDATION

The annual financial statements of all Austrian and foreign companies included in the consolidated financial statements, either through full or proportionate consolidation. (see sections 2.1.2 and 2.1.3) were converted to IFRS. The financial statements of business combinations as defined in IFRS 3 (see section 2.1.5) were revalued and audited or reviewed by independent certified public accountants in agreement with International Standards on Auditing (ISA) and the International Standards on Review Engagements (ISRE). The accounting and valuation principles applied by all companies included in the consolidated financial statements were standardised and adjusted to conform to the options elected by IMMOFINANZ. The balance sheet date for the consolidated financial statements is the same as the balance sheet date of the parent company. The annual financial statements of all companies included in the consolidation were prepared on the same balance sheet date as the consolidated financial statements.

All receivables and liabilities, revenues, other income and expenses from the provision of goods and services between companies included through full or proportionate consolidation were eliminated. Interim profits, which arise primarily from the transfer of stakes in other companies and properties between member companies of the group, were also eliminated.

2.1.2 FULLY CONSOLIDATED COMPANIES

A subsidiary is an entity that is controlled by another entity (parent company). Subsidiaries are included in the consolidated financial statements through full consolidation. The control concept forms the basis for deciding when a company must be classified as a subsidiary. Control is understood to mean the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The possibility of exercising control is sufficient for this classification, while actual control is less important. Direct or indirect control over more than 50.00% of the voting rights in an entity is considered to be a refutable presumption for the existence of control. IAS 27.13 provides a list of criteria that confirm the existence of control, even if the parent company does not hold the majority of shares.

2.1.3 COMPANIES INCLUDED THROUGH PROPORTIONATE CONSOLIDATION

A joint venture is a contractual agreement whereby two or more parties undertake an economic activity that is subject to contractually agreed joint control. The partner companies are the shareholders of the joint venture and share management responsibility for the entity. The form of the contractual agreement is determined by the relevant legal regulations.

IAS 31 allows for the use of the equity method or proportionate consolidation in preparing the consolidated financial statements. The selected method must then be applied throughout the corporate group. IMMOFINANZ considers the depiction of joint ventures through proportionate consolidation to be the more appropriate form of presentation because it makes the asset, financial and earnings position more easily understandable for the users of the financial statements.

2.1.4 ASSOCIATED COMPANIES

Investments in associated companies are accounted for by applying the equity method. Under this method the proportionate share of changes in equity and the proportionate share of profit or loss recognised by the associated company are transferred to the consolidated financial statements, and thereby increase or decrease the carrying amount of the investment.

An investment in an associated company is recognised at cost on the date of acquisition. The equity method is a procedure for the subsequent measurement of this investment. It is based on the same principles as full consolidation; however, the assets and liabilities of the associated company are not transferred to the consolidated financial statements, but only serve to determine the amount of goodwill and adjustments to the carrying amount of the investment. The difference between the revalued assets

of the associated company and the cost of the investment represent goodwill. This goodwill forms part of the carrying amount of the investment.

The carrying amounts of assets and liabilities as well as the amount of revenues and expenses are determined on a uniform basis in accordance with IAS 28.26 and the accounting policies applied by IMMOFINANZ Group. For associated companies with a different balance sheet date, interim financial statements are prepared at a balance sheet date within three months of the balance sheet date used by IMMOFINANZ in accordance with IAS 28.25.

Investments in associated companies are tested for impairment in accordance with IAS 39, which defines the indications of impairment, and IAS 36, which defines the criteria for the impairment testing. In accordance with IAS 28.33, goodwill included in the carrying amount of an investment in an associated company is not tested separately for impairment.

2.1.5 BUSINESS COMBINATIONS (INITIAL CONSOLIDATIONS)

The balance sheets of the property companies acquired by IMMOFINANZ consist primarily of property assets – individual properties or a portfolio of properties – as well as the related financing. Accordingly, the purchase price for such companies generally reflects the fair value of the properties owned less any liabilities held as of the acquisition date. These companies normally generate their earnings from rental income and/or changes in the value of property assets.

The organisational structure required for property management is generally not taken over when IMMOFINANZ Group acquires a company. However, these properties also need intensive and active post-acquisition management in order to optimise rental income. The IMMOFINANZ staff normally performs these management activities after the acquisition process because the necessary resources are available in the Group and, from the IMMOFINANZ viewpoint, it is more efficient to integrate the relevant property management processes into its own organisation.

Against the backdrop of the management activities required to generate rental income, IMMOFINANZ views these acquisitions as business combinations in the sense of IFRS 3. This standard defines a business combination as the attainment of control (also see section 2.1.2) over the acquired company by the acquirer.

All business combinations that fall under the scope of application of IFRS 3 are accounted for by applying the acquisition method. The application of this method requires the following steps:

- Identification of the acquirer and determination of the acquisition date.
- Recognition and measurement of the acquired identifiable assets, the liabilities assumed and any non-controlling interests in the acquired company and
- Determination and recognition of any goodwill or gain resulting from a bargain purchase.

IMMOFINANZ did not elect to use the option provided by IFRS 3.19, which permits the valuation of non-controlling interests at fair value, and instead recognises these non-controlling interests at the proportional share of identifiable net assets.

The initial consolidation takes place as of the acquisition date by offsetting the acquisition price against the revalued proportional share of net assets acquired. The identifiable assets, liabilities and contingent liabilities in the subsidiary are recognised at their full fair value. A major exception from the mandatory fair value recognition of assets and liabilities is formed by deferred tax assets

and deferred tax liabilities. These items are not recognised at fair value, but at their nominal value (e.g. without a discounting effect). Any resulting positive difference is recognised as goodwill, while any negative difference is basically recognised to profit or loss as of the acquisition date.

Goodwill represents the amount paid by the acquirer in anticipation of a future economic benefit that cannot be allocated to a specific asset. It does not generate cash flows independent of other assets or groups of assets. Therefore, goodwill must be allocated to cash-generating units in connection with impairment testing. Information on the recognition and measurement of assets and liabilities is provided in sections 2.3.16 and 2.4.

Negative differences arise when the purchase price for the shares in a company is less than the proportional share of the revalued net assets acquired. In such cases, IFRS 3.36 requires the acquirer to reassess the assets acquired and the liabilities assumed at the acquisition date as well as the procedures used to measure the respective amounts. Any negative difference remaining after this reassessment must be recognised immediately to the income statement as required by IFRS 3.34. The IASB sees three possible reasons for a gain recognised under these circumstances:

- errors in identification and measurement.
- the application of standards for the measurement of assets and liabilities that do not reflect the fair value of these items and
- a bargain purchase.

For business combinations that result in a proportional share of equity below 100%, the increase in non-controlling interests is reported on the statement of changes in equity as an addition to the scope of consolidation. In accordance with the economic unity principle that is anchored in IAS 27.4 and IAS 1.54 (q), non-controlling interests are presented as a separate position under equity. Non-controlling interests in consolidated profit or loss are also shown separately.

The acquisition and subsequent initial consolidation of project companies generally leads to goodwill because of the obligation to record deferred tax liabilities on properties that are restated at fair value. In contrast to other acquired assets and assumed liabilities, deferred tax liabilities must be recognised at their nominal value. The unequal valuation of these deferred tax liabilities normally results in goodwill as a technical figure.

Joint ventures are initially consolidated at their proportionate share based on the general principles described above.

2.1.6 TRANSITION CONSOLIDATIONS

A business combination achieved in stages (transition consolidation or step acquisition) represents the successive purchase of shares in subsidiaries through various transactions until control over the company is reached. In accordance with IFRS 3.42, the previously held equity interest in the acquired company must be remeasured when control is obtained and any resulting gain or loss must be recognised in profit or loss. Goodwill represents the difference to the revalued carrying amount of the investment plus the purchase price paid for the new shares plus non-controlling interests less the acquired net assets.

When there is a changeover from proportionate to full consolidation, the income statement is included on a proportional basis until control over the company's net assets is obtained; after this point, the income statement is included in full. The share of profit attributable to the joint venture partner up to this point is eliminated as acquired capital during the consolidation.

2.1.7 STRUCTURAL CHANGES

Structural changes represent the impact of shifts in investments in other companies – that do not lead to a change in the consolidation method (e.g. without the attainment or loss of control) – between the parent company (IMMOFINANZ) and non-controlling interests in the relevant consolidated subsidiaries or companies included through proportionate consolidation which, in turn, have their own consolidated companies with non-controlling interests.

In accordance with IAS 27, IMMOFINANZ accounts for any change in an investment without significant influence as an equity transaction between shareholders. Differences between the carrying amount of the respective investment without significant influence and the compensation received are treated as an increase or decrease in equity.

If additional shares are purchased or transferred after control is attained and this transaction does not lead to a loss of control, the shift between the previous non-controlling interest and the offset of capital resulting from the transaction is shown as a structural change on the statement of changes in equity.

2.1.8 DECONSOLIDATIONS

When a subsidiary is sold, its assets and liabilities are no longer included in the consolidated financial statements. The income and expenses of the deconsolidated subsidiary are included in the consolidated financial statements up to the date on which control is lost. The sold share of earnings is treated as a reduction of the proceeds from the deconsolidation in order to avoid double-counting.

The profits accumulated by the deconsolidated subsidiary during its membership in the group influence the proceeds from the deconsolidation because these profits were recognised in the consolidated financial statements during prior periods.

When a foreign subsidiary is deconsolidated, the proceeds from the deconsolidation are increased or decreased to reflect the cumulative amount of any foreign exchange differences that were recognised in equity during the subsidiary's membership in the group.

2.1.9 CHANGES IN COMPARATIVE INFORMATION

Initial consolidations in previous financial years also included the recognition of impairment losses to deferred tax assets to reflect their uncertain use at the Group level. In subsequent years, only deferred tax liabilities were recognised for revaluations without any inclusion of the previously adjusted deferred tax assets. The application of IAS 8 led to an increase of EUR 284.6 million in profit carried forward and a reduction of the same amount in deferred tax liabilities.

Additional offsets of deferred tax assets and deferred tax liabilities were also recognised in accordance with IAS 12.74f, which amounted to EUR 189.2 million as of 30/04/2010 and EUR 128.4 million as of 01/05/2009.

The effects are summarised as follows:

	30 April 2011	30 April 2010		01 May 2009	
All amounts in TEUR		(adjusted)	(reported)	(adjusted)	(reported)
Deferred tax assets	61,862.4	76,735.9	265,936.6	56,508.8	184,869.2
Deferred tax liabilities	471,301.1	421,322.4	895,083.7	381,276.0	794,197.0
Equity	5,170,111.3	5,157,433.3	4,872,872.7	4,849,828.1	4,565,267.5
Total balance sheet	11,755,926.6	11,774,381.9	11,963,582.6	11,540,370.0	11,668,730.4

The derivative components of the convertible bonds are not valued separately and are therefore reported under liabilities from convertible bonds. Consequently, EUR 50.0 million and EUR 59.4 million from the comparable amounts as of 30/04/2010 and 01/05/2009 were reclassified from other liabilities to liabilities from convertible bonds.

The revised allocation among the various assets classes led to the reclassification of rental income for 2009/10: EUR 28.1 million was reclassified from rental income logistics to rental income retail.

In order to improve the presentation of the corporate strategy, the valuation results for properties held for sale were reclassified to income from property sales and the valuation results for property under construction was reclassified to income from property development.

2.2 Foreign currency translation

2.2.1 FUNCTIONAL CURRENCY

The Group reporting currency is the Euro. For subsidiaries or associated companies that prepare their financial statements in a foreign currency, the determination of the functional currency is based on the primary (macro)economic environment in which the respective company operates. The determining factor is the currency in which the majority of cash flows, goods and services are denominated and settled in the relevant country. For the IMMOFINANZ companies, the local currency is the functional currency in all cases.

2.2.2 FOREIGN CURRENCY TRANSACTIONS

The individual Group companies record foreign currency transactions at the average exchange rate in effect on the date of the event. Monetary assets and liabilities denominated in foreign currencies are translated on the balance sheet date at the average exchange rate in effect on this date. Any resulting foreign exchange gains or losses are recognised to the income statement for the reporting year.

2.2.3 TRANSLATION OF FINANCIAL STATEMENTS FROM FOREIGN SUBSIDIARIES.

ASSOCIATED COMPANIES AND JOINT VENTURES

In accordance with IAS 21, foreign currency translation for the Group's foreign subsidiaries, joint ventures and associated companies (in the following referred to collectively as foreign operations) is based on the functional currency concept as reflected in the modified current rate method. The assets and liabilities in the financial statements to be consolidated are translated at the average exchange rate on the balance sheet date; the income statement positions are translated at the weighted average exchange rate for the reporting year. Goodwill allocated to a foreign operation included through proportionate consolidation is translated at the closing rate. The equity of foreign operations and foreign currency investments in other foreign entities are translated at the historical exchange rate on the date of initial consolidation. Foreign currency distributions are translated at the average exchange rate for the purpose of elimination. The components of the earned (historical) group equity of foreign operations are translated at the closing rate. Differences arising from the above-mentioned application of different exchange rates to the individual components of financial statements or from period to period changes in exchange rates are reported under the currency translation adjustment on the statement of comprehensive income.

Foreign currency translation is based on the following exchange rates issued by the European Central Bank:

Currency	Closing rate on 30 April 2011	Closing rate on 30 April 2010	Average rate 2010/11	Average rate 2009/10
HUF	264.50000	266.82000	265.66000	278.01000
PLN	3.93560	3.92000	3.92780	4.16700
CZK	24.22300	25.53000	24.87650	26.11000
RON	4.07800	4.13000	4.10400	4.15915
BGN	1.95580	1.95580	1.95580	1.95580
RSD	99.30000	99.17000	99.23500	97.08500
HRK	7.36150	7.25000	7.30575	7.33625
BAM	1.95585	1.95580	1.95583	1.95580
EEK	15.64660	15.64660	15.64660	15.64660
LVL	0.70930	0.71000	0.70965	0.70960
RUB	40.64630	38.84000	39.74315	41.38500
UAH	11.82500	10.53000	11.17750	10.61750
USD	1.48600	1.33000	1.40800	1.32830
CHF	1.28670	1.43000	1.35835	1.46820
SEK	8.91400	9.62000	9.26700	10.18985
TRY	2.25800	1.98000	2.11900	2.04910
GBP	0.89170	0.87000	0.88085	0.88438

2.3 Specific accounting policies

2.3.1 REVENUE REALISATION

Revenues from property rentals are recognised during the period defined in the underlying rental agreement. Incentives granted for the conclusion or extension of rental agreements, e.g. rent-free periods or the assumption of relocation costs, are recognised on a straight-line basis as a reduction of rental income over the contract term.

The sale of inventories is reported under income from property development, with the transfer of ownership representing the date of realisation. Revenues are recognised when the risks and opportunities of ownership as well as control over the goods or services are transferred to the buyer. In accordance with IFRIC 15, contracts relating to inventories that are sold during the planning or construction stage fall under IAS 18.

Revenue recognition also requires the reliable measurement of the revenues and costs arising from the sale of an asset. If these criteria are met, revenues are recognised in the respective period. If these criteria are not met, any payments received are reported as liabilities.

2.3.2 IMPAIRMENT

In accordance with IAS 36, impairment tests are performed when there are indications that an asset may be impaired. Independent of this practice, goodwill and intangible assets with an indefinite useful life are tested each year for signs of impairment. This test is generally performed separately for each asset. The impairment test is only performed on the smallest group of assets, the cash-generating unit, in cases where cash inflows cannot be directly allocated to a specific asset and individual valuation is therefore not possible. Cash-generating units represent the smallest units or groups of units to which independent cash flows can be allocated. A cash-generating unit may not be larger than an operating segment defined in accordance with IFRS 8.

IAS 36 defines the recoverable amount as the relevant benchmark for the impairment test. The recoverable amount equals the higher of fair value less costs to sell and the value in use.

Fair value less costs to sell represents the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction at normal market conditions between knowledgeable and willing parties, less the costs of disposal. The costs of disposal are incremental costs directly attributable to the disposal of an asset or cash-generating unit, excluding financing costs.

Value in use represents the present value of estimated future cash flows that are expected to arise from the continuing use of an asset or cash-generating unit. Cash flow planning must be based on reasonable and justifiable assumptions that reflect the entity's latest financial plans. The determination of value in use is based on the same methodology used to establish the value of a company, i.e., the discounted cash flow method. Estimates are also required for this purpose (see section 2.4).

If the carrying amount of an asset exceeds the recoverable amount, the difference is recognised as an impairment loss (i.e., an unscheduled write-down). An impairment loss calculated in accordance with the above principles must then be allocated to the assets in the cash-generating unit as follows: First, the carrying amount of goodwill in the cash-generating unit is written down. Any remaining difference is allocated to the other assets in the cash-generating unit in proportion to their carrying amount. The allocation of an impairment loss to individual assets may not reduce the carrying amount of the asset below the highest of the following amounts:

- fair value less costs to sell.
- the value in use and
- zero.

If there is an indication that the reasons for impairment no longer exist or have decreased, the impairment loss is reversed to the carrying amount that would have been determined (net of amortisation or depreciation) if the impairment loss had not been recognised in prior years. IFRS do not permit the write-up of goodwill that was previously reduced through an impairment loss.

The management of IMMOFINANZ Group views the purchase of property companies as business combinations (see the related comments in section 2.1.5). All goodwill resulting from such business combinations is tested each year for indications of impairment. In these cases, the cash-generating unit is usually an individual object or a property portfolio. The recoverable amount of the cash-generating unit comprises the fair value of the included property (properties) as determined by an expert opinion as well as the fair value of recognised deferred tax liabilities. The deferred tax liabilities are generally represented in the cash-generating unit at a recoverable value of zero. This reflects the fact that property transactions normally take the form of share deals, and the deduction of deferred tax liabilities on the purchase and sale of property companies is generally difficult or impossible to enforce in the markets where IMMOFINANZ is active. As part of the impairment test, the recoverable amount is compared with the carrying amount of the included property (properties) and deferred tax liabilities.

2.3.3 INVESTMENT PROPERTY

Investment properties represent all objects that are held to generate rental income or to realise a long-term increase in value, and are not used in production or for administrative purposes or sold as part of the company's ordinary business activities. Land and/or buildings, or parts thereof, can also represent investment property. Properties used in the production of goods, provision of services or administrative purposes are not classified as investment property under the rules defined in IAS 40. Land purchased as a site for the construction of investment property is classified as IAS 40 property on the date of acquisition and subsequently measured at fair value.

In accordance with IAS 40, investment properties are measured at cost plus transaction costs at the point of recognition. These costs may not include any founding or start-up expenses or operating losses incurred before the investment property reaches the planned level of occupancy.

The management of IMMOFINANZ has decided to follow Best Practices Policy Recommendation 2.2 issued by the European Public Real Estate Association (hereafter EPRA). The EPRA advises its members to apply the fair value model defined in IAS 40 to the subsequent measurement of investment properties.

Under the fair value method, properties are measured at their fair value as of the balance sheet date. Fair value represents the amount at which an object could be exchanged between knowledgeable, willing and independent business partners in an arm's length transaction.

Fair value must reflect the current market situation and circumstances as of the balance sheet date. The best evidence of fair value is normally provided by prices quoted on an active market for similar properties with a similar location and conditions as well as comparable rental and other contractual relationships.

The fair value of IMMOFINANZ properties is determined by expert opinions, which are prepared by independent appraisers. The Austria segment is valued by a committee of three court-certified property experts. Other experts are responsible for the valuation of BUWOG Bauen und Wohnen Gesellschaft mbH, Vienna, and ESG Wohnungsgesellschaft mbH, Villach, in the Austria Segment; CB Richard Ellis GmbH was commissioned to perform this work. The expert opinions for properties in Germany, the Netherlands, Switzerland, Italy, France and the USA were prepared by BNP Paribas Real Estate Consult GmbH. The determination of fair value for the former IMMOEAST properties (Czech Republic, Poland, Hungary, Romania, Russia, Slovakia, Bulgaria, Serbia, Croatia, Slovenia, Ukraine) was carried out by Jones Lang LaSalle GmbH (also see section 2.4).

The investment properties were valued using the discounted cash flow method, specifically in the form of the term and reversion model as well as the hardcore and top-slice method. The methodology underlying the term and reversion model is as follows: net income up to the end of the contract term is discounted back to the valuation date; for the time after this period (i.e., extension of the contract or new rental), a comparable market rent is capitalised and also discounted back to the valuation date to determine the perpetual yield (reversion). Depending on the estimates of risk – which are based on the type of property, location and region as well as current market circumstances – different discount rates are applied to the current rental income and the capitalisation of the perpetual yield (the interest rate applied to the contract term is generally slightly lower than the interest rate used to calculate the reversion). This capitalisation process also incorporates vacancies and the perpetual yield based on an appropriate period of time for rental and comparable market rental prices as well as an assumed maximum occupancy that is derived from the above-mentioned criteria. The calculation methodology of the hardcore and top-slice method is similar to the logic behind the term and reversion model. Net income generated by the property – up to the market rent (hardcore component) – is capitalised at a normal market interest rate as a perpetual yield over the entire term (term of the rental contract plus subsequent rental).

The top-slice component (the net income for this same term that exceeds the market rent) is then discounted at a risk-adjusted market interest rate. The amount of the risk premium is dependent on the probability of vacancy.

Properties under construction, development objects and investment properties that were acquired for possible redesign and renovation (redevelopment) are also measured at fair value using the residual value method. Suspended development projects were valued according to the sales comparison approach.

All changes in the fair value of investment properties, properties under construction and properties held for sale are recognised to the income statement and reported under the revaluation of properties adjusted for foreign exchange effects or the revaluation of properties resulting from foreign exchange effects.

2.3.4 LEASING

In accordance with IAS 17, the classification of a leased asset is based on the extent to which the risks and rewards incidental to the ownership of the leased asset lie with the lessor or lessee.

Fixed assets obtained through finance leases are recognised by the lessee at fair value or the lower present value of the minimum lease payments, and depreciated on a straight-line basis over the expected useful life or the shorter term of the lease. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease.

Under an operating lease, the economic ownership of the lease asset remains with the lessor. The lessee recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The costs of the lease agreement and other similar expenses are recognised to profit or loss analogously over the term of the lease. IAS 40.6 permits the classification of property that is utilised on the basis of an operating lease as investment property if the fair value method is applied and the asset meets the other criteria for inclusion under investment property. This option may be applied in individual cases.

Investment property includes assets obtained through finance leases and operating leases. In accordance with IAS 40.6, these assets are classified as investment property and measured at fair value as of the balance sheet date.

2.3.5 GOVERNMENT GRANTS

Government grants represent assistance provided to an entity through the transfer of resources in return for past or future compliance with certain conditions related to the entity's operating activities.

Government grants related to assets, including non-monetary grants at fair value, reduce the cost of the respective asset.

In some cases, IMMOFINANZ receives low-interest loans to finance development projects. These low-interest loans are related to public sector subsidies for the respective real estate project and are generally connected with obligations to meet specific requirements (e.g. rent control). These types of liabilities are recognised at fair value on the date of inception in accordance with IAS 39. The benefits arising from the lower interest rate on the loan are recognised as a government grant pursuant to the provisions of IAS 20 and recognised to profit or loss over the period during which IMMOFINANZ is required to meet the respective conditions. If these conditions (rent control) result in a fair value that is lower than cost as defined in IAS 40, the liability recognised for the government grant is reversed through profit or loss in the form of an impairment loss to the carrying amount of the

property at the appropriate time and in the appropriate scope. This procedure ensures the correct matching of the expenses connected with the fulfilment of the grant conditions and the benefit arising from the grant in IMMOFINANZ results for the respective accounting period.

Regular interest subsidies from the public sector are recognised to profit or loss in the period granted.

IMMOFINANZ did not receive any government grants related to income in 2010/11.

2.3.6 BORROWING COSTS

Borrowing costs are capitalised in accordance with IAS 23 if they are related to the acquisition or production of qualified assets. These costs include interest and other expenses incurred by an entity in connection with the borrowing of funds. The capitalisation of borrowing costs ends with the completion of the asset. If a project is frozen, the capitalisation of borrowing costs is suspended.

2.3.7 OTHER TANGIBLE ASSETS

In accordance with IAS 16, tangible assets are carried at cost less accumulated depreciation and any recognised impairment losses. Acquisition or production cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the intended manner.

When the payment for a tangible asset extends beyond the normal payment period, interest expense at market rates is also recognised or included (also see section 2.3.6).

Depreciation is calculated on a straight-line basis beginning in the month of acquisition.

Ordinary straight-line depreciation on depreciable tangible assets is based on the following useful lives:

	Useful life in years
Administrative buildings (own use)	25–50
Other tangible assets	4–10

The useful lives of the various assets and the depreciation method are reviewed regularly in agreement with IAS 16 to ensure they reflect the expected development of the economic value in use of the tangible asset.

2.3.8 OTHER INTANGIBLE ASSETS

Intangible assets represent identifiable, non-monetary assets without physical substance that can be expected to generate a future economic benefit. In accordance with IAS 38, intangible assets are carried at cost less amortisation.

Subsequent expenditures for an intangible asset after its acquisition or completion are expensed as incurred unless: it is probable that these expenditures will enable the asset to generate a future economic benefit which exceeds the originally estimated earning power; and these expenditures can be estimated reliably and exactly allocated to the asset.

With the exception of goodwill, all intangible assets held by IMMOFINANZ Group have a finite useful life and are amortised on a systematic basis (pro rata temporis).

Ordinary straight-line amortisation is based on the following useful lives:

	Useful life in years
Other intangible assets	3–50

In addition, intangible assets are tested for impairment in accordance with IAS 36.

The company has no internally generated intangible assets.

2.3.9 INVESTMENTS IN ASSOCIATED COMPANIES

Information on the accounting policies applied to associated companies is provided in section 2.1.4.

2.3.10 TRADE AND OTHER RECEIVABLES

Receivables and other financial assets are generally classified as loans and receivables (L&R) in accordance with IAS 39 and carried at amortised cost. Recognisable individual risks are reflected in appropriate valuation adjustments.

Non-financial receivables are also basically carried at amortised costs after the deduction of any necessary impairment losses.

Information on the distinction between financial and non-financial assets is provided under the definition of financial instruments in section 7.2.

2.3.11 OTHER FINANCIAL ASSETS

Other financial instruments comprise securities and similar rights, silent partner interests and miscellaneous investments in other companies, originated loans and derivative financial instruments. The originated loans are related above all to extended payment periods granted by BUWOG/ESG for the settlement of purchase prices.

In accordance with IAS 39, IMMOFINANZ Group classifies the following assets as available for sale (AfS): securities and similar rights as well as investments in other companies that were acquired prior to 01/05/2004 and are measured without recognition through profit or loss. These assets are carried at fair value, e.g. the market or stock exchange value as of the balance sheet date. If fair value cannot be determined and comparable market prices are not available, fair value is established using generally accepted valuation methods (discounted cash flow method) or, in the case of property companies, is based on the net asset value. The initial valuation is made as of the settlement date. Fluctuations in fair value are charged or credited directly to equity; these changes are only recognised to the income statement in the event of impairment or when the assets are sold. If there are objective indications of impairment to an asset, an impairment loss is recorded.

Investments in other companies that were acquired after 01/05/2004 are generally designated as financial instruments at fair value through profit or loss on the date of acquisition in accordance with IAS 39. This classification reflects the fact that the investments are part of a portfolio whose results are measured at fair value, which also forms the basis for periodic reporting to management. These assets are measured at fair value as of the balance sheet date, and any changes in fair value are charged or credited to the income statement.

Originated loans are classified as loans and receivables (L&R) in accordance with IAS 39. These items are basically measured at cost or the lower present value as of the balance sheet date.

Derivatives are recognised as independent transactions. These financial instruments are used to reduce the risks associated with foreign exchange and interest rate fluctuations. Derivative transactions are only concluded with financial institutions that have first-rate credit standings. Derivatives are assigned to the category "held for trading" (HFT) and valued through profit or loss at the market value applicable on the balance sheet date. This market value is determined by the relevant financial institution and reported to IMMOFINANZ. Hedge accounting is not applied.

Information on the conditions and market values of derivatives is provided under sections 7.3.5.1 and 7.3.5.2.

Other short-term financial assets are classified as held for trading (HFT) in accordance with IAS 39 and carried at the applicable market or stock exchange value as of the balance sheet date. All purchases and sales are recognised as of the settlement date, which represents the date on which the asset is transferred. Temporary fluctuations in fair value are recognised through profit or loss.

2.3.12 DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

In accordance with the balance sheet liability method defined in IAS 12, deferred taxes are calculated on all temporary differences between the carrying amount of an asset or liability in the IFRS consolidated financial statements and the respective tax base in the individual company financial statements. Temporary differences can be:

- taxable temporary differences, which are temporary differences that will lead to taxable amounts for the determination of taxable profit (tax loss) in future periods, when the carrying amount of the respective asset or liability is recovered or settled; or
- deductible temporary differences, which are temporary differences that will result in amounts that are deductible for the determination of taxable profit (tax loss) in future periods, when the carrying amount of the respective asset or liability is recovered or settled.

A deferred tax asset or deferred tax liability must be recorded for each taxable temporary difference unless the difference arises from the initial recognition of goodwill or the initial recognition of an assets or liability in a transaction that:

- is not a business combination and
- at the time of the transaction, affects neither accounting profit (before tax) nor taxable profit (tax loss).

The calculation of deferred taxes is based on the tax rate that will apply or is expected to apply in the respective country at the point of realisation. Tax laws enacted or substantively enacted as of the closing date are also taken into account.

The recognition of deferred tax assets on deductible temporary differences and loss carryforwards is based on forecasts for their utilisation against future taxable income, whereby the tax consequences result from the realisation of the carrying amount of properties through their sale. The relevant estimates by management are updated as of each balance sheet date based on the latest data developed for tax planning purposes.

2.3.13 PROPERTIES HELD FOR SALE

IFRS 5 classifies assets as held for sale if they can be sold in their present condition and their sale is highly probable. The involved assets represent non-current items. These assets are no longer depreciated on a regular basis, but are measured at the lower of the carrying amount at the point of classification as held for sale and fair value less costs to sell. The requirements for classification as held for sale are: a) the existence of a concrete intention to sell, b) the immediate availability of the asset and c) with certain exceptions, the completion of the sale within 12 months.

If the requirements for classification as held for sale are no longer met, the asset is transferred to the appropriate balance sheet position and measured at the lower of the carrying amount and fair value less costs to sell. Any adjustment to the value of the asset is recognised to the income statement.

Investment properties represent an exception to the valuation requirements set forth in IFRS 5 because these assets are valued in accordance with the fair value model. However, the presentation requirements defined in IFRS 5 apply.

2.3.14 INVENTORIES

Inventories represent assets that are held for sale during the ordinary course of business, or are in the process of production for such sale, or take the form of materials or supplies to be consumed in the production process or in the rendering of services.

The business activities of IMMOFINANZ as a property company include the acquisition, rental and best possible commercial utilisation of assets to optimise asset management. The properties held for sale by IMMOFINANZ Group's subsidiaries during the course of ordinary business operations do not fall under the scope of application of IAS 40 (investment properties), and are therefore treated as inventories in accordance with IAS 2.

Inventories are capitalised at cost and measured at the lower of carrying amount or net realisable value as of the balance sheet date. Net realisable value is determined as the estimated selling price less any outstanding production costs and costs to sell. The acquisition or production cost of inventories includes all purchase and processing costs as well as other expenses incurred to bring the asset to the current location and condition.

Sales of inventories are reported under income from property development, whereby revenue is realised when ownership is transferred. In the event of a sale, the relevant production costs are recorded as a disposal under the production cost of sold inventories.

Inventories are tested for impairment each year or more frequently if there are signs of impairment. This testing involves a comparison of production cost with the fair value as determined by an expert opinion (value in use). Information on the determination of fair value and the related uncertainties are provided under sections 2.3.3 and 2.4.

2.3.15 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, funds-in-transit and deposits with financial institutions with a term of up to three months. These items are carried at the value applicable on the balance sheet date.

2.3.16 FINANCIAL LIABILITIES, TRADE AND OTHER LIABILITIES

Financial liabilities are generally classified as financial liabilities measured at amortised cost (FLAC) in accordance with IAS 39. These items are carried at amortised cost.

Non-financial liabilities are also carried at amortised cost.

Information on the distinction between financial and non-financial liabilities is provided under the definition of financial instruments in section 7.2.

Financial liabilities are recorded at the amount of funds received less transaction costs. Any premium, discount or other difference (e.g. costs for the procurement of funds) between the amount received and the repayment amount is allocated over the term of the financing according to the effective interest rate method and recorded under financial results. The effective interest rate method is not used for immaterial differences; these differences are allocated on a straight-line basis over the term of the liability.

Hybrid financial instruments, which include both equity and debt components, must be separated for accounting purposes. Financial instruments can consist of a non-derivative underlying contract and a derivative financial instrument. An embedded derivative must, in some cases, be accounted for separately from the underlying contract.

Derivatives with a negative fair value as well as derivatives with a positive fair value (see section 2.3.11) are classified as held for trading (HFT). These items are carried at fair value through profit or loss as of the balance sheet date.

2.3.17 PROVISIONS

In accordance with IAS 37.14, an obligation arising from past events whose timing or amount is uncertain is recorded as a provision when it becomes probable that an outflow of resources will be required to settle this obligation and when the amount can be reliably estimated.

The provision is based on the best estimate at the time the financial statements are prepared. The best estimate of the amount required to meet the present obligation is the amount the entity would rationally pay to settle the obligation at the balance sheet date or to transfer the obligation to a third party at that time.

The risks and uncertainties that inevitably surround many events and circumstances must be taken into account in determining the best estimate. The expected cash flows must be discounted to their present value if the time value of money is material.

In cases where some or all of the expenditure required to settle an obligation is expected to be reimbursed by another party, the reimbursement may only be recognised when it is virtually certain that this reimbursement will be received if the entity settles the obligation. This reimbursement must be treated as a separate asset. The amount recognised for the reimbursement may not exceed the amount of the provision.

Provisions must be reviewed as of each balance sheet date and adjusted through profit or loss if an outflow of resources is no longer probable.

IMMOFINANZ is exposed to a price risk in cases where developments on the property market in a particular region lead to an increase in yields and the acquisition of an object in this market is tied to a fixed yield that is less than the new market yield. When properties are acquired through forward purchases, a specific acquisition price is normally defined for the property at a certain

time in the future. If the fair value on the date of acquisition is less than the agreed purchase price, the contract represents a disadvantage for IMMOFINANZ. A provision for onerous contracts is recognised as of each balance sheet date to reflect this risk, whereby the amount of the provision is based on the latest available market data and current developments.

2.3.18 OBLIGATIONS TO EMPLOYEES

The provisions for termination benefits, pensions and long-service bonuses were calculated in accordance with the projected unit credit method. This method computes the present value of claims earned by the employees up to the balance sheet date, based on an assumed increase of approx. 2.00% in wages and salaries. The calculation is also based on the earliest possible retirement age defined by the relevant legal regulations, which is dependent among others on the employees' gender and date of birth. An interest rate of 5.00% (2009/10: 4.70%) was applied to the provisions for pensions, termination benefits and long-service bonuses. Appropriate employee turnover rates – scaled to reflect the length of service with the company – were also included in the calculation. The actuarial calculation for Austria was based on the Pagler & Pagler AVÖ 2008-P mortality tables.

Actuarial gains and losses are recognised immediately to profit or loss.

2.4 Judgments and estimation uncertainty

The preparation of consolidated financial statements in agreement with IFRS requires the use of judgments and assumptions for future developments by corporate management. These judgments and assumptions can have a significant influence on the recognition and value of assets and liabilities, the disclosure of other obligations as of the balance sheet date and the reporting of income and expenses for the financial year.

The following assumptions carry a significant risk that they may lead to a material adjustment in the value of assets and liabilities during the next financial year:

- The fair value of the investment property, property under construction and properties held for sale recognised by IMMOFINANZ Group (carrying amount on 30/04/2011: EUR 9,145.2 million) and the net realisable value of inventories are determined on the basis of appraisals prepared by independent property experts. Most of these appraisals are prepared on the basis of discounted cash flow (DCF) models, specifically by discounting the expected future cash flows from the respective property. The preparation of these appraisals involves the use of assumptions, e.g. for the applied discount rate, expected occupancy or development of rental prices. One characteristic of DCF models is their sensitivity to the underlying assumptions and parameters. For example, a reduction in the applied discount rate without any changes to the other assumptions or parameters will lead to an increase in the value of the respective property. In contrast, a reduction in the expected occupancy rate or the expected rental prices without any changes to the other assumptions or parameters will lead to a decline in the value of the respective property. These assumptions and parameters are determined through a careful process as of each balance sheet date based on the best possible estimates of the current market environment by management and the appraisers. The estimates are updated as of every balance sheet date, which can lead to substantial fluctuations in the value of the appraised properties.
- The impairment testing of intangible assets, goodwill and tangible assets is based on forward-looking assumptions. The determination of the recoverable amount of an asset for an impairment test involves the use of numerous assumptions, e.g. concerning future surplus cash flows and the discount rate. These surplus cash flows reflect the latest estimates available at the time the financial statements are prepared (see sections 5.3 and 5.4).

- Alternative financial valuation methods are used in the impairment testing of financial instruments for which there is no active market. The parameters used to establish fair value are based in part on forward-looking assumptions. The respective carrying amounts are listed in section 7.2.4.
- The valuation of pension and severance compensation obligations includes the use of assumptions for the interest rate, retirement age, life expectancy, employee turnover and future increase in salaries and wages (see section 2.3.18).
- The recognition of deferred tax assets is based on the assumption that the company will generate sufficient taxable profit in the future to utilise these items (see section 5.8).
- The valuation of provisions is based on estimated amounts. A number of the estimates were developed by experts, whereby past experience was included whenever possible. In particular, the amount of the provision for onerous contracts (carrying amount as of 30/04/2011: EUR 25.6 million) is connected with uncertainty (see section 4.6.3).
- The unrecognised obligations and impairment losses arising from sureties, guarantees and other liabilities are assessed on a regular basis to determine whether recognition is required (see sections 7.3.2 and 7.4.1).

The estimates and the underlying assumptions used by IMMOFINANZ Group are reviewed regularly. Actual values may vary from these estimates and assumptions when the development of the general parameters is different than expectations on the balance sheet date. Changes are made when more accurate information is available, and the assumptions are adjusted accordingly.

3. Scope of Consolidation and Business Combinations

3.1 Development of the scope of consolidation

The changes in the scope of consolidation during the 2010/11 financial year are shown in the following table:

Scope of consolidation	Full consolidation	Proportionate consolidation	Equity method	Total
Balance on 30 April 2010	467	95	19	581
Initially consolidated during the reporting year	134	4	20	158
Disposal or merger	-27	-11	-1	-39
Change in consolidation method	7	-6	-1	0
Balance on 30 April 2011	581	82	37	700
Thereof foreign companies	301	71	30	402

An overview of IMMOFINANZ Group companies is presented at the end of the notes.

3.2 Fully consolidated companies

In addition to IMMOFINANZ, these consolidated financial statements include 279 domestic and 301 foreign subsidiaries in which IMMOFINANZ directly or indirectly holds the majority of shareholder voting rights or can exercise legal or actual control.

3.3 Companies included through proportionate consolidation

In accordance with IAS 31, 11 domestic and 71 foreign companies are included in these financial statements through proportionate consolidation. Based on the rules defined in IAS 31.3 in connection with IAS 31.9, IMMOFINANZ is not considered to have control over the following companies – even if it holds the majority of voting rights or manages these businesses jointly with other partners in spite of its minority interests – because syndication agreements were concluded with other entities for the joint management of business operations:

Segment	Country	Headquarters	Company	Stake
Russia	CY	Limassol	Berga Investment Limited	75.00%
Poland	PL	Warsaw	Cirrus Real Sp. z o.o.	51.00%
Romania	RO	Bucharest	Confidential Business SRL	25.00%
Poland	PL	Warsaw	Debowe Tarasy Sp. z o.o.	70.00%
Poland	PL	Katowice	Debowe Tarasy Sp. z o.o. II sp.k.	70.00%
Poland	PL	Katowice	Debowe Tarasy Sp. z o.o. III sp.k.	70.00%
Poland	PL	Katowice	Debowe Tarasy Sp. z o.o. IV sp.k.	70.00%
Czech Republic	CZ	Prague	Diamant Real spol. s.r.o.	51.00%
Poland	PL	Warsaw	Equator Real Sp. z o.o.	51.00%
Other	US	Houston	IMF Investments 105 LP	90.00%
Other	US	Houston	IMF Investments 106 LP	90.00%
Other	US	Houston	IMF Investments 107 LP	90.00%
Other	US	Houston	IMF Investments 205 LP	90.00%
Other	US	Houston	IMF Investments 307 LP	90.00%
Poland	PL	Warsaw	Metropol NH Sp. z o.o.	25.00%
Russia	CY	Limassol	MONESA LIMITED	75.00%
Holding company	DE	Munich	Multi-ImmoEast Asset Management GmbH	45.00%
Poland	PL	Warsaw	Nimbus Real Sp. z o.o.	51.00%
Russia	RU	Moscow	OOO Berga Development	75.00%
Russia	RU	Moscow	OOO Fenix Development	75.00%
Romania	RO	Bucharest	Polivalenta Building SRL	25.00%
Other	CH	Opfikon	SelfStorage – Dein Lagerraum (Schweiz) AG	30.00%
Germany	DE	Munich	SelfStorage – Dein Lagerraum GmbH	30.00%
Austria	AT	Langenzersdorf	SelfStorage-DeinLager LagervermietungsgesmbH	30.00%
Austria	AT	Vienna	SelfStorage-Liegenschaftsverwaltung Wattgasse GmbH	30.00%
Poland	CY	Nicosia	Silesia Residential Holding Limited	70.00%
Poland	PL	Katowice	Silesia Residential Project Sp. z o.o.	70.00%
Hungary	HU	Budapest	STOP.SHOP. Gyöngy Kft.	51.00%
Czech Republic	CZ	Prague	STOP.SHOP. Krnov s.r.o.	50.50%
Hungary	HU	Budapest	STOP.SHOP. TB Kft.	51.00%
Other	UA	Kiev	TOV Arsenal City	49.99%
Other	UA	Kiev	TOV Vastator Ukraine	49.99%
Czech Republic	CZ	Prague	Veronia Shelf s.r.o.	51.00%

The above table only includes joint ventures that were included in the scope of consolidation as of 30/04/2011.

The following table shows the pro rata values for companies that were included in the consolidated financial statements at their proportionate share:

All amounts in TEUR	30 April 2011	30 April 2010
Non-current property assets	933,618.2	961,237.2
Current property assets	189,788.9	81,533.3
Other non-current assets	137,800.9	152,818.1
Other current assets	49,807.5	48,000.1
Non-current liabilities	-861,057.1	-913,864.3
Current liabilities	-257,854.7	-220,196.6
Proportional share of net assets	192,103.7	109,527.6

All amounts in TEUR	2010/11	2009/10
Revenues	95,931.3	49,899.3
Revaluation of properties	125,500.4	101,388.9
Operating profit (EBIT)	191,683.1	-41,295.6
Financial results	-82,846.6	-2,422.3
Income taxes	-24,195.1	-31,085.2
Net profit for the period	84,641.4	-74,803.1

3.4 Associated companies

In 2010/11 30 foreign and seven domestic companies were included in the consolidated financial statements by applying the equity method.

The requirement for application of the equity method is the ability of the investing company to exercise significant influence over the associate. This is normally evidenced by one or more of the factors defined in IAS 28.7. Potential voting rights are to be considered in determining whether the requirements for significant influence are met. In contrast, the actual exercise of this influence is not required.

Significant influence as defined in IAS 28.6 is considered to exist when the stake owned in a company equals 20.00% or more of the voting power. However, this presumption can be refuted. IMMOFINANZ holds stakes of more than 20.00% in the net assets of the following companies, which were not classified as associated companies due to a lack of significant influence:

- FF&P Russia Real Estate Limited (37.11%)
- Global Emerging Property Fund L.P. (25.00%)
- FF&P Development Fund (32.12%)
- Adama Holding Public Ltd. (30.77%)
- M.O.F. Immobilien AG (20.00%)
- M.O.F. Beta Immobilien AG (20.00%)
- Dikare Holding Ltd. (22.00%)
- Russia Development Fund L.P. (50.66%)
- Polonia Property Fund II. L.P. (25.00%)
- Tri Capitals BH (40.00%)
- E-stone Metropoles Holding B.V. (40.00%)
- E-stone Metropoles AT Holding GmbH (40.00%)
- Central Europe B.V. Holding (28.00%)
- Central Europe AT Holding (28.00%)
- Vögly Park (27.98%)
- FFA Utility P. West (26.32%)

- Lepus sp.z.o.o. (28.00%)
- Neuss Rennbahn Parkplatz GmbH (32.00%)
- C&I Leasing Ges.m.b.H. (51.00%)
- C&I Maschinenleasing Ges.m.b.H. (51.00%)
- C&I Investitionsgüterleasing Ges.m.b.H. (51.00%)
- C&I Investitionsgüterleasingges.m.b.H. & Co.KG (51.00%)
- C&I Investitionsgüterleasingges.m.b.H. & Co Anlagen KG (51.00%)
- Walkabout Beteiligungs GmbH (66.67%)
- Projektentwicklungs. Ges.m.b.H. (50.00%)

The presumption of association is refuted by the absence of IMMOFINANZ staff or corporate bodies on the managing bodies of the above companies or in the shareholding that is required to pass resolutions. Therefore, these stakes are accounted for as IAS 39 investments.

3.5 Business combinations (initial consolidations)

IMMOFINANZ acquired shares in or founded the following companies during the 2010/11 financial year:

Segment	Country	Head- quarters	Company	Stake	Consolida- tion method	Date
Formation						
Austria	AT	Vienna	Artemis Immobilien GmbH	100.00%	F	07 July 2010
Austria	AT	Vienna	BUWOG Immobilien Beteiligungs GmbH & Co KG	94.00%	F	12 May 2010
Austria	AT	Vienna	Chloris Immobilien GmbH	100.00%	F	07 July 2010
Austria	AT	Vienna	Chronos Immobilien GmbH	100.00%	F	07 July 2010
Austria	AT	Vienna	Decima Immobilienanlagen GmbH	100.00%	F	27 May 2010
Austria	AT	Vienna	Dionysos Immobilien GmbH	100.00%	F	07 July 2010
Austria	AT	Vienna	Eos Immobilien GmbH	100.00%	F	07 July 2010
Austria	AT	Vienna	Nona Immobilienanlagen GmbH	100.00%	F	27 May 2010
Austria	AT	Vienna	Parthica Immobilien GmbH	100.00%	F	07 July 2010
Acquisition						
Austria	AT	Vienna	Appartement im Park ErrichtungsGmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	Aviso Delta GmbH	100.00%	F	15 October 2010
Austria	AT	Vienna	Aviso Zeta AG	100.00%	F	22 December 2010
Romania	CY	Nicosia	Bloczek Ltd	100.00%	F	18 May 2010
Austria	AT	Vienna	C.A.P. Immobilienprojektentwicklungs- und Beteiligungs Aktiengesellschaft	50.00%	E	25 August 2010
Austria	AT	Vienna	C.E. Immobilienprojekte und Beteiligungs GmbH	100.00%	F	22 December 2010
Austria	AT	Vienna	C.E. Management GmbH	100.00%	F	22 December 2010
Austria	AT	Vienna	C.I.M. Beteiligungen 1998 GmbH	33.00%	E	25 August 2010
Austria	AT	Vienna	C.I.M. Unternehmensbeteiligungs- und Anlagenvermietungs GmbH	33.00%	E	25 August 2010
Austria	AT	Vienna	C.I.M. Verwaltung und Beteiligungen 1999 GmbH	33.00%	E	25 August 2010
Austria	AT	Vienna	CBB-L Beta Beteiligungs GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CBB-L Jota Beteiligungs GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CBB-L Realitäten Beteiligungs GmbH	100.00%	F	25 August 2010
Hungary	HU	Budapest	Center Invest Gödöll Kft.	100.00%	F	01 June 2010
Austria	AT	Vienna	CFE Immobilienentwicklungs GmbH	50.00%	P	25 August 2010
Austria	AT	Vienna	CGS Gamma Immobilien Vermietung GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	C-I-D RealEstate GmbH	100.00%	F	22 December 2010
Austria	AT	Vienna	Constantia Beteiligungsgesellschaft m.b.H.	100.00%	F	25 August 2010

Segment	Country	Head- quarters	Company	Stake	Consolida- tion method	Date
Austria	AT	Vienna	CONSTANTIA Immobilienvermietungs GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	Constantia Treuhand und Vermögensverwaltungs GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	Constari Liegenschaftsvermietungsgesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB Advisory GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB ALPHA Anlagen Leasing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB Anlagen Leasing Gesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB BETA Anlagen Leasing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB Beteiligungs GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB Corporate Finance Consulting GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB DELTA Anlagen Leasing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB DREI Anlagen Leasing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB EINS Anlagen Leasing GmbH in Liqu.	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB Enterprise GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB EPSILON Anlagen Leasing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB GAMMA Anlagen Leasing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB Gesellschaft für Unternehmensbeteiligungen m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB Grundstücks und Mobilien Vermietungs GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB Hepta Anlagen Leasing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB Holding GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB Immobilien und Mobilien Vermietungs GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB Investitionsgüter Leasing GmbH	100.00%	F	25 August 2010
Holding company	AT	Vienna	CPB JOTA Anlagen Leasing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB KAPPA Anlagen Leasing GmbH	100.00%	F	25 August 2010
Other	GG	Guernsey	CPB Lease and Finance Company Limited	99.00%	F	25 August 2010
Austria	AT	Vienna	CPB Maschinen Leasing Gesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB Mobilien Leasing Gesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB OMIKRON Anlagen Leasing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB Pegai Anlagen Leasing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB PRIMA Anlagen Leasing GmbH	100.00%	F	25 August 2010
Romania	RO	Ilfov	CPB Real Estate Consult s.r.l.	100.00%	F	15 October 2010
Austria	AT	Vienna	CPB Realitäten und Mobilien Vermietungs GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPB TERTIA Anlagen Leasing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	CPBE Clearing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	Credo Immobilien Development GmbH	100.00%	F	22 December 2010
Austria	AT	Vienna	CREDO Real Estate GmbH	100.00%	F	22 December 2010
Austria	AT	Vienna	E+W Vermögensverwaltungsgesellschaft m.b.H. – in Liquidation	100.00%	F	25 August 2010
Austria	AT	Vienna	ECE Einkaufs-Centrum Kapfenberg Gesellschaft m.b.H.	50.00%	P	25 August 2010
Austria	AT	Vienna	EHL Asset Management GmbH	49.00%	E	18 February 2011
Austria	AT	Vienna	EHL Immobilien GmbH	49.00%	E	18 February 2011
Austria	AT	Vienna	EHL Investment Consulting GmbH	49.00%	E	18 February 2011
Czech Republic	CZ	Prague	EHL Real Estate Czech Republic S.R.O.	49.00%	E	18 February 2011
Hungary	HU	Budapest	EHL Real Estate Hungary Fft.	49.00%	E	18 February 2011
Poland	PL	Warsaw	EHL Real Estate Poland SPZ O.O.	49.00%	E	18 February 2011
Romania	RO	Bucharest	EHL Real Estate Romania S.R.L.	49.00%	E	18 February 2011
Slovakia	SK	Bratislava	EHL Real Estate Slovakia S.R.O.	49.00%	E	18 February 2011
Austria	AT	Vienna	ESCENDO Liegenschaftshandelsgesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	ESCENDO Liegenschaftshandelsgesellschaft m.b.H. & Co KG	100.00%	F	25 August 2010
Austria	AT	Vienna	EXIT 100 Projektentwicklungs GmbH	70.00%	F	22 December 2010

Segment	Country	Head- quarters	Company	Stake	Consolida- tion method	Date
Poland	PL	Warsaw	FMZ Gydinia Sp.z.o.o.	40.00%	E	22 December 2010
Poland	PL	Warsaw	FMZ Lublin Sp.z.o.o.	30.00%	E	22 December 2010
Poland	PL	Warsaw	FMZ Sosnowiec Sp.z.o.o.	45.00%	E	22 December 2010
Austria	AT	Vienna	I&I Real Estate Asset Management GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	IMF PRIMA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	IMF QUARTA Liegenschafts- und Mobilienvermietungsge- sellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	IMF SECUNDA Liegenschafts- und Mobilienvermietungsge- sellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	Immobilien Delta Immobilienvermietungsgesellschaft m.b.H. – in Liquidation	100.00%	F	25 August 2010
Austria	AT	Vienna	Immobilien Epsilon Immobilienvermietungsge- sellschaft m.b.H. – in Liquidation	100.00%	F	25 August 2010
Austria	AT	Vienna	Immobilien Holding GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	IMMOBILIA Immobilienhandels GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	IMMOBILIA Immobilienhandels GmbH & Co KG	100.00%	F	25 August 2010
Austria	AT	Vienna	Immobilien L Liegenschafts Vermietungs GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	Immobilien L Liegenschafts Vermietungs GmbH & Co Bischoff- gasse 14/Rosasgasse 30 KG	100.00%	F	25 August 2010
Austria	AT	Vienna	Immobilien L Liegenschafts Vermietungs GmbH & Co Viriot- gasse 4 KG	100.00%	F	25 August 2010
Austria	AT	Vienna	Immofinanz Acquisition and Finance Consulting GmbH	100.00%	F	15 October 2010
Austria	AT	Vienna	Immofinanz Advice GmbH	100.00%	F	15 October 2010
Austria	AT	Vienna	Immofinanz Beta Liegenschaftsvermietungsgesellschaft m.b.H.	98.00%	F	25 August 2010
Austria	AT	Vienna	IMMOFINANZ BETEILIGUNGS GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	Immofinanz Corporate Finance Consulting GmbH	100.00%	F	22 December 2010
Austria	AT	Vienna	Immofinanz Epsilon Liegenschafts- und Mobilienvermie- tungsgesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	Immofinanz Gesellschaft für Unternehmensbeteiligungen GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	Immofinanz Holding GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	IMMOFINANZ JOTA Liegenschafts- und Mobilienvermie- tungsgesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	IMMOFINANZ KAPPA Liegenschafts- und Mobilienvermie- tungsgesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	IMMOFINANZ LAMBDA Liegenschafts- und Mobilienvermie- tungsgesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	Immofinanz Liegenschaftsverwaltungs- und Beteiligungsge- sellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	IMMOFINANZ OMEGA Liegenschafts- und Mobilienvermie- tungsgesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	IMMOFINANZ OMIKRON Liegenschafts- und Mobilienver- mietungsgesellschaft m.b.H.	100.00%	F	25 August 2010
Czech Republic	CZ	Prague	IMMOFINANZ Services Czech Republic. s.r.o.	100.00%	F	15 October 2010
Hungary	HU	Budapest	IMMOFINANZ SERVICES HUNGARY Kft.	100.00%	F	15 October 2010
Poland	PL	Warsaw	Immofinanz Services Poland	100.00%	F	15 October 2010
Slovakia	SK	Bratislava	IMMOFINANZ Services Slovak Republic. s.r.o.	100.00%	F	15 October 2010
Austria	AT	Vienna	IMMOFINANZ SIGMA Liegenschafts- und Mobilienvermie- tungsgesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	Immofinanz Sita Liegenschafts- und Mobilienvermietungsge- sellschaft m.b.H.	100.00%	F	25 August 2010
Holding company	AT	Vienna	Immofinanz Zeta Liegenschafts- und Mobilienvermietungsge- sellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	Immofinanz zwei Liegenschafts- und Mobilienvermietungsge- sellschaft m.b.H.	100.00%	F	22 December 2010

Segment	Country	Head- quarters	Company	Stake	Consolida- tion method	Date
Austria	AT	Vienna	INFRA 1 Grundstückverwaltungs-Gesellschaft m.b.H.	100.00%	F	25 August 2010
Hungary	HU	Budapest	Interbüro Tervező. Kivitelező és Üzemeltető Kft.	32.50%	E	25 August 2010
Hungary	HU	Budapest	Interoffice Irodaépület Kft.	50.00%	E	25 August 2010
Austria	AT	Vienna	IP1 Liegenschaftsverwaltungsgesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	IP1 Liegenschaftsverwaltungsgesellschaft m.b.H. & Co. Alpha KG in Liquidation	68.71%	F	25 August 2010
Hungary	HU	Budapest	Ipari Park Körmend Kft	100.00%	F	25 August 2010
Poland	PL	Warsaw	IRES Sp.z.o.o.	85.00%	F	22 December 2010
Holding company	CY	Nicosia	Itteslak Trading Ltd	100.00%	F	15 December 2010
Austria	AT	Vienna	LeasCon Anlagen Leasing und Beteiligungs GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	LeasCon Gesellschaft für Unternehmensbeteiligungen GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	LeasCon Holding GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	LeasCon Maschinen Leasing und Handels GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	LeasCon Mobilien Leasing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	LUB Leasing- und Unternehmensbeteiligungs GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	Mandelgasse 31 Vermietungsgesellschaft m.b.H. – in Liquidation	100.00%	F	25 August 2010
Hungary	HU	Budapest	Mil. Holding Kft.	38.90%	E	22 December 2010
Austria	AT	Vienna	Mollardgasse 18 Projektentwicklungs GmbH	50.00%	P	22 December 2010
Austria	AT	Vienna	OBJ Errichtungs- und Verwertungsgesellschaft m.b.H.	100.00%	F	25 August 2010
Russia	RU	Moscow	OOO Real Estate Investment Management	100.00%	F	15 October 2010
Austria	AT	Vienna	OSG Immobilienhandels G.m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	P&U Büro- und Wohnparkerrichtungsges.m.b.H.	100.00%	F	22 December 2010
Austria	AT	Vienna	PBC Liegenschaftshandelsgesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	PBC Liegenschaftshandelsgesellschaft m.b.H. & Co KG	100.00%	F	25 August 2010
Austria	AT	Vienna	PBC Liegenschaftshandelsgesellschaft m.b.H. & Co Projekt 'alpha' KG	100.00%	F	25 August 2010
Austria	AT	Vienna	Peter-Jordan-Straße 161 Immobilienprojekt GmbH	100.00%	F	22 December 2010
Austria	AT	Vienna	Rosasgasse 17 Projektentwicklungs GmbH*	100.00%	F	22 December 2010
Austria	AT	Vienna	SARIUS Holding GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	SARIUS Liegenschaftsvermietungs GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	Severin Schreiber-Gasse 11-13 Liegenschaftsverwertungs GmbH	100.00%	F	22 December 2010
Austria	AT	Vienna	SITUS Holding GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	SITUS L Liegenschafts Vermietungs GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	SITUS L Liegenschafts Vermietungs GmbH & Co Seideng. 39 KG	100.00%	F	25 August 2010
Austria	AT	Vienna	SITUS L Liegenschafts Vermietungs GmbH & Co. Kaiser-straße 44-46 KG	100.00%	F	25 August 2010
Austria	AT	Vienna	SITUS L Liegenschafts Vermietungs GmbH & Co. Neubau-gasse 26 KG	100.00%	F	25 August 2010
Austria	AT	Gießhübl	Starkfriedgasse 83 Projektentwicklungs GmbH	50.00%	P	22 December 2010
Slovakia	SK	Bratislava	STOP.SHOP. Dolný Kubín s.r.o.	55.00%	F	22 December 2010
Slovakia	SK	Bratislava	STOP.SHOP. Púchov s.r.o.	100.00%	F	15 December 2010
Austria	AT	Vienna	SYLEUS Holding GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	SYLEUS L Liegenschafts Vermietungs GmbH – in Liquidation	100.00%	F	25 August 2010
Austria	AT	Vienna	TCB Telecom Beteiligungsgesellschaft m.b.H.	100.00%	F	25 August 2010
Austria	AT	Vienna	TradeCon Handels- und Leasing GmbH	100.00%	F	25 August 2010
Austria	AT	Vienna	TradeCon Leasing- und Unternehmensbeteiligungs GmbH	100.00%	F	25 August 2010
Romania	RO	Constanta	Tripont Invest s.r.l.	100.00%	F	26 May 2010
Hungary	HU	Budapest	Váci ut.	38.90%	E	22 December 2010
Germany	DE	Rodgau	Visionär	32.00%	E	22 December 2010
Austria	AT	Vienna	Zeppelin Immobilienvermietungs GmbH	100.00%	F	25 August 2010

F = Full consolidation. P = Proportionate consolidation. E = Equity method

* As of 30/04/2011 further 50% have been acquired

The newly founded companies do not fall under the scope of application of IFRS 3.

EFFECTS OF INITIAL CONSOLIDATIONS

The initial consolidation of property companies resulted in the transfer of the following assets and liabilities to IMMOFINANZ; the amounts shown below reflect measurement at fair value:

All amounts in TEUR	"Berlin contracts"	Other	2010/11	2009/10
Cash and cash equivalents	87,341.6	334.2	87,675.8	1,032.3
Investments in associated companies	3,281.7	0.0	3,281.7	0.0
Other financial instruments	38,334.7	0.0	38,334.7	0.0
Receivables and other assets	165,099.2	1,517.0	166,616.2	901.3
Deferred tax assets	29,255.6	566.2	29,821.8	380.5
Investment property	125,338.0	19,332.5	144,670.5	28,963.2
Tangible assets	2,252.7	0.0	2,252.7	2.5
Intangible assets (excl. goodwill)	198.9	101.0	299.9	153.9
Inventories	20,302.0	66.9	20,368.9	1.0
Financial liabilities	-152,664.5	-15,577.4	-168,241.9	-22,531.2
Trade accounts payable	-4,512.2	-229.9	-4,742.1	-222.8
Other liabilities	-174,112.9	-2,637.9	-176,750.8	-1,053.8
Provisions	-64,179.4	-17.9	-64,197.3	-280.8
Deferred tax liabilities	-77,108.2	-626.9	-77,735.1	-2,453.4
Foreign exchange differences	116.0	12.5	128.5	0.0
Non-controlling interests	-2,420.2	0.0	-2,420.2	0.0
Net assets acquired	-3,477.0	2,840.3	-636.7	4,892.7
(Negative) goodwill	3,514.5	2,683.6	6,198.1	223,938.2
Outstanding purchase price	0.0	0.0	0.0	-192,751.0
Purchase price paid in cash	37.5	5,523.9	5,561.4	36,079.9
Less cash and cash equivalents	-87,341.6	-334.2	-87,675.8	-1,032.3
Net purchase price for property companies	-87,304.1	5,189.7	-82,114.4	35,047.6

"BERLIN CONTRACTS"

IMBEA IMMOEAST Beteiligungsverwaltung AG acquired all shares in Aviso Zeta AG (formerly Aviso Zeta Bank AG) for EUR 1.– as of 19/05/2010, subject to suspensory conditions. The acquisition of Aviso Zeta AG also led to the takeover of the CREDO Immobilien Development Group, the development segment of the former Constantia Privatbank AG, by IMMOFINANZ Group. At the same time and also subject to suspensory conditions, Aviso Delta GmbH was acquired by the above Group company for a price equalling the paid-in share capital of EUR 17,500.–.

On 20/05/2010 an agreement on the "IBAG bond" was reached between representatives of IMMOFINANZ Group, representatives of Constantia Packaging B.V. as well as Christine de Castelbajac and Prince Michael von und zu Liechtenstein. IMMOFINANZ Group has already received EUR 164 million in cash and approx. 55 million IMMOFINANZ shares in this connection. Furthermore, the transfer of more than 100 companies from Constantia Packaging B.V. for EUR 20,000.–, which was also part of this agreement, has been completed.

A total purchase price of EUR 37,501.– was paid for the companies acquired within the framework of the "Berlin contracts". The preliminary initial consolidation of these companies resulted in goodwill of EUR 3.5 million, which was fully impaired.

The following table shows the consolidated share of net assets at the individual company level as of the balance sheet date as well as the income statement for the period from the acquisition date to the balance sheet date for all companies initially consolidated (acquired) during 2010/11:

All amounts in TEUR	"Berlin contracts"	Other	2010/11	2009/10
Non-current property assets	117,734.8	32,390.0	150,124.8	28,300.0
Current property assets	15,282.1	0.0	15,282.1	0.0
Other non-current assets	193,195.7	61,617.1	254,812.8	1,997.4
Other current assets	147,648.9	22,787.5	170,436.4	1,992.6
Non-current liabilities	-309,037.2	-58,585.3	-367,622.5	-16,155.2
Current liabilities	-157,159.8	-81,653.0	-238,812.8	-1,557.4
Proportional share of net assets	7,664.5	-23,443.7	-15,779.2	14,577.5

All amounts in TEUR	"Berlin contracts"	Other	30 April 2011	30 April 2010
Revenues	6,149.0	1,775.5	7,924.5	1,447.9
Revaluation of properties	-547.4	-17,300.4	-17,847.8	1,414.5
Operating profit (EBIT)	21,372.7	-22,412.9	-1,040.2	9,141.2
Financial results	591.1	-187.0	404.1	-329.7
Income taxes	-6,800.0	-5,222.3	-12,022.3	-521.4
Net profit for the period	15,163.8	-27,822.2	-12,658.4	8,290.1

The revenues and profit or loss attributable to the acquired companies under the assumption that the acquisitions had taken place at the beginning of the reporting period (IFRS 3.B64 (q)) are not reported because the development of this information would only have been possible at an unreasonably high cost.

3.6 Transition consolidations

Transition consolidations were recognised for the following companies in 2010/11:

Segment	Country	Headquarters	Company	Before		After		Date
				Stake	Consolidation method	Stake	Consolidation method	
Holding company	AT	Vienna	Immofinanz Gamma Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	99.2%	E	100%	F	25 August 2010
Slovakia	SK	Bratislava	Lifestyle Logistik II s.r.o.	50.0%	Q	100.0%	F	17 August 2010
Slovakia	SK	Bratislava	Lifestyle Logistik s.r.o.	50.0%	Q	100.0%	F	17 August 2010
Romania	RO	Bucharest	S.C. Retail Development Invest 1 s.r.l.	80.0%	Q	100.0%	F	28 February 2011
Czech Rep.	CZ	Prague	STOP.SHOP. Usti nad Orlici s.r.o.	50.0%	Q	100.0%	F	05 August 2010
Czech Rep.	CZ	Prague	STOP.SHOP. Zatec s.r.o.	50.5%	Q	100.0%	F	30 June 2010
Czech Rep.	CZ	Prague	STOP.SHOP. Znojmo s.r.o.	50.0%	Q	100.0%	F	13 April 2011

F = Full consolidation, P = Proportionate consolidation, E = Equity method

EFFECTS OF TRANSITION CONSOLIDATIONS

The transition consolidation of property companies resulted in the transfer of the following assets and liabilities to IMMOFINANZ; the amounts shown below reflect measurement at fair value:

All amounts in TEUR	2010/11	2009/10
Cash and cash equivalents	1,282.9	444.8
Receivables and other assets	1,219.1	1,701.2
Deferred tax assets	636.7	193.8
Investment property	20,144.7	35,697.4
Tangible assets	1.2	185.9
Intangible asstes (excl. Goodwill)	4.5	0.0
Financial liabilities	-13,062.1	-28,493.1
Trade liabilities	-1,871.7	-3,607.1
Other liabilities	-8,659.9	-26,211.4
Provisions	-0.3	-1,027.7
Deferred tax liabilities	-824.7	-835.1
Foreign exchange differences	1,356.4	-2,454.0
Net assets acquired	226.8	-24,405.3
(Negative) goodwill	3,158.5	29,991.0
Purchase price paid in cash	3,385.3	5,585.7
Less cash and cash equivalents	-1,282.9	-444.8
Net purchase price for property companies	2,102.4	5,140.9

3.7 Deconsolidations

The following companies were sold or liquidated and subsequently deconsolidated during the 2010/11 financial year:

Segment	Country	Headquarters	Company	Stake	Consolidation method	Date
Holding company	DE	Munich	A-I Investments Management Europe GmbH	50.0%	P	30 November 2010
Poland	PL	Warsaw	ARE 1 Sp. z o.o.	100.0%	F	25 October 2010
Poland	PL	Warsaw	ARE 2 Sp. z o.o.	100.0%	F	18 November 2010
Poland	PL	Warsaw	ARE 7 Sp. z o.o.	100.0%	F	25 October 2010
Poland	PL	Warsaw	ARE 9 Sp. z o.o.	100.0%	F	25 October 2010
Czech Rep.	CZ	Prague	Baumarkt České Budejovice s.r.o.	50.0%	P	10 December 2010
Other	IT	Mestre	Cerep Carducci S.a.s.	50.0%	P	16 June 2010
Other	IT	Mestre	CEREP Poseidon A3 SAS	50.0%	P	01 May 2010
Other	IT	Mestre	CEREP Poseidon B SAS	50.0%	P	01 May 2010
Austria	AT	Vienna	Chloris Immobilien GmbH	100.0%	F	25 March 2011
Poland	PL	Warsaw	IMMOEAST Projekt Investment Cztery Sp. z o.o.	100.0%	F	20 August 2010
Poland	PL	Warsaw	IMMOEAST Projekt Investment Piec Sp. z o.o.	100.0%	F	20 August 2010
Poland	PL	Warsaw	IMMOEAST Projekt Investment Szesc Sp. z o.o.	100.0%	F	20 August 2010
Poland	PL	Warsaw	IMMOEAST Projekt Investment Trzy Sp. z o.o.	100.0%	F	20 August 2010
Other	US	Wilmington	IMMOFINANZ USA Real Estate. Inc.	100.0%	F	30 April 2011
Austria	AT	Vienna	Quarta Immobilienanlagen GmbH	100.0%	F	08 November 2010
Czech Rep.	CZ	Prague	STOP.SHOP. Brandys nad Labem s.r.o.	50.0%	P	29 October 2010
Czech Rep.	CZ	Prague	STOP.SHOP. Cesky Krumlov s.r.o.	50.0%	P	29 October 2010
Czech Rep.	CZ	Prague	STOP.SHOP. Havlickuv Brod s.r.o. (ehem. STOP.SHOP. Breclav s.r.o.)	50.0%	P	29 October 2010
Czech Rep.	CZ	Prague	STOP.SHOP. Jablonec nad Nisou s.r.o.	50.0%	P	29 October 2010
Czech Rep.	CZ	Prague	STOP.SHOP. Kadan s.r.o. (ehem. STOP.SHOP.Sokolov s.r.o.)	50.0%	P	29 October 2010
Czech Rep.	CZ	Prague	STOP.SHOP. Pelhrimov s.r.o.	50.0%	P	29 October 2010
Other	LU	Luxembourg	Turk Real Estate Management SARL	33.3%	E	01 July 2010
Czech Rep.	CZ	Prague	VALDEK Praha spol.s.r.o.	100.0%	F	10 September 2010

F = Full consolidation, P = Proportionate consolidation, E = Equity method

The total effect of the deconsolidations recognised in 2010/11 is shown in the following table:

All amounts in TEUR	2010/11	2009/10
Cash and cash equivalents	11,975.0	500.6
Receivables and other assets	1,214.7	415.9
Deferred tax assets	59.8	0.0
Investment property	30,381.0	143,646.2
Intangible assets (excl. goodwill)	52.5	0.0
Goodwill	7.2	0.0
Financial liabilities	-4,143.6	-66,279.7
Trade liabilities	-70.3	-164.3
Other liabilities	-2,829.6	-428.6
Provisions	-79.0	-136.7
Deferred tax liabilities	-1,115.5	-1,926.1
Foreign exchange differences	-909.2	-2,270.9
Net assets acquired	34,543.0	73,356.4
Results of deconsolidation	1,134.2	10,975.1
Sale price	35,677.2	84,331.5
Less cash and cash equivalents	-11,975.0	-500.6
Net sale price	23,702.2	83,830.9

3.8 Structural changes

The following table lists the companies in which the IMMOFINANZ investment changed during 2010/11 without a loss of control as well as companies merged during the reporting year. The latter are reported at an investment of 0.00% in the column "stake after".

Segment	Country	Head- quarters	Company	Stake before	Stake after	Consolidation method	Date
Structural changes							
Germany	DE	Mülheim	Deutsche Lagerhaus Beteiligungs GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Bönen GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Bremen I GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Dormagen GmbH u. Co KG	85.3%	94.8%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus dreiundzwanzigste Objekt GmbH & Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Düsseldorf GmbH u. Co KG	85.3%	94.8%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus einundzwanzigste Objekt GmbH & Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Essen GmbH u. Co KG	85.3%	94.8%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Freystadt GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Groß-Gerau GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Hamburg I GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Hamm GmbH u. Co KG	85.3%	94.8%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Heusenstamm GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus International GmbH	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Kirchheim GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Minden GmbH u. Co KG	85.3%	94.8%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus neunzehnte Objekt GmbH & Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Neuss GmbH u. Co KG	90.0%	100.0%	F	31 January 2011

Segment	Country	Head- quarters	Company	Stake before	Stake after	Consolidation method	Date
Germany	DE	Mülheim	Deutsche Lagerhaus Niederaula GbmH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Nürnberg I GmbH u. Co KG	85.3%	94.8%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Nürnberg II GmbH & Co. KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Oberhausen GmbH u. Co KG	85.3%	94.8%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Poing GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Service GmbH	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Willich GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus zwanzigste Objekt GmbH & Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Deutsche Lagerhaus zweiundzwanzigste Objekt GmbH & Co KG	90.0%	100.0%	F	31 January 2011
Austria	AT	Vienna	ESG Wohnungsgesellschaft mbH Villach	99.9%	100.0%	F	30 August 2010
Czech Republic	CZ	Prague	Final Management s.r.o.	70.0%	91.0%	F	15 December 2010
Romania	RO	Bucharest	FMZ Baia Mare Imobiliara s.r.l. (ehem. S.C. Red Project Two s.r.l.)	75.0%	100.0%	F	19 May 2010
Romania	RO	Bucharest	Freeze 1 Development s.r.l.	60.0%	100.0%	F	15 October 2010
Germany	DE	Düsseldorf	Greenfield Logistikpark Schwerte GmbH & Co. KG	81.0%	90.0%	F	31 January 2011
Germany	DE	Düsseldorf	Greenfield Logistikpark Süd GmbH & Co. KG	81.0%	90.0%	F	31 January 2011
Germany	DE	Düsseldorf	Greenfield Logistikpark West GmbH & Co. KG	81.0%	90.0%	F	31 January 2011
Other	AT	Vienna	IMMOEAST Projekt Caelum Holding GmbH	80.0%	100.0%	F	06 April 2011
Germany	DE	Mülheim	Logistikpark Lahr GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Other	CH	Bülach	LZB Bülach AG	90.0%	100.0%	F	22 December 2010
Germany	DE	Mülheim	RHEIN-INVEST GmbH	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Rheinische Lagerhaus GmbH	85.3%	94.8%	F	31 January 2011
Germany	DE	Mülheim	Rheinische Lagerhaus Hannover GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Rheine	Rheinische Lagerhaus Rheine GmbH	80.9%	89.9%	F	03 March 2011
Germany	DE	Mülheim	Rheinische Lagerhaus Wuppertal GmbH u. Co KG	90.0%	100.0%	F	31 January 2011
Germany	DE	Mülheim	Rhein-Park Rheinische Park Gewerbepark GmbH	85.3%	94.8%	F	02 March 2011
Romania	RO	Bucharest	Ventilatorul Real Estate SA (ehem. Long Bridge BUH SA)	95.0%	100.0%	F	16 September 2010
Mergers							
Austria	AT	Vienna	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Börsegasse 1 KEG	100.0%	0.0%	F	07 May 2010
Austria	AT	Vienna	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Burggasse 89 KEG	100.0%	0.0%	F	07 May 2010
Austria	AT	Vienna	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Fischehof 3 KEG	100.0%	0.0%	F	07 May 2010
Austria	AT	Vienna	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Gumpendorfer Straße 81 KEG	100.0%	0.0%	F	07 May 2010
Austria	AT	Vienna	Diefenbachgasse 53-55 Bauprojektentwicklungs GmbH	100.0%	0.0%	F	16 November 2010
Austria	AT	Vienna	F & I Liegenschaftsvermietungs GmbH	100.0%	0.0%	F	16 November 2010
Romania	RO	Bucharest	Harborside Hotel s.r.l.	75.0%	0.0%	F	30 September 2010
Austria	AT	Vienna	IMF Immobilienholding Gesellschaft m.b.H.	100.0%	0.0%	F	01 May 2010
Austria	AT	Vienna	IMMOFINANZ ALKMENE IMMOBILIEN VERMIETUNGS GMBH	100.0%	0.0%	F	18 June 2010
Austria	AT	Vienna	IMMOFINANZ DREI D Liegenschaftsverwertungs GmbH	100.0%	0.0%	F	24 November 2010
Austria	AT	Vienna	IMMOFINANZ Naglergasse LiegenschaftsvermietungsgmbH	100.0%	0.0%	F	16 November 2010
Austria	AT	Vienna	IMMOFINANZ VIER D Liegenschaftsverwertungs GmbH	100.0%	0.0%	F	24 November 2010
Austria	AT	Vienna	SL Immobilienprojekt GmbH	100.0%	0.0%	F	16 November 2010
Austria	AT	Vienna	STAR Immobilien Treuhand- und Versicherungsmakler Gesellschaft m.b.H.	100.0%	0.0%	F	16 November 2010
Austria	AT	Vienna	Untere Viaduktgasse 4 Liegenschaftsverwaltung GmbH	100.0%	0.0%	F	20 November 2010

F = Full consolidation, P = Proportionate consolidation, E = Equity method

4. Notes to the Consolidated Income Statement

4.1 Income from asset management

4.1.1 RENTAL INCOME

The following table shows the classification of rental income based on the use of the properties:

All amounts in TEUR	01 May 2010– 30 April 2011	%	01 May 2009– 30 April 2010	%
Office	154,640.1	26.71%	169,663.3	31.32%
Logistics	75,489.0	13.04%	71,507.4	13.20%
Retail	198,295.4	34.26%	151,676.1	28.00%
Residential	125,143.9	21.62%	123,445.7	22.79%
Other rental income	25,288.9	4.37%	25,418.2	4.69%
Total	578,857.3	100.00%	541,710.7	100.00%

4.1.2 REVENUES

Revenues are presented by core market in the section on segment reporting, which represents an integral part of these annual financial statements. Revenues comprise rental income, operating costs charged to tenants and other revenues.

4.1.3 REAL ESTATE EXPENSES

All amounts in TEUR	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010
Vacancies	-13,282.6	-10,616.3
Commissions	-4,015.5	-3,082.4
Maintenance	-85,692.0	-57,841.2
Investments in development projects	-204.1	-1,856.3
Operating costs charged to building owners	-28,126.5	-23,657.5
Property marketing	-4,457.9	-3,599.5
Other expenses	-28,640.2	-20,089.6
Total	-164,418.8	-120,742.8

The other expenses consist primarily of costs that are the responsibility of the building owner.

4.1.4 OPERATING EXPENSES

The direct operating expenses of EUR 158.2 million (2009/10: EUR 160.2 million) included under this item represent operating costs charged out to tenants.

4.2 Income from property sales

All amounts in TEUR	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010
Sale of properties	168,471.9	86,120.0
Carrying amount of sold properties	-168,493.7	-88,393.1
Gains/losses from deconsolidation	1,134.2	10,975.1
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	53,455.9	22,090.3
Income from property sales before foreign exchange effects	54,568.3	30,792.3
Revaluation of properties sold and held for sale resulting from foreign exchange effects	-798.0	0.0
Total	53,770.3	30,792.3

This position also includes the revaluation of sold and held-for-sale properties adjusted for foreign exchange effects and resulting from foreign exchange effects beginning in 2010/11. In order to ensure comparability, the respective prior year data were reclassified from revaluation results.

4.3 Income from property development

Proceeds of EUR 66.9 million (2009/10: EUR 28.1 million) from the sale of real estate inventories are contrasted by production costs of EUR 52.5 million (2009/10: EUR 21.6 million) for these inventories. This position also includes the revaluation of property under construction adjusted for foreign exchange effects and resulting from foreign exchange effects beginning in 2010/11. In order to ensure comparability, the respective prior year data were reclassified from revaluation results.

4.4 Other operating income

Other operating income comprises the following items:

All amounts in TEUR	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010
Recognition of gains on bargain purchases	1,074.2	5,177.4
Expenses passed on	2,740.5	2,427.0
Reversal of provisions	10,932.2	15,845.3
Insurance compensation	5,140.8	3,470.6
Miscellaneous	49,357.3	25,781.3
Total	69,245.0	52,701.6

Miscellaneous other operating income includes, among others, income of EUR 17.0 million from the partial waiver of a financial liability.

4.5 Results of operations

4.5.1 OVERHEAD EXPENSES

General operating expenses comprise the following positions:

All amounts in TEUR	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010
Administration	-25,220.0	-38,681.2
Legal, auditing and consulting fees	-34,004.4	-29,087.0
Commissions	-3,130.2	-2,091.8
Penalties	-1,014.4	-4,109.4
Taxes and duties	-4,146.4	-3,702.0
Advertising	-5,879.0	-7,790.3
Expenses charged on	-1,987.1	-1,226.6
Rental and lease expenses	-1,443.4	-1,065.1
EDP and communications	-3,346.8	-2,185.2
Expert opinions	-3,230.0	-2,686.3
Supervisory Board remuneration	-528.1	-404.1
Miscellaneous	-27,421.1	-19,686.7
Total	-111,350.9	-112,715.7

Information on administrative expenses is provided under section 7.6.2.1, while the Supervisory Board remuneration is reported in section 7.6.4.

4.5.2 PERSONNEL EXPENSES

The composition of personnel expenses is shown in the following table:

All amounts in TEUR	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010
Wages	-2,446.7	-1,777.1
Salaries	-25,580.8	-18,002.8
Expenses for defined contribution plans	-264.6	-396.6
Expenses for defined benefit plans	-526.2	-196.4
Expenses for legally required social security and other employee-related expenses	-6,979.6	-4,281.0
Other personnel expenses	-2,537.4	-50.6
Total	-38,335.3	-24,704.5

The following table shows the average workforce employed by the subsidiaries included in the consolidated financial statements (through full and proportionate consolidation) as of the balance sheet date:

	30 April 2011	30 April 2010
Wage employees	276	296
Salaried employees	661	362
Total	937	658

The increase in the number of employees during 2010/11 resulted chiefly from the acquisition of shares in Aviso Delta GmbH.

4.6 Operating profit (EBIT)

4.6.1 REVALUATION OF PROPERTIES ADJUSTED FOR FOREIGN EXCHANGE EFFECTS AND REVALUATION OF PROPERTIES RESULTING FROM FOREIGN EXCHANGE EFFECTS

Revaluation results include all write-ups and impairment losses recognised to assets reported under the balance sheet position "investment property". Results from the revaluation of property under construction, sold properties and properties held for sale are reported under income from property development (see section 4.3) or income from property sales (see section 4.2) beginning in 2010/11. In order to ensure comparability, the respective prior year data were reclassified from revaluation results.

The write-ups and impairment losses resulting from revaluation are presented by country under the section on segment reporting, which represents an integral part of these consolidated financial statements.

These write-ups and impairment losses are classified as follows:

All amounts in TEUR	Investment property and properties held for sale		Property under construction	
	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010
Write-ups	370,677.6	468,343.3	61,696.9	9,443.0
Impairment losses	-283,937.5	-432,367.5	-31,400.5	-35,323.0
Total	86,740.1	35,975.8	30,296.4	-25,880.0

The following table shows a classification of the write-ups recognised in 2010/11 by country:

All amounts in TEUR	Investment property	Property under construction
Austria	166,770.9	17,404.4
Germany	49,049.9	0.0
Poland	21,425.1	16,787.4
Czech Republic	852.6	8.8
Slovakia	2,318.6	0.0
Hungary	1,332.3	0.0
Romania	8,613.0	0.0
Russia	96,074.0	27,496.3
Other	24,241.2	0.0
Total	370,677.6	61,696.9

The impairment losses recognised in 2010/11 are classified by country as follows:

All amounts in TEUR	Investment property	Property under construction
Austria	-90,556.8	-7,909.2
Germany	-12,844.6	-4,248.9
Poland	-10,150.0	0.0
Czech Republic	-41,071.5	-2,126.0
Slovakia	-9,111.7	0.0
Hungary	-20,024.0	0.0
Romania	-70,578.4	-17,116.4
Russia	0.0	0.0
Other	-29,600.5	0.0
Total	-283,937.5	-31,400.5

4.6.2 IMPAIRMENT AND RELATED REVERSALS

All amounts in TEUR	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010
Revaluation of inventories	-16,847.2	-31,558.1
Impairment of goodwill	-13,153.5	-240,716.3
Valuation adjustments to receivables and expenses arising from derecognised receivables	-19,184.0	-6,143.7
Miscellaneous	-6,205.3	-7,726.5
Total	-55,390.0	-286,144.6

Other impairment losses consist primarily of scheduled amortisation for intangible assets and scheduled depreciation for tangible assets.

Information on impairment losses to goodwill is provided in section 5.4.1.

Information on valuation adjustments to receivables is provided in section 5.6.

Information on write-ups and impairment losses recognised to inventories is provided in section 5.10.

4.6.3 ADDITION TO/REVERSAL OF PROVISION FOR ONEROUS CONTRACTS

The recognition of changes in the provision for onerous contracts through profit or loss is shown below by segment:

All amounts in TEUR	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010
Austria	-500.0	0.0
Germany	26.0	2,023.9
Poland	0.0	-490.1
Czech Republic	0.0	0.0
Slovakia	-4.0	8,161.6
Hungary	-1,735.3	-2,588.4
Romania	-10,720.6	-5,765.1
Russia	0.0	90,186.5
Other	-414.5	3,774.0
Holding	0.0	-2,706.1
Total	-13,348.4	92,596.3

4.7 Financial results

All amounts in TEUR	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010
Financing costs	-243,096.1	-237,787.5
Financing revenue	94,888.4	114,882.1
Foreign exchange differences	754.5	161,995.7
Profit/(loss) on other financial instruments and proceeds on the disposal of financial instruments	39,978.9	20,737.6
Valuation of financial instruments at fair value through profit or loss	19,670.1	-23,969.3
Income from distributions	4,755.3	10,566.2
Other financial results	64,404.3	7,334.5
Share of profit/loss from associated companies	1,279.5	-19,345.9
Financial results	-81,769.4	27,078.9

Financing revenue and financing costs are generated by financial instruments that are not carried at fair value. The interest attributable to derivatives is reported under profit/loss on other financial instruments. Financing costs do not include interest income as defined in IAS 39 AG 93 because the interest component of the impairment loss on a financial asset was immaterial and therefore not measured separately.

Profit/loss on other financial instruments and proceeds on the disposal of financial instruments also include results of EUR -1.0 million from the repurchase and redemption of convertible bonds (2009/10: EUR 34.9 million).

Profit/loss on other financial instruments and proceeds on the disposal of financial instruments include EUR 24.6 million (2009/10: EUR -9.1 million) from the valuation of derivatives.

The valuation of financial instruments at fair value through profit or loss comprises write-ups of EUR 48.7 million (2009/10: EUR 36.1 million) and impairment losses of EUR 29.0 million (2009/10: EUR 60.1 million). Section 5.7 provides a classification of the fair values of the IAS 39 investments, which covers the investments valued through profit or loss as well as the investments valued directly in equity.

IMMOFINANZ received major distributions during the reporting year from MGP Asia Fund II. L.P. (EUR 1.7 million) and from Curzon Capital Partners II. L.P. (EUR 1.2 million).

Information on the share of profit/loss received from associated companies is provided in section 5.5.

4.8 Income tax expenses

This item includes income taxes paid or owed by Group companies as well as provisions for deferred taxes.

All amounts in TEUR	01 May 2010– 30 April 2011	01 May 2009– 30 April 2010
Income tax expenses	-16,138.6	-10,898.1
Deferred tax expenses	-12,623.7	-1,754.8
Total	-28,762.3	-12,652.9

The difference between calculated income tax expenses and the actual income expenses shown on the income statement is attributable to the following factors:

All amounts in TEUR	2010/11		2009/10	
Earnings before tax	342,291.6		208,221.3	
Income tax expense at 25% tax rate	-85,572.9	25.0%	-52,055.3	25.0%
Effect of different tax rates	-1,753.9	0.5%	-33,696.5	16.2%
Effect of changes in tax rates	3,970.8	-1.2%	1,391.5	-0.7%
Impairment losses to goodwill/reversal of negative goodwill	-4,206.6	1.2%	-27,259.5	13.1%
Loss carryforwards and deferred taxes not recognised	29,381.7	-8.6%	42,847.8	-20.6%
Non-deductible income and expenses	-18,412.4	5.4%	-27,198.4	13.1%
Effects related to other periods	58,170.3	-17.0%	74,472.5	-35.8%
Other non temporary differences	-10,339.3	3.0%	8,845.0	-4.2%
Effective tax rate	-28,762.3	8.4%	-12,652.9	6.1%

The reduction in deferred tax expense in connection with effects related to prior periods comprises, above all, the capitalisation of previously unrecognised deferred tax assets on loss carryforwards and other timing differences in the Austrian tax group based on a change in the estimate of their future usability during the reporting year.

In 2004/05 the major Austrian companies joined together into a corporate group in the sense of § 9 of the Austrian Corporate Tax Act. IMMOFINANZ AG serves as the head company of this group.

In accordance with the tax and group assessment agreement concluded on 29/04/2008, the taxable income generated by the individual members of the group is allocated to IMMOFINANZ AG, as the head of the group, after an offset against any (pre-tax

group) losses. The group contract also calls for a tax charge as settlement for the transfer of taxable income. The tax charge basically equals 12.50% (2009/10: 12.50%) of allocated taxable income.

In 2009/10 another corporate group was established in the sense of § 9 of the Austrian Corporate Tax Act. CPB Enterprise GmbH serves as the head of this group. In accordance with the group and tax assessment agreement concluded on 22/12/2009, the taxable income generated by the individual members of this group is allocated to CPB Enterprise GmbH, as the head of the group, after an offset against any (pre-tax) group losses. The group contract also calls for a tax charge as settlement for the transfer of taxable income. In cases where the tax assessment is positive, the tax charge equals 25% (2009/10: 25%) of allocated taxable income; for negative tax assessments, the loss is registered for offset in the future.

4.9 Earnings per share

In accordance with IAS 33, earnings per share are calculated by dividing net profit for the period by the weighted average number of shares outstanding.

	2010/11	2009/10
Weighted average number of shares (basic)	992,339,761	467,338,520
Diluting effect IMMOFINANZ convertible bond 2009–2011	96,928,082	108,075,753
Diluting effect IMMOFINANZ convertible bond 2009–2011	18,154,996	0
Weighted average number of shares (diluted)	1,107,422,840	575,414,273
Net profit for the period (excl. non-controlling interests) in EUR	315,825,100.00	80,793,679.64
Diluting effect IMMOFINANZ convertible bond 2009–2011	16,855,030.81	17,719,594.47
Diluting effect IMMOFINANZ convertible bond 2011–2018	3,159,107.56	0.00
Net profit excl. non-controlling interests in EUR (diluted)	335,839,238.37	98,513,274.10
Basic earnings per share in EUR	0.32	0.17
Diluted earnings per share in EUR	0.30	0.17

Diluting effects are created by the potential common shares from the issue of the IMMOFINANZ 2007–2014 convertible bond, the IMMOFINANZ 2007–2017 convertible bond, the IMMOFINANZ 2009–2011 convertible bond and the IMMOFINANZ 2011–2018 convertible bond. In accordance with IAS 33.41 ff, these diluting effects may only be included if they reduce earnings per share or increase the loss per share.

4.10 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) based on the following principles:

Equity before non-controlling interests is adjusted by the difference between the carrying amount and the fair value of properties that do not qualify for measurement at fair value in IFRS consolidated financial statements. An adjustment is also made for any other non-current investments in other companies that are not carried at fair value in the IFRS consolidated financial statements (investments in associated companies). In a last step, deferred tax assets and deferred tax liabilities as well as the goodwill resulting from deferred tax liabilities are offset against equity.

The results of the calculation are shown below:

	30 April 2011	30 April 2010
Equity before non-controlling interests	5,155,841.0	5,116,514.4
Goodwill	-202,281.5	-206,042.3
Deferred tax assets	-61,862.4	-76,735.9
Deferred tax liabilities	471,301.1	421,322.4
Inventories (carrying amount)	214,482.4	252,308.5
Inventories (fair value)	221,011.4	263,349.0
Net asset value	5,369,527.2	5,266,099.1
Carrying amount of convertible bond 2011	192,151.3	187,778.5
Net asset value (diluted)	5,561,678.5	5,453,877.6
Number of shares excl. treasury shares (in 1,000)	940,951.9	1,044,216.8
Potential ordinary shares (in 1,000)	95,950.0	97,100.0
Net asset value per share (in EUR)	5.71	5.04
Net asset value per share (in EUR) (diluted)	5.36	4.78

Property under construction and inventories were valued in accordance with the principles described under section 2.3.3.

The NAV effect for inventories represents the difference between the carrying amount and the value determined by the respective expert opinion.

The calculation of NAV and NNNAV as of 30 April 2011 included diluting effects that could result from the conversion of the IMMOFINANZ 2009–2011 convertible bond. These effects were included as of 30/04/2011 and 30/04/2010 because the price of the IMMOFINANZ share was substantially higher than the conversion price for this bond and rational investors would therefore be expected to exercise their conversion right.

Non-controlling interests are no longer material for the determination of NAV due to the merger of IMMOEAST with IMMOFINANZ and are therefore not included in the calculation.

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

	30 April 2011	30 April 2010
Equity before non-controlling interests in TEUR	5,155,841.0	5,116,514.4
Number of shares excl. treasury shares (in 1,000)	940,951.9	1,044,216.8
Carrying amount per share in EUR	5.48	4.90

4.11 Triple Net Asset Value (NNNAV)

Triple net asset value is also calculated in accordance with the Best Practices Policy Recommendations issued by the European Public Real Estate Association (EPRA) based on the following principles:

Triple net asset value is derived from net asset value by adjusting for the fair value of deferred taxes as well as the difference between the carrying amount and the fair value of financial liabilities.

The results of the calculation are shown below:

All amounts in TEUR	30 April 2011	30 April 2010
Net Asset Value (NAV)	5,561,678.5	5,453,877.6
Deferred taxes (fair value)	-12,027.5	-11,605.2
Financial liabilities (carrying amount)	-5,310,274.9	-5,441,568.3
Financial liabilities (fair value)	5,520,851.0	5,368,576.0
Triple Net Asset Value (NNNAV)	5,760,227.1	5,369,280.1
Number of shares excl. treasury shares (in 1,000)	940,951.9	1,044,216.8
Potential ordinary shares (in 1,000)	95,950.0	97,100.0
Triple Net Asset Value per share (in EUR)	5.56	4.75

The calculation of EPRA NNNAV is based on the premise that any taxes due in connection with the sale of a property will reduce NAV accordingly. The strategy of the company is also reflected in computing the present value of taxes. For the above calculation, this means the sale of a property can be designed to eliminate any tax liability and the present value of the provisions for taxes therefore equals zero. The current provisions for deferred taxes were only discounted to present value in cases where the sale of the property and the subsequent recognition of a tax liability (e.g. in the residential segment) are expected.

4.12 Outstanding construction costs

The following list shows the present value of the outstanding construction costs for all property projects, classified by geographical segment and property category. In cases where the expert opinions for these properties were prepared using the residual value method, the outstanding construction costs were taken from the expert opinion and therefore reflect the appraiser's estimate of the expected costs required to complete the project. The outstanding construction costs reported for inventories represent projects in different stages of completion. Construction was started on a number of these properties, but temporarily halted on others. The occurrence or non-occurrence of costs for these suspended projects and the amount of the outstanding construction costs are dependent on further market developments. The outstanding construction costs were not assessed for inventories in cases where only the land was valued because the sale of these projects is more likely than completion at the present time.

All amounts in TEUR	2010/11			2009/10		
	Inventories	Property under construction	Investment property	Inventories	Property under construction	Investment property
Austria	15,256.9	23,171.5	13,394.7	35,453.1	64,061.1	0.0
Germany	36,778.4	52,079.8	0.0	85,210.4	2,868.9	0.0
Poland	0.0	34,382.4	0.0	59,021.3	52,453.7	0.0
Czech Republic	0.0	44,502.8	0.0	0.0	47,367.0	0.0
Slovakia	0.0	0.0	0.0	0.0	1,370.5	0.0
Hungary	0.0	0.0	0.0	0.0	0.0	0.0
Romania	0.0	47,113.8	0.0	2,663.9	22,008.8	0.0
Russia	0.0	67,293.4	0.0	0.0	48,612.0	0.0
Other	0.0	0.0	0.0	5,715.5	0.0	0.0
Total	52,035.3	268,543.7	13,394.7	188,064.2	238,742.0	0.0

5. Notes to the Consolidated Balance Sheet

5.1 Investment property

5.1.1 FAIR VALUE

Details on the development of fair value are presented in the following section. The influence of changes in the scope of consolidation is shown separately. Foreign exchange differences resulting from the translation of foreign company assets at the rates in effect at the beginning and the end of the year are also presented separately.

The development of the fair value of investment properties is shown below:

All amounts in TEUR	Investment property
Balance on 01 May 2009	7,890,236.0
Change in scope of consolidation	-83,794.7
Change in consolidation method	8,901.2
Currency translation adjustments	232,978.6
Additions	166,586.6
Disposals	-82,599.0
Revaluation	5,693.2
Reclassification	546,737.9
Reclassification IFRS 5	-44,759.5
Balance on 30 April 2010	8,639,980.3
Balance on 01 May 2010	8,639,980.3
Change in scope of consolidation	114,289.5
Change in consolidation method	14,584.7
Currency translation adjustments	21,825.7
Additions	58,201.7
Disposals	-136,276.8
Revaluation	86,740.1
Reclassification	46,226.4
Reclassification IFRS 5	-175,487.0
Balance on 30 April 2011	8,670,084.6

The majority of the disposals recognised as of 30/04/2011 resulted from the sale of properties by BUWOG Bauen und Wohnen Gesellschaft mbH and also from the sale of an office building in Hamburg (Germany).

The carrying amount of properties pledged as collateral for long-term financing totalled EUR 7,705.5 million (2009/10: EUR 7,065.1 million). The corresponding liabilities equal EUR 3,017.5 million (2009/10: EUR 2,853.3 million). In addition, investments in (property) companies were provided as collateral for financial liabilities, resulting in a total pledged amount of EUR 3,801.4 million (2009/10: EUR 3,901.2 million).

5.1.2 LEASING

IMMOFINANZ AS THE LESSEE

Investment property include standing assets with a combined value EUR 141.0 million (2009/10: EUR 132.5 million) that were obtained through finance leases and EUR 4.6 million (2009/10: EUR 4.5 million) that were obtained through operating leases.

The future minimum lease payments arising from finance lease objects totalled EUR 57.7 million as of 30/04/2011 (2009/10: EUR 92.5 million). The corresponding present value is EUR 42.5 million (2009/10: EUR 66.0 million).

All amounts in TEUR	30 April 2011	Due within 1 year	Due in 1 to 5 years	Due in over 5 years
Present value	42,482.7	5,662.8	18,677.5	18,142.4
Interest component	15,245.0	1,898.7	5,165.3	8,181.0
Total	57,727.7	7,561.5	23,842.8	26,323.4

All amounts in TEUR	30 April 2010	Due within 1 year	Due in 1 to 5 years	Due in over 5 years
Present value	66,040.4	10,453.8	22,476.8	33,109.8
Interest component	26,455.4	2,562.0	6,787.6	17,105.8
Total	92,495.8	13,015.8	29,264.4	50,215.6

Expenses of EUR 0.4 million (2009/10: EUR 0.5 million) were recognised for operating leases in 2010/11. The minimum lease payments for the operating leases are as follows:

All amounts in TEUR	30 April 2011	Due within 1 year	Due in 1 to 5 years	Due in over 5 years
Minimum lease payments	3,087.8	573.3	2,514.5	0.0
Total	3,087.8	573.3	2,514.5	0.0

All amounts in TEUR	30 April 2010	Due within 1 year	Due in 1 to 5 years	Due in over 5 years
Minimum lease payments	4,282.3	1,076.2	3,206.1	0.0
Total	4,282.3	1,076.2	3,206.1	0.0

IMMOFINANZ AS THE LESSOR

The investment properties held by IMMOFINANZ include standing assets in the office, logistics/commercial, retail, recreation/hotel and residential sectors as well as garages, which are leased to third parties. The revenues generated by these leases are shown in section 4.1.1.

The leases differ substantially due to the diversity of the properties and their broad geographical distribution. At the beginning of the lease, the lessee normally waives all cancellation rights for a period of three months to ten years. The leases do not include a purchase option, and extension and price adjustment clauses are negotiated separately with each lessee. Contingent lease payments include ordinary market-related index adjustments.

All leases in which IMMOFINANZ serves as the lessor are classified as operating leases. Therefore, all leased property is carried on the IMMOFINANZ balance sheet.

5.2 Property under construction

The development of property under construction is shown in the following table:

All amounts in TEUR	Property under construction
Balance on 01 May 2009	572,674.5
Change in scope of consolidation	-24,910.6
Change in consolidation method	20,818.4
Currency translation adjustments	21,379.4
Additions	156,076.2
Disposals	-2,223.3
Revaluation	-25,880.0
Reclassification	-538,070.0
Balance on 30 April 2010	179,864.6
Balance on 01 May 2010	179,864.6
Change in consolidation method	5,560.0
Currency translation adjustments	-1,546.9
Additions	123,893.1
Disposals	-8,178.6
Revaluation	30,296.4
Reclassification	-30,242.1
Balance on 30 April 2011	299,646.5

The additions reported under development projects represent capitalised construction costs.

Property under construction and inventories with a total value of EUR 238.3 million (2009/10: EUR 217.4 million) were pledged as collateral. The corresponding value of the liabilities covered by these pledges is EUR 145.9 million (2009/10: EUR 113.4 million).

IMMOFINANZ did not deduct any government grants related to assets or any non-monetary grants at fair value in 2010/11.

5.3 Other tangible assets

The following table shows the development of tangible assets:

All amounts in TEUR	Other tangible assets
Cost as of 01 May 2009	43,354.3
Change in scope of consolidation	3.5
Change in consolidation method	10.1
Currency translation adjustments	477.0
Additions	4,890.2
Disposals	-1,180.9
Reclassification	-1,821.6
Cost as of 30 April 2010	45,732.6
Accumulated depreciation as of 01 May 2009	-20,971.3
Change in scope of consolidation	-1.0
Change in consolidation method	-4.2
Currency translation adjustments	-247.0
Disposals	367.6
Reclassification	917.7
Depreciation for the year	-3,847.2
Accumulated depreciation as of 30 April 2010	-23,785.4
Carrying amount as of 30 April 2010	21,947.2

All amounts in TEUR	Other tangible assets
Cost as of 01 May 2010	45,732.6
Change in scope of consolidation	2,252.8
Change in consolidation method	1.2
Currency translation adjustments	152.2
Additions	4,460.3
Disposals	-859.3
Reclassification	444.8
Cost as of 30 April 2011	52,184.6
Accumulated depreciation as of 01 May 2010	-23,785.4
Currency translation adjustments	-102.2
Disposals	307.9
Reclassification	-103.6
Depreciation for the year	-4,627.7
Accumulated depreciation as of 30 April 2011	-28,311.0
Carrying amount as of 30 April 2011	23,873.6

No impairment losses were recognised to other tangible assets during the 2010/11 financial year.

5.4 Intangible assets

The carrying amounts of goodwill (see section 5.4.1) and other intangible assets (see section 5.4.2) are as follows:

All amounts in TEUR	30 April 2011	30 April 2010
Goodwill	202,281.5	206,042.3
Other intangible assets	5,828.7	5,777.0
Total	208,110.2	211,819.3

5.4.1 GOODWILL

Information on the accounting policies and valuation methods applied to goodwill is provided in sections 2.1.5 and 2.3.2.

The development of goodwill is shown in the following table:

All amounts in TEUR	Goodwill
Balance on 01 May 2009	181,079.9
Addition through initial consolidation	6,689.3
Addition through transition consolidation	29,991.0
Currency translation adjustments	6,572.1
Additions	222,426.3
Impairment losses	-240,716.3
Balance on 30 April 2010	206,042.3
Balance on 01 May 2010	206,042.3
Addition through initial consolidation	6,198.1
Addition through transition consolidation	3,783.3
Deconsolidation	7.2
Currency translation adjustments	1,978.1
Impairment losses	-13,153.5
Recognition directly in equity	-2,574.0
Balance on 30 April 2011	202,281.5

Impairment losses of EUR 13.2 million to goodwill were recognised to profit or loss during the reporting year (2009/10: EUR 240.7 million) in accordance with IFRS 3.54.

Each item of goodwill was tested for impairment. The following section explains the impairment tests that resulted in the major impairment losses:

All amounts in TEUR

Goodwill	48,805.5
Carrying amount of cash-generating unit	443,910.0
Deferred tax liability	-35,652.0
	457,063.5
Fair value of cash-generating unit	443,910.0
Fair value of deferred tax liability	0.0
	443,910.0
Impairment loss	-13,153.5
Total impairment	-13,153.5

Goodwill of EUR 3.5 million arising from the purchase of companies through the "Berlin contracts" was written off during the reporting year.

The development of negative goodwill is as follows:

All amounts in TEUR	Negative goodwill
Balance on 01 May 2009	0.0
Additions	-5,177.4
Recognition of gains on bargain purchases	5,177.4
Balance on 30 April 2010	0.0
Balance on 01 May 2010	0.0
Additions	-1,074.2
Recognition of gains on bargain purchases	1,074.2
Balance on 30 April 2011	0.0

This negative goodwill resulted from bargain purchases.

5.4.2 OTHER INTANGIBLE ASSETS

The development of other intangible assets (excluding goodwill) is shown in the following table:

All amounts in TEUR	Other intangible assets
Cost as of 01 May 2009	8,281.0
Currency translation adjustments	80.9
Additions	3,805.1
Disposals	-1,771.3
Reclassification	-111.7
Cost as of 30 April 2010	10,284.0
Accumulated depreciation as of 01 May 2009	-4,342.7
Currency translation adjustments	-44.4
Disposals	659.7
Reclassification	110.8
Impairment losses	-890.4
Accumulated depreciation as of 30 April 2010	-4,507.0
Carrying amount as of 30 April 2010	5,777.0

All amounts in TEUR	Other intangible assets
Cost as of 01 May 2010	10,284.0
Change in scope of consolidation	247.4
Change in consolidation method	4.9
Currency translation adjustments	97.1
Additions	1,295.5
Disposals	-6.3
Reclassification	-262.5
Cost as of 30 April 2011	11,660.1
Accumulated depreciation as of 01 May 2010	-4,507.0
Currency translation adjustments	-22.0
Disposals	2.5
Reclassification	269.3
Depreciation for the year	-1,574.2
Accumulated depreciation as of 30 April 2011	-5,831.4
Carrying amount as of 30 April 2011	5,828.7

IMMOFINANZ has no intangible assets that are encumbered.

5.5 Investments in associated companies

The financial statements of companies included at equity are generally prepared as of the same balance sheet date as the parent company. The preparation of these statements using a different balance sheet date and the inclusion of any adjustments for significant transactions are permitted when the balance sheet date of the associated company varies by three months or less from the parent company.

The consolidated financial statements of TriGránit Holding Ltd, have a balance sheet date of 31/12/2010. C.I.M. Beteiligungen 1998 GmbH, C.I.M. Verwaltung und Beteiligungen 1999 GmbH and C.I.M. Unternehmensbeteiligungs- und Anlagenvermietungs GmbH, three associated companies that were acquired during the 2010/11 financial year, also prepared their financial statements as of 31/12/2010. In these cases the three-month rule was not met. However, non-compliance with the rule had no material effect on the consolidated financial statements.

The cost and carrying amounts of shares in associated companies as of 30/04/2011 and 30/04/2010 are comprised of the following:

30 April 2011 All amounts in TEUR	TriGránit Centrum a.s.	TriGránit Holding Ltd.	GAIA Real Estate In- vestments S.A.	Bulreal EAD	Cernica Resi- dential Park SRL	C.A.P. Immobilienpro- jekt-entwikk- lungs- und Beteiligungs- AG	FMZ Sos- nowiec Sp.z.o.o.	FMZ Gydia Sp.z.o.o.	Other	Total
IMMOFINANZ Group Stake	25.00%	25.00%	33.33%	49.00%	15.00%	50.00%	45.00%	40.00%	0.00%	0.00%
Cost as of 01 May 2010	4,140.7	404,906.3	11,679.4	48,290.4	6.2	0.0	0.0	0.0	3,140.0	472,163.0
Additions	0.0	0.0	0.0	0.0	0.0	3,245.8	0.0	0.0	885.9	4,131.7
Disposal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cost as of 30 April 2011	4,140.7	404,906.3	11,679.4	48,290.4	6.2	3,245.8	0.0	0.0	4,025.9	476,294.7
Carrying amount as of 01 May 2010	1,060.9	61,816.2	26,123.9	26,721.2	0.0	0.0	0.0	0.0	0.0	115,722.2
Changes in the scope of consolidation	0.0	0.0	0.0	0.0	0.0	3,245.8	0.0	0.0	885.9	4,131.7
Disposal	0.0	0.0	-9,196.8	0.0	0.0	0.0	0.0	0.0	0.0	-9,196.8
Changes in shareholders' equity of associates	0.0	1,910.0	-3,096.1	0.0	0.0	0.0	0.0	0.0	0.0	-1,186.1
Distributions	0.0	-5,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-5,000.0
Share of profit/(loss) from investments in other companies	-183.9	-1,978.3	2,511.9	2,299.2	0.0	0.0	0.0	0.0	0.0	2,648.9
Impairment losses	0.0	-586.8	-782.7	0.0	0.0	0.0	0.0	0.0	0.0	-1,369.5
Carrying amount as of 30 April 2011	877.0	56,161.1	15,560.2	29,020.4	0.0	3,245.8	0.0	0.0	885.9	105,750.4

30 April 2010 All amounts in TEUR	TriGránit Centrum a.s.	TriGránit Holding Ltd.	GAIA Real Estate In- vestments S.A.	Bulreal EAD	Cernica Resi- dential Park SRL	SIA Unico	NOA D In- vest SRL	Immofinanz Gamma Liegen- schafts- und Mobil- ienvermietungsge- sellschaft m.b.H.	Total
IMMOFINANZ Group Stake	25.00%	25.00%	33.33%	49.00%	15.00%	20.00%	20.00%	99.16%	0.00%
Cost as of 01 May 2009	4,140.7	404,906.3	11,679.4	48,290.4	6.2	3,138.5	1.5	0.0	472,162.9
Additions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Disposal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Costs as of 30 April 2010	4,140.7	404,906.3	11,679.4	48,290.4	6.2	3,138.5	1.5	0.0	472,162.9
Carrying amount as of 01 May 2009	1,071.3	88,413.5	16,832.5	36,706.2	0.0	1,794.8	0.0	0.0	144,818.3
Changes in the scope of consolidation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Disposal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Changes in shareholders' equity of associates	0.0	-1,858.3	1,821.9	0.0	0.0	0.4	0.0	0.0	-36.0
Distributions	0.0	-4,225.0	0.0	-5,489.3	0.0	0.0	0.0	0.0	-9,714.3
Share of profit/(loss) from investments in other companies	-10.5	17,715.5	7,469.5	-4,495.8	0.0	-515.1	0.0	0.0	20,163.7
Impairment losses	0.0	-38,229.5	0.0	0.0	0.0	-1,280.1	0.0	0.0	-39,509.6
Carrying amount as of 30 April 2010	1,060.9	61,816.2	26,123.9	26,721.2	0.0	0.0	0.0	0.0	115,722.2

As of 30/04/2011 the major investments in associated companies were: a 25.00% stake in TriGránit Holding Ltd. and TriGránit Centrum a.s. a 33.30% stake in GAIA Real Estate Holding S.A. (a subgroup comprising ten companies), a 49.00% stake in Bulreal EAD (a subgroup comprising two companies), a 15.00% stake in Cernica Residential Park s.r.l., a 50.00% stake in C.A.P. Immobilienprojektentwicklungs- und Beteiligungs Aktiengesellschaft (a subgroup comprising three companies), a 45.00% stake in FMZ Sosnowiec Sp.z.o.o. and a 40.00% stake in FMZ Gydinia Sp.z.o.o. Other investments in associated companies include a further 17 companies.

The acquisition of EHL Immobilien GmbH was carried out in February 2011 for strategic reasons.

The other additions made during the reporting year are related to the "Berlin contracts".

The proportional share of changes in the equity of associated companies includes currency translation adjustments of EUR -1.2 million (2009/10: EUR 0.0 million). These changes were recognised in other comprehensive income as required by IAS 28.11.

The aggregated net assets of associated companies are as follows:

30 April 2011 All amounts in TEUR	TriGránit Centrum a.s.	TriGránit Holding Ltd. ¹⁾	GAIA Real Estate Invest- ments S.A.	Bulreal EAD	Cernica Residen- tial Park SRL	C.A.P. Immo- bilienprojekt- entwick- lungs- und Beteiligungs- AG	FMZ Sosnowiec Sp.z.o.o.	FMZ Gydinia Sp.z.o.o.	Other	Total
Property	51,100.0	739,849.0	15,885.7	79,870.0	0.0	7,806.0	7,236.3	25,394.2	4,636.8	931,778.0
Other non-current assets	309.7	336,687.0	1,663.3	2,215.5	1,271.9	21.6	0.0	0.0	1,603.6	343,772.6
Inventories	0.0	0.0	4,774.3	0.0	7,230.0	0.0	0.0	0.0	13,674.4	25,678.7
Other current assets	3,632.4	91,200.0	70,789.1	2,016.5	242.4	627.9	136.0	8,522.2	7,532.5	184,699.0
Total assets	55,042.1	1,167,736.0	93,112.4	84,102.0	8,744.3	8,455.5	7,372.3	33,916.4	27,447.3	1,485,928.3
Equity	2,492.1	226,817.0	37,858.7	53,884.9	-11,405.5	6,949.9	-240.1	-267.2	-7,912.9	308,176.9
Non-current liabilities	51,067.6	845,023.0	6,082.8	17,228.2	20,047.7	1,339.3	7,265.8	28,807.4	25,962.6	1,002,824.4
Current liabilities	1,482.4	95,896.0	49,170.9	12,988.9	102.1	166.3	346.6	5,376.2	9,397.6	174,927.0
Total liabilities	52,550.0	940,919.0	55,253.7	30,217.1	20,149.8	1,505.6	7,612.4	34,183.6	35,360.2	1,177,751.4
Total equity and liabilities	55,042.1	1,167,736.0	93,112.4	84,102.0	8,744.3	8,455.5	7,372.3	33,916.4	27,447.3	1,485,928.3

¹ 31 December 2010

30 April 2010 All amounts in TEUR	TriGránit Centrum a.s.	TriGránit Holding Ltd. ¹⁾	GAIA Real Estate Investments S.A.	Bulreal EAD	Cernica Residential Park SRL	SIA Unico	NOA D Invest SRL	Total
Property	48,600.0	567,489.0	33,989.9	76,000.0	0.0	0.0	0.0	726,078.9
Other non-current assets	3,053.1	298,817.0	6,137.7	2,403.4	7,988.7	486.8	1.8	318,888.5
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other current assets	855.9	392,261.0	36,544.3	2,160.1	212.4	1,432.6	543.5	434,009.8
Total assets	52,509.0	1,258,567.0	76,671.9	80,563.4	8,201.1	1,919.4	545.4	1,478,977.2
Equity	3,227.8	221,731.0	66,916.0	49,192.6	-10,825.9	-2,860.4	-260.0	327,121.1
Non-current liabilities	48,188.8	662,423.0	9,101.3	19,424.7	15,625.8	0.0	1.8	754,765.4
Current liabilities	1,092.4	374,413.0	654.6	11,946.1	3,401.2	4,779.8	803.6	397,090.7
Total liabilities	49,281.1	1,036,836.0	9,755.9	31,370.8	19,027.0	4,779.8	805.4	1,151,856.1
Total equity and liabilities	52,509.0	1,258,567.0	76,671.9	80,563.4	8,201.1	1,919.4	545.4	1,478,977.2

¹ 31 December 2009

Shares in associated companies – income statement:

2010/11 All amounts in TEUR	TriGránit Centrum a.s.	TriGránit Holding Ltd. ¹	GAIA Real Estate Investments S.A.	Bulreal EAD	Cernica Residen- tial Park SRL	C.A.P. Immobilienpro- jekt-entwick- lungs- und Beteiligungs- AG	FMZ Sos- nowiec Sp.z.o.o.	FMZ Gydia Sp.z.o.o.	Other	Total
Revenues	2,984.3	79,761.0	3,076.5	9,208.8	0.0	0.0	0.0	0.0	0.0	95,030.6
Operating profit	771.0	-770.0	7,058.8	6,759.6	372.1	0.0	0.0	0.0	-800.1	13,391.4
Financial results	-1,106.7	-23,444.0	5,424.2	-993.6	-682.4	0.0	0.0	0.0	-288.9	-21,091.4
Earnings before tax	-335.7	-24,214.0	12,483.0	5,766.0	-310.3	0.0	0.0	0.0	-1,089.0	-7,700.0

¹ 31 December 2010

2009/10 All amounts in TEUR	TriGránit Cen- trum a.s.	TriGránit Holding Ltd. ¹	GAIA Real Estate Invest- ments S.A.	Bulreal EAD	Cernica Residential Park SRL	SIA Unico	NOA D Invest SRL	Total
Revenues	1,963.0	21,639.0	97,510.1	9,927.2	0.0	0.0	0.0	131,039.3
Operating profit	1,639.6	125,203.0	25,333.6	-9,085.0	-1,451.0	-2,879.8	-10.4	138,749.9
Financial results	-1,053.0	-13,978.0	-4,647.3	-1,009.0	-633.3	-149.9	-60.2	-21,530.7
Earnings before tax	586.6	111,225.0	20,686.3	-10,094.0	-2,084.3	-3,029.7	-70.6	117,219.2

¹ 31 December 2009

Immofinanz Gamma Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H., which was included in the scope of consolidation as an associated company in the prior year, was fully consolidated during 2010/11.

The proportional share of unrecognised losses from associated companies is shown below:

2010/11 All amounts in TEUR	TriGránit Centrum a.s.	TriGránit Holding Ltd. ¹	GAIA Real Estate Investments S.A.	Bulreal EAD	Cernica Residen- tial Park SRL	C.A.P. Immobilienpro- jekt-entwick- lungs- und Beteiligungs- Aktiengesells- chaft	FMZ Sos- nowiec Sp.z.o.o.	FMZ Gydia Sp.z.o.o.	Other	Total
Accumulated losses	0.0	0.0	0.0	0.0	-1,440.8	0.0	0.0	0.0	-36.2	-1,477.0
Proportional loss for the period	0.0	0.0	0.0	0.0	-86.9	0.0	0.0	0.0	-219.1	-306.0
Earnings after tax	0.0	0.0	0.0	0.0	-1,527.7	0.0	0.0	0.0	-255.3	-1,783.0

¹ 31 December 2010

5.6 Trade and other receivables

The following table shows the development and remaining terms of receivables and other assets:

All amounts in TEUR	30 April 2011	Thereof re- maining term under 1 year	Thereof re- maining term between 1 and 5 years	Thereof re- maining term over 5 years	30 April 2010	Thereof re- maining term under 1 year	Thereof re- maining term between 1 and 5 years	Thereof re- maining term over 5 years
Trade accounts receivable								
Rents receivable	28,045.7	27,721.4	321.0	3.3	32,942.1	32,189.6	749.1	3.4
Miscellaneous	43,151.8	42,829.4	34.2	288.2	23,121.3	22,772.9	348.4	0.0
Total trade accounts receivable	71,197.5	70,550.8	355.2	291.5	56,063.4	54,962.5	1,097.5	3.4
Accounts receivable from joint venture companies	425,550.9	4,084.7	81,188.9	340,277.3	418,542.1	45,599.0	77,072.0	295,871.1
Accounts receivable from associated companies	88,840.1	7,565.1	5,218.0	76,057.0	74,010.2	4,177.4	0.0	69,832.8
Other financial receivables								
Cash and cash equivalents – time deposits	19,567.4	19,567.4	0.0	0.0	28,509.1	28,509.1	0.0	0.0
Financing	136,644.1	403.3	24,006.7	112,234.1	562,806.6	370,665.0	583.2	191,558.4
Administrative duties	129.5	129.5	0.0	0.0	124.3	124.3	0.0	0.0
Property management	6,000.2	5,603.2	298.3	98.7	6,468.9	5,999.8	393.7	75.4
Insurance	3,170.1	3,111.0	59.1	0.0	3,834.4	3,834.4	0.0	0.0
Commissions	2,829.5	1,312.9	1,354.8	161.8	3,618.5	1,719.2	1,686.1	213.2
Accrued interest	423.2	423.2	0.0	0.0	222.1	222.1	0.0	0.0
Outstanding purchase price receivables – sale of properties	19,255.0	19,255.0	0.0	0.0	13,157.8	13,030.4	127.4	0.0
Outstanding purchase price receivables – sale of shares in other companies	7,938.7	7,918.7	0.0	20.0	4,588.5	4,568.5	0.0	20.0
Miscellaneous	184,751.3	57,669.8	30,696.9	96,384.6	64,431.0	39,929.8	15,516.1	8,985.1
Total other financial receivables	380,709.0	115,394.0	56,415.8	208,899.2	687,761.2	468,602.6	18,306.5	200,852.1
Other non-financial receivables								
Tax authorities	86,744.1	70,777.9	15,966.2	0.0	74,874.9	27,915.6	46,958.7	0.6
Total other non-financial receivables	86,744.1	70,777.9	15,966.2	0.0	74,874.9	27,915.6	46,958.7	0.6
Total	1,053,041.6	268,372.5	159,144.1	625,525.0	1,311,251.8	601,257.1	143,434.7	566,560.0

Receivables due from joint ventures represent the non-consolidated part of the financing for proportionately consolidated companies. Information on amounts due from joint ventures is presented in section 5.15. The surplus of receivables results from the fact that the financing provided by IMMOFINANZ and its partners is often based on a different ratio than the respective investments.

The change in current financial receivables resulted chiefly from the "Berlin contracts" (see section 3.5), which led to the settlement of EUR 350.0 million in financing receivables that were reported as due from Constantia Packaging B.V. on 30/04/2010. In addition, project financing of approx. EUR 32.7 million was repaid following the sale of the *Logistikpark Tomilino* project.

Other financial receivables include EUR 32.2 million (2009/10: EUR 28.5 million) of time deposits that serve as collateral. The position "miscellaneous" also includes EUR 83.9 million in blocked funds from the sale of the banking business of Aviso Zeta AG (formerly Constantia Privatbank AG).

Non-current financing receivables comprise project financing, among others, for the Russian projects *Rostokino* and *GoodZone*.

IFRS 7.37 requires an analysis of the contractual maturity of financial instruments that are past due but not impaired as of the reporting date as well as an analysis of the individual financial instruments that are considered to be impaired as of the reporting date. These analyses must also indicate the criteria used to determine impairment.

Contractual maturity analysis					2010/11
All amounts in TEUR	Carrying amount 30 April 2011	Thereof not overdue	Thereof overdue but not impaired	Thereof overdue and impaired	Value allowance
Rents receivable	28,045.7	10,965.2	15,554.8	25,065.6	-23,539.9
Miscellaneous	43,151.8	36,152.8	6,669.4	4,122.7	-3,793.1
Financing	136,644.1	136,852.4	6.7	43,919.9	-44,134.9
Total	207,841.6	183,970.4	22,230.9	73,108.2	-71,467.9

Financial instruments past due but not impaired					
All amounts in TEUR	Carrying amount 30 April 2011	Overdue up to 3 months*	Overdue between 3 and 6 months	Overdue between 6 and 12 months	Overdue more than 12 months
Rents receivable	15,554.8	9,126.6	2,518.1	1,814.4	2,095.7
Miscellaneous	6,669.4	3,392.7	269.9	795.2	2,211.6
Financing	6.7	0.0	0.0	6.7	0.0
Total	22,230.9	12,519.3	2,788.0	2,616.3	4,307.3

* The column "overdue up to 3 months" also includes receivables that are due immediately.

Contractual maturity analysis					2009/10
All amounts in TEUR	Carrying amount 30 April 2010	Thereof not overdue	Thereof overdue but not impaired	Thereof overdue and impaired	Value allowance
Rents receivable	32,942.1	12,053.9	20,731.6	18,623.1	-18,466.5
Miscellaneous	23,121.3	17,521.9	5,622.4	2,179.0	-2,202.0
Financing	562,806.6	181,581.6	0.0	627,393.1	-246,168.1
Total	618,870.0	211,157.4	26,354.0	648,195.2	-266,836.6

Financial instruments past due but not impaired

All amounts in TEUR	Carrying amount 30 April 2010	Overdue up to 3 months*	Overdue between 3 and 6 months	Overdue between 6 and 12 months	Overdue more than 12 months
Rents receivable	20,731.6	10,449.1	2,603.3	4,267.2	3,412.0
Miscellaneous	5,622.4	2,468.5	532.6	785.4	1,835.9
Financing	0.0	0.0	0.0	0.0	0.0
Total	26,354.0	12,917.6	3,135.9	5,052.6	5,247.9

* The column "overdue up to 3 months" also includes receivables that are due immediately.

The risk associated with accounts receivable due from tenants/customers is low because the respective credit standings are monitored on a regular basis and no single contract partner is responsible for more than 5.00% of total receivables. Furthermore, the lessee is generally required to provide a deposit of one to five months rent or an appropriate bank guarantee. A value allowance is recognised for receivables that carry a risk of default, and all uncollectible receivables had been adjusted accordingly as of the balance sheet date. Value allowances are reported on the income statement under impairment losses in the section on revaluation results.

With respect to the trade accounts receivable that were neither impaired nor overdue as of the balance sheet date, there are no signs that the debtors will be unable to meet their payment obligations.

As in the prior year individual value allowances were recognised to trade accounts receivable, financing receivables and receivables from joint venture companies in 2010/11. Therefore, the balance sheet only includes these receivables at the expected collection amount. Value allowances of EUR 1.0 million were recognised through profit or loss during the reporting year (2009/10: EUR 6.1 million). The consolidation of the companies acquired through the "Berlin contracts" led to a reduction of EUR 26.4 million in value allowances. The value allowances consist solely of individual allowances. Of the total value allowances recognised to financing receivables, EUR 10.5 million (2009/10: EUR 6.9 million) relate to receivables that are not yet due.

The following table shows the change in value allowances recognised through profit or loss as well as the income and expenses related to doubtful and uncollectible receivables:

All amounts in TEUR		30 April 2011 Impairment losses	30 April 2010 Impairment losses
Receivables and other assets	FL/FK		
Trade accounts receivables	Amortised cost	-6,664.5	-3,502.6
Financing receivables	Amortised cost	40,033.2	-29,201.0
Loans and other receivables	Amortised cost	-52,552.7	26,559.9
Total impairment losses		-19,184.0	-6,143.7

5.7 Other financial assets

Other non-current financial assets developed as follows in 2010/11:

All amounts in TEUR	Investments in other companies	Securities (non-current)	Loans granted	Other financial instruments	Total
Cost as of 01 May 2010	876,077.7	7,191.2	23,824.5	929.4	908,022.8
Change in scope of consolidation	2,342.6	22,202.3	607.0	0.0	25,151.9
Additions	37,129.8	799.1	349.5	15,330.6	53,609.0
Disposals	-209,485.6	-2,461.1	-1,483.1	-174.6	-213,604.4
Reclassification	-174,123.2	-377.3	-568.3	377.8	-174,691.0
Currency translation adjustments	-7,635.2	0.0	-1.4	10.4	-7,626.2
Cost as of 30 April 2011	524,306.1	27,354.2	22,728.2	16,473.6	590,862.1
Carrying amount as of 30 April 2010	352,625.5	6,613.3	23,826.0	274.8	383,339.6
Carrying amount as of 30 April 2011	182,813.0	26,766.7	22,222.4	15,440.0	247,242.1

Other financial instruments consist solely of the positive market value of derivatives.

The following table shows the development of the IAS 39 investments:

All amounts in TEUR	Number of investments	30 April 2011	30 April 2010	Change in %
Valuation recognised directly in equity				
Focal points in Europe	2	40,158.4	48,475.1	-17.16%
Focal points in Europe	0	0.0	6,972.8	-100.00%
Valuation through profit or loss				
Focal points in Europe	11	86,799.3	186,277.1	-53.40%
Focal points in Asia	5	4,052.5	16,987.3	-76.14%
Focal points in America	6	21,889.5	58,342.4	-62.48%
Other investments	6	29,913.3	35,571.1	-15.91%
Total	30	182,813.0	352,625.8	-48.16%
Held for sale	7	129,098.7	0.0	n.a.

The actual sale price for IAS 39 investments can differ from the reported fair value due to market fluctuations.

Of the total IAS 39 investments valued through profit or loss, carrying amounts of USD 22.7 million and PLN 9.4 million are carried in the respective foreign currency.

Adama Holding Public Ltd. represents the highest financial commitment at EUR 112.0 million (see section 7.5).

The reporting year sales included all shares in Curzon Capital Partners II L.P., Carlyle Europe Real Estate Partners II L.P., ProLogis European Properties Fund II L.P., Carlyle Realty Partners V L.P., Broadway Partners Real Estate Fund II L.P., Gotham City Residential Partners I L.P., MGP Asia Fund II L.P., MGP Asia Fund II L.P. and AIG Real Estate Opportunity X -South Korea L.P.

Current financial instruments of EUR 41.6 million (2009/10: EUR 31.3 million) consist primarily of investments in money market funds and have a remaining term of less than three months.

5.8 Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities as of 30 April 2011 and 30 April 2010 result from the following timing differences between the carrying amount of an asset or liability in the IFRS consolidated financial statements and the respective tax base in the individual company financial statements:

All amounts in TEUR	30 April 2011		30 April 2010	
	Assets	Liabilities	Assets	Liabilities
Property	44,705.1	647,767.5	81,949.2	588,305.6
Other financial assets and miscellaneous assets	150,827.9	788,468.4	90,173.1	599,966.2
Total	195,533.0	1,436,235.9	172,122.3	1,188,271.8
Other liabilities and provisions	9,907.3	59,261.2	9,425.3	47,684.2
Financial liabilities	17,433.3	38,977.3	20,187.1	20,819.8
Total	27,340.6	98,238.5	29,612.4	68,504.0
Tax loss carryforwards	902,162.1	0.0	710,454.6	0.0
Deferred tax assets and deferred tax liabilities	1,125,035.7	1,534,474.4	912,189.3	1,256,775.8
Offset of deferred tax assets and deferred tax liabilities due to the same taxation authority	-1,063,173.3	-1,063,173.3	-835,453.4	-835,453.4
Net deferred tax assets and deferred tax liabilities	61,862.4	471,301.1	76,735.9	421,322.4

Deferred tax assets were created for tax loss carryforwards in cases where it is probable that sufficient taxable income will be available to utilise these tax loss carryforwards in the future. Deferred tax assets were also recorded in cases where an equal amount of deferred tax liabilities had been recognised and these obligations relate to the same tax subject and taxation authority, and the deferred tax assets and deferred tax liabilities will offset in the same financial year.

Deferred tax assets were not recorded for tax loss carryforwards totalling EUR 789.2 million (2009/10: EUR 962.3 million). A number of these items have an indefinite term, while others will expire within the next five to ten years.

In accordance with IAS 1.56, the classification of deferred taxes – i.e. under non-current assets or non-current liabilities – is based on the term of the respective items.

The calculation of deferred taxes for Austrian companies is based on a tax rate of 25.00%. The applicable local tax rate is used for foreign companies.

The tax rates used to value deferred taxes in the individual countries are listed below:

Country	Applicable tax rate 2010/11	Applicable tax rate 2009/10
Bosnia and Herzegovina	10.00%	10.00% ¹
Bulgaria	10.00%	10.00%
Germany	15.83%–32.98%	15.83%–31.68% ²
France	33.33%	33.33%
Guernsey	0.00%	0.00%
Italy	3.90%–31.40%	3.90%–31.40%
Croatia	20.00%	20.00%
Luxembourg	28.59%	28.59% ³
Malta	35.00%	35.00%
Netherlands	25.50%	25.50% ⁴
Austria	25.00%	25.00%
Poland	19.00%	19.00%
Romania	16.00%	16.00%
Russia	20.00%	20.00%
Sweden	26.30%	26.30%
Switzerland	21.20%–25.00%	17.20%–22.46%
Serbia	10.00%	10.00%
Slovakia	19.00%	19.00%
Slovenia	20.00%	20.00%
Czech Republic	19.00%	19.00%
Ukraine	23.00%	25.00%
Hungary	10.00%–19.00%	19.00%
USA	34.00%	34.00% ⁵
Cyprus	10.00%	10.00%

¹ Republika Srpska

² The tax rate in Germany can vary and is dependent on the company's headquarters and liability under trade tax.

³ The tax rate can vary and is dependent on the company's headquarters.

⁴ The tax rate can vary and is dependent on the company's revenues.

⁵ The taxable income of corporations in the USA is taxed at the rates defined in federal law, which generally range from 15% to 35%.

The corporate income tax rate in Italy equals 27.50%; local taxes ("IRAP") are also charged at a rate of 3.90% (effective tax rate: 31.40%). Furthermore, partnerships that maintain their registered headquarters in the district of Rome are subject to local taxes at a rate of 3.90% as well as a local tax of 0.92% that is levied directly by the district (effective tax rate 4.82%).

A tax reform was enacted in Hungary during 2011 which, beginning this same year, reduces the corporate tax rate from 19.00% to 10.00% for companies with a tax base up to HUF 500.0 million. Any excess of the tax base over HUF 500.0 million is taxed at the previous rate of 19.00%.

A tax reform in Ukraine will reduce the corporate tax rate from 25.00% to 23.00% beginning in 2011, to 21.00% beginning in 2012, to 19.00% beginning in 2013 and to 16.00% beginning in 2014.

In Switzerland, the federal law on direct taxes defines a proportional tax rate of 8.50% for corporate profits. The cantons apply different taxation methods, tax rates and tax bases.

The taxes recognised under other comprehensive income or directly in equity are shown in the following table:

All amounts in TEUR	2010/11			2009/10		
	Before tax	Tax income/ expense	After tax	Before tax	Tax income/ expense	After tax
AfS reserve	3,702.1	505.2	4,207.3	11,729.7	-3,504.7	8,225.0
Realisation of unrealised losses	-11,786.0	2,954.1	-8,831.9	680.0	677.2	1,357.2
Taxes recognised directly in equity	-8,083.9	3,459.3	-4,624.6	12,409.7	-2,827.5	9,582.2

5.9 Non-current assets held for sale

5.9.1 PROPERTIES HELD FOR SALE

The 30% stake in „SelfStorage-Dein Lager“ Lagervermietungs GmbH, which was included in the consolidated financial statements through proportionate consolidation, was classified as held for sale on 30/04/2011 due to the impending sale.

The sale to MyPlace SelfStorage Holding GmbH was signed and settled during the period between the balance sheet date and the publication of the consolidated financial statements.

The sales of the 50% stakes in the proportionately consolidated Selicastello Beta Beteiligungsverwaltung GmbH and Selicastello Gamma Beteiligungsverwaltung GmbH as well as the 51% stake in the proportionately consolidated Cirrus Real Sp. z o.o. were also settled during this same period. In this connection, EUR 44.7 million of property assets and EUR 33.8 million of financial liabilities were classified as available for sale.

In addition, other properties with a fair value of EUR 43.4 million were classified as available for sale as of 30/04/2011. These properties represent two office buildings in Vienna and Linz, part of a retail property in Vienna and apartments from the BUWOG/ESG portfolio.

The following table shows the properties held for sale, which are reported separately on the balance sheet, and liabilities held for sale as of 30/04/2011:

All amounts in TEUR	Segment				Total
	Austria	Germany	Poland	Other non-core countries	
Property held for sale	104,594.2	61,507.1	994.5	8,391.2	175,487.0
Financial liabilities held for sale	41,070.6	30,518.6	809.0	4,077.9	76,476.1

5.9.2 OTHER FINANCIAL ASSETS HELD FOR SALE

Seven fund investments with a combined carrying amount of EUR 129.1 million were sold during the period between the balance sheet date and the publication of the consolidated financial statements. These investments were therefore reported under non-current assets held for sale.

5.10 Inventories

The carrying amount of inventories totalled EUR 214.5 million as of 30/04/2011 (2009/10: EUR 252.3 million). Revaluations of EUR 14.4 million (2009/10: EUR 11.1 million) and impairment losses of EUR 31.2 million (2009/10: EUR 31.6 million) were recognised.

Information on collateral and restrictions on sale is provided in section 5.2.

5.11 Cash and cash equivalents

The balance sheet shows cash and cash equivalents of EUR 42.4 million as of 30/04/2011 (2009/10: EUR 505.4 million). Second tier liquid funds are reported under cash and cash equivalents. Third tier liquid funds are included under other receivables (see section 5.6).

5.12 Equity

The development of equity in IMMOFINANZ Group during the 2010/11 and 2009/10 financial years is shown on the Statement of Changes in Equity, which represents an integral part of the consolidated financial statements as of 30 April 2011. The "term recognised directly in equity" means an item is recorded under other comprehensive income.

Share capital totalled EUR 1,085,289,446.60 as of 30/04/2011 (2009/10: EUR 1,084,088,464.68) and is divided into 1,045,373,580 (2009/10: 1,044,216,769) zero par value bearer shares and six (2009/10: six) zero par value registered shares. All shares are fully paid-up. Appropriated capital reserves equalled EUR 3,908,489,407.46 as of 30/04/2011 (2009/10: EUR 3,907,290,389.38).

The classification of shares as of 30/04/2011 is as follows:

	30 April 2011		30 April 2010	
	Number of shares	Share capital in EUR	Number of shares	Share capital in EUR
Registered shares	6	6.23	6	6.23
Bearer shares	1,045,373,580	1,085,289,440.37	1,044,216,769	1,084,088,458.45
Total	1,045,373,586	1,085,289,446.60	1,044,216,775	1,084,088,464.68

The shares numbered one through six are registered shares that are held by Aviso Zeta AG, 1010 Vienna, Bösendorferstrasse 4. The holders of these shares have the right to nominate one member to the Supervisory Board for each registered share held. The registered shares may only be transferred with the approval of IMMOFINANZ AG. Based on a share purchase agreement that was signed on 19/05/2010 and closed in December 2010, Aviso Zeta AG was acquired in full by IMBEA IMMOEAST Beteiligungsverwaltung GmbH (a wholly owned subsidiary of IMMOFINANZ AG). Plans call for a recommendation to the annual general meeting of IMMOFINANZ AG, requesting cancellation of the previously unused right of delegation to the Supervisory Board that is connected with the registered shares and conversion of the registered shares to bearer shares.

The Executive Board is not aware of any agreements between shareholders that restrict voting rights or the transfer of shares. The remaining shares of IMMOFINANZ AG are bearer shares and entitle the holders to participate in the annual general meeting and to exercise their voting rights, similar to the registered shares. Each bearer share is entitled to one vote.

The number of shares developed as follows:

	2010/11	2009/10
Balance at the beginning of the financial year	1,044,216,775	459,050,894
Conversion of IMMOFINANZ 2011 convertible bonds	1,150,000	17,700,000
Conversion of IMMOFINANZ 2014 convertible bonds	6,811	102,179
Merger of IMMOEAST	0	567,363,702
Balance at the end of the financial year	1,045,373,586	1,044,216,775

The exercise of conversion rights for the convertible bonds issued by IMMOFINANZ AG (convertible bond 2009–2011 and convertible bond 2007–2014) increased the company's share capital by EUR 1,200,981.91 during the reporting year through the issue of 1,156,811 IMMOFINANZ shares.

Accumulated other equity comprises the currency translation reserve, the revaluation reserve and the AfS reserve.

The currency translation reserve comprises all foreign exchange differences resulting from the translation of subsidiary financial statements that are prepared in a foreign currency (see section 2.2.3).

The AfS reserve contains the accumulated changes in the value of available-for-sale securities held by Group companies, which have not yet been realised through the sale of these instruments.

Accumulated other equity also includes a revaluation reserve (see section 2.1.6) of EUR 106.6 million (2009/10: EUR 107.1 million). This revaluation reserve includes the components of undisclosed reserves that relate to the previous shareholdings and, according to the old IFRS 3.58, must be determined through the revaluation of net assets on the transaction date in connection with a successive share purchase (transition consolidation). This reserve is to be treated as a revaluation reserve as defined in IAS 16.

Differences arising from transactions with non-controlling interests that do not lead to a loss of control (so-called structural changes) are accounted for as an increase or decrease in equity. This accounting method agrees with the revised IAS 27. Detailed information is provided in section 3.8.

Information on conditional capital is provided in section 5.13.

The Executive Board will make a recommendation to the annual general meeting on 28/09/2011, calling for the distribution of a EUR 0.10 dividend per share for the 2010/11 financial year.

5.13 Liabilities from convertible bonds

All amounts in TEUR	30 April 2011	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2010	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Convertible bond 2007–14	101,453.8	101,453.8	0.0	0.0	636,776.3	4,930.2	631,846.1	0.0
Convertible bond 2007–17	206,959.6	1,091.9	205,867.7	0.0	210,585.2	1,173.8	27,823.1	181,588.3
Convertible bond 2009–11	192,151.3	192,151.3	0.0	0.0	187,778.4	4,699.7	183,078.7	0.0
Convertible bond 2011–18	480,527.6	3,152.4	477,375.2	0.0	0.0	0.0	0.0	0.0
Total	981,092.3	297,849.4	683,242.9	0.0	1,035,139.9	10,803.7	842,747.9	181,588.3

2007–2014 CONVERTIBLE BOND

The annual general meeting on 28/09/2006 authorised the Executive Board to issue convertible bonds with a total nominal value of up to EUR 750.0 million within a period of five years, contingent upon approval by the Supervisory Board. These convertible bonds were to carry exchange or subscription rights for up to 55,940,125 shares of bearer common stock and have a proportional share of up to EUR 58.1 million in share capital. The subscription rights of shareholders were excluded. This authorisation also allowed the Executive Board to carry out a conditional increase of up to EUR 58.1 million in share capital through the issue of up to 55,940,125 new bearer shares of common stock for the purpose of granting conversion or subscription rights to the holders of the convertible bonds.

Based on this authorisation, 7,500 convertible bonds with a nominal value of EUR 100,000.– each were issued on 19/01/2007. The interest rate was set at 2.75% per year and the term of the bonds will end on 20/01/2014. The bondholders as well as the company were accorded certain premature cancellation rights.

CONVERTIBLE BOND 2007–2017

The annual general meeting on 27/09/2007 authorised the Executive Board, contingent upon the approval of the Supervisory Board, to issue convertible bonds within a period of five years beginning on the date this resolution was passed. These convertible bonds were to carry exchange or subscription rights for up to 151,060,596 bearer shares of common stock and have a proportional share of up to EUR 156.8 million in share capital. The convertible bonds may be issued in a single segment or in multiple segments, with or without the exclusion of subscription rights. Moreover, the Executive Board was authorised, contingent upon the approval of the Supervisory Board, to determine all other conditions for the issue and conversion of the convertible bonds. On this same date the Executive Board was also authorised to carry out a conditional increase of up to EUR 156.8 million in share capital through the issue of up to 151,060,596 shares of new bearer common stock for the purpose of granting conversion or subscription rights to the holders of the convertible bonds.

A total of 7,500 convertible bonds with a nominal value of EUR 100,000.– each were issued on 19/11/2007. The interest rate for the bonds was set at 1.25% per year, and the term will end on 19/11/2017. The bondholders as well as the company were accorded certain premature cancellation rights.

2009–2011 CONVERTIBLE BOND

On 06/04/2009 IMMOFINANZ AG announced a tender to all holders of the 2007–2014 convertible bond (nominal value: EUR 750.0 million) and all holders of the 2007–2017 convertible bond (nominal value: EUR 750.0 million). This offer covered the exchange of the existing bonds for a new 2009–2011 convertible bond at a ratio of five to two plus a EUR 5,000.– cash payment for each EUR 100,000.– certificate exchanged. In connection with this tender, 2007–2014 convertible bonds with a nominal value of EUR 75.5 million and 2007–2017 convertible bonds with a nominal value of EUR 498.500 million were exchanged for 2009–2011 convertible bonds with a nominal value of EUR 229.6 million.

The 2009–2011 convertible bond has an interest rate of 7.00% and a term ending on 22/12/2011. IMBEA IMMOEAST Beteiligungsverwaltung GmbH has issued a EUR 199.0 million guarantee in favour of the bondholders.

A resolution of the annual general meeting on 02/10/2009 authorised the Executive Board to execute a conditional increase of up to EUR 23.4 million in share capital through the issue of up to 22,524,726 new bearer shares of common stock.

IMMOFINANZ AG will service the conversion rights from the 2009–2011 convertible bond that are exercised in accordance with the terms of issue by supplying shares in IMMOFINANZ AG as required by these terms.

2011–2018 CONVERTIBLE BOND

On 14/02/2011 the Executive Board of IMMOFINANZ AG announced its intention, with the approval of the Supervisory Board on the same date, to issue up to 125,029,692 convertible bonds with a term ending in 2018. Based on a bookbuilding procedure, the interest rate was set at 4.25% per year, payable semi-annually in arrears on 08/03 and 08/09 of each year beginning on 08/09/2011. A conversion premium was also defined, which equalled 32.50% over the average volume-weighted price of the company's share on the Vienna Stock Exchange from the start of trading up to the price setting at EUR 3.1069. The subscription price for the convertible bond was set at EUR 4.12 and represents the nominal value, the issue amount, the initial conversion price and the repayment price per convertible bond.

On 08/03/2011, IMMOFINANZ AG issued 125,029,692 certificates within the framework of the 2011–2018 convertible bond with a nominal value of EUR 4.12 each and an interest rate of 4.25%. The term of this instrument ends on 08/03/2018. The bondholders as well as the company were accorded certain premature cancellation rights. The related transaction costs of EUR 0.1 million were recognised in equity.

Furthermore, the Executive Board of IMMOFINANZ AG issued an invitation on 14/02/2011 to the holders of the outstanding 2014 and 2017 convertible bonds to place offers for the sale of these securities pursuant to the terms defined in the tender invitation memorandum of 15/02/2011.

Based on the terms of this memorandum, 2007–2014 convertible bonds with a nominal value of EUR 454.7 million and 2007–2017 convertible bonds with a nominal value of EUR 10.5 million, including accrued interest, were tendered to and purchased by the company. The repurchase of the 2007–2014 convertible bond and the 2007–2017 convertible bond from the proceeds of the 2011–2018 convertible bond was accounted for as a redemption.

EXERCISE OF CONVERSION RIGHTS, PURCHASES AND ISSUES IN 2010/11

The exercise of conversion rights from the existing convertible bonds (2009–2011 convertible bond and 2007–2014 convertible bond) increased the share capital of IMMOFINANZ by EUR 1.2 million in 2010/11 through the issue of 1,156,811 IMMOFINANZ shares.

Convertible bonds with a nominal value of EUR 100.5 million were repurchased during the reporting year (see section 4.7).

DISTRIBUTION BETWEEN EQUITY AND DEBT, AND EMBEDDED DERIVATIVES

The convertible bonds issued by IMMOFINANZ represent structured financial instruments whose equity and debt components must be reported separately. The equity component of the IMMOFINANZ bonds at the time of issue was recognised as follows: EUR 84.7 million for the 2007–2017 convertible bond, EUR 45.1 million for the 2007–2014 convertible bond in 2006/07, EUR 16.3 million for the 2009–2011 convertible bond and EUR 37.1 million for the 2011–2018 convertible bond (less deferred taxes of EUR 27.7 million). These equity components are reported under reserves.

Derivative components were identified for the liability, which represent the call option for the company, respectively the put option for the bondholders.

The carrying amount of the liabilities from convertible bond was EUR 981.1 million as of 30/04/2011 (30/04/2010: EUR 1,035.1 million).

5.14 Financial liabilities

The following table shows the composition and classification of financial liabilities by remaining term as of 30/04/2011 and 30/04/2010:

All amounts in TEUR	30 April 2011	Thereof remaining term under 1 year	Thereof re- maining term between 1 and 5 years	Thereof re- maining term over 5 years	30 April 2010	Thereof re- maining term under 1 year	Thereof re- maining term between 1 and 5 years	Thereof re- maining term over 5 years
Amounts due to financial institutions	3,624,272.7	483,345.8	1,842,096.0	1,298,830.9	3,730,691.3	844,871.4	1,511,275.2	1,374,544.7
Thereof secured by collateral	3,584,103.7	477,068.7	1,822,860.6	1,284,174.4	3,681,074.7	818,371.9	1,501,109.4	1,361,593.4
Thereof not secured by collateral	40,169.0	6,277.1	19,235.4	14,656.5	49,616.6	26,499.5	10,165.8	12,951.3
Amounts due to local authorities	378,250.9	20,692.3	82,357.1	275,201.5	372,010.6	19,825.1	80,390.7	271,794.8
Liabilities arising from finance leases	42,482.7	5,662.8	18,677.5	18,142.4	66,040.4	10,453.8	22,476.8	33,109.8
Liabilities arising from the issue of bonds	217,336.2	5,563.4	211,772.8	0.0	221,663.8	6,781.6	17,875.7	197,006.5
Financial liability – limited partnership interest	10,971.2	10,971.2	0.0	0.0	11,323.8	11,323.8	0.0	0.0
Other financial liabilities	55,868.9	3,407.2	51,978.9	482.8	4,698.5	1,381.1	2,491.3	826.1
Total	4,329,182.6	529,642.7	2,206,882.3	1,592,657.6	4,406,428.4	894,636.8	1,634,509.7	1,877,281.9

Of the liabilities with financial institutions, EUR 217.3 million (2009/10 EUR 220.1 million) were reclassified to liabilities from bonds. This reclassification involved a commercial mortgage-backed security (CMBS).

Mid-term secured liabilities with financial institutions include a syndicated loan of EUR 241.2 million (2009/10: EUR 315.4 million). This syndicated loan represents secured financing that was entered into in May 2006, which carries a guarantee provided by IMMOFINANZ AG, IMBEA IMMOEAST Beteiligungsverwaltung GmbH and properties.

The conditions of the major financial liabilities are as follows:

	Interest rate		Remaining liability per company ¹		Consolidated remaining liability per company ¹		Balance sheet in TEUR
	Currency	fixed/variable	in 1,000	in TEUR	in 1,000	in TEUR	
Liabilities with financial institutions	CHF	fixed	36,107.4	28,062.0	36,107.4	28,062.0	
(loans and advances)	CHF	variable	162,151.3	126,021.0	162,151.3	126,021.0	
	EUR	fixed	272,091.7	272,091.7	188,610.9	188,610.9	
	EUR	variable	2,931,276.3	2,931,276.3	2,725,921.3	2,725,921.3	
	USD	fixed	48,943.7	32,936.5	38,054.1	25,608.4	
	USD	variable	92,860.5	62,490.2	86,088.0	57,932.7	
	EUR	fixed	78,735.4	78,735.4	78,735.4	78,735.4	²
	EUR	variable	415,560.4	415,560.4	415,560.4	415,560.4	²
Total amounts due to financial institutions			3,947,173.5		3,646,452.1		3,624,272.7 ³
Liabilities with local authorities	EUR	fixed	555,016.1	555,016.1	555,016.1	555,016.1	378,250.9 ⁴
Liabilities arising from the issue of bonds	EUR	fixed	217,006.0	217,006.0	217,006.0	217,006.0	217,336.2
Liabilities arising from finance leases	EUR					57,727.6	42,482.7 ⁵
Financial liability – limited partnership interest							10,971.2
Other							55,868.9
Total							4,329,182.6

¹ Excluding associated companies

² Relates to BUWOG Bauen und Wohnen Gesellschaft mbH, ESG Wohnungsgesellschaft mbH and Heller Fabrik Liegenschaftsverwertungs GmbH

³ Includes accumulated amortisation on the difference between the original amount and the amount due at maturity (transaction costs)

⁴ Present value of the interest component of liabilities held by BUWOG Bauen und Wohnen Gesellschaft mbH and ESG Wohnungsgesellschaft mbH, which are due to local authorities

⁵ Discounted interest component of finance lease liabilities

The loans in the above table have a combined present value of EUR 3,689.6 million (2009/10: EUR 3,997.3 million). The present value calculation was based on the following discount rates, which reflect market interest rates as of 30 April 2011 and 30 April 2010 as well as the weighted average margins of the loans held by IMMOFINANZ Group companies in the relevant local currencies as of the balance sheet date.

2010/11

Discount rates in %	EUR	USD	CHF
Up to 31 July 2011	3.030%	4.340%	2.050%
Up to 30 April 2012	3.300%	4.280%	2.190%
Up to 30 April 2014	3.670%	4.670%	2.590%
Up to 30 April 2016	4.360%	6.020%	3.370%
Up to 30 April 2018	4.620%	6.670%	3.690%
Up to 30 April 2021	4.880%	7.240%	3.980%
Up to 30 April 2026	5.180%	7.720%	4.230%
As of 01 May 2026	5.260%	7.900%	4.290%

2009/10

Discount rates in %	RON	PLN	CZK	CHF	EUR	USD
Up to 31 July 2010	8.969%	7.620%	3.530%	2.024%	2.635%	6.973%
Up to 30 April 2011	9.094%	8.000%	4.065%	2.404%	3.243%	7.618%
Up to 30 April 2013	8.449%	8.605%	4.430%	2.909%	3.702%	8.290%
Up to 30 April 2015	8.649%	8.935%	4.790%	3.349%	4.282%	9.156%
Up to 30 April 2017	8.749%	9.085%	5.050%	3.694%	4.721%	9.727%
Up to 30 April 2020	8.849%	9.180%	5.410%	4.062%	5.147%	10.213%
Up to 30 April 2025	8.949%	9.140%	5.765%	4.379%	5.539%	10.604%
As of 01 May 2025	9.049%	9.020%	5.870%	4.444%	5.640%	10.752%

As a result of the decline in property values, Group companies failed to meet the financial covenants for a number of bank loans during the reporting year. In particular, this involved the LTV ratio (loan-to-value ratio) and the DSCR ratio (debt service credit ratio). Negotiations were carried out with the financing banks, which led in part to the waiver or amendment of the existing contracts. The involved loans amount to EUR 43.3 million (2009/10: EUR 219.3 million).

5.15 Trade and other liabilities

All amounts in TEUR	30 April 2011	Thereof remaining term under 1 year	Thereof remaining term be- tween 1 and 5 years	Thereof remaining term over 5 years	30 April 2010	Thereof remaining term under 1 year	Thereof re- maining term between 1 and 5 years	Thereof remaining term over 5 years
Trade accounts payable	73,642.1	67,172.0	5,880.9	589.2	67,373.9	65,803.5	1,507.4	63.0
Other financial liabilities								
Fair value of derivative financial instruments (liabilities)	23,615.2	0.0	23,615.2	0.0	45,772.4	0.0	45,772.4	0.0
Property management	8,780.7	8,780.7	0.0	0.0	3,463.3	3,463.3	0.0	0.0
Amounts due to joint ven- ture companies	69,493.9	28,825.9	29,992.1	10,675.9	78,117.6	6,413.0	32,852.0	38,852.6
Participation rights and silent partners' interests	2,580.3	1,804.4	0.0	775.9	1,778.4	1,778.4	0.0	0.0
Amounts due to associated companies	5,841.3	1,562.9	4,247.5	30.9	1,809.2	80.7	1,699.6	28.9
Construction and refurbishment	29,956.0	17,953.6	8,945.0	3,057.4	29,198.1	20,715.1	6,472.2	2,010.8
Outstanding purchase prices (share deals)	167,210.3	160,566.0	1,044.3	5,600.0	190,204.2	190,157.3	46.9	0.0
Outstanding purchase prices (acquisition of properties)	569.9	400.0	169.9	0.0	1,985.9	0.0	1,985.9	0.0
Miscellaneous	133,139.2	66,772.5	31,593.8	34,772.9	113,504.2	62,713.3	23,784.9	27,006.0
Total financial liabilities	441,186.8	286,666.0	99,607.8	54,913.0	465,833.3	285,321.1	112,613.9	67,898.3
Other non-financial liabilities								
Tax authorities	23,348.4	22,221.7	996.0	130.7	14,417.6	13,907.8	451.4	58.4
Rental and lease prepayments	39,230.3	32,923.1	2,504.6	3,802.6	56,067.6	37,047.2	7,400.6	11,619.8
Income from the sale of rental rights	118.0	34.8	57.5	25.7	152.8	71.0	81.8	0.0
Total non-financial liabilities	62,696.7	55,179.6	3,558.1	3,959.0	70,638.0	51,026.0	7,933.8	11,678.2
Total	577,525.6	409,017.6	109,046.8	59,461.2	603,845.2	402,150.6	122,055.1	79,639.5

Miscellaneous liabilities include EUR 46.0 million (2009/10: EUR 52.7 million) of financing and deposits received by BUWOG Bauen und Wohnen Gesellschaft mbH, ESG Wohnungsgesellschaft mbH Villach and "Heller Fabrik" Liegenschaftsverwertungs GmbH.

Miscellaneous liabilities also include amounts payable to non-controlling interests in fully consolidated companies.

5.16 Provisions

The following table shows the development of provisions recognised by the Group, excluding employee-related provisions:

All amounts in TEUR	Provisions for onerous contracts	Tax provisions	Other provisions	Total
Balance on 01 May	54,258.0	11,810.3	80,306.1	146,374.4
Addition to scope of consolidation	0.0	22,546.1	41,498.4	64,044.5
Removal from scope of consolidation	0.0	-74.8	-4.3	-79.1
Additions	14,392.7	11,307.2	36,784.9	62,484.8
Disposals/use	-43,242.8	-10,593.7	-73,205.9	-127,042.4
Reclassification	188.9	220.7	211.6	621.2
Balance on 30 April	25,596.8	35,215.8	85,590.8	146,403.4

Information on the provision for onerous contracts is provided in section 4.6.3.

5.17 Obligations to employees

The actuarial expert opinion to determine the defined benefit obligation as of 30/04/2011 was prepared by AKTUAR Versicherungsmathematik GmbH. The development of employee-related provisions is shown in the following table:

All amounts in TEUR	2010/11	2009/10
Cost as of 01 May	3,838.3	3,859.5
Change in scope of consolidation	156.8	0.0
Interest cost	164.8	0.4
Service cost	404.0	115.7
Actuarial gains/losses	-104.1	-9.2
Disposal or reversal	0.0	6.7
Payments	-625.6	-134.8
Cost as of 30 April	3,834.2	3,838.3
Thereof current	253.2	3.0
Thereof non-current	3,581.0	3,835.3

6. Notes to the Cash Flow Statement

The cash flow statement of IMMOFINANZ Group shows the changes in cash and cash equivalents resulting from the inflow and outflow of funds during the reporting year. The cash flow statement distinguishes between cash flows from operating activities, investing activities and financing activities. Cash flow from operating activities is calculated using the indirect method in accordance with IAS 7.18 (b). Cash and cash equivalents of EUR 31.6 million (2009/10: EUR 36.0 million) are attributable to companies consolidated on a proportionate basis. The cash flow statement includes all disclosures required by IAS 7.

Cash and cash equivalents comprise the following:

All amounts in TEUR	30 April 2011	30 April 2010
Other financial assets (current)	41,613.4	31,250.3
Cash on bank and cash on hand	525,633.7	505,402.7
Cash and cash equivalents	567,247.1	536,653.0

Liquidity as shown on the cash flow statement includes cash and cash equivalents and current securities. In accordance with IAS 7.7, current securities are classified as cash and cash equivalents if they have a remaining term of less than three months. All assets included under cash and cash equivalents meet this criterion as of the balance sheet date.

Cash flows are translated at the average exchange rate for the respective local currency. Translation differences arising from the use of the average exchange rate and the exchange rate on the balance sheet date are charged or credited to the currency translation reserve.

Information is not provided on the cash flows arising from operating, investing and financing activities for joint ventures included under proportionate consolidation (IAS 7.50b) because the development of this data would have only been possible at substantial expense. The disclosures defined in IAS 7.50 d were not provided for the same reason.

7. Other Information

7.1 Information on operating segments

7.1.1 INTERNAL REPORTING

The central decision-maker of IMMOFINANZ is the Executive Board as a collegial body. Internal reporting to the Executive Board is based on the classification of data into eight regional core markets (Austria, Germany, Czech Republic, Slovakia, Hungary, Romania, Poland and Russia) and, within these core markets, into four asset classes (office, retail, residential and logistics). The presentation of segment results is based on internal reporting to the Executive Board (management approach) and meets the materiality criteria defined in IFRS 8.13.

7.1.2 INFORMATION ON REPORTABLE OPERATING SEGMENTS

Segment assets consist primarily of investment properties, property under construction, goodwill, properties held for sale and inventories.

Segment investments include additions to investment properties, property under construction and investments in property companies.

7.1.3 TRANSITION FROM SEGMENT TO GROUP RESULTS

There are no material transactions between the segments, and the elimination of intersegment amounts is therefore not reported separately.

Investments in holding companies that cannot be assigned to a specific segment and the elimination of immaterial intersegment transactions are included in the column "transition to consolidated financial statements".

7.1.4 INFORMATION ON GEOGRAPHICAL AREAS OF BUSINESS

The allocation of revenues and non-current assets to the individual regions is based on the location of the property. Detailed information on the geographical areas of business is provided in the segment report.

7.1.5 INFORMATION ON KEY CUSTOMERS

IMMOFINANZ Group had no individual customers who were responsible for 10.00% or more of revenues in 2010/11 or 2009/10.

7.2 Disclosures relating to financial instruments

Financial instrument is a collective term used to represent financial assets and financial liabilities. A financial instrument is defined as a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. One or more companies may serve as the contract partner. This definition covers securities, receivables, liabilities, equity and derivatives, regardless of whether the obligation is conditional or unconditional.

7.2.1 CLASSES AND CATEGORIES OF FINANCIAL INSTRUMENTS

IFRS 7.6 requires the breakdown of financial instruments by classes as well as the reconciliation of these classes with the line items shown on the balance sheet. Since the reporting company is entitled to define these classes, they generally differ from the categories defined by IAS 39 for the measurement of financial instruments.

The definition of the reportable classes reflects the different characteristics of the major financial instruments held by IMMOFINANZ. Accordingly, similar financial instruments are grouped together in a single class. The classes are also defined to facilitate reconciliation with the line items shown on the balance sheet. These factors led to the definition of the following classes: trade accounts receivable, financing receivables, loans and other receivables, IAS 39 investments, derivative financial assets, current securities, miscellaneous other financial instruments and cash and cash equivalents (asset classes) as well as liabilities arising from convertible bonds, bonds, liabilities with financial institutions, trade accounts payable, derivative financial liabilities and miscellaneous other liabilities (liability classes).

All amounts in TEUR	AFS	FA@FV/P&L	
		Fair Value Option	HFT
Assets	Fair value not through profit or loss	Fair value through profit or loss	Fair value through profit or loss
Trade and other receivables	0.0	0.0	0.0
Trade accounts receivable	0.0	0.0	0.0
Financing receivables	0.0	0.0	0.0
Loans and other receivables	0.0	0.0	0.0
Other financial assets	66,925.1	142,654.6	57,053.4
Investments acc. to IAS 29	40,158.4	142,654.6	0.0
Derivatives	0.0	0.0	15,440.0
Other current financial assets	0.0	0.0	41,613.4
Miscellaneous other financial instruments	26,766.7	0.0	0.0
Cash and cash equivalents	0.0	0.0	0.0
Total assets	66,925.1	142,654.6	57,053.4

All amounts in TEUR	FL@FV/P&L		FLAC
	Fair Value Option	HFT	
Liabilities	Fair value through profit or loss	Fair value through profit or loss	Amortised cost
Liabilities from convertible bonds	0.0	0.0	981,092.3
Financial liabilities	0.0	0.0	4,329,182.6
Bonds	0.0	0.0	217,336.2
Amounts due to financial institutions	0.0	0.0	3,624,272.7
Other financial liabilities	0.0	0.0	487,573.7
Trade and other liabilities	0.0	23,615.2	491,213.7
Trade accounts payable	0.0	0.0	73,642.1
Derivatives	0.0	23,615.2	0.0
Miscellaneous other liabilities	0.0	0.0	417,571.6
Total liabilities	0.0	23,615.2	5,801,488.6

In addition to the assignment of financial instruments to classes, IFRS 7.8 calls for the disclosure of the carrying amount of financial assets and financial liabilities in accordance with the categories defined in IAS 39.9. The following table presents the carrying amount and fair value of each class of financial assets and financial liabilities as well as each IAS 39.9 category, and reconciles these amounts to the appropriate balance sheet line item. Since the balance sheet positions "trade and other receivables" and "trade and other liabilities" and "financial instruments" can contain both financial instruments and non-financial assets/liabilities (e.g. tax receivables, prepaid expenses and deferred charges, inventories), the column "Non-FI" allows for a full reconciliation with the balance sheet line items.

L&R	Non-FI	Carrying amount as of 30 April 2011	Fair value as of 30 April 2011
Amortised cost	Not classified under IFRS 7		
966,297.5	86,744.1	1,053,041.6	1,053,041.6
71,197.5	0.0	71,197.5	71,197.5
136,644.1	0.0	136,644.1	136,644.1
758,455.9	86,744.1	845,200.0	845,200.0
22,222.4	0.0	288,855.5	288,855.5
0.0	0.0	182,813.0	182,813.0
0.0	0.0	15,440.0	15,440.0
0.0	0.0	41,613.4	41,613.4
22,222.4	0.0	48,989.1	48,989.1
525,633.7	0.0	525,633.7	525,633.7
1,514,153.6	86,744.1	1,867,530.8	1,867,530.8

Non-FI	Carrying amount as of 30 April 2011	Fair value as of 30 April 2011
Not classified under IFRS 7		
0.0	981,092.3	1,129,246.2
0.0	4,329,182.6	4,391,604.8
0.0	217,336.2	214,433.8
0.0	3,624,272.7	3,689,597.3
0.0	487,573.7	487,573.7
62,696.7	577,525.6	577,525.6
0.0	73,642.1	73,642.1
0.0	23,615.2	23,615.2
62,696.7	480,268.3	480,268.3
62,696.7	5,887,800.5	6,098,376.6

All amounts in TEUR	AFS	FA@FV/P&L	
		Fair Value Option	HFT
Assets	Fair value not through profit or loss	Fair value through profit or loss	Fair value through profit or loss
Trade and other receivables	0.0	0.0	0.0
Trade accounts receivable	0.0	0.0	0.0
Financing receivables	0.0	0.0	0.0
Loans and other receivables	0.0	0.0	0.0
Other financial assets	62,061.3	297,177.5	31,525.1
Investments acc. to IAS 29	55,447.8	297,177.5	0.0
Derivatives	0.0	0.0	274.8
Other current financial assets	0.0	0.0	31,250.3
Miscellaneous other financial instruments	6,613.3	0.0	0.0
Cash and cash equivalents	0.0	0.0	0.0
Total assets	62,061.3	297,177.5	31,525.1

All amounts in TEUR	FL@FV/P&L		FLAC
	Fair Value Option	HFT	
Liabilities	Fair value through profit or loss	Fair value through profit or loss	Amortised cost
Liabilities from convertible bonds	0.0	0.0	1,035,139.9
Financial liabilities	0.0	0.0	4,406,428.4
Bonds	0.0	0.0	221,663.8
Amounts due to financial institutions	0.0	0.0	3,730,691.3
Other financial liabilities	0.0	0.0	454,073.3
Trade and other liabilities	0.0	45,772.4	487,434.8
Trade accounts payable	0.0	0.0	67,373.9
Derivatives	0.0	45,772.4	0.0
Miscellaneous other liabilities	0.0	0.0	420,060.9
Total liabilities	0.0	45,772.4	5,929,003.1

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: loans and receivables

HTM: held to maturity

FLAC: financial liabilities measured at amortised cost

Non-FI: non-financial assets/liabilities

The fair values shown in the table were derived from stock exchange prices or determined by applying recognised valuation methods, depending on the class (see the fair value hierarchy of financial instruments presented in section 7.2.4).

Trade accounts receivable are generally considered to be current or are carried net of any necessary value allowances and, for this reason, fair value reflects the carrying amount. The same applies to cash and cash equivalents.

L&R	Non-FI	Carrying amount as of 30 April 2010	Fair value as of 30 April 2010
Amortised cost	Not classified under IFRS 7		
1,236,376.9	74,874.9	1,311,251.8	1,311,251.8
56,063.4	0.0	56,063.4	56,063.4
562,806.6	0.0	562,806.6	562,806.6
617,506.9	74,874.9	692,381.8	692,381.8
23,826.0	0.0	414,590.2	414,590.2
0.0	0.0	352,625.8	352,625.8
0.0	0.0	274.8	274.8
0.0	0.0	31,250.3	31,250.3
23,826.0	0.0	30,439.3	30,439.3
505,402.7	0.0	505,402.7	505,402.7
1,765,605.6	74,874.9	2,231,244.7	2,231,244.7

Non-FI	Carrying amount as of 30 April 2010	Fair value as of 30 April 2010
Not classified under IFRS 7		
0.0	1,035,139.9	919,257.2
0.0	4,406,428.4	4,449,318.8
0.0	221,663.8	238,730.8
0.0	3,730,691.3	3,760,120.1
0.0	454,073.3	450,467.9
70,638.0	603,845.3	603,845.3
0.0	67,373.9	67,373.9
0.0	45,772.4	45,772.4
70,638.0	490,698.9	490,698.9
70,638.0	6,045,413.5	5,972,421.3

The fair value of financing receivables, other receivables and the components of miscellaneous other financial instruments carried at amortised cost also reflects the carrying amount because non-current, non-interest bearing receivables are carried at the present value of future cash inflows or outflows (by applying the effective interest rate) after the deduction of any necessary value allowances. Miscellaneous other financial instruments include non-current securities that are carried at fair value, which was determined on the basis of current market prices.

The carrying amount of IAS 39 investments also reflects fair value because these assets are valued at fair value through profit or loss (fair value option) or directly in equity. Foreign exchange effects and impairment losses recognised to investments valued directly in equity are recorded to the income statement. The fair value of the other funds is based on the net asset value determined by the relevant general partner or manager. The company's management has recognised management discounts on individual assets. The methods used by the funds to determine the fair value of properties agree with the applicable accounting standards (normally IFRS, or US GAAP, in individual cases UK GAAP or Luxembourg law) and include, above all, the following factors: (1) the respective appraisal, (2) current market prices for properties with similar features, location and condition (incl. any necessary adjustments), (3) discounted cash flow calculations based on estimated future cash flows, (4) comparable asset valuations, (5) replacement prices, (6) capitalisation

rates, (7) earnings multiples, (8) current share prices, (9) bona fide purchase offers from third parties and (10) broker offers or mark-to-model approach for mortgage-backed securities (Carlyle).

The market value of derivatives is provided by the respective financial institutions. This market value is determined by applying recognised actuarial methods and is based on estimates of the market factors by the financial institution.

The fair value of miscellaneous current liabilities also approximates the carrying amount. Miscellaneous non-current liabilities consist primarily of amounts due to public authorities (subsidised loans for BUWOG/ESG).

The accounting and valuation methods are described in section 2.

7.2.2 COLLATERAL

IFRS 7.14 requires the disclosure of collateral. IMMOFINANZ Group companies normally provide collateral for loans related to project financing. Financing is generally concluded at the individual project level, and each company or property is responsible for the related debt service. There are no rights of regress involving IMMOFINANZ. As security for the loan, the lending bank receives a package of collateral that can be used to satisfy the receivable in the event a loan is called. This package can include the following types of collateral:

- Mortgage on the land or the land and building
- Pledge of shares in the project company
- Pledge of receivables (from rental agreements, insurance contracts, property management contracts etc.)
- Pledge of bank accounts (accounts for rental payments or other project-related accounts)
- Promissory notes

The conditions, type and scope of collateral is defined on an individual basis (for each company and property) and is dependent on the project volume and the amount and term of the loan. Additional information on collateral is provided in section 7.3.2.

7.2.3 NET GAINS AND LOSSES

IFRS 7.20 (a) requires the disclosure of net gains and losses for each category of financial instrument defined in IAS 39.9. This information is presented in the following table:

All amounts in TEUR		30 April 2011						
		Measure- ment at fair value	Impairment loss/value allowance	Revalua- tion	Recycling	Income from disposals/ repurchase	Other gains/ losses	Net gain/loss
AFS	Fair value recognised directly in equity	3,702.1	0.0	0.0	0.0	0.0	-338.3	3,363.8
	Thereof recognised to the income statement	0.0	0.0	0.0	11,786.1	0.0	-338.3	11,447.8
	Thereof recognised directly in equity	3,702.1	0.0	0.0	-11,786.1	0.0	0.0	-8,084.0
FA@FV/P&L	Fair value through profit or loss	24,053.8	0.0	0.0	0.0	235.2	-9,990.5	14,298.5
	Thereof fair value option	19,449.1	0.0	0.0	0.0	221.2	-7,701.8	11,968.5
	Thereof HFT	4,604.7	0.0	0.0	0.0	14.0	-2,288.7	2,330.0
L&R	Amortised cost	0.0	-44,084.0	0.0	0.0	0.0	24,900.0	-19,184.0
FL@FV/P&L	Fair value through profit or loss	22,011.7	0.0	0.0	0.0	0.0	0.0	22,011.7
	Thereof fair value option	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Thereof HFT	22,011.7	0.0	0.0	0.0	0.0	0.0	22,011.7
FLAC	Amortised cost	0.0	0.0	0.0	0.0	2,029.2	0.0	2,029.2
AFS: available for sale @FV/P&L: at fair value through profit or loss HFT: held for trading		L&R: loans and receivables HTM: held to maturity FLAC: financial liabilities measured at amortised cost			FLHFT: financial liabilities held for trading			

All amounts in TEUR		30 April 2010						
		Measure- ment at fair value	Impairment charge/valu- ation adjust- ment	Revalua- tion	Recycling	Income from disposals/ repurchase	Other gains/ losses	Net gain/loss
AFS	Fair value recognised directly in equity	11,777.4	-59.4	0.0	680.0	3,965.0	-690.5	15,672.5
	Thereof recognised to the income statement	0.0	-59.4	0.0	0.0	3,965.0	-690.5	3,215.1
	Thereof recognised directly in equity	11,777.4	0.0	0.0	680.0	0.0	0.0	12,457.4
FA@FV/P&L	Fair value through profit or loss	-23,369.3	0.0	0.0	0.0	-7,072.4	-1,672.0	-32,113.7
	Thereof fair value option	-23,969.3	0.0	0.0	0.0	-7,052.6	-5,616.8	-36,638.7
	Thereof HFT	600.0	0.0	0.0	0.0	-19.8	3,944.8	4,525.0
L&R	Amortised cost	0.0	0.0	-6,143.7	0.0	0.0	0.0	-6,143.7
FL@FV/P&L	Fair value through profit or loss	-9,091.9	0.0	0.0	0.0	0.0	0.0	-9,091.9
	Thereof fair value option	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Thereof HFT	-9,091.9	0.0	0.0	0.0	0.0	0.0	-9,091.9
FLAC	Amortised cost	0.0	0.0	0.0	0.0	34,921.9	0.0	34,921.9

The valuation category "financial assets and financial liabilities held for trading" (HFT) includes derivatives and current securities. The net gains include the results of market valuation as well as interest rate and foreign exchange effects.

The net gains in the valuation category “available-for-sale financial assets” (AFS) comprise impairment losses as well as realised gains on disposal (recycling) and foreign exchange effects.

The category “loans and receivables” (L&R) consists primarily of foreign exchange effects and value allowances.

7.2.4 HIERARCHY OF FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE

The following section includes an analysis of the financial instruments carried at fair value. A three-level hierarchy was developed for this analysis, which reflects the significance of the factors used for valuation:

- 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		30 April 2011		
Financial assets available for sale	Level 1	Level 2	Level 3	Total
IAS 39 investments	0.0	40,158.4	0.0	40,158.4
Miscellaneous other financial instruments	0.0	0.0	26,766.7	26,766.7

Financial assets at fair value through profit or loss				
Fair value option				
IAS 39 investments	0.0	142,020.9	67.6	142,088.5
Held for trading				
Derivatives	0.0	15,440.0	0.0	15,440.0
Other current financial assets	41,613.4	0.0	0.0	41,613.4

Financial liabilities at fair value through profit or loss				
Held for trading				
Derivatives	0.0	23,615.2	0.0	23,615.2

All amounts in TEUR		30 April 2010		
Financial assets available for sale	Level 1	Level 2	Level 3	Total
IAS 39 investments	0.0	55,448.0	0.0	55,448.0
Miscellaneous other financial instruments	0.0	0.0	6,613.3	6,613.3

Financial assets at fair value through profit or loss				
Fair value option				
IAS 39 investments	0.0	297,086.2	91.4	297,177.5
Held for trading				
Derivatives	0.0	274.8	0.0	274.8
Other current financial assets	31,250.3	0.0	0.0	31,250.3

Financial liabilities at fair value through profit or loss				
Held for trading				
Derivatives	0.0	95,737.9	0.0	95,737.9

7.3 Financial risk management

7.3.1 GENERAL INFORMATION

IFRS 7.31 requires the disclosure of information that enables the users of financial statements to evaluate the nature and extent of risks arising from financial instruments to which the company is exposed as of the balance sheet date.

As an international corporation, IMMOFINANZ Group is exposed to various financial risks. The most important financial risks for the Group arise from possible changes in foreign exchange rates and interest rates and from the credit standing and solvency of its customers and business partners. IMMOFINANZ Group has integrated an active risk management system into its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct impact on strategic decisions and operating processes. In addition, the internal control system (ICS) was expanded to support the early identification and monitoring of risk. The auditor evaluates the efficiency and effectiveness of the ICS – to the extent this is necessary for the preparation of the annual financial statements and the provision of a true and fair view of the asset, financial and earnings position of the company – and presents the results of this analysis to the Executive Board.

In accordance with IAS 32 and IAS 39, a distinction is made between primary and derivative financial instruments.

Primary financial instruments reported under assets consist primarily of trade accounts receivable, financing receivables, loans and other receivables, IAS 39 investments, current securities, miscellaneous other financial instruments and cash and cash equivalents. Available-for-sale financial assets, current securities and financial instruments initially recognised at fair value through profit and loss in accordance with IAS 39 (fair value option) are carried at fair value; all other financial assets are shown at amortised cost. Fair value is based on market prices or calculated in accordance with recognised valuation methods. Primary financial instruments recorded under liabilities consist primarily of financial liabilities carried at amortised cost, liabilities arising from convertible bonds and trade accounts payable.

Derivative financial instruments are used to hedge the risk arising from fluctuations in foreign exchange rates and interest rates on business operations as well as the risk associated with monetary investments and financing (see section 7.3.4.2).

7.3.2 DEFAULT/CREDIT RISK

Credit risk (default risk) is understood to represent the risk that one party to a financial instrument causes the other party to incur a financial loss by failing to meet a financial obligation. The maximum risk represents the amounts reported under assets on the balance sheet. Default risks are accounted for through value allowances.

In accordance with IFRS 7.36, an entity must disclose the following information for each class of financial instruments: the maximum exposure to credit risk as of the balance sheet date, excluding any collateral or other enhancements; a description of the collateral received and any credit enhancements; and information on the carrying amount of the financial assets whose contract terms were amended and which would have been classified as past due or impaired under the previous contract terms. In accordance with IFRS 7.B9, the amounts offset pursuant to IAS 32.42 ff. and impairment losses as defined in IAS 39 must be deducted from the gross carrying amount of financial assets. The remaining amount represents the maximum credit risk. Collateral held in security and other credit enhancements are not included in this calculation, but only disclosed separately (IFRS 7.36(b)).

Credit risks arise from the possibility that the counterparty to a transaction could fail to meet the related obligations, and the Group incurs financial damages as a result. The maximum credit risk represents the amounts reported under assets on the balance sheet. The default risk associated with financial assets is recognised through value allowances. The default risk associated with financial receivables is reflected through an appropriate adjustment to the discount rate or the recognition of an individual value allowance.

The primary financing instruments held by the Group are reported on the balance sheet, whereby the carrying amounts of the financial assets represent the maximum risk of default on these financial instruments. The risk of default associated with the other primary financial instruments and derivative financial instruments is also low because all financing transactions are concluded with financial institutions that have excellent credit ratings.

The most important instrument for managing default risk is the continuous evaluation of the credit standing of contract partners. In various development projects, IMMOFINANZ Group works together with local project developers. This cooperation can represent a risk for IMMOFINANZ Group if the business partners are unable to meet their contractual obligations in full or on time. Appropriate contractual provisions – e.g. penalties or damage payments in cases where performance does not meet the contract terms – are used to address this risk. In addition, specific activities and goal attainment are monitored regularly by the Group's asset management.

The risk of default on receivables due from tenants is low because tenants are generally required to provide security deposits (for residential properties: cash deposits; for commercial properties: bank guarantees or cash deposits) and the credit standing of tenants is monitored on a regular basis. Moreover, no single tenant is responsible for more than 5.00% of the total receivables. The default risk associated with receivables due from banks is also considered to be low because all financing transactions are concluded with financial institutions that have excellent credit ratings. Details on the age and term structure of receivables and the development of value allowances is provided in section 5.6.

In 2010/11 and in earlier years IMMOFINANZ and its subsidiaries issued comfort letters with a maximum exposure of EUR 3.0 million (2009/10: EUR 6.1 million). The probability of occurrence for these contingent liabilities is linked to the fulfilment or non-fulfilment of future conditions and considered to be low at the present time.

7.3.3 CAPITAL MARKET AND FINANCING RISK

The ability to obtain refinancing on the capital markets is an important strategic factor for IMMOFINANZ Group. Significant fluctuations on these markets can limit the availability of equity and/or debt. In order to minimise refinancing risk, IMMOFINANZ Group works to maintain a balance between equity and debt and distributes bank financing over various terms.

In order to ensure conformity with capital market regulations, IMMOFINANZ Group has issued a compliance guideline. This guideline is designed to guarantee the fulfilment of all relevant obligations under stock market law and, in particular, to prevent the misuse or distribution of insider information. The measures implemented in this connection include: the development of a compliance organisation; the definition of authorisations and duties for the compliance officer; the implementation of permanent and, where necessary, temporary classified units as well as blackout periods and trading prohibitions for persons assigned to these units.

The generation of liquidity from the operating business represents a central element of IMMOFINANZ Group's strategy. Processes to evaluate opportunities for optimisation or a further reduction in operating costs are expanded and improved continuously. Internal procurement guidelines for the operating business, above all in the area of property services, construction and facility management, form an important part of this cost reduction and optimisation potential.

In order to receive or continue the use of funds obtained through loan agreements, IMMOFINANZ Group must meet certain obligations – so-called financial covenants. The Group continuously monitors compliance with these covenants and remains in close

contact with the lending institutions. If these obligations are not met, the lender may cancel the loan agreement under certain circumstances. At the present time IMMOFINANZ Group is not aware of and does not expect a breach of any major covenants that could negatively influence its business activities.

7.3.4 LIQUIDITY RISK

Liquidity risks are minimised by the preparation of a mid-term (five-year) forecast and an annual budget with monthly segmentation as well as monthly revolving liquidity reports that include variance analyses and scenario calculations. Daily liquidity management ensures that all operating obligations can be met and funds can be optimally invested, and also gives the Group the necessary flexibility to realise short-term acquisition opportunities.

IMMOFINANZ Group also uses long-term financing that reflects the financial capability of the property (interest coverage ratio and/or debt service coverage ratio) as well as its market value (loan-to-value ratio).

In order to prevent cost overruns, IMMOFINANZ Group routinely monitors budgets and the progress of construction on all development projects and maintenance work.

Information on the term structure of liabilities is provided in sections 5.14 and 5.15.

7.3.5 MARKET RISK AND PROJECT-SPECIFIC RISKS

Micro- and macroeconomic developments have a significant influence on the property sector. This is also true for IMMOFINANZ Group's markets.

The related risks involve the economic development of the countries in which IMMOFINANZ Group is active as well as developments on the global financial and investment markets, together with the resulting effects on rental prices and yields.

Property-specific risks are associated, above all, with the location of the properties, the architecture and the condition of the building as well as the local competitive situation.

In order to identify these risks and allow for the timely implementation of countermeasures, the property portfolio of IMMOFINANZ Group is analysed quarterly by means of a portfolio tracker. This analysis includes the systematic evaluation of quantitative and qualitative property factors, portfolio concentration, and sector and regional allocation and forms the basis for tactical decisions.

The examination of quantitative property factors includes the calculation of an expected future return for each property based on a detailed budget for the next financial year and medium-term forecasts derived from assumptions. The properties are then ranked according to their total return on equity. The qualitative factors are made measurable with a scoring model that values the quality of the building and location as well as the market attractiveness of each property.

Properties whose location and quality do not meet the portfolio requirements are sold over the medium-term. The goal of IMMOFINANZ Group is to manage a homogeneous property portfolio with four asset classes and eight core markets.

The sector and regional diversification of the property portfolio provides an excellent balance for market cycles and fluctuations as well as concentration risks. IMMOFINANZ Group generally owns high-quality properties in good locations, and this provides

special protection against the above-mentioned risks. Detailed market studies are prepared on a regular basis and analysed in connection with reports by recognised real estate experts to allow for timely reaction to changes in the market environment. All market changes are included in the portfolio analysis and have an important influence on investment, sales and project plans and thereby also on the Group's medium-term planning.

The internal investment guideline of IMMOFINANZ Group regulates the framework and approval limits for all capital expenditure (property acquisitions, development projects and ongoing investments). This process minimises or eliminates the major strategic and property-specific risks. Approval limits are defined in an extensive guideline that applies to all Group companies and regulates all authorisations from individual employees up to the Executive Board. In addition, these transactions are subject to the approval of the Supervisory Board.

Development projects are exposed to increased risks in the form of schedule and construction cost overruns as well as the success of rentals. IMMOFINANZ Group minimises these risks by starting projects only after a specific level of pre-rentals is reached and by the regular monitoring of costs and schedules through variance analyses.

IMMOFINANZ Group minimises inflation risk by including index clauses in its standard leases.

Market risk can be subdivided into three sources: foreign exchange risk, interest rate (fluctuation) risk and other price risks.

7.3.5.1 FOREIGN EXCHANGE RISK

IMMOFINANZ Group is exposed to various forms of foreign exchange risk in connection with its balance sheet and cash flows: fluctuations in foreign exchange rates can influence valuation results and also have an impact on the asset position of the company.

In accordance with IAS 21, foreign currency translation for the Group's foreign subsidiaries, joint ventures and associated companies (in the following referred to collectively as foreign operations) is based on the functional currency concept as reflected in the modified current rate method. The assets and liabilities in the financial statements to be consolidated are translated at the average exchange rate on the balance sheet date; the income statement positions are translated at the weighted average exchange rate for the reporting year. The equity of foreign operations and foreign currency investments in other foreign entities are translated at the historical exchange rate on the date of initial consolidation. Foreign currency distributions are translated at the average exchange rate for the purpose of elimination. The components of the earned (historical) group equity of foreign operations are translated at the historical average rate. Differences arising from the above-mentioned application of different exchange rates to the individual components of financial statements or from period to period changes in exchange rates are reported under the currency translation adjustment on the statement of comprehensive income.

EFFECT ON VALUATION RESULTS

Property appraisals are prepared in Euros. Exchange rate fluctuations will influence revaluation results.

When the foreign currency fair value of a property is converted into the Euro, an upward shift in the exchange rate will increase the Euro fair value of the property over the fair value reported in the previous year's expert opinion. When this higher value is compared with the prior year equivalent, translation back into the functional currency (local currency) produces a lower value – because of the higher exchange rate – and therefore leads to a foreign exchange-based write-down. If the value in the expert opinion rises, this foreign exchange effect reduces the upward potential for the valuation of the property; if the value in the expert opinion is lower, this effect increases the write-down.

Analogously, a decline in foreign exchange rates versus the Euro will reduce the Euro fair value of a property in comparison with the fair value reported in the previous year's expert opinion. When the latest value is compared with the prior year equivalent, translation back into the functional currency (local currency) produces a higher value – because of the lower exchange rate – and therefore leads to a foreign exchange-related write-up. If the value in the expert opinion rises, this foreign exchange effect increases the upward for the valuation of the property; if the value in the expert opinion is lower, this effect reduces the write-down.

The following table shows how revaluation income is influenced by an increase or decrease of 2.00% and 5.00% in foreign exchange rates. This calculation is based on the exchange rates specified in section 2.2. The analysis assumes that all other variables, especially interest rates, remain constant.

Based on the following exchange rate movements as of 30 April 2011

All amounts in TEUR	2010/11	2%	-2%	5%	-5%
Austria	85,709.3	85,709.3	85,709.3	85,709.3	85,709.3
Germany	31,956.4	31,956.4	31,956.4	31,956.4	31,956.4
Poland	28,062.5	14,367.0	42,317.0	-5,198.1	64,824.2
Czech Republic	-42,336.1	-54,148.0	-28,302.1	-72,240.1	-7,489.3
Slovakia	-6,793.1	-6,793.1	-6,793.1	-6,793.1	-6,793.1
Hungary	-18,691.7	-29,565.5	-7,374.0	-45,099.6	10,496.1
Romania	-79,081.8	-95,520.3	-62,698.7	-118,495.3	-36,268.8
Russia	123,570.3	105,948.9	141,911.1	80,775.4	170,870.0
Other	-5,359.3	-10,999.8	5,268.8	-22,387.8	18,369.3
Total	117,036.5	40,954.9	201,994.7	-71,772.9	331,674.1

EFFECT ON THE ASSET POSITION

IAS 21 calls for the translation of monetary assets and liabilities at the average exchange rate in effect on the balance sheet date. In this way, exchange rate fluctuations can have a direct impact on the asset position of the Group.

The individual Group companies record all transactions in a currency that differs from their functional currency (e.g. Euro loans for property financing) at the average exchange rate on the date of the respective transaction. Foreign currency monetary assets and liabilities are translated at the average exchange rate in effect on the balance sheet date. The resulting foreign exchange gains and losses are recognised to profit or loss for the financial year.

The risk of devaluation associated with foreign currency cash balances is offset by the rapid conversion of these funds into the Euro. US Dollar cash balances are low and are used to meet the Group's investment commitments in this currency.

Another management instrument to minimise foreign exchange risk is the limited use of foreign currency credits in Europe. In this region, the risk arising from adverse foreign exchange effects is outweighed by the advantages of low interest rates.

Contractual agreements are used to manage the foreign exchange risk associated with rental income generated in countries where the Euro is not the functional currency. These agreements require the payment of rents in Euros (in Russia: USD) or link rental payments to the Euro exchange rate on particular dates.

Derivative financial instruments are used in some cases to manage foreign exchange risk. The derivative financial instruments used by IMMOFINANZ to hedge this risk are recorded as independent transactions and not as hedge transactions. Hedge accounting as defined in IAS 39.85 – IAS 39.102 is not applied because the relevant requirements are not met.

The recognition and measurement of derivative financial instruments reflect fair value. Derivatives with a positive market value are included under the balance sheet position “other financial assets” (see section 5.7). Derivatives with a negative market value are reported under “trade and other liabilities” (see section 5.15). Any changes in market value are recognised as income or expenses under financial results.

Derivative financial instruments are also used to hedge future payments in a foreign currency. Section 7.3.5.2 of the notes provides a list of the market values and conditions of all derivative financial instruments purchased by IMMOFINANZ Group and held as of the balance sheet date as protection against foreign exchange risk.

Cash and cash equivalents are held in the following currencies:

All amounts in TEUR	30 April 2011	30 April 2010
EUR	373,450.8	350,505.1
USD	13,562.4	22,895.4
CHF	15,825.3	20,747.3
HUF	17,913.4	13,437.9
PLN	45,741.2	29,347.4
CZK	17,728.1	15,255.2
RON	24,580.7	35,106.7
RUB	11,598.9	14,273.1
Other	5,232.9	3,834.6
Total	525,633.7	505,402.7

7.3.5.2 INTEREST RATE RISK

As an international company, IMMOFINANZ is exposed to the risk of interest rate fluctuations on various property submarkets. Changes in interest rates can have a negative impact on Group earnings by increasing the cost of variable rate financing and can also influence the fair value of fixed rate financial instruments.

IMMOFINANZ uses derivative financial instruments (interest rate hedges) to manage the risk associated with rising interest rates. This serves to counteract the potential increase in interest expense and decline in financial results. The derivative financial

instruments used to hedge foreign exchange risk are recognised as independent transactions and not as hedge transactions. Hedge accounting as defined in IAS 39.85 – IAS 39.102 is not applied because the relevant requirements are not met.

The recognition and measurement of derivative financial instruments reflect fair value. Derivatives with a positive market value are included under the balance sheet position “other financial assets” (see section 5.7). Derivatives with a negative market value are reported under “trade and other liabilities” (see section 5.15).

Any changes in market value are recognised as income or expenses under financial results.

The classification of financial assets and liabilities by type of interest rate is shown in the following table:

All amounts in TEUR	30 April 2011	30 April 2010
Fixed interest financial receivables	42,248.7	390,745.5
Variable interest financial receivables	2,179.8	54,035.9
Total interest-bearing financial receivables	44,428.5	444,781.4
Fixed interest financial liabilities	1,984,839.5	2,037,853.5
Variable interest financial liabilities	3,325,435.4	3,403,714.8
Total interest-bearing financial liabilities	5,310,274.9	5,441,568.3

The following table shows the market values and conditions of all derivative financial instruments that were purchased and held by IMMOFINANZ as of 30/04/2011 to hedge interest rate and foreign exchange risk:

	Derivative	Reference value as of 30 April 2011 in TEUR	Market value incl. interest in EUR	Maturity
Interest rate from 1% to 3%	SWAP	23,330.6	-43.9	Q3 2011
	SWAP	74,564.0	250.4	FY 2012
	SWAP	122,387.1	-2,382.2	FY 2013
	SWAP	119,896.8	1,287.7	FY 2014
	SWAP	118,300.1	1,595.7	FY 2015
	SWAP	7,105.0	310.7	FY 2017
	SWAP	18,931.5	835.7	FY 2019
	CAP	167,299.0	1,175.2	FY 2012
	CAP	240,000.0	-300.8	FY 2013
	CAP	31,515.0	56.1	FY 2014
	CAP	3,616.7	-13.2	FY 2016
Number of derivatives: 50		926,945.8	2,771.4	
Interest rate from 3% to 4.5%	SWAP	16,914.6	-111.5	Q1 2011
	SWAP	177,827.1	-4,806.1	FY 2013
	SWAP	8,610.3	-341.7	FY 2014
	SWAP	10,945.2	-301.5	FY 2015
	SWAP	10,000.0	-73.9	FY 2016
	SWAP	15,000.0	795.1	FY 2030
	SWAP	120,543.0	5,098.8	FY 2031
	SWAP	25,068.0	2,299.0	FY 2039
	CAP	367,135.8	-145.6	Q1 2011
	CAP	248,637.5	-276.2	Q2 2011
	CAP	11,775.0	-20.4	FY 2013
Number of derivatives: 38		1,012,456.5	2,116.0	
Interest rate over 4.5%	SWAP	16,585.8	-385.4	Q3 2011
	SWAP	165,437.5	-5,997.3	FY 2012
	SWAP	69,713.8	-6,527.2	FY 2017
	SWAP	28,530.0	-2,689.4	FY 2018
	CAP	63,821.0	-53.0	Q1 2011
	CAP	81,396.2	-28.9	Q2 2011
	CAP	232,416.4	-559.8	FY 2012
	CAP	3,774.7	-13.2	FY 2015
Number of derivatives: 39		661,675.4	-16,254.2	
	FX FORWARD	17,156.5	345.7	Q1 2011
Number of derivatives: 5		17,156.5	345.7	
Total number of derivatives: 132		2,618,234.2	-11,021.1 ¹	
Expired:				
Number of derivatives: 18		408,677.2	0.0	

¹As of the balance sheet date, 88 securities had a total negative value of EUR -26.8 million and 44 securities had a positive market value of EUR 15.8 million.

The reference value forms the basis value for derivatives outstanding as of the balance sheet date.

The market value represents the amount that the respective company would receive or be required to pay if the transaction were terminated as of the balance sheet date. These market values do not reflect the proportionate consolidation of the company in the consolidated financial statements.

Changes in interest rates have an influence on the valuation of property. The discounted cash flow method (DCF) used for property valuation involves the determination of the present value of the future cash flows generated by a property through discounting at the applicable interest rate. This interest rate generally comprises a risk-free basic rate and a risk premium that reflects the property category and submarket. Rising interest rates lead to an increase in the risk-free basic interest rate and thereby to a higher discount factor. This reduces the present value of cash flows and, in turn, reduces the fair value of the property.

Sensitivity analyses are used to illustrate the risk associated with interest rate fluctuations. A sensitivity analysis shows the effects of changes in market interest rates on interest payments, interest income and expense, other components of earnings and, where applicable, also on equity. The following analysis shows the influence of variable market interest rates on the interest expense associated with financial liabilities. It presents the effect of an assumed average increase and decrease of 100 and 150 basis points in interest rates on the interest expense recognised in 2010/11. This analysis assumes that all other variables, in particular foreign exchange rates, remain constant. A calculation was also performed on this same basis for 2009/10, even though the actual development of interest rates differs from the forecasts prepared at that time.

Sensitivity analysis 2010/11		Interest rate scenarios	
All amounts in TEUR	2010/11	1.00%	1.50%
Interest expense based on increase in interest rate	243,096.1	276,279.3	292,906.4
Interest expense based on decrease in interest rate	243,096.1	209,770.5	193,143.4

Excluding derivatives

Sensitivity analysis 2009/10		Interest rate scenarios	
All amounts in TEUR	2009/10	1.00%	1.50%
Interest expense based on increase in interest rate	237,787.5	272,544.8	289,923.5
Interest expense based on decrease in interest rate	237,787.5	203,030.2	185,651.5

Excluding derivatives

Details on the conditions of financial liabilities are provided in section 5.14.

In addition to loans receivable, securities and other receivables – above all financing receivables (loans granted to third parties) – can be sensitive to interest rate changes. IMMOFINANZ held current securities totalling EUR 41.5 million as of 30/04/2011 (2009/10: EUR 31.3 million), which represent shares in money market funds. The financing receivables generally carry fixed interest rates, and the Group is therefore exposed to no risk or only limited risk from these items. The conditions of the major financing receivables are shown in the following table:

All amounts in TEUR	Currency	Carrying amount as of 30 April 2011	Interest rate	Effective interest rate
Financing receivables	CZK	3,894.7	fixed	1.75%
	EUR	2,179.8	variable	3.01%
	EUR	29,839.9	fixed	4.39%
	USD	8,514.2	fixed	11.00%

7.3.5.3 OTHER PRICE RISKS

As an international company, IMMOFINANZ is also exposed to price risks. Price risks are understood to mean the possible fluctuation in fair value or future cash flows as a result of changes in market prices.

Additional information on the provision for onerous contracts is included under section 4.6.3.

7.3.6 LEGAL RISKS

As an international company, IMMOFINANZ Group is exposed to a variety of legal risks. Included here are risks related to the purchase or sale of property and risks arising from legal disputes with tenants or joint venture and development partners. A list of the major legal proceedings in which the Group is involved is provided in section 7.4.1.

The outcome of current and future proceedings cannot be predicted with certainty. Therefore, expenses may arise from decisions or settlement agreements by the courts or public authorities that are not covered in full or in part by insurance or provisions. These expenses could have an impact on the results recorded by IMMOFINANZ Group.

7.3.7 CAPITAL MANAGEMENT

The goal of IMMOFINANZ management is to protect the Group's liquidity at all times. Hedges such as CAPS and SWAPS are used to manage liquidity, above all when interest rates are low. The mid-term target calls for a balanced ratio of equity and debt, respectively an LTV (loan-to-value) ratio of 50.00%.

All amounts in TEUR	30 April 2011	30 April 2010
Equity	5,170,111.3	5,157,433.3
Debt	6,585,815.3	6,616,948.6
Capital structure	78.5%	77.9%

IMMOFINANZ is not subject to any minimum capital requirements defined by external sources. There were no changes in the capital management policies of IMMOFINANZ Group during the reporting year.

7.3.8 CONCENTRATION RISK

Concentration risk is understood to mean the accumulation of similar risks that contradict the principle of risk diversification. These risks are reduced through particular attention to the sector and regional diversification of the portfolio and the development of larger property projects together with a partner. In addition to sector and regional diversification, IMMOFINANZ Group also works to achieve a diversified tenant structure. In this way, the loss of a tenant will not have a significant influence on the Group.

7.3.9 PROPERTY VALUATION RISK

Property valuation in IMMOFINANZ Group follows general branch practices and is based on fair value as defined in IAS 40. Under this method, properties are carried on the balance sheet at their fair value. The properties owned by IMMOFINANZ Group are valued semi-annually by external appraisers. The values determined by these experts are heavily dependent on the calculation method and the underlying assumptions. A change in the underlying assumptions can therefore lead to major fluctuations in the value of a property. For example: any change in the assumed occupancy rate or future investment costs of a property will have a direct effect on the resulting income and fair value. Therefore, it is important to note that the derived fair values are directly related to the underlying assumptions and the calculation model, and even minor changes to the economic or property-specific assumptions used for these valuations can have a significant influence on results reported by IMMOFINANZ Group.

7.4 Financial obligations

7.4.1 CONTINGENT LIABILITIES AND GUARANTEES

Contingent liabilities represent possible or existing obligations arising from past events, in cases where it is not probable that an outflow of resources will be required to settle the obligation. In accordance with IFRS 3, contingent liabilities are only recorded on the balance sheet if they are assumed in connection with the acquisition of a company and the fair value on the acquisition date can be measured with sufficient reliability. In subsequent years, contingent liabilities and guarantees are measured through profit or loss at the higher of the expected value determined in accordance with IAS 37 (see section 2.3.17) and the initially recognised amount less accumulated amortisation in accordance with IAS 18.

The merger of IMMOEAST AG with IMMOFINANZ AG in 2009/10 involved the exchange of three IMMOFINANZ shares for two IMMOEAST shares. Based on the rights granted to former shareholders under certain circumstances by Austrian stock corporation law, an application was filed for court verification of the appropriateness of the exchange ratio defined in the merger agreement. The outcome of this verification process could not be estimated at the time the consolidated financial statements were prepared. This section presents information on the status of legal proceedings related to lawsuits filed by (former) shareholders and lawsuits related to the management contract with Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG).

LEGAL PROCEEDINGS BY SHAREHOLDERS AGAINST IMMOFINANZ AG AND IMBEA IMMOEAST BETEILIGUNGSVERWALTUNG GMBH

A number of shareholders filed claims against IMMOFINANZ AG and IMMOEAST AG (now IMBEA IMMOEAST Beteiligungsverwaltung GmbH, in short: IMBEA) beginning in November 2008. Some of the plaintiffs are IMMOFINANZ AG shareholders, while others are shareholders of the former IMMOEAST AG who brought claims against IMMOEAST AG or IMBEA as the legal successor of IMMOEAST AG. In all cases, the plaintiffs are claiming damages based on prospectus liability. The plaintiffs' argumentation is based primarily on alleged deficiencies in the prospectuses of IMMOFINANZ AG and IMMOEAST AG. The plaintiffs' claims are also based on other legal grounds, e.g. the violation of ad-hoc reporting requirements. Among others, the plaintiffs allege that the funds raised from the public offering were not used for acquisitions or the development of new real estate projects, but for the financing of IMMOFINANZ AG and IMMOEAST AG and for the purchase of shares in IMMOFINANZ AG and IMMOEAST AG. IMMOFINANZ AG and IMBEA reject these claims. Of special note are two class-action suits of Austrian origin involving claims by 69 and 242 plaintiffs, respectively, against IMMOFINANZ AG. These cases are still in the early stages. AdvoFin, a company that finances legal proceedings, is carrying the plaintiffs' costs.

A total of 157 lawsuits had been filed against IMMOFINANZ AG (whereby IMBEA was also sued in some cases) and 68 against IMMOEAST AG/IMBEA (in addition to IMMOFINANZ AG in some cases) by the end of May 2011. Most of the plaintiffs are covered by insurance for legal expenses or represented by a company that finances such proceedings. It is expected that several more claims will be filed under the coordination of insurance carriers or companies that finance legal proceedings. The status of the pending proceedings is different, whereby most are in the early stages. Eight pending lawsuits against IMMOEAST AG/IMBEA were suspended until the final judgment is issued in a similar case. In eight other cases, a judgment in the first instance or a final judgment was issued, each – for different reasons – in favour of IMMOFINANZ AG or IMMOEAST AG/IMBEA.

LEGAL PROCEEDINGS BY SHAREHOLDERS AGAINST INVESTMENT CONSULTANTS AND AVISO ZETA AG; THIRD-PARTY NOTICES AGAINST IMMOFINANZ AG/ IMBEA IMMOEAST BETEILIGUNGSVERWALTUNG GMBH

At the beginning of August 2008 shareholders of IMMOFINANZ AG and IMMOEAST AG (now IMBEA Immoeast Beteiligungsverwaltung GmbH) filed lawsuits against Constantia Privatbank AG (now Aviso Zeta AG) and AWD Gesellschaft für Wirtschaftsberatung GmbH, through which they purchased IMMOFINANZ and IMMOEAST shares. The plaintiffs allege incorrect investment advising, misleading advertising and false depiction of IMMOFINANZ AG and IMMOEAST AG in public due to the withholding of information on the close relationship between the former Constantia Privatbank AG and IMMOFINANZ AG/IMMOEAST AG. Furthermore, the lawsuits contend that information on material transactions by the former Constantia Privatbank AG with

shares of IMMOFINANZ AG and IMMOEAST AG was withheld and maintain that investors' funds were not used for the purposes stated in the prospectuses. The plaintiffs are seeking compensation and/or the assessment of the resulting financial losses. The plaintiffs did not lodge any direct claims against IMMOFINANZ AG/IMMOEAST AG in these cases. IMMOFINANZ AG and IMBEA Immoeast Beteiligungsverwaltung GmbH are involved as intervening parties in some of the cases against Aviso Zeta AG or AWD Gesellschaft für Wirtschaftsberatung mbH. An intervening party is someone who has a legal interest in the success of one party to pending legal proceedings between other persons. The reason for this involvement as an intervening party is that the plaintiffs intend to file a recourse claim against IMMOFINANZ AG/IMBEA if the case is lost and have therefore served IMMOFINANZ AG/IMBEA with a third party notice. If IMMOFINANZ AG/IMBEA do not enter these proceedings, they would not be able to formally reply to arguments presented in earlier proceedings during any recourse actions. The defendants' main argument against IMMOFINANZ AG/IMBEA is that the damages to the plaintiffs would have resulted from actions by IMMOFINANZ AG and IMMOEAST AG, which are currently under investigation by the Vienna district attorney. By the end of May 2011 Aviso Zeta AG had served IMMOFINANZ AG and/or IMBEA with third-party notices in 577 cases. AWD Gesellschaft für Wirtschaftsberatung GmbH has also served IMMOFINANZ AG and/or IMBEA with third-party notices in 181 cases. IMMOFINANZ AG and IMBEA joined in most of these cases. According to the information currently available to IMMOFINANZ AG, judgments have been issued in 11 lawsuits against AWD Gesellschaft für Wirtschaftsberatung GmbH and Aviso Zeta AG. The judgments were issued in favour of the defendant in most of these cases. Neither AWD Gesellschaft für Wirtschaftsberatung GmbH nor Aviso Zeta AG has filed recourse claims against IMMOFINANZ AG or IMBEA to date. The value in dispute amounts to EUR 56.1 million.

LEGAL PROCEEDINGS AGAINST AVISO ZETA AG

Aviso Zeta AG is the defendant in 1,698 lawsuits. In a further 130 lawsuits, Aviso Zeta AG has been served with a third-party notice by one of the defendants. The value in dispute is EUR 105.2 million.

In some cases, the above-mentioned values in dispute represent the same factual situation. The consolidated financial statements of IMMOFINANZ Group include sufficient provisions for legal proceedings and the costs associated with such proceedings, which are based on estimates of their presumed outcome.

In some East European countries, legal uncertainty could arise in connection with the legal ownership of property. Information on guarantees provided by IMMOFINANZ is presented in section 7.3.2.

7.4.2 OUTSTANDING CONSTRUCTION COSTS

Information on obligations arising from outstanding construction costs is provided in section 4.12.

7.4.3 PRICES FOR FUTURE SHARE PURCHASES

IMMOFINANZ realises numerous development projects through companies that are owned together with a developer. In cases where the contractual agreement requires IMMOFINANZ to acquire the developer's stake at a later date, the stake held by IMMOFINANZ ranges from 10.00 to 75.00%. The obligation to acquire additional shares in property companies at contractually fixed terms generally takes effect when all conditions defined in the contract have been met (e.g. the project has been completed and has reached a specified level of occupancy).

Provisions for onerous contracts were created in cases where current estimates lead IMMOFINANZ to assume that the future purchase price will be higher than the fair value of the stake to be acquired (additional information is provided in sections 4.6.3 and 5.16). In all other cases involving future purchase obligations, IMMOFINANZ expects the future purchase price will be lower than the fair value of the stake to be acquired.

7.5 Subsequent events

As of 04/05/2011 IMMOFINANZ Group acquired the remaining 25.00% stake of the *GoodZone* shopping center project in Moscow, which is currently under construction. The initial 75.00% investment was acquired in mid-2007.

On 08/06/2011 IMMOFINANZ Group concluded an agreement for the sale of seven fund investments with a carrying amount of EUR 129.1 million to European investors. Since these investments were financed in full with equity by member companies of IMMOFINANZ Group, the transaction will increase cash at an amount equalling the sale price.

As of 10/06/2011 IMMOFINANZ Group acquired the remaining 49.00% of the *Equator*, a prime office property in Warsaw, and the adjacent *Nimbus* office development project from Karimpol S.A. In exchange Karimpol S.A. took over 51.00% of the *Cirrus* development project and thereby became its sole owner.

On 16/06/2011 IMMOFINANZ Group concluded an agreement for the acquisition of the remaining 69.22% of the share capital of Adama Holding Public Ltd. ("Adama"). IMMOFINANZ has held an investment in this leading South-East European residential construction group since 2007 and, through this transaction, will become the sole owner of Adama. The purchase price for this stake equals EUR 42.4 million. The sellers include the global US hedge fund Tiger Global, Morgan Stanley, Lehman Brothers UK in administration and the founding shareholders.

7.6 Transactions with related parties

Related parties in the sense of IAS 24 include all associated companies and companies included through proportionate consolidation. In addition to persons who have a significant influence over IMMOFINANZ AG, related parties include the members of the Executive Board and Supervisory Board of IMMOFINANZ AG and their close family members.

During the 2010/11 financial year IMMOFINANZ acquired the shares of Aviso Zeta AG (formerly Constantia Privatbank AG – CBP) and its affiliate Aviso Delta GmbH. These companies are now included in the IMMOFINANZ financial statements through full consolidation and, consequently, only material transactions occurring before the takeover date are reported for these companies. The companies have concluded supply and consulting contracts of an immaterial scope.

Transactions between fully consolidated subsidiaries are eliminated during the consolidation and are therefore not explained in detail.

7.6.1 ASSOCIATED COMPANIES AND COMPANIES INCLUDED THROUGH PROPORTIONATE CONSOLIDATION

All amounts in TEUR	Transaction		Receivables		Liabilities	
	2010/11	2009/10	30 April 2011	30 April 2010	30 April 2011	30 April 2010
Associated companies	281.7	9,833.2	88,840.1	74,010.2	5,841.3	1,809.2
Companies included through proportionate consolidation	42,183.1	43,663.7	425,550.9	418,542.1	69,493.9	78,117.6
Total	42,464.8	53,496.9	514,391.0	492,552.3	75,335.2	79,926.8

Transactions with associated companies and companies included through proportionate consolidation are carried out at normal market prices and conditions.

The financing for companies included through proportionate consolidation (joint venture companies) is frequently arranged by IMMOFINANZ and its partners in line with the respective investments. Receivables and liabilities due from/to the joint venture companies from such transactions are reported in the tables on receivables (see section 5.6) and liabilities (see section 5.15).

7.6.2 AVISO ZETA AKTIENGESELLSCHAFT**7.6.2.1 MANAGEMENT CONTRACTS**

IMMOFINANZ and Aviso Zeta AG have concluded a management contract.

This management contract obliges Aviso Zeta AG to provide the following services for IMMOFINANZ and for its subsidiaries and holdings:

- Provision of corporate bodies and proxies
- Support for corporate bodies in connection with the annual general meetings
- Controlling, financial and accounting services (including the preparation of quarterly and annual reports, financial planning, treasury and group financing)
- Selection of properties (feasibility studies, acquisition and sale negotiations)
- Asset management (representation of owner interests, management of maintenance and repairs, contact office for brokers etc.) and
- Provision of infrastructure.

The management contract does not cover the following services:

- Property brokerage
- Property management
- Consulting that can only be provided by specific professional groups
- Market-making
- Consulting in connection with capital increases and
- Banking services.

The fee for the above services equals 0.60% of the fair value of the property portfolio as determined by external appraisers, and is based on the properties owned by IMMOFINANZ, its subsidiaries and holdings at the end of the respective financial year that lies within the calendar year.

The same principles apply to financial instruments held by IMMOFINANZ that are classified as investments in other companies, whereby the fee is calculated on the basis of fair value as of the valuation date. Fair value is derived from the share price, or alternatively from equity, including undisclosed reserves, calculated in accordance with IFRS.

In contrast to the current contracts, administrative fees have been charged at the actual amount incurred since 01/01/2009.

Up to 31/10/2010 Aviso Zeta AG charged IMMOFINANZ a total of EUR 17.7 million for administrative services in 2010/11 (2009/10: EUR 28.8 million).

The property segment of Aviso Zeta Bank AG was split off and transferred to Aviso Delta GmbH retroactively as of 30/06/2008. These two companies subsequently concluded a permission of use contract that forms the legal basis for the provision of services specified in the management contract by Aviso Delta GmbH.

IMMOFINANZ also conducted immaterial transactions with Aviso Zeta AG, Aviso Delta GmbH and their subsidiaries at third party conditions during 2010/11 up to the above-mentioned share purchase.

7.6.3 CREDO IMMOBILIEN DEVELOPMENT GMBH (FORMERLY CONSTANTIA IMMOBILIEN DEVELOPMENT GMBH)

In 2006/07 IMMOFINANZ granted a loan to CREDO Immobilien Development GmbH through its subsidiary IMBEA IMMOEAST Beteiligungsverwaltung GmbH. The interest rate equalled 8.00%, and the term was indefinite. The outstanding balance was EUR 24.4 million as of 30/04/2011, with the interest rate equalling the three-month EURIBOR plus 300 basis points (2009/10: EUR 24.0 million).

As a subsidiary of Aviso Zeta AG, Credo Immobilien Development GmbH was consolidated during the reporting year.

EXECUTIVE BOARD

Eduard Zehetner – Chief Executive Officer (Speaker up to 24/06/2010; CEO since 24/06/2010)

Daniel Riedl – Member

Michael Wurzinger – Member up to 30/09/2010

Manfred Wiltschnigg – Member

SUPERVISORY BOARD

Herbert Kofler – Chairman

Michael Knap – Vice-Chairman

Vitus Eckert – Member

Rudolf Fries – Member

Guido Schmidt-Chiari – Member

Nick J. M. van Ommen – Member

Christian Böhm – Member

Klaus Hübner – Member

EXECUTIVE BOARD REMUNERATION

The members of the Executive Board received remuneration of EUR 4.0 million in 2010/11: EUR 6.8 million). Contributions of TEUR 100.0 (2009/10: TEUR 200.0) were made to the employee severance compensation fund and EUR 200.0 (2009/10: EUR 200.0 million) to the pension fund.

INCENTIVE PROGRAMME FOR THE EXECUTIVE BOARDS OF THE FORMER IMMOEAST AND IMMOFINANZ AG

In 2009 IMMOFINANZ AG repurchased 269 of the 2014 convertible bonds (CB 2014) and 480 of the 2017 convertible bonds (CB 2017) with a total nominal value of EUR 74.9 million at a discount to the nominal value. As part of a planned long-term incentive programme, 82 of the repurchased CB 2014 and 88 of the repurchased CB 2017 were sold to the members of the Executive Boards of IMMOFINANZ AG and IMMOEAST AG. This incentive programme also included the granting of loans to the Executive Board members to finance the purchase of the convertible bonds. The loans amounted to approx. EUR 1 million per board member and were granted at third party conditions (three-month EURIBOR + 1.50%). The repayment claims by IMMOFINANZ AG arising from the loans are secured with the respective convertible bond certificates.

SHARE-BASED PAYMENTS

The employment contracts concluded with Daniel Riedl and Michael Wurzinger in September 2008 called for the granting of 200,000 stock options to each of these persons with cash settlement. Michael Wurzinger resigned from the Executive Board on 30/09/2010. The employment contract with Daniel Riedl was renewed in June 2011 and no longer includes a provision for share-based payments.

Expenses arising from share-based payments amounted to TEUR 0.0 for the reporting year. The carrying amount of the liabilities arising from share-based payments totalled EUR 0.– as of 30/04/2011.

SUPERVISORY BOARD REMUNERATION

In accordance with a resolution passed by the annual general meeting on 1 October 2009, the remuneration for the Supervisory Board consists solely of fixed payments. The fixed remuneration for each Supervisory Board member amounts to EUR 20,000.–, with additional remuneration of EUR 5,000.– for membership on a committee. The remuneration for the chairman of the Supervisory Board was set at twice this base amount and for the vice-chairman at 1.5-times.

The remuneration received by the members of the Supervisory Board is shown in the following table:

All amounts in TEUR	30 April 2011		30 April 2010		
	IMMOFINANZ	Other	IMMOFINANZ	IMMOEAST	Other
Michael Kaufmann	-	-	1.5	-	-
Klaus Hübner	25.3	-	1.5	21.2	5.0
Reinhold Süßenbacher	-	-	3.1	3.1	-
Michael Knap	87.5	2.0	33.6	42.3	15.0
Herbert Kofler	87.5	-	47.8	37.5	-
Vitus Eckert	36.1	-	21.2	21.2	-
Rudolf Fries	22.2	-	21.2	-	5.0
Guido Schmidt-Chiari	16.7	-	25.0	-	-
Christian Böhm	25.3	-	-	25.0	-
Nick van Ommen	37.5	-	21.2	21.2	2.5
Georg Bauthen	-	2.0	-	-	11.0
Christian Weimann	-	2.0	-	-	4.0
Total	338.1	6.0	176.0	171.3	42.5

The members of the Executive Board and Supervisory Board hold 56,326,396 shares of stock (2009/10: 52,918,563).

7.7 Auditor's fees

The fees charged by Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna (in the previous year KPMG Austria GmbH, Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna) during the 2010/11 financial year comprise TEUR 761.7 (2009/10: TEUR 942.9) for the audit of the consolidated financial statements and the audit or review of IFRS reporting packages and the separate financial statements of companies included in the consolidation as well as TEUR 230.0 (2009/10: TEUR 0.0) for tax advising and TEUR 30.0 (2009/10: TEUR 482.1) for other services.

Group Companies of IMMOFINANZ AG

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
AAX Immobilienholding GmbH	AT	Vienna	40.79	EUR	100.00%	01 January 2005	F
ABLO Property s.r.o.	CZ	Prague	100.00	CZK	100.00%	03 December 2004	F
ABSTEM Holdings Ltd.	CY	Nicosia	2.00	EUR	100.00%	01 May 2008	F
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	AT	Vienna	7,267,283.00	EUR	100.00%	22 January 1998	F
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Kaiserstraße 57–59 KEG	AT	Vienna	1.00	EUR	100.00%	30 April 2000	F
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Wollzeile 31 KEG	AT	Vienna	1.00	EUR	100.00%	31 December 1999	F
Agroprodaja d.o.o. Beograd	RS	Belgrade	500.00	EUR	69.00%	22 November 2007	F
Airport Property Development a.s.	CZ	Prague	1,000,000.00	CZK	100.00%	29 June 2005	F
Al Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	30 April 2005	F
Alpha real d.o.o.	SI	Ljubljana	8.76	EUR	100.00%	30 September 2006	F
Anadolu Gayrimenkul Yatirimciligi ve Ticaret A.S.	TR	Istanbul	50.00	TRY	33.33%	16 August 2007	E
Appartement im Park ErrichtungsGmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Aragonit s.r.o.	CZ	Prague	100.00	CZK	100.00%	01 July 2006	F
Arbor Corporation s.r.l.	RO	Bucharest	13.50	RON	90.00%	29 January 2007	F
ARE 3 Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	31 January 2005	F
ARE 4 Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	07 December 2004	F
ARE 5 Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	30 April 2005	F
ARE 8 Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	15 June 2005	F
ARMONIA CENTER ARAD S.R.L.	RO	Bucharest	11,411,000.00	RON	100.00%	18 July 2007	F
ARO Eferding Immobilien GmbH	AT	Vienna	35.00	EUR	100.00%	13 June 2008	F
ARO IBK GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2007	F
ARO Immobilien GmbH	AT	Vienna	7,267,283.00	EUR	100.00%	01 January 2005	F
Arpad Center Kft.	HU	Budapest	31,000,000.00	HUF	100.00%	01 August 2002	F
Artemis Immobilien GmbH	AT	Vienna	35.00	EUR	100.00%	07 July 2010	F
Atlantis Invest Sp. z o.o.	PL	Warsaw	51.00	PLN	100.00%	30 April 2005	F
ATLAS 2001 CR s.r.o.	CZ	Prague	200.00	CZK	100.00%	20 April 2004	F
Atom Centrum a.s.	CZ	Prague	1,000,000.00	CZK	100.00%	20 January 2005	F
Atrium Park Kft.	HU	Budapest	6,000,000.00	HUF	100.00%	31 October 2007	F
Aviso Delta GmbH	AT	Vienna	0.00	EUR	100.00%	15 October 2010	F
Aviso Zeta Bank AG	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
BA Energetika s.r.o.	SK	Bratislava	6,638.78	EUR	100.00%	31 December 2005	F
Barby Holding Sàrl	LU	Luxembourg	12.50	EUR	100.00%	11 December 2007	F
Bauteil M Errichtungsges.m.b.H.	AT	Vienna	35.00	EUR	100.00%	02 March 2005	F
Bauteile A + B Errichtungsges.m.b.H.	AT	Vienna	36.34	EUR	100.00%	31 May 1997	F
Bauteile C + D Errichtungsges.m.b.H.	AT	Vienna	36.34	EUR	100.00%	31 May 1997	F
BB C – Building A. k.s.	CZ	Prague	20.00	CZK	100.00%	13 December 2006	F
BB C – Building B. k.s.	CZ	Prague	20.00	CZK	100.00%	13 December 2006	F
BB C – Building C. k.s.	CZ	Prague	90.00	CZK	100.00%	13 December 2006	F
BB C – Building Gamma a.s.	CZ	Prague	2,000,000.00	CZK	100.00%	20 July 2007	F

Company	Country	Head-quarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Berga Investment Limited	CY	Limassol	10.00	EUR	75.00%	24 July 2007	P
Bermendoca Holdings Ltd	CY	Nicosia	2.00	EUR	100.00%	03 November 2008	F
Bersan Gayrimenkul Yatirim A.S.	TR	Istanbul	5,848,849.00	TRY	33.33%	29 August 2007	E
Beta real d.o.o.	SI	Ljubljana	8.76	EUR	100.00%	30 September 2006	F
BEWO d.o.o. Banja Luka	BA	Banja Luka	2.00	BAM	50.00%	05 March 2007	P
BEWO International Kft.	HU	Budapest	3,000,000.00	HUF	50.00%	14 November 2006	P
BIG BOX Nove Zamky s.r.o.	SK	Bratislava	9,958.18	EUR	100.00%	29 June 2007	F
BIG BOX Poprad s.r.o.	SK	Bratislava	9,958.18	EUR	100.00%	30 April 2008	F
BIG BOX Trencin s.r.o.	SK	Bratislava	9,958.18	EUR	100.00%	29 June 2007	F
Bivake Consultants Ltd.	CY	Nicosia	2.00	EUR	100.00%	01 July 2008	F
Bloczek Ltd	CY	Nicosia	2.00	EUR	100.00%	18 May 2010	F
Blue Danube Holding Ltd.	MT	Valletta	1.50	EUR	100.00%	12 December 2006	F
Bluecrest Holdings Limited	GB	Gibraltar	31.00	GBP	33.33%	02 October 2007	E
Boondock Holdings Ltd	CY	Nicosia	2.00	EUR	100.00%	24 October 2008	F
Borisov Holdings Ltd.	CY	Nicosia	2.00	EUR	100.00%	12 February 2008	F
Braddock Holding Sàrl	LU	Luxembourg	12.50	EUR	100.00%	11 December 2007	F
Brno Estates a.s.	CZ	Prague	2,000,000.00	CZK	100.00%	28 February 2007	F
Bucharest Corporate Center s.r.l.	RO	Bucharest	8,068,929.00	RON	100.00%	22 March 2006	F
Bulgarian Circuses and Fun-Fair OOD	BG	Sofia	100.00	BGN	49.00%	12 November 2007	E
Bulreal EAD	BG	Sofia	500.00	BGN	49.00%	12 November 2007	E
Business Park Beteiligungs GmbH	AT	Vienna	72.67	EUR	100.00%	31 May 1997	F
Business Park West-Sofia EAD	BG	Sofia	500.00	BGN	100.00%	12 December 2006	F
BUWOG – Berlin GmbH	AT	Vienna	35.00	EUR	100.00%	24 March 2010	F
BUWOG – Deutschland GmbH	AT	Vienna	35.00	EUR	100.00%	22 February 2010	F
BUWOG – Facility Management GmbH	AT	Vienna	35.00	EUR	100.00%	24 August 2009	F
BUWOG Bauen und Wohnen Gesellschaft mbH	AT	Vienna	18,894,937.00	EUR	100.00%	01 October 2004	F
BUWOG CEE GmbH	AT	Vienna	35.00	EUR	100.00%	01 October 2004	F
BUWOG Immobilien Beteiligungs GmbH & Co KG	AT	Vienna	10.00	EUR	94.00%	12 May 2010	F
BUWOG Projektentwicklungs-. Service- und Dienstleistungs GmbH	AT	Vienna	73.00	EUR	100.00%	01 October 2004	F
BUWOG Slovakia s.r.o.	SK	Bratislava	232.36	EUR	100.00%	08 September 2007	F
BUWON s.r.o.	SK	Bratislava	5.00	EUR	50.00%	01 August 2008	P
C.A.P. Immobilienprojektentwicklungs- und Beteiligungs Aktiengesellschaft	AT	Vienna	0.00	EUR	50.00%	25 August 2010	E
C.E. Immobilienprojekte und Beteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
C.E. Management GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
C.E.PD. Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	31 August 2005	F
C.I.M. Beteiligungen 1998 GmbH	AT	Vienna	0.00	EUR	33.00%	25 August 2010	E
C.I.M. Unternehmensbeteiligungs- und Anlagenvermietungs GmbH	AT	Vienna	0.00	EUR	33.00%	25 August 2010	E
C.I.M. Verwaltung und Beteiligungen 1999 GmbH	AT	Vienna	0.00	EUR	33.00%	25 August 2010	E
Campus Budapest Bt.	HU	Budapest	1,403,000,000.00	HUF	74.96%	31 December 2002	F

Company	Country	Head-quarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Capri Trade s.r.l.	RO	Bucharest	200.00	RON	100.00%	10 February 2006	F
Caterata Limited	CY	Nicosia	1.00	EUR	50.00%	15 April 2008	P
CBB-L Beta Beteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CBB-L Jota Beteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CBB-L Realitäten Beteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Center Invest Bcsaba Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	14 July 2009	F
Center Invest DEB Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	30 June 2008	F
Center Invest Gödöll Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	01 June 2010	F
Center Invest International Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	31 January 2008	F
Center Invest Keszt Kft.	HU	Budapest	6,000,000.00	HUF	100.00%	24 February 2010	F
Center Invest Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	02 June 2005	F
Center Invest Nkanizsa Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	09 January 2009	F
Central Bud Sp. z o. o.	PL	Warsaw	50.00	PLN	100.00%	09 December 2004	F
Central Business Center Kft.	HU	Budapest	172,042,584.00	HUF	100.00%	15 January 2007	F
Centre Investments s.r.o.	CZ	Prague	100.00	CZK	100.00%	28 February 2007	F
Centrum Opatov a.s.	CZ	Prague	2,000,000.00	CZK	100.00%	22 September 2006	F
CEREP Poseidon A7 SAS	IT	Mestre	10.00	EUR	50.00%	17 November 2004	P
CEREP Poseidon A9 Srl	IT	Mestre	10.00	EUR	50.00%	01 May 2005	P
Cernica Residential Park SRL	RO	Bucharest	200.00	RON	15.00%	15 April 2008	E
CFE Immobilienentwicklungs GmbH	AT	Vienna	0.00	EUR	50.00%	25 August 2010	P
CGS Gamma Immobilien Vermietung GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CHB Immobilienholding GmbH	AT	Vienna	0.00	EUR	100.00%	05 March 2010	F
CHB Immobilienholding GmbH & Co. KG	DE	Frankfurt	5.00	EUR	100.00%	09 November 2004	F
Chronos Immobilien GmbH	AT	Vienna	35.00	EUR	100.00%	07 July 2010	F
C-I-D RealEstate GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
Cirrus Real Sp. z o.o.	PL	Warsaw	50.00	PLN	51.00%	28 August 2006	P
City Box Amsterdam Zuid B.V.	NL	Amsterdam	1,000,000.00	EUR	95.01%	02 November 2007	F
City Box Eindhoven Centrum B.V.	NL	Amsterdam	90.00	EUR	95.01%	30 November 2007	F
City Box Exploitatie I B.V.	NL	Amsterdam	78.75	EUR	95.01%	30 April 2007	F
City Box Exploitatie II B.V.	NL	Amsterdam	90.00	EUR	95.01%	30 April 2007	F
City Box Holding B.V.	NL	Amsterdam	45.38	EUR	95.01%	30 April 2007	F
City Box Local B.V.	NL	Amsterdam	90.00	EUR	95.01%	30 April 2007	F
City Box Properties B.V.	NL	Amsterdam	90.76	EUR	95.01%	30 April 2007	F
City Box Rijswijk B.V.	NL	Amsterdam	90.00	EUR	95.01%	02 November 2007	F
City Tower Vienna Errichtungs- und Vermietungs-GmbH	AT	Vienna	35.00	EUR	100.00%	22 December 2000	F
Confidential Business SRL	RO	Bucharest	200.00	RON	25.00%	15 April 2008	P
Constantia Beteiligungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CONSTANTIA Immobilienvermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Constantia Treuhand und Vermögensverwaltungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Constari Liegenschaftsvermietungs-gesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Contips Limited	CY	Nicosia	1.00	EUR	100.00%	24 January 2008	F
Cora GS s.r.l.	RO	Bucharest	300.00	RON	100.00%	25 July 2005	F
CP Dubnica s.r.o.	SK	Bratislava	200.00	EUR	50.00%	25 January 2008	P

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
CPB Advisory GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB ALPHA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Anlagen Leasing Gesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB BETA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Beteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Corporate Finance Consulting GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB DELTA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB DREI Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB EINS Anlagen Leasing GmbH in Liqu.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Enterprise GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB EPSILON Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB GAMMA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Gesellschaft für Unternehmensbeteiligungen m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Grundstücks und Mobilien Vermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Hepta Anlagen Leasing GmbH (vormals S+B Delta Immobilienprojektentwicklung GmbH)	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Immobilien und Mobilien Vermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Investitionsgüter Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB JOTA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB KAPPA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Lease and Finance Company Limited	GB	Guernsey	0.00	EUR	99.00%	25 August 2010	F
CPB Maschinen Leasing Gesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Mobilien Leasing Gesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB OMIKRON Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Pegai Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB PRIMA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Real Estate Consult s.r.l.	RO	Ilfov	0.00	RON	100.00%	15 October 2010	F
CPB Realitäten und Mobilien Vermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB TERTIA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPBE Clearing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Credo Immobilien Development GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
CREDO Real Estate GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
Dalerise Limited	CY	Nicosia	2.00	EUR	100.00%	23 April 2008	F
Dapply Trading Ltd.	CY	Nicosia	3.00	EUR	100.00%	07 April 2008	F
Debowe Tarasy Sp. z o.o.	PL	Warsaw	50.00	PLN	70.00%	21 November 2006	P
Debowe Tarasy Sp. z o.o. II sp.k.	PL	Katowice	1,860,239.00	PLN	70.00%	05 January 2007	P
Debowe Tarasy Sp. z o.o. III sp.k.	PL	Katowice	1,861,085.00	PLN	70.00%	05 January 2007	P
Debowe Tarasy Sp. z o.o. IV sp.k.	PL	Katowice	1,900,535.00	PLN	70.00%	05 January 2007	P
Decima Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	27 May 2010	F
Deutsche Lagerhaus Beteiligungs GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	16 May 2006	F
Deutsche Lagerhaus Bönen GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Deutsche Lagerhaus Bremen I GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	31 March 2006	F
Deutsche Lagerhaus Dormagen GmbH u. Co KG	DE	Mülheim	150.00	EUR	94.80%	05 November 2008	F
Deutsche Lagerhaus dreiundzwanzigste Objekt GmbH & Co KG	DE	Mülheim	500.00	EUR	100.00%	23 August 2007	F
Deutsche Lagerhaus Düsseldorf GmbH u. Co KG	DE	Mülheim	100.00	EUR	94.80%	05 November 2008	F
Deutsche Lagerhaus einundzwanzigste Objekt GmbH & Co KG	DE	Mülheim	500.00	EUR	100.00%	23 August 2007	F
Deutsche Lagerhaus Essen GmbH u. Co KG	DE	Mülheim	150.00	EUR	94.80%	05 November 2008	F
Deutsche Lagerhaus Freystadt GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F
Deutsche Lagerhaus GmbH u. Co KG	DE	Mülheim	24,030,000.00	EUR	100.00%	30 November 2005	F
Deutsche Lagerhaus Groß-Gerau GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F
Deutsche Lagerhaus Hamburg I GmbH u. Co KG	DE	Mülheim	250.00	EUR	100.00%	15 November 2006	F
Deutsche Lagerhaus Hamm GmbH u. Co KG	DE	Mülheim	150.00	EUR	94.80%	05 November 2008	F
Deutsche Lagerhaus Heusenstamm GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	16 May 2006	F
Deutsche Lagerhaus International GmbH	DE	Mülheim	1,000,000.00	EUR	100.00%	31 March 2007	F
Deutsche Lagerhaus Kirchheim GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F
Deutsche Lagerhaus Minden GmbH u. Co KG	DE	Mülheim	150.00	EUR	94.80%	05 November 2008	F
Deutsche Lagerhaus neunzehnte Objekt GmbH & Co KG	DE	Mülheim	500.00	EUR	100.00%	23 August 2007	F
Deutsche Lagerhaus Neuss GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	16 May 2006	F
Deutsche Lagerhaus Niederaula GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	16 May 2006	F
Deutsche Lagerhaus Nürnberg I GmbH u. Co KG	DE	Mülheim	150.00	EUR	94.80%	05 November 2008	F
Deutsche Lagerhaus Nürnberg II GmbH & Co. KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F
Deutsche Lagerhaus Oberhausen GmbH u. Co KG	DE	Mülheim	150.00	EUR	94.80%	05 November 2008	F
Deutsche Lagerhaus Poing GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F
Deutsche Lagerhaus Service GmbH	DE	Mülheim	25.00	EUR	100.00%	12 July 2007	F
Deutsche Lagerhaus Willich GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F
Deutsche Lagerhaus zwanzigste Objekt GmbH & Co KG	DE	Mülheim	500.00	EUR	100.00%	23 August 2007	F
Deutsche Lagerhaus zweiundzwanzigste Objekt GmbH & Co KG	DE	Mülheim	500.00	EUR	100.00%	23 August 2007	F
DH Logistik Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	01 November 2005	F
Diamant Real spol. s.r.o.	CZ	Prague	100.00	CZK	51.00%	31 October 2006	P
Dionysos Immobilien GmbH	AT	Vienna	35.00	EUR	100.00%	07 July 2010	F
Duist Holdings Ltd.	CY	Nicosia	2.00	EUR	100.00%	06 June 2008	F
E+W Vermögensverwaltungsgesellschaft m.b.H. – in Liquidation	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Ebulliente Holdings Ltd	CY	Nicosia	2.00	EUR	100.00%	28 February 2008	F

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
ECE Einkaufs-Centrum Kapfenberg Gesellschaft m.b.H.	AT	Vienna	0.00	EUR	50.00%	25 August 2010	P
ECE Shoppingcenter Projektentwicklungs- und Management GmbH	AT	Vienna	35.00	EUR	50.00%	16 February 1999	P
EFSP Immobilienentwicklung GmbH	AT	Vienna	35.00	EUR	100.00%	11 April 2006	F
EHL Asset Management GmbH	AT	Vienna	0.00	EUR	49.00%	18 February 2011	E
EHL Immobilien GmbH	AT	Vienna	0.00	EUR	49.00%	18 February 2011	E
EHL Investment Consulting GmbH	AT	Vienna	0.00	EUR	49.00%	18 February 2011	E
EHL Real Estate Czech Republic S.R.O.	CZ	Prague	0.00	CZK	49.00%	18 February 2011	E
EHL Real Estate Hungary Fft.	HU	Budapest	0.00	HUF	49.00%	18 February 2011	E
EHL Real Estate Poland SPZ O.O.	PL	Warsaw	0.00	PLN	49.00%	18 February 2011	E
EHL Real Estate Romania S.R.L.	RO	Bucharest	0.00	RON	49.00%	18 February 2011	E
EHL Real Estate Slovakia S.R.O.	SK	Bratislava	0.00	EUR	49.00%	18 February 2011	E
ELCO Sp. z o.o.	PL	Katowice	50.00	PLN	100.00%	31 December 2005	F
Emolu Trading Ltd.	CY	Nicosia	2.00	EUR	100.00%	18 March 2008	F
Eos Immobilien GmbH	AT	Vienna	35.00	EUR	100.00%	07 July 2010	F
Ephesus Gayrimenkul Yatirim A.S.	TR	Istanbul	50.00	TRY	33.33%	25 September 2007	E
Equator Real Sp. z o.o.	PL	Warsaw	50.00	PLN	51.00%	28 August 2006	P
ESCENDO Liegenschaftshandels-gesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
ESCENDO Liegenschaftshandels-gesellschaft m.b.H. & Co KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
ESG Beteiligungs GmbH	AT	Vienna	35.00	EUR	100.00%	17 September 2005	F
ESG Wohnungsgesellschaft mbH Villach	AT	Villach	5,087,098.00	EUR	99.98%	01 October 2004	F
EURL DU LOGISTIQUES NICE	FR	Paris	2,599,300.00	EUR	100.00%	16 September 2009	F
Euro Businesspark Kft.	HU	Budapest	372,970,000.00	HUF	100.00%	14 November 2005	F
Europa City Box B.V.	NL	Amsterdam	90.13	EUR	95.01%	30 April 2007	F
EXIT 100 Projektentwicklungs GmbH	AT	Vienna	0.00	EUR	70.00%	22 December 2010	F
Eye Shop Targu Jiu s.r.l.	RO	Bucharest	200.00	RON	100.00%	19 February 2007	F
Fawna Limited	CY	Limassol	1.00	EUR	50.00%	15 September 2008	P
Final Management s.r.o.	CZ	Prague	200.00	CZK	91.00%	08 April 2008	F
Flex Invest Sp. z o.o.	PL	Warsaw	51.00	PLN	100.00%	30 April 2005	F
Flureca Trading Ltd	CY	Nicosia	2.00	EUR	100.00%	26 March 2010	F
FMZ Baia Mare Imobiliara s.r.l.	RO	Bucharest	1.00	RON	100.00%	03 May 2007	F
FMZ Gydinia Sp.z.o.o.	PL	Warsaw	0.00	PLN	40.00%	22 December 2010	E
FMZ Lublin Sp.z.o.o.	PL	Warsaw	0.00	PLN	30.00%	22 December 2010	E
FMZ Rosental Betriebs GmbH	AT	Vienna	35.00	EUR	80.00%	13 August 2004	F
FMZ Sosnowiec Sp.z.o.o.	PL	Warsaw	0.00	PLN	45.00%	22 December 2010	E
FRANKONIA Eurobau Andreasquartier GmbH	DE	Nettetal	25.00	EUR	50.00%	07 March 2007	P
Frankonia Eurobau Buwog Bielniki Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	06 March 2008	P
FRANKONIA Eurobau DUS Plaza GmbH	DE	Nettetal	25.00	EUR	50.00%	20 September 2007	P
FRANKONIA Eurobau Friesenquartier GmbH	DE	Nettetal	25.00	EUR	50.00%	20 December 2006	P
FRANKONIA Eurobau Friesenquartier II GmbH	DE	Nettetal	25.00	EUR	50.00%	20 December 2006	P
FRANKONIA Eurobau Königskinder GmbH	DE	Nettetal	25.00	EUR	50.00%	19 September 2006	P
Freeze 1 Development s.r.l.	RO	Bucharest	1.00	RON	100.00%	19 February 2008	F

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Frescura Investments B.V.	NL	Amsterdam	90.00	EUR	100.00%	06 August 2007	F
FUTUR-IMMOBILIEN GmbH	AT	Vienna	73.00	EUR	100.00%	01 May 2003	F
GAIA Real Estate Investments S.A.	LU	Luxembourg	35,031,000.00	EUR	33.33%	30 July 2007	E
Gangaw Investments Limited	CY	Nicosia	1,708.60	EUR	50.00%	30 October 2006	P
Geiselbergstraße 30–32 Immobilienbewirtschaftungsgesellschaft m.b.H.	AT	Vienna	35.00	EUR	100.00%	01 May 2004	F
Gendana Ventures Ltd.	CY	Larnaca	1.00	EUR	100.00%	22 June 2007	F
Global Trust s.r.l.	RO	Bucharest	2.03	RON	100.00%	01 January 2005	F
Globe 13 Kft.	HU	Budapest	50,000,000.00	HUF	100.00%	01 August 2002	F
Globe 3 Ingatlanfejlesztő Kft.	HU	Budapest	561,000,000.00	HUF	100.00%	13 July 2004	F
Gordon Invest Kft.	HU	Budapest	583,000,000.00	HUF	100.00%	06 August 2004	F
Gordon Invest Netherlands B.V.	NL	Amsterdam	90.00	EUR	100.00%	22 February 2007	F
Grand Centar d.o.o.	HR	Zagreb	20.00	HRK	100.00%	30 November 2006	F
Graviscalar Limited	CY	Nicosia	1.00	EUR	100.00%	02 November 2007	F
Greenfield Logistikpark Schwerte GmbH & Co. KG	DE	Düsseldorf	500.00	EUR	90.00%	12 February 2008	F
Greenfield Logistikpark Süd GmbH & Co. KG	DE	Düsseldorf	500.00	EUR	90.00%	12 February 2008	F
Greenfield Logistikpark West GmbH & Co. KG	DE	Düsseldorf	500.00	EUR	90.00%	03 December 2007	F
Hadimköy Gayrimenkul Yatırım A.S.	TR	Istanbul	50.00	TRY	33.33%	25 September 2007	E
Haller Kert Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	23 July 2008	F
Harborside Imobiliara s.r.l.	RO	Bucharest	1.00	RON	75.00%	11 May 2005	F
Hekuba SA	LU	Luxembourg	31.00	EUR	33.33%	28 March 2007	E
Heller Fabrik' Liegenschaftsverwertungs GmbH	AT	Vienna	72.00	EUR	100.00%	01 October 2004	F
HEPP III Luxembourg MBP SARL	LU	Luxembourg	1,000,000.00	EUR	50.00%	01 November 2006	P
Herva Ltd.	CY	Nicosia	2.00	EUR	100.00%	11 February 2008	F
HL Bauprojekt GesmbH	AT	Vienna	36.34	EUR	100.00%	01 May 2001	F
HM 7 Liegenschaftsvermietungsgesellschaft m.b.H.	AT	Vienna	5,087,098.00	EUR	80.00%	20 May 2005	F
I&I Real Estate Asset Management GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IA Holding 1 Kft.	HU	Budapest	2,183,000,000.00	HUF	100.00%	13 July 2005	F
IE Equuleus NL B.V.	NL	Amsterdam	90.00	EUR	100.00%	18 June 2007	F
I-E Immoeast Real Estate GmbH	AT	Vienna	35.00	EUR	100.00%	30 April 2004	F
IE Narbal NL B.V.	NL	Amsterdam	90.00	EUR	100.00%	27 July 2007	F
I-E-H Holding GmbH	AT	Vienna	35.00	EUR	100.00%	15 February 2005	F
I-E-H Immoeast Holding GmbH	AT	Vienna	35.00	EUR	100.00%	18 September 2004	F
IM Slovensko s.r.o. v likvidácii	SK	Bratislava	5.00	EUR	100.00%	12 September 2008	F
IMAK CEE N.V.	NL	Amsterdam	45.00	EUR	100.00%	18 February 2005	F
IMAK Finance B.V.	NL	Amsterdam	90.00	EUR	100.00%	30 April 2005	F
IMBEA Immoeast Beteiligungsverwaltung GmbH	AT	Vienna	70.00	EUR	100.00%	02 December 2009	F
IMF Deutschland GmbH	DE	Frankfurt	25.00	EUR	100.00%	31 January 2004	F
IMF Holdings LLC	US	Wilmington	17,210,622.00	USD	73.33%	17 July 2002	F
IMF Investments 105 LP	US	Houston	5,000,000.00	USD	90.00%	08 June 2005	P

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
IMF Investments 106 LP	US	Houston	0.00	USD	90.00%	29 September 2006	P
IMF Investments 107 LP	US	Houston	0.00	USD	90.00%	22 October 2007	P
IMF Investments 205 LP	US	Houston	7,000,000.00	USD	90.00%	09 September 2005	P
IMF Investments 307 LP	US	Houston	12.00	USD	90.00%	01 May 2008	P
IMF Königskinder GmbH	DE	Frankfurt	25.00	EUR	100.00%	01 September 2006	F
IMF Lagerhaus GmbH	DE	Frankfurt	25.00	EUR	100.00%	30 November 2005	F
IMF PRIMA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMF QUARTA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMF SECUNDA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMF Solo Investments LLC	US	Wilmington	1.00	USD	100.00%	28 April 2010	F
IMF Warenhaus Vermietungs GmbH	DE	Frankfurt	25.00	EUR	100.00%	21 April 2006	F
IMMOASIA Beteiligungs GmbH	AT	Vienna	35.00	EUR	100.00%	01 March 2005	F
IMMOASIA IMMOBILIEN ANLAGEN GmbH	AT	Vienna	35.00	EUR	100.00%	28 December 2004	F
Immobilien Delta Immobilienvermietungs-gesellschaft m.b.H. – in Liquidation	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immobilien Epsilon Immobilienvermietungs-ges.m.b.H. – in Liquidation	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immobilien Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOBILIA Immobilienhandels GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOBILIA Immobilienhandels GmbH & Co KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immobilien L Liegenschafts Vermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immobilien L Liegenschafts Vermietungs GmbH & Co Bischoffgasse 14/ Rosasgasse 30 KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immobilien L Liegenschafts Vermietungs GmbH & Co Viriotgasse 4 KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOEAST Acquisition & Management GmbH	AT	Vienna	35.00	EUR	100.00%	21 April 2005	F
IMMOEAST ALLEGRO Beteiligungs GmbH	AT	Vienna	35.00	EUR	100.00%	28 June 2005	F
Immoeast Baneasa Airport Tower srl	RO	Bucharest	37.00	RON	100.00%	30 March 2006	F
IMMOEAST Beteiligungs GmbH	AT	Vienna	35.00	EUR	100.00%	22 August 2001	F
IMMOEAST Bulgaria 1 EOOD	BG	Sofia	5.00	BGN	100.00%	17 April 2006	F
Immoeast Cassiopeia Financing Holding Ltd.	CY	Nicosia	1,708.60	EUR	100.00%	31 January 2005	F
IMMOEAST Despina I B.V.	NL	Amsterdam	90.00	EUR	100.00%	09 October 2006	F
IMMOEAST Despina II B.V.	NL	Amsterdam	90.00	EUR	100.00%	09 October 2006	F
IMMOEAST Despina III B.V.	NL	Amsterdam	90.00	EUR	100.00%	09 October 2006	F
IMMOEAST Despina IV B.V.	NL	Amsterdam	31.77	EUR	100.00%	09 October 2006	F
IMMOEAST Despina V B.V.	NL	Amsterdam	31.77	EUR	100.00%	09 October 2006	F
Immoeast Dunaj s.r.o.	SK	Bratislava	6,638.78	EUR	100.00%	14 June 2006	F
IMMOEAST HRE Investment dwa Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	28 December 2005	F
IMMOEAST Immobilien GmbH	AT	Vienna	35.00	EUR	100.00%	07 October 2009	F
IMMOEAST Iride IV Project s.r.l.	RO	Bucharest	200.00	RON	100.00%	01 March 2007	F

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
IMMOEAST Netherlands II B.V.	NL	Amsterdam	93.75	EUR	100.00%	02 July 2007	F
IMMOEAST Polonia Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	06 September 2006	F
IMMOEAST Presto Beteiligungs GmbH	AT	Vienna	35.00	EUR	100.00%	31 March 2006	F
IMMOEAST Projekt Abdallo Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Almansor Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Almaria Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Alpha Holding GmbH	AT	Vienna	35.00	EUR	100.00%	31 May 2005	F
IMMOEAST Projekt Amfortas Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Andromache Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Annius Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Arbaces Holding GmbH	AT	Vienna	35.00	EUR	100.00%	11 April 2006	F
IMMOEAST Projekt Aries Holding GmbH	AT	Vienna	35.00	EUR	100.00%	31 January 2006	F
IMMOEAST Projekt Babekan Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Barbarina Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Beta Holding GmbH	AT	Vienna	35.00	EUR	100.00%	04 June 2005	F
IMMOEAST Projekt Caelum Holding GmbH	AT	Vienna	35.00	EUR	100.00%	17 February 2006	F
IMMOEAST Projekt Cassiopeia Holding GmbH	AT	Vienna	35.00	EUR	100.00%	09 March 2006	F
Immoeast Projekt Centesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Cepheus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	09 March 2006	F
IMMOEAST Projekt CheRURino Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Chorebe Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Cimarosa Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Cinna Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Cirinus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	09 March 2006	F
IMMOEAST Projekt Curzio Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Cygnus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Decimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Delta Holding GmbH	AT	Vienna	35.00	EUR	100.00%	08 July 2005	F
IMMOEAST Projekt Despina Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Dorabella Holding GmbH	AT	Vienna	35.00	EUR	100.00%	08 April 2006	F
IMMOEAST Projekt Ducentesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Duodecimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Epsilon Holding GmbH	AT	Vienna	35.00	EUR	100.00%	08 July 2005	F
IMMOEAST Projekt Equuleus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	12 April 2006	F

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
IMMOEAST Projekt Eridanus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	12 April 2006	F
IMMOEAST Projekt Fenena Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Gamma Holding GmbH	AT	Vienna	35.00	EUR	100.00%	02 July 2005	F
IMMOEAST Projekt Hekuba Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Hion Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Hydrus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Hylas Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Idamantes Holding GmbH	AT	Vienna	35.00	EUR	100.00%	08 April 2006	F
IMMOEAST Projekt Investment jeden Sp.z o.o.	PL	Warsaw	50.00	PLN	100.00%	28 December 2005	F
IMMOEAST Projekt Jota Holding GmbH	AT	Vienna	35.00	EUR	100.00%	20 December 2005	F
IMMOEAST Projekt Kappa Holding GmbH	AT	Vienna	35.00	EUR	100.00%	20 December 2005	F
IMMOEAST Projekt Lambda Holding GmbH	AT	Vienna	35.00	EUR	100.00%	16 November 2005	F
IMMOEAST Projekt Marcellina Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Masetto Holding GmbH	AT	Vienna	35.00	EUR	100.00%	11 April 2006	F
IMMOEAST Projekt Montano Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Moskau Holding GmbH	AT	Vienna	35.00	EUR	100.00%	08 December 2004	F
IMMOEAST Projekt Narbal Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
Immoeast Projekt Nonagesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Nonus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Octavus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
Immoeast Projekt Octogesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Omega Holding GmbH	AT	Vienna	35.00	EUR	100.00%	05 January 2006	F
IMMOEAST Projekt Pantheus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Polyxene Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Quadragesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Quartus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Quindecimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Radames Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Rezia Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Roschana Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Sarastro Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Secundus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Semos Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
IMMOEAST Projekt Septendecimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Septimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Sexagesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Sextus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Sita Holding GmbH	AT	Vienna	35.00	EUR	100.00%	04 January 2006	F
IMMOEAST Projekt Tertius Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Titania Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Titurel Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 August 2006	F
IMMOEAST Projekt Trecenti Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Tredecimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Vicesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Zerlina Holding GmbH	AT	Vienna	35.00	EUR	100.00%	08 April 2006	F
IMMOEAST Silesia Holding Ltd.	CY	Nicosia	38,541,316.15	EUR	100.00%	29 October 2004	F
IMMOEAST Slovakia s.r.o.	SK	Bratislava	6,638.77	EUR	100.00%	21 July 2005	F
Immofinanz Acquisition and Finance Consulting GmbH	AT	Vienna	35.00	EUR	100.00%	15 October 2010	F
Immofinanz Advice GmbH	AT	Vienna	35.00	EUR	100.00%	15 October 2010	F
IMMOFINANZ AG	AT	Vienna	464,608,844.72	EUR	100.00%		F
IMMOFINANZ Aleos Anlagen Leasing GmbH	AT	Vienna	36.34	EUR	100.00%	01 May 2001	F
IMMOFINANZ ALPHA Immobilien Vermietungsgesellschaft m.b.H.	AT	Vienna	72.67	EUR	100.00%	30 April 1994	F
IMMOFINANZ Artemis Immobilien Vermietung GmbH	AT	Vienna	726.73	EUR	100.00%	30 April 1996	F
Immofinanz Beta Liegenschaftsvermietungs-gesellschaft m.b.H.	AT	Vienna	0.00	EUR	98.00%	25 August 2010	F
IMMOFINANZ BETEILIGUNGS GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immofinanz Corporate Finance Consulting GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
IMMOFINANZ Demophon Immobilienvermietungs GmbH	AT	Vienna	35.00	EUR	100.00%	29 June 2005	F
IMMOFINANZ Enodia Realitäten Vermietungs GmbH	AT	Vienna	36.34	EUR	100.00%	01 October 2001	F
IMMOFINANZ Enodia Realitäten Vermietungs GmbH & Co OG	AT	Vienna	1.00	EUR	100.00%	22 April 2005	F
Immofinanz Epsilon Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ Finance BV	NL	Amsterdam	18.00	EUR	100.00%	30 April 2006	F
Immofinanz Gamma Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	36.34	EUR	100.00%	01 May 2000	F
Immofinanz Gesellschaft für Unternehmensbeteiligungen GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immofinanz Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ Hungária Harmadik Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	20 February 2004	F
IMMOFINANZ IMMOBILIEN ANLAGEN Schweiz AG	CH	Luterbach	9,300,000.00	CHF	100.00%	25 January 2005	F
IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	AT	Vienna	2,180,185.00	EUR	100.00%	30 April 1994	F

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
IMMOFINANZ Ismene Immobilien Vermietungs-Gesellschaft m.b.H.	AT	Vienna	36.34	EUR	100.00%	30 April 2000	F
IMMOFINANZ JOTA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ KAPPA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ LAMBDA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immofinanz Liegenschaftsverwaltungs- und Beteiligungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ Metis Anlagen Leasing GmbH	AT	Vienna	36.34	EUR	100.00%	30 April 1998	F
IMMOFINANZ MONTAIGNE Liegenschaftsvermietungs GmbH	AT	Vienna	35.00	EUR	100.00%	19 June 2008	F
IMMOFINANZ OMEGA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ OMIKRON Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ Phoenix LLC	US	Scottsdale	0.00	USD	100.00%	08 February 2007	F
Immofinanz Polska Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	31 March 2004	F
IMMOFINANZ Services Czech Republic. s.r.o.	CZ	Prague	0.00	CZK	100.00%	15 October 2010	F
IMMOFINANZ SERVICES HUNGARY Kft.	HU	Budapest	0.00	HUF	100.00%	15 October 2010	F
Immofinanz Services Poland	PL	Warsaw	0.00	PLN	100.00%	15 October 2010	F
IMMOFINANZ Services Slovak Republic. s.r.o.	SK	Bratislava	0.00	EUR	100.00%	15 October 2010	F
IMMOFINANZ SIGMA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immofinanz Sita Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immofinanz TCT Liegenschaftsverwertungs GmbH	AT	Vienna	1,500,000.00	EUR	100.00%	01 November 2004	F
IMMOFINANZ USA REAL ESTATE Inc. II	US	Wilmington	10.00	USD	100.00%	17 November 2005	F
IMMOFINANZ USA. Inc.	US	Wilmington	10.00	USD	100.00%	08 August 2001	F
Immofinanz Zeta Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immofinanz zwei Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
IMMOKRON Immobilienbetriebsgesellschaft m.b.H.	AT	Vienna	36.34	EUR	80.00%	31 October 2003	F
ImmoPoland Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	20 January 2005	F
IMMOWEST Beteiligungs GmbH	AT	Vienna	35.00	EUR	100.00%	22 August 2001	F
Immowest Betriebsvorrichtungen GmbH	DE	Frankfurt	25.00	EUR	100.00%	25 August 2008	F
IMMOWEST IMMOBILIEN ANLAGEN GMBH	AT	Vienna	72.67	EUR	100.00%	30 April 2000	F
Immowest Lux I S.à.r.l.	LU	Esch-sur-Alzette	12.50	EUR	100.00%	27 February 2007	F
Immowest Lux II S.à.r.l.	LU	Esch-sur-Alzette	12.50	EUR	100.00%	27 February 2007	F
IMMOWEST Lux III S.à.r.l.	LU	Esch-sur-Alzette	12.50	EUR	100.00%	02 July 2007	F

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Immowest Lux IV S.à.r.l.	LU	Luxembourg	12.50	EUR	100.00%	24 April 2008	F
Immowest Lux V S.à.r.l.	LU	Esch-sur-Alzette	12.50	EUR	100.00%	29 May 2008	F
Immowest Lux VI S.à.r.l.	LU	Esch-sur-Alzette	12.50	EUR	100.00%	29 May 2008	F
Immowest Lux VII S.à.r.l.	LU	Esch-sur-Alzette	12.50	EUR	100.00%	29 May 2008	F
Immowest Lux VIII Sarl	LU	Esch-sur-Alzette	12.50	EUR	100.00%	22 March 2007	F
Immowest Netherland I B.V.	NL	Amsterdam	79.41	EUR	100.00%	10 July 2007	F
IMMOWEST OVERSEAS REAL ESTATE GmbH	AT	Vienna	35.00	EUR	100.00%	31 January 2004	F
Immowest Primus GmbH	DE	Frankfurt	25.00	EUR	100.00%	25 August 2008	F
IMMOWEST PROMTUS Holding GmbH	AT	Vienna	35.00	EUR	100.00%	14 July 2005	F
Immowest Spandau 1 GmbH & Co. KG	DE	Frankfurt	100.00	EUR	100.00%	25 August 2008	F
Immowest Spandau 2 GmbH & Co. KG	DE	Frankfurt	100.00	EUR	100.00%	25 August 2008	F
Immowest Spandau 3 GmbH & Co. KG	DE	Frankfurt	100.00	EUR	100.00%	25 August 2008	F
Immowest Spandau Primus GmbH	DE	Frankfurt	25.00	EUR	100.00%	25 August 2008	F
IMMOWEST Storage Holding B.V.	NL	Amsterdam	100.00	EUR	95.01%	28 February 2007	F
IMMOWEST Storage Holding GmbH	AT	Vienna	35.00	EUR	100.00%	26 October 2007	F
Infinitas ProjektentwicklungsgesmbH	AT	Vienna	35.00	EUR	100.00%	01 November 2002	F
INFRA 1 Grundstückverwaltungs-Gesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Interbüro Tervező. Kivitelező és Üzemeltető Kft.	HU	Budapest	0.00	HUF	32.50%	25 August 2010	E
Interoffice Irodaépület Kft.	HU	Budapest	0.00	HUF	50.00%	25 August 2010	E
IO-1 Building Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	09 December 2004	F
IP1 Liegenschaftsverwaltungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IP1 Liegenschaftsverwaltungsgesellschaft m.b.H. & Co. Alpha KG in Liquidation	AT	Vienna	0.00	EUR	68.71%	25 August 2010	F
Ipari Park Körmend Kft	HU	Budapest	0.00	HUF	100.00%	25 August 2010	F
Irascob Holdings Ltd.	CY	Nicosia	2.00	EUR	100.00%	07 April 2008	F
IRES Sp.z.o.o.	PL	Warsaw	0.00	PLN	85.00%	22 December 2010	F
IRIDE S.A.	RO	Bucharest	1,668.32	RON	100.00%	13 May 2004	F
Itteslak Trading Ltd	CY	Nicosia	0.00	EUR	100.00%	15 December 2010	F
IWD IMMOWEST Immobilienholding GmbH	AT	Vienna	35.00	EUR	100.00%	06 November 2004	F
J.H. Prague a.s.	CZ	Prague	2,000,000.00	CZK	100.00%	09 December 2005	F
JUNGMANNOVA ESTATES a.s.	CZ	Prague	2,000,000.00	CZK	100.00%	09 December 2005	F
Kibiq Ltd	CY	Nicosia	2.00	EUR	100.00%	03 November 2008	F
Kilyos Gayrimenkul Yatirim A.S.	TR	Istanbul	10,718,646.00	TRY	33.33%	29 August 2007	E
Klyos Media s.r.l.	RO	Bucharest	200.00	RON	100.00%	04 August 2006	F
Koral Residence EAD	BG	Sofia	400.00	BGN	100.00%	23 June 2006	F
Lasuvu Consultants Ltd.	CY	Nicosia	3,418.60	EUR	100.00%	06 March 2007	F
LeasCon Anlagen Leasing und Beteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
LeasCon Gesellschaft für Unternehmensbeteiligungen GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
LeasCon Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
LeasCon Maschinen Leasing und Handels GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
LeasCon Mobilien Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Lentia Real (1) Kft.	HU	Budapest	227,000,000.00	HUF	100.00%	24 February 2004	F
Leretonar Ltd	CY	Nicosia	2.00	EUR	100.00%	03 November 2008	F
Les Bains de St. Moritz Holding AG	CH	St. Moritz	200.00	CHF	100.00%	31 December 2001	F
Leurax Consultants Ltd	CY	Nicosia	2.00	EUR	100.00%	03 November 2008	F
Leutselinge Ltd	CY	Nicosia	2.00	EUR	100.00%	28 February 2008	F
Lifestyle Logistik II s.r.o.	SK	Bratislava	200.00	EUR	100.00%	06 December 2007	F
Lifestyle Logistik s.r.o.	SK	Bratislava	200.00	EUR	100.00%	29 August 2007	F
Log Center Brasov s.r.l.	RO	Bucharest	200.00	RON	100.00%	19 February 2007	F
Log Center Ploiesti s.r.l.	RO	Bucharest	200.00	RON	100.00%	19 February 2007	F
Log Center Sibiu s.r.l.	RO	Sibiu	200.00	RON	100.00%	17 March 2008	F
Logistic Contractor s.r.l.	RO	Ilfov	200.00	RON	100.00%	18 December 2006	F
Logistikpark Lahr GmbH u. Co KG	DE	Düsseldorf	50.00	EUR	100.00%	01 February 2007	F
Lonaretia Consultants Ltd	CY	Nicosia	2.00	EUR	100.00%	26 March 2010	F
Loundaumcy Investments Ltd	CY	Nicosia	2.00	EUR	100.00%	29 October 2008	F
LUB Leasing- und Unternehmensbeteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
LZB Bülach AG	CH	Bülach	8,000,000.00	CHF	100.00%	22 January 2007	F
Maalkaf BV	NL	Amsterdam	90.00	EUR	100.00%	20 February 2008	F
Mandelgasse 31 Vermietungsgesellschaft m.b.H. - in Liquidation	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Manisa Cidersan Gayrimenkul Yatirim A.S.	TR	Istanbul	852.00	TRY	33.33%	29 August 2007	E
Maramando Trading & Investment Limited	CY	Nicosia	1.00	EUR	50.00%	05 March 2008	P
MARINA Handelsgesellschaft m.b.H.	AT	Vienna	72.67	EUR	100.00%	30 April 1998	F
Master Boats Vertriebs- und Ausbildungs GmbH	AT	Vienna	36.34	EUR	100.00%	01 July 2001	F
MBP I Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	01 November 2006	P
MBP II Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	01 November 2006	P
MBP Sweden Finance AB	SE	Stockholm	100.00	SEK	50.00%	01 November 2006	P
Metropol NH Sp. z o.o.	PL	Warsaw	50.00	PLN	25.00%	15 April 2008	P
Mil. Holding Kft.	HU	Budapest	0.00	HUF	38.90%	22 December 2010	E
Mollardgasse 18 Projektentwicklungs GmbH	AT	Vienna	0.00	EUR	50.00%	22 December 2010	P
MONESA LIMITED	CY	Limassol	10.00	EUR	75.00%	24 July 2007	P
Multi-ImmoEast Asset Management GmbH	DE	Munich	25.00	EUR	45.00%	03 November 2005	P
Nakupni Centrum AVENTIN Tabor s.r.o.	CZ	Prague	200.00	CZK	100.00%	18 September 2006	F
Nakupni Centrum Trebic s.r.o.	CZ	Prague	200.00	CZK	100.00%	30 August 2006	F
NH Snagov Lake Rezidential SRL	RO	Bucharest	200.00	RON	50.00%	15 April 2008	P
Nimbus Real Sp. z o.o.	PL	Warsaw	50.00	PLN	51.00%	28 August 2006	P
NOA D Invest SRL	RO	Bucharest	500.00	RON	20.00%	15 April 2008	E
Nona Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	27 May 2010	F
Norden Maritime Service Limited	CY	Larnaca	1.00	EUR	100.00%	24 January 2008	F
Norden Maritime SRL	RO	Bucharest	1.00	RON	100.00%	24 January 2008	F
Nowe Centrum Sp. z o.o.	PL	Katowice	63,636,000.00	PLN	100.00%	31 December 2005	F
NP Investments a.s.	CZ	Prague	2,000,000.00	CZK	50.00%	09 December 2005	P

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Nuptil Trading Ltd	CY	Nicosia	2.00	EUR	100.00%	28 February 2008	F
OA0 Kashirskij Dvor-Severyanin	RU	Moscow	500.00	RUB	50.00%	30 October 2006	P
OBJ Errichtungs- und Verwertungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Objurg Consultants Ltd	CY	Nicosia	2.00	EUR	100.00%	28 February 2008	F
OCEAN ATLANTIC DORCOL DOO	RS	Belgrade	48.51	RSD	80.00%	24 August 2006	F
Octo Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	10 November 2009	F
ODP Office Development Praha spol.s.r.o.	CZ	Prague	10,700,000.00	CZK	100.00%	01 January 2003	F
Office Campus Budapest Kft.	HU	Budapest	626,000,000.00	HUF	75.00%	31 December 2000	F
Ol Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	30 April 2005	F
Omega Invest Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	30 April 2005	F
OOO Berga Development	RU	Moscow	10.00	RUB	75.00%	24 July 2007	P
OOO Fenix Development	RU	Moscow	18.40	RUB	75.00%	24 July 2007	P
OOO Krona Design	RU	Moscow	8,000,000.00	RUB	100.00%	21 June 2006	F
OOO Real Estate Investment Management (OOO Reim)	RU	Moscow	0.00	RUB	100.00%	15 October 2010	F
OOO Torgoviy Dom Na Khodinke	RU	Moscow	7.29	RUB	100.00%	30 November 2006	F
Optima A Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	01 September 2005	F
Oscepar Consultants Ltd	CY	Nicosia	2.00	EUR	100.00%	24 October 2008	F
OSG Immobilienhandels G.m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
P&U Büro- und Wohnparkerrichtungsges.m.b.H.	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
Parthica Immobilien GmbH	AT	Vienna	35.00	EUR	100.00%	07 July 2010	F
PBC Liegenschaftshandelsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
PBC Liegenschaftshandelsgesellschaft m.b.H. & Co KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
PBC Liegenschaftshandelsgesellschaft m.b.H. & Co Projekt 'alpha' KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Perlagonia 1 Holding GmbH	AT	Vienna	35.00	EUR	100.00%	04 June 2007	F
Perlagonia 2 Holding GmbH	AT	Vienna	35.00	EUR	100.00%	04 June 2007	F
Perlagonia NL 1 B.V.	NL	Amsterdam	34.03	EUR	100.00%	18 June 2007	F
Perlagonia NL 2 B.V.	NL	Amsterdam	90.00	EUR	100.00%	18 June 2007	F
Peter-Jordan-Straße 161 Immobilienprojekt GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
PIO Liegenschaftsverwertungs GmbH	AT	Vienna	79.94	EUR	100.00%	01 January 2005	F
Pivuak Trading Ltd.	CY	Nicosia	3.00	EUR	100.00%	07 April 2008	F
Polivalenta Building SRL	RO	Bucharest	200.00	RON	25.00%	15 April 2008	P
Polus a.s.	SK	Bratislava	7,393,636.73	EUR	100.00%	31 December 2005	F
Polus Tower 2 a.s.	SK	Bratislava	2,496,644.00	EUR	100.00%	31 December 2005	F
Polus Tower 3 a.s.	SK	Bratislava	434,840.09	EUR	100.00%	31 December 2005	F
Polus Transilvania Companie de Investitii S.A.	RO	Cluj	14,705,500.00	RON	100.00%	24 May 2007	F
Poseidon Investment A S.a.r.l.	LU	Luxembourg	12.50	EUR	50.00%	17 November 2004	P
Poseidon Investment B S.a.r.l.	LU	Luxembourg	12.50	EUR	50.00%	17 November 2004	P
Poseidon Italy GP SAS	IT	Mestre	10.00	EUR	50.00%	31 March 2006	P

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Poseidon JV S.a.r.l.	LU	Luxembourg	12.50	EUR	50.00%	17 November 2004	P
Prague Office Park I s.r.o.	CZ	Prague	38,600,000.00	CZK	100.00%	05 April 2006	F
Prelude 2000 SRL	RO	Bucharest	321.00	RON	100.00%	24 January 2008	F
ProEast Holding GmbH	AT	Vienna	35.00	EUR	100.00%	16 April 2005	F
Progeo Development SRL	RO	Bucharest	200.00	RON	50.00%	15 April 2008	P
Promodo Development SRL	RO	Bucharest	200.00	RON	50.00%	15 April 2008	P
Quinta Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	10 November 2009	F
Quixotic Trading Ltd	CY	Nicosia	1.00	EUR	100.00%	28 February 2008	F
Real Habitation s.r.l.	RO	Bucharest	200.00	RON	100.00%	22 June 2007	F
Regal Invest SRL	RO	Bucharest	1.00	RON	100.00%	24 January 2008	F
Rekramext Holdings Ltd	CY	Nicosia	2.00	EUR	100.00%	29 October 2008	F
Rennweg 54 OG	AT	Vienna	1.00	EUR	100.00%	05 May 2009	F
RentCon Handels- und Leasing GmbH	AT	Vienna	36.34	EUR	100.00%	31 December 1997	F
Residea Alpha Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	20 December 2007	P
Residea Beta Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	20 December 2007	P
Residea Limited	CY	Nicosia	1.00	EUR	50.00%	20 December 2007	P
Residea Omega Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	20 December 2007	P
Residea Sigma Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	20 December 2007	P
REVIVA Am Spitz Liegenschafts GmbH	AT	Vienna	2,920,000.00	EUR	99.99%	30 June 2003	F
REVIVA Immobilien AG	AT	Vienna	8,760,000.00	EUR	99.32%	30 June 2003	F
RHEIN-INVEST GmbH	DE	Mülheim	25.00	EUR	100.00%	30 November 2005	F
Rheinische Lagerhaus GmbH	DE	Mülheim	1,000,000.00	EUR	94.80%	30 November 2005	F
Rheinische Lagerhaus Hannover GmbH u. Co KG	DE	Mülheim	300.00	EUR	100.00%	30 November 2005	F
Rheinische Lagerhaus Rheine GmbH	DE	Rheine	500.00	EUR	89.87%	30 November 2005	F
Rheinische Lagerhaus Wuppertal GmbH u. Co KG	DE	Mülheim	700.00	EUR	100.00%	30 November 2005	F
Rhein-Park Rheinische Park Gewerbepark GmbH	DE	Mülheim	800.00	EUR	94.80%	30 November 2005	F
RHOMBUS Errichtungs- und Verwertungs-GmbH & Co KG	AT	Vienna	2,400,000.00	EUR	100.00%	14 February 2006	F
Rosasgasse 17 Projektentwicklungs GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
Roua Vest SRL	RO	Bucharest	1.00	RON	100.00%	24 January 2008	F
S.C. Almera New Capital s.r.l.	RO	Bucharest	200.00	RON	100.00%	13 July 2006	F
S.C. Baneasa 6981 s.r.l.	RO	Bucharest	5,550,000.00	RON	100.00%	05 April 2007	F
S.C. Dacian Second s.r.l.	RO	Bucharest	200.00	RON	100.00%	02 May 2007	F
S.C. Flash Consult Invest s.r.l.	RO	Bucharest	2.00	RON	100.00%	22 May 2007	F
S.C. IE Baneasa Project s.r.l.	RO	Bucharest	200.00	RON	50.00%	01 February 2007	P
S.C. IMMOEAST Narbal Project s.r.l.	RO	Bucharest	200.00	RON	100.00%	11 July 2007	F
S.C. Meteo Business Park s.r.l.	RO	Bucharest	1.00	RON	100.00%	27 July 2006	F
S.C. Pantelimon II Development S.R.L	RO	Bucharest	200.00	RON	100.00%	20 December 2007	F
S.C. Retail Development Invest 1 s.r.l.	RO	Bucharest	34.00	RON	100.00%	02 May 2007	F
S.C. S-Park Offices s.r.l.	RO	Bucharest	22,828,313.00	RON	100.00%	10 July 2007	F
S.C. Stupul de Albine s.r.l.	RO	Bucharest	1.00	RON	100.00%	27 July 2006	F
S.C. Union Investitii S.r.l.	RO	Bucharest	2.00	RON	100.00%	07 March 2007	F
S.C. Valero Invest s.r.l.	RO	Bucharest	1,760,000.00	RON	100.00%	20 March 2007	F

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
SARIUS Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SARIUS Liegenschaftsvermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SAS Inter Kft.	HU	Budapest	258,690,000.00	HUF	100.00%	30 April 2005	F
SB Praha 4 spol.s.r.o.	CZ	Prague	26,532,000.00	CZK	100.00%	01 January 2003	F
SBF Development Praha spol.s.r.o.	CZ	Prague	30,600,000.00	CZK	100.00%	01 January 2003	F
SC EFG Urban Achizitii s.r.l.	RO	Bucharest	1.00	RON	100.00%	14 December 2006	F
SCPO s.r.o.	SK	Bratislava	6.64	EUR	100.00%	24 August 2007	F
SCT s.r.o.	SK	Bratislava	1,756,489.41	EUR	100.00%	21 December 2006	F
Secunda Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	10 November 2009	F
Secure Bud Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	30 April 2005	F
SEGESTIA Holding GmbH	AT	Vienna	35.00	EUR	100.00%	04 November 2004	F
Sehitler Gayrimenkul Yatirim A.S.	TR	Istanbul	3,735,281.00	TRY	33.33%	29 August 2007	E
SelfStorage – Dein Lagerraum (Schweiz) AG	CH	Opfikon	120.00	CHF	30.00%	31 July 2005	P
SelfStorage – Dein Lagerraum GmbH	DE	Munich	25.00	EUR	30.00%	31 July 2005	P
SelfStorage-DeinLager LagervermietungsgesmbH	AT	Langenzersdorf	70.79	EUR	30.00%	31 July 2005	P
SelfStorage-Liegenschaftsverwaltung Wattgasse GmbH	AT	Vienna	36.34	EUR	30.00%	31 July 2005	P
SELICASTELLO BETA Beteiligungsverwaltung GmbH	AT	Vienna	50.00	EUR	50.00%	31 May 2005	P
SELICASTELLO BETA Liegenschaftsbesitz GmbH	AT	Vienna	35.00	EUR	50.00%	31 May 2005	P
SELICASTELLO GAMMA Beteiligungsverwaltung GmbH	AT	Vienna	50.00	EUR	50.00%	31 May 2005	P
SELICASTELLO GAMMA Liegenschaftsbesitz GmbH	AT	Vienna	35.00	EUR	50.00%	31 May 2005	P
Septima Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	10 November 2009	F
Severin Schreiber-Gasse 11-13 Liegenschaftsverwertungs GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
Sexta Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	10 November 2009	F
Shark Park Holding Kft.	HU	Budapest	2,320,000,000.00	HUF	100.00%	08 November 2005	F
SIA Unico	LV	Riga	2.00	LVL	20.00%	15 April 2008	E
Silesia Residential Holding Limited	CY	Nicosia	2,358,621.90	EUR	70.00%	09 October 2006	P
Silesia Residential Project Sp. z o.o.	PL	Katowice	9,321,000.00	PLN	70.00%	09 October 2006	P
SITUS Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SITUS L Liegenschafts Vermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SITUS L Liegenschafts Vermietungs GmbH & Co Seidengasse 39 KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SITUS L Liegenschafts Vermietungs GmbH & Co. Kaiserstraße 44-46 KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SITUS L Liegenschafts Vermietungs GmbH & Co. Neubaugasse 26 KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SPE Liegenschaftsvermietung Gesellschaft m.b.H.	AT	Vienna	36.34	EUR	100.00%	31 December 1996	F
Sphera Building Center International 2003 SRL	RO	Bucharest	200.00	RON	100.00%	24 January 2008	F
St. Moritz Bäder AG	CH	St. Moritz	21,750,000.00	CHF	100.00%	31 December 2001	F
Starkfriedgasse 83 Projektentwicklungs GmbH	AT	Gießhübl	0.00	EUR	50.00%	22 December 2010	P
Starmaster Limited	CY	Larnaca	2.00	EUR	100.00%	24 January 2008	F

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Stephanshof Liegenschaftsverwaltungs-gesellschaft m.b.H.	AT	Vienna	36.34	EUR	100.00%	01 August 2007	F
STOP.SHOP. BCS Kft.	HU	Budapest	1,530,000.00	HUF	100.00%	08 June 2006	F
STOP.SHOP. Dolny Kubin s.r.o.	SK	Bratislava	9,958.18	EUR	55.00%	22 December 2010	F
STOP.SHOP. Gyöngy Kft.	HU	Budapest	1,530,000.00	HUF	51.00%	08 June 2006	P
STOP.SHOP. Holding GmbH	AT	Vienna	35.00	EUR	100.00%	31 May 2005	F
STOP.SHOP. Hranice s.r.o.	CZ	Prague	200.00	CZK	100.00%	20 November 2006	F
STOP.SHOP. Kisvárdá Kft.	HU	Budapest	3,000,001.00	HUF	100.00%	14 July 2009	F
STOP.SHOP. Krnov s.r.o.	CZ	Prague	200.00	CZK	50.50%	27 October 2006	P
STOP.SHOP. Legnica Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	19 December 2008	F
STOP.SHOP. Louny s.r.o.	CZ	Prague	200.00	CZK	50.00%	16 July 2007	P
STOP.SHOP. Lucenec s.r.o.	SK	Bratislava	6,638.78	EUR	100.00%	19 February 2007	F
STOP.SHOP. Píbram s.r.o.	CZ	Prague	200.00	CZK	100.00%	15 December 2006	F
STOP.SHOP. Púchov s.r.o.	SK	Bratislava	9,958.18	EUR	100.00%	15 December 2010	F
STOP.SHOP. Rakovník s.r.o.	CZ	Prague	200.00	CZK	100.00%	20 November 2006	F
STOP.SHOP. Ruzomberok s.r.o.	SK	Bratislava	6,638.78	EUR	100.00%	19 February 2007	F
STOP.SHOP. TB Kft.	HU	Budapest	1,530,000.00	HUF	51.00%	08 June 2006	P
STOP.SHOP. Uherske Hradiste s.r.o.	CZ	Prague	200.00	CZK	100.00%	10 March 2006	F
STOP.SHOP. Usti nad Orlici s.r.o.	CZ	Prague	200.00	CZK	100.00%	16 July 2007	F
STOP.SHOP. Zatec s.r.o.	CZ	Prague	200.00	CZK	100.00%	30 May 2006	F
STOP.SHOP. Znojmo s.r.o.	CZ	Prague	200.00	CZK	100.00%	16 July 2007	F
STOP.SHOP. Zvolen s.r.o.	SK	Bratislava	6,638.78	EUR	100.00%	19 February 2007	F
Sunkta Ltd	CY	Nicosia	3.00	EUR	100.00%	28 February 2008	F
SYLEUS Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SYLEUS L Liegenschafts Vermietungs GmbH - in Liquidation	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Szepvölgyi Business Park Kft.	HU	Budapest	601,000,000.00	HUF	100.00%	05 August 2004	F
Taifun Real Sp. z o.o.	PL	Warsaw	52.50	PLN	100.00%	31 July 2007	F
TCB Telecom Beteiligungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Tempelhofer Feld AG	DE	Berlin	1,278,229.70	EUR	99.64%	31 May 2005	F
TOV Arsenal City	UA	Kiev	26,000,000.00	UAH	49.99%	15 September 2008	P
TOV Evro-Luno-Park	UA	Kiev	8,490,906.00	UAH	50.00%	05 March 2008	P
TOV Vastator Ukraine	UA	Kiev	47.79	UAH	49.99%	15 September 2008	P
TradeCon Handels- und Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
TradeCon Leasing- und Unternehmensbe-teiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Trevima Ltd.	CY	Limassol	15,800.55	EUR	100.00%	30 November 2006	F
TriGránit Centrum a.s.	SK	Bratislava	33,193.80	EUR	25.00%	19 June 2006	E
TriGránit Holding Ltd.	CY	Nicosia	150.00	EUR	25.00%	31 July 2006	E
Tripont Invest s.r.l.	RO	Constanta	15,178,100.00	RON	100.00%	26 May 2010	F
UKS Finance Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	30 April 2005	F
UKS Liegenschaftsentwicklung GmbH	AT	Vienna	35.00	EUR	100.00%	30 April 2005	F
Vaci ut.	HU	Budapest	0.00	HUF	38.90%	22 December 2010	E
Valecorp Limited	CY	Nicosia	2.00	EUR	100.00%	23 April 2008	F
Valette Finance B.V.	NL	Amsterdam	90.00	EUR	100.00%	27 July 2007	F
Vastator Limited	CY	Limassol	1.00	EUR	50.00%	15 September 2008	P

Company	Country	Head-quarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
VCG Immobilienbesitz GmbH	AT	Vienna	35.00	EUR	100.00%	20 December 2006	F
Ventilatorul Real Estate SA	RO	Bucharest	12,031,200.72	RON	100.00%	24 January 2008	F
Veronia Shelf s.r.o.	CZ	Prague	200.00	CZK	51.00%	18 October 2006	P
Vertano Residence Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	01 August 2007	P
Vertano Residence Sp. z o.o. 1 Sp.k.	PL	Warsaw	17,000,000.00	PLN	90.67%	01 August 2007	F
Visionär	DE	Rodgau	0.00	EUR	32.00%	22 December 2010	E
Vitrust Ltd.	CY	Nicosia	3.00	EUR	100.00%	19 June 2008	F
VIV Gebäudeerrichtungs GmbH	AT	Vienna	35.00	EUR	100.00%	31 October 2007	F
VTI Varna Trade Invest OOD	BG	Sofia	5.00	BGN	50.00%	24 July 2007	P
W zehn Betriebs- & Service GmbH	AT	Vienna	35.00	EUR	100.00%	17 February 2006	F
Wakelin Promotions Limited	CY	Nicosia	5.00	RUB	100.00%	21 June 2006	F
WEGE spol.s.r.o.	CZ	Prague	100.00	CZK	100.00%	01 January 2003	F
West Gate Üzleti Park Fejlesztő Kft.	HU	Budapest	3,180,000.00	HUF	100.00%	02 July 2004	F
Wienerberg City Errichtungsges.m.b.H.	AT	Vienna	1,816,821.00	EUR	100.00%	31 August 1998	F
WINNIPEGIA SHELF s.r.o.	CZ	Prague	200.00	CZK	100.00%	13 November 2006	F
WIPARK Holding GmbH	AT	Vienna	35.00	EUR	100.00%	01 May 2001	F
Xantium Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	04 August 2006	F
Zeppelin Immobilienvermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Zieglergasse 69 Immobilienprojekt GmbH	AT	Vienna	35.00	EUR	100.00%	01 February 2010	F

F = Full consolidation, P = Proportionate consolidation, E = Equity method

Statement by the Executive Board

We confirm to the best of our knowledge that the consolidated financial statements provide 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 provides a true and fair view of the development and performance of the business and position of the group, together with a description of the principal risks and uncertainties faced by the group.

We confirm to the best of our knowledge that the individual financial statements provide a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report provides a true and fair view of the development and performance of the business and position of the company, together with a description of the principal risks and uncertainties faced by the company.

The consolidated financial statements were completed and signed by the Executive Board of IMMOFINANZ AG on 03/08/2010 and subsequently distributed to the Supervisory Board. The Supervisory Board is responsible for examining the consolidated financial statements and stating whether or not it approves these documents.

Vienna, 03 August 2011

The Executive Board of IMMOFINANZ AG



Eduard Zehetner
Chief Executive Officer



Daniel Riedl FRICS
Member of the Executive Board



Manfred Wiltschnigg MRICS
Member of the Executive Board

Auditor’s Report

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of IMMOFINANZ AG, Vienna, for the fiscal year from 01 May 2010 to 30 April 2011. These consolidated financial statements comprise the consolidated balance sheet as of 30 April 2011, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year ended 30 April 2011 and a summary of significant accounting policies and other explanatory notes.

MANAGEMENT’S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND FOR THE ACCOUNTING SYSTEM

The company’s management is responsible for the group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR’S RESPONSIBILITY AND DESCRIPTION OF TYPE AND SCOPE OF THE STATUTORY AUDIT

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and in accordance with International Standards on Auditing issued by the International Auditing (ISAs) and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of IMMOFINANZ AG, Vienna, as of 30 April 2011 and of its financial performance and its cash flows for the fiscal year from 01 May 2010 to 30 April 2011, in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

COMMENTS ON THE MANAGEMENT REPORT FOR THE GROUP

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company’s position. The auditor’s report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the consolidated management report for the Group is consistent with the consolidated financial statements. The disclosures according to section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 03 August 2011

Claudia Fritscher-Notthaft

(Austrian) Certified Public Accountant

Marieluise Krimmel

(Austrian) Certified Public Accountant

Deloitte Audit Wirtschaftsprüfungs GmbH

Balance Sheet as of 30 April 2011

Assets	30 April 2011 EUR	30 April 2010 TEUR
A. Non-current assets		
I. Intangible assets		
Trademarks and software	70,670.76	122
II. Tangible assets		
1. Buildings on land owned by third parties	1,415,630.10	0
2. Furniture, fixtures and office equipment	631,544.78	53
	2,047,174.88	41
III. Financial assets		
1. Investments in subsidiaries	6,151,320,461.96	6,171,218
2. Investments in associated companies	850,000.00	0
3. Treasury shares	145,755,598.51	0
4. Non-current securities	7,373,235.83	7,373
	6,305,299,296.30	6,178,591
	6,307,417,141.94	6,178,755
B. Current assets		
I. Receivables		
1. Trade receivables	2,438.46	3
2. Receivables from subsidiaries	662,812,009.77	108,941
3. Receivables from associated or jointly controlled entities	14,764,001.95	110
4. Other receivables	8,174,593.95	353,249
	685,753,044.13	462,303
II. Current marketable securities		
1. Miscellaneous securities and shares	111,038,460.33	4,002
III. Cash in bank	10,804,309.64	9,836
	807,595,814.10	476,141
C. Prepaid expenses and deferred charges	669,459.31	312
	7,115,682,415.35	6,655,207

Equity and Liabilities

	30 April 2011 EUR	30 April 2010 TEUR
A. Equity		
I. Share capital	1,085,289,446.60	1,084,088
II. Capital reserves		
1. Appropriated	3,908,489,407.46	3,907,290
	3,907,290,389.38	2,396,255
III. Revenue reserves		
1. Other reserves (voluntary)	156,859,656.91	0
2. Reserve for treasury shares	145,755,598.51	0
	302,615,255.42	0
IV. Profit (loss) account	119,087,975.50	0
Thereof profit/(loss) carried forward: EUR 0.00		
Prior year: TEUR -601,977		
	5,415,482,084.98	4,991,379
B. Provisions		
1. Provisions for taxes	1,435,199.50	1,103
2. Other provisions	10,425,025.75	20,509
	11,860,225.25	21,612
C. Liabilities		
1. Bonds	1,137,120,215.60	1,085,073
2. Liabilities with financial institutions	36,586,477.55	36,735
3. Trade liabilities	1,960,276.21	1,419
4. Liabilities with subsidiaries	512,302,112.46	45,824
5. Other liabilities	371,023.30	473,165
From taxes: EUR 6,475.47;		
Prior year: TEUR 85		
From social security:		
EUR 15,639.91; prior year: TEUR 6		
	1,688,340,105.12	1,642,216
	7,115,682,415.35	6,655,207
Contingent liabilities	332,535,709.82	425,250

Income Statement for the 2010/11 Financial Year

1. Revenues
2. Other operating income
a) Income from the reversal of provisions
b) Miscellaneous
3. Personnel expenses
a) Salaries
b) Expenses for contributions to employee pension/severance funds
c) Expenses for pensions
d) Expenses for legally required social security and payroll-related duties and mandatory contributions
e) Other employee benefits
4. Depreciation and amortisation
5. Other operating expenses
a) Non-income based taxes
b) Miscellaneous
6. Subtotal of no. 1 to 5 (operating profit)
7. Income from investments in subsidiaries
Thereof from subsidiaries: EUR 499,993,000.00; prior year: TEUR 0
8. Income from other securities classified as financial assets
Thereof from subsidiaries: EUR 316,126.83; prior year: TEUR 316
9. Interest and similar income
Thereof from subsidiaries: EUR 16,544,114.34; prior year: TEUR 2,575
10. Income from the write-up of financial assets
11. Expenses arising from investments in subsidiaries
a) Impairment losses
b) Expenses arising from investments in subsidiaries
12. Interest and similar expenses
Thereof related to subsidiaries: EUR 24,170,581.65; prior year: TEUR 8,181
13. Subtotal of no. 7 to 12 (financial results)
14. Profit/(loss) on ordinary activities
15. Income tax expenses
16. Profit/(loss) for the year before changes to reserves
17. Release of capital reserves
a) Appropriated
b) Unappropriated
18. Release of revenue reserves
a) Statutory reserve
b) Other reserves (voluntary)
19. Addition to revenue reserves
a) Other reserves (voluntary)
b) Reserve for treasury shares
20. Loss carryforward from prior year
21. Profit/(loss) account

2010/11		2009/10	
EUR	EUR	TEUR	TEUR
	8,071,903.26		7,245
262,114.70		1,779	
45,307,400.40	45,569,515.10	16,531	18,310
3,840,205.55		2,138	
61,607.96		39	
153,000.00		68	
370,391.47		225	
37,537.80	-4,462,742.78	5	-2,474
	-119,836.08		-81
556,297.64		214	
43,369,709.15	-43,926,006.79	60,649	-60,863
	5,132,832.71		-37,863
	499,993,000.00		0
	386,301.83		316
	19,055,936.90		55,488
	0.00		314
37,657,680.10		0	
0.00	-37,657,680.10	0	0
	-64,814,459.15		-66,359
	416,963,099.48		-10,240
	422,095,932.19		-48,103
	-392,701.27		-17,955
	421,703,230.92		-66,058
0.00		582,165	
0.00	0.00	18,560	600,725
0.00		230	
0.00	0.00	67,079	67,309
-156,859,656.91		0	
-145,755,598.51	-302,615,255.42	0	0
	0.00		-601,977
	119,087,975.50		0

Notes

1. General Information

The annual financial statements of IMMOFINANZ AG as of 30 April 2011 were prepared in accordance with the provisions of the Austrian Commercial Code ("Unternehmensgesetzbuch") in the current version. The principles of correct bookkeeping as well as the general objective of providing a true and fair view of the asset, financial and earnings position were observed.

The reporting year of IMMOFINANZ AG covers the period from 01 May 2010 to 30 April 2011.

In accordance with § 223 (2) of the Austrian Commercial Code, the comparable prior year data are presented in EUR 1,000.

The company elected to utilise the option provided by § 223 (4) of the Austrian Commercial Code, which permits the inclusion of additional positions when their content is not covered by a required position.

The income statement was prepared in accordance with the nature of expense method under which "total costs" are shown.

The central issues during the 2010/11 financial year were the successful refinancing of the 2014 and 2017 convertible bonds, the inclusion of the IMMOFINANZ share in the key index of the Vienna Stock Exchange (ATX) as of 21/04/2011, the generally positive economic development in the core countries of IMMOFINANZ Group and the improvement in key earnings indicators.

2. Accounting and Valuation Principles

Intangible assets are carried at acquisition cost, less scheduled straight-line amortisation that is based on the expected useful life of the respective asset. All intangible assets held by the company were purchased.

Property, plant and equipment are carried at acquisition cost, less scheduled straight-line depreciation.

Depreciation and amortisation for the various asset additions and disposals in the reporting year are calculated beginning with the month of acquisition, respectively terminated in the month of disposal.

Financial assets are carried at cost less any necessary impairment charges. Impairment is determined by comparing the carrying amount of the asset with the equity owned plus any undisclosed reserves. Each subsidiary is responsible for valuing its own assets, whereby the combined results are included in the consolidated financial statements of the Group parent company IMMOFINANZ. If the value of an asset increases in subsequent financial years, the previously recognised impairment charge is reversed. This process involves a write-up equal to the amount of the impairment charge, whereby the value of the asset is not increased above historical cost.

Receivables and other assets are carried at their nominal amount less any necessary impairment charges. The calculation of impairment charges to Group receivables is based on the fair value of equity in the financed company. If the financial statements of a borrower show negative equity (at fair value), an appropriate impairment charge is recognised.

The miscellaneous securities and shares reported under current assets are carried at cost, which is reduced by any necessary impairment losses as required by § 207 of the Austrian Commercial Code.

Provisions are recorded at the amount of the expected use, in accordance with the principle of prudent business judgment.

Liabilities are carried at their repayment amount in keeping with the principle of conservatism.

All foreign currency transactions are translated at the average exchange rate in effect on the date of the transaction. The measurement of foreign currency receivables and liabilities as of the balance sheet date is based on the applicable average exchange rate in effect on that date in keeping with the principle of conservatism. Any resulting exchange rate gains or losses are recognised to profit or loss for the financial year.

Derivative financial instruments are measured at market value. In accordance with the principle allowing for the application of different methods to the realisation of income and expenses, positive changes in market value are not recognised as income but losses are accounted for through provisions.

3. Notes to the Balance Sheet

Assets

NON-CURRENT ASSETS

The development of non-current assets is shown in the attached schedule.

The following useful lives are used to calculate scheduled straight-line depreciation and amortisation for non-current assets:

	Useful life in years
Other intangible assets	3–10
Property, plant and equipment	2–10

The major change to investments in associated companies involves an addition of EUR 17,760,000.00 to IMMOWEST IMMOBILIEN ANLAGEN GmbH in connection with subsidies provided by the indirect parent company as well as the recognition of an impairment loss to investments in associated companies (see notes to the income statement).

In connection with the merger of IMMOEAST AG with IMMOFINANZ AG, the investment in IMBEA IMMOEAST Beteiligungsverwaltung AG was recognised under investments in associated companies at a fair value of TEUR 5,939,471 as of 30/04/2010.

Investments in associated companies include the addition of EUR 850,000.00, which represents a 49% stake in EHL Immobilien GmbH (2010: TEUR 0).

Non-current securities consists primarily of shares in the Vienna Stock Exchange with a value of EUR 1,000,699.26 (2010: TEUR 1,001) as well as participation rights in RentCon Handels- u. Leasing GmbH with a value of EUR 6,322,536.57 (2010: TEUR 6,323).

As of 30/4/2011 the company held treasury shares with a value of EUR 145,755,598.51 (2010: TEUR 0). In accordance with § 240 (3) of the Austrian Commercial Code, treasury shares held directly by the company or by an entity controlled by the company are as follows:

Date of purchase	Number of shares	Shareholding company	Circumstances and authorisation	Proportional amount of share capital 30/04/2011 in EUR	Proportional amount of share capital 30/04/2011 in %	Purchase price in EUR
Aug. 2010	55,005,409	IMBEA IMMOEAST Beteiligungsverwaltung GmbH	Closing of the agreements with Constantia Packaging B.V. on the "IBAG bond" (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	57,105,699.52	5.26%	151,264,874.75
Sep. 2010	2,066,020	IMBEA IMMOEAST Beteiligungsverwaltung GmbH	Settlement of Aviso Zeta banking business (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	2,144,907.56	0.20%	5,594,782.16
Dec. 2010	6	Aviso Zeta AG	Acquisition of Aviso Zeta (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	6.23	0.00%	16.85
Nov. 2010 to March 2011	47,350,248	IMMOFINANZ AG	Share buyback programme 2010–2011 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	49,158,238.87	4.53%	145,755,598.51
Total	104,421,683			108,408,852.18	9.99%	302,615,272.27

CURRENT ASSETS

RECEIVABLES

The following table shows the classification of receivables by remaining term:

All amounts in EUR	30 April 2011	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Trade accounts receivable	2,438.46	2,438.46	0.00	0.00
Receivables from subsidiaries	662,812,009.77	662,812,009.77	0.00	0.00
Receivables from associated or jointly controlled entities	14,764,001.95	14,764,001.95	0.00	0.00
Other receivables	8,174,593.95	4,124,229.57	4,050,364.38	0.00
Total	685,753,044.13	681,702,679.75	4,050,364.38	0.00

All amounts in EUR	30 April 2010	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Trade accounts receivable	3,088.46	3,088.46	0.00	0.00
Receivables from subsidiaries	108,941,363.90	108,941,363.90	0.00	0.00
Receivables from associated or jointly controlled entities	109,896.02	109,896.02	0.00	0.00
Other receivables	353,248,776.41	348,217,017.81	2,363,412.97	2,668,345.63
Total	462,303,124.79	457,271,366.19	2,363,412.97	2,668,345.63

Receivables from subsidiaries and receivables from associated or jointly controlled entities are classified as current in cases where a specific payment term was not defined. However, these receivables are only collected if permitted by the liquidity situation of the respective creditor.

Receivables from subsidiaries comprise receivables of EUR 31,028,111.93 (2010: TEUR 30,692) from the provision of services and receivables of EUR 156,764.26 (2010: TEUR 157) related to accrued interest for the participation rights in RentCon Handels- und Leasing GmbH. This position also includes other receivables of EUR 16,653,857.01 (2010: TEUR 0), dividends receivable of EUR 289,993,000.00 (2010: TEUR 0) and loans receivable of EUR 367,279,804.32 (2010: TEUR 90,164). Impairment losses of EUR 42,299,527.75 (2010: TEUR 12,071) were recognised to the loans receivable. The methods used to assess impairment are described more closely in the section on accounting and valuation principles and in the notes to the income statement.

The "Berlin contracts" resulted in the takeover of Aviso Zeta AG and its subsidiaries by IMMOFINANZ Group as of 22/12/2010. As a consequence of this transaction, trustee receivables of EUR 231,736,097.73 (2010: TEUR 417,918) due from Immofinanz Corporate Finance Consulting GmbH, which were reduced by impairment losses of EUR 33,100,740.80 (2010: TEUR 81,147), were included under other receivables as of 30/04/2010. In the financial statements for 2010/11 these trustee receivables were reclassified to receivables from subsidiaries.

Other receivables include loans of EUR 3,096,970.99 (2010: TEUR 5,032) granted to the members of the Executive Board of IMMOFINANZ AG. Interest on these loans in 2010/11 amounted to EUR 109,316.17 (2010: TEUR 122). Repayments totalling EUR 2,044,103.78 were made by two Executive Board members during the reporting year (2010: TEUR 0). The annual interest rate on these loans equals the three-month Euribor plus 150 percentage points. The interest rate on the last calendar day of each quarter forms the base rate for the next calendar quarter; interest expense is capitalised at the end of the year and is due on the maturity date. The convertible bonds held in the depositories of the Executive Board members are pledged to IMMOFINANZ AG. These loans were granted on the basis of the following agreement:

In May 2009 the Supervisory Board of IMMOFINANZ AG approved a long-term incentive programme for the Executive Boards of IMMOFINANZ AG and (the former) IMMOEAST AG. This long-term incentive programme gave the members of the Executive Board an opportunity to purchase TEUR 1,049 of certificates from the 2014 and 2017 convertible bond issues. IMMOFINANZ AG granted each member of the Executive Board a loan equal to this amount, for which the convertible bonds were pledged as collateral. All Executive Board members joined this bonus system.

IMMOFINANZ AG repurchased 269 convertible bond certificates with a combined nominal value of EUR 74,900,000.00 at the market price during 2009. The members of the Executive Boards of IMMOFINANZ AG and (the former) IMMOEAST AG purchased 82 certificates from the 2014 convertible bond and 88 certificates from the 2017 convertible bond in connection with this long-term incentive programme.

MISCELLANEOUS SECURITIES AND SHARES

This position comprises shares in funds managed by Invesco AIM Management Company Limited, Ireland, with a nominal value (= market value) of EUR 9,439,900.82 (2010: TEUR 4,002) and by BlackRock Institutional Cash Series plc, Frankfurt am Main, with a nominal value (= market value) of EUR 3,028,353.23 (2010: TEUR 0). This position also includes 962 certificates from the 2014 convertible bond with a nominal value of EUR 96,200,000.00 and 43 certificates from the 2017 convertible bond with a nominal value of EUR 4,300,000.00 that were repurchased in 2010/11.

CASH IN BANK

This item consists chiefly of deposits with UniCredit Bank Austria AG, Vienna, Raiffeisen Bank International AG, Vienna, ERSTE Bank der oesterreichischen Sparkassen AG, Vienna, and West LB, Düsseldorf.

PREPAID EXPENSES

This position includes miscellaneous fees paid during the reporting year, e.g. to the Austrian Financial Market Authority and for insurance and licenses.

Equity and liabilities

EQUITY

Share capital totals EUR 1,085,289,446.60 (2010: TEUR 1,084,088) and is classified as follows:

	Number of shares 30 April 2010	Share capital in EUR 30 April 2010	Number of shares 30 April 2011	Share capital in EUR 30 April 2011
Registered shares	6	6.23	6	6.23
Bearer shares	1,044,216,769	1,084,088,458.45	1,045,373,580	1,085,289,440.37
Total	1,044,216,775	1,084,088,464.68	1,045,373,586	1,085,289,446.60

Equity as of 30 April 2011 comprised the following:

Amounts in EUR	30 April 2011	30 April 2010
Share capital	1,085,289,446.60	1,084,088,464.68
Capital reserves		
1) Appropriated	3,908,489,407.46	3,907,290,389.38
Revenue reserves		
1) Other reserves (voluntary)	156,859,656.91	0.00
2) Reserve for treasury shares	145,755,598.51	0.00
Profit/(loss) account	119,087,975.50	0.00
Equity	5,415,482,084.98	4,991,378,854.06

IMMOFINANZ AG held 47,350,248 shares of treasury stock as of 30/04/2011. IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, held 57,071,429 shares of IMMOFINANZ AG on this same date. The six registered shares are held by Aviso Zeta AG, a wholly owned subsidiary of IMBEA IMMOEAST Beteiligungsverwaltung GmbH. As of 30/04/2011 member companies of IMMOFINANZ Group held approx. 9.99% of the share capital of IMMOFINANZ AG as treasury shares.

The annual general meeting authorised the Executive Board to repurchase the company's shares at an amount equalling up to 10% of share capital. The Executive Board was also authorised, contingent upon the approval of the Supervisory Board, to sell treasury shares in another way than over the stock exchange or through a public offer under the exclusion of subscription rights.

CONVERTIBLE BOND 2007–2014

The annual general meeting on 28/09/2006 authorised the Executive Board, contingent upon the approval of the Supervisory Board, to issue convertible bonds within a period of five years. These convertible bonds carry exchange or subscription rights for up to 55,940,125 shares of bearer common stock with a proportional share of up to EUR 58.1 million in share capital. The convertible bonds may also be issued in multiple segments, whereby the total nominal value may not exceed EUR 750.0 million. The subscription rights of shareholders were excluded. At the same time the Executive Board was authorised to carry out a conditional increase of up to EUR 58.1 million in share capital through the issue of up to 55,940,125 shares of new bearer common stock for the purpose of granting conversion or subscription rights to the holders of the convertible bonds.

Based on this authorisation, 7,500 convertible bonds with a nominal value of EUR 100,000.- each were issued on 19/01/2007. The interest rate was set at 2.75% per year and the term of the bonds will end on 20/01/2014. The bondholders as well as the company were accorded certain premature cancellation rights.

CONVERTIBLE BOND 2007–2017

The annual general meeting on 27/09/2007 authorised the Executive Board, contingent upon the approval of the Supervisory Board, to issue convertible bonds within a period of five years beginning on the date this resolution was passed. These convertible bonds were to carry exchange or subscription rights for up to 151,060,596 bearer shares of common stock and have a proportional share of up to EUR 156.8 million in share capital. The convertible bonds may be issued in a single segment or in multiple segments, with or without the exclusion of subscription rights. Moreover, the Executive Board was authorised, contingent upon the approval of the Supervisory Board, to determine all other conditions for the issue and conversion of the convertible bonds. On this same date the Executive Board was also authorised to carry out a conditional increase of up to EUR 156.8 million in share capital through the issue of up to 151,060,596 shares of new bearer common stock for the purpose of granting conversion or subscription rights to the holders of the convertible bonds.

A total of 7,500 convertible bonds with a nominal value of EUR 100,000.- each were issued on 19/11/2007. The interest rate for the bonds was set at 1.25% per year, and the term will end on 19/11/2017. The bondholders as well as the company were accorded certain premature cancellation rights.

CONVERTIBLE BOND 2009–2011

On 06/04/2009 IMMOFINANZ AG announced a tender to all holders of the 2007–2014 convertible bond (nominal value: EUR 750.0 million) and all holders of the 2007–2017 convertible bond (nominal value: EUR 750.0 million). This offer covered the exchange of the existing bonds for a new 2009–2011 convertible bond at a ratio of 5:2 plus a EUR 5,000.- cash payment for each EUR 100,000.- certificate exchanged. In connection with this tender, 2007–2014 convertible bonds with a nominal value of EUR 75.5 million and 2007–2017 convertible bonds with a nominal value of EUR 498.500 million were exchanged for 2009–2011 convertible bonds with a nominal value of EUR 229.6 million.

The 2009–2011 convertible bond has an interest rate of 7.00% and a term ending on 22/12/2011. IMBEA IMMOEAST Beteiligungsverwaltung GmbH has issued a EUR 199.0 million guarantee in favour of the bondholders.

A resolution of the annual general meeting on 02/10/2009 authorised the Executive Board to execute a conditional increase of up to EUR 23.4 million in share capital through the issue of up to 22,524,726 new bearer shares of common stock.

IMMOFINANZ AG will service the conversion rights from the 2009–2011 convertible bond that are exercised in accordance with the terms of issue by supplying shares in IMMOFINANZ AG as required by these terms.

CONVERTIBLE BOND 2011–2018

On 14/02/2011 the Executive Board of IMMOFINANZ AG announced its intention, with the approval of the Supervisory Board on the same date, to issue up to 125,029,692 convertible bonds with a term ending in 2018. Based on a bookbuilding procedure, the interest rate was set at 4.25% per year, payable semi-annually in arrears on 08/03 and 08/09 of each year beginning on 08/09/2011. A conversion premium was also defined, which equalled 32.50% over the average volume-weighted price of the company's share on the Vienna Stock Exchange from the start of trading up to the price setting at EUR 3.1069. The subscription price for the convertible bond was set at EUR 4.12 and represents the nominal, the issue amount, the initial conversion price and the repayment price per convertible bond.

On 08/03/2011, IMMOFINANZ AG issued 125,029,692 certificates within the framework of the 2011–2018 convertible bond with a nominal value of EUR 4.12 each and an interest rate of 4.25%. The term of this instrument ends on 08/03/2018. The bondholders as well as the company were accorded certain premature cancellation rights.

Furthermore, the Executive Board of IMMOFINANZ AG issued an invitation on 14/02/2011 to the holders of the outstanding 2014 and 2017 convertible bonds to place offers for the sale of these securities pursuant to the terms defined in the tender invitation memorandum of 15/02/2011.

EXERCISE OF CONVERSION RIGHTS, PURCHASES AND ISSUES IN 2010/11

Based on the terms of this memorandum, 2007–2014 convertible bonds with a nominal value of EUR 454.7 million and 2007–2017 convertible bonds with a nominal value of EUR 10.5 million, including accrued interest, were tendered to and purchased by the company. The repurchase of the 2007–2014 convertible bond and the 2007–2017 convertible bond from the proceeds of the 2011–2018 convertible bond was accounted for as a redemption.

The exercise of conversion rights from the existing convertible bonds (2009–2011 convertible bond and 2007–2014 convertible bond) increased the share capital of IMMOFINANZ by EUR 1.2 million in 2010/11 through the issue of 1,156,811 IMMOFINANZ shares.

Convertible bonds with a nominal value of EUR 100.5 million were repurchased during the reporting year.

CAPITAL AND REVENUE RESERVES

The reserves in the separate financial statements of IMMOFINANZ AG, which were prepared in accordance with the Austrian Commercial Code, comprise the following: appropriate capital reserves from capital increases pursuant to § 229 (2) no. 1 of the Austrian Commercial Code and from the merger of IMMOEAST AG with IMMOFINANZ AG, a reserve for treasury shares pursuant to §225 (5) of the Austrian Commercial Code and a voluntary revenue reserve for treasury shares held by the subsidiary IMBEA IMMOEAST Beteiligungsverwaltung GmbH.

PROVISIONS

Other provisions consist primarily of accruals for taxes, legal and auditing expenses, expert opinions, employees and derivatives.

LIABILITIES

The following table shows the classification of liabilities by remaining term:

Amounts in EUR	30 April 2011	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Bonds	1,137,120,215.60	402,024,161.62	735,096,053.98	0.00
Liabilities with financial institutions	36,586,477.55	319,414.61	1,250,000.00	35,017,062.94
Trade liabilities	1,960,276.21	1,960,276.21	0.00	0.00
Liabilities with subsidiaries	512,302,112.46	512,302,112.46	0.00	0.00
Other liabilities	371,023.30	371,023.30	0.00	0.00
Total	1,688,340,105.12	916,976,988.20	736,346,053.98	35,017,062.94

Amounts in EUR	30 April 2010	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Bonds	1,085,073,464.19	10,961,237.67	848,500,000.00	225,612,226.52
Liabilities with financial institutions	36,734,574.12	367,426.89	850,000.00	35,517,147.23
Trade liabilities	1,418,692.83	1,418,692.83	0.00	0.00
Liabilities with subsidiaries	45,824,009.72	45,824,009.72	0.00	0.00
Other liabilities	473,165,245.34	473,165,245.34	0.00	0.00
Total	1,642,215,986.20	531,736,612.45	849,350,000.00	261,129,373.75

Liabilities with subsidiaries are classified as current in cases where a specific payment term was not defined.

Liabilities with subsidiaries consist entirely of other liabilities, above all EUR 498,548,292.92 (2010: TEUR 39,466) of loans granted to subsidiaries as well as other settlement items.

The "Berlin contracts" resulted in the takeover of Aviso Zeta AG and its subsidiaries by IMMOFINANZ Group as of 22/12/2010. As a consequence of this transaction, trustee liabilities of 445,275,569.59 (2010: TEUR 472,907) due to Immofinanz Corporate Finance Consulting GmbH, which were reduced by impairment losses of EUR 33,100,740.80 (2010: TEUR 81,147), were included under other liabilities as of 30/04/2010. In the financial statements for 2010/11 these trustee receivables were reclassified to liabilities with subsidiaries.

Guarantees

THEREOF ON BEHALF OF SUBSIDIARIES

IMMOFINANZ AG has issued comfort letters on behalf of individual subsidiaries to guarantee their solvency. These comfort letters confirm that the involved companies will be able to meet their payment obligations at any time and oblige IMMOFINANZ AG to ensure that sufficient funds will be available to meet all liabilities at maturity. Furthermore, IMMOFINANZ AG is obliged to undertake all other necessary measures required by the applicable insolvency laws. IMMOFINANZ AG is also required to subordinate all liabilities that represent debt from the viewpoint of the involved company and must take a secondary position to all other creditors who are not shareholders of the involved companies or are subordinated in another manner.

Moreover, the company has provided guarantees or pledges of EUR 332,535,709.82 (2010: TEUR 425,249) to financial institutions on behalf of subsidiaries.

FINANCIAL INSTRUMENTS

IMMOFINANZ AG has concluded contracts for the following derivative financial instruments to hedge interest rate risk:

Type	Contract partner	Currency	Nominal value		Term	Net present value 30/04/2011
CAP	WestLB AG, Düsseldorf	EUR	100,000,000.00	15/09/2006–16/05/2011		-29,690.66
CAP	Raiffeisen Bank International AG, Vienna	EUR	50,000,000.00	30/06/2006–30/06/2011		-52,969.16
CAP	Raiffeisen Bank International AG, Vienna	EUR	100,000,000.00	27/09/2006–16/05/2011		-6,545.49
CAP	Raiffeisen Bank International AG, Vienna	EUR	240,000,000.00	27/04/2011–13/05/2013		-300,847.70
Included under other provisions						-390,053.01

These derivatives are valued at the average Interbank rates using generally accepted financial models.

The interest rate caps were concluded to hedge the outstanding balance of the revolving credit facility.

4. Notes to the Income Statement

REVENUES

Revenues consist of management fees charged out to the Group companies as well as insurance commissions.

OTHER OPERATING INCOME

The major components of miscellaneous operating income include reversals of EUR 262,114.70 (2010: TEUR 1,779) to other provisions, income of EUR 44,458,600.99 (2010: TEUR 11,573) from the reversal of value allowances and foreign exchange gains of EUR 550,196.79 (2010: TEUR 7).

OTHER OPERATING EXPENSES

Impairment losses to and the derecognition of receivables amounted to EUR 19,428,605.07 for the reporting year (2010: TEUR 36,140). The impairment losses were related primarily to properties carried in the financial statements of subsidiaries.

Other major components of this position are administrative fees of EUR 6,540,936.04 (2010: TEUR 5,762) charged by IMBEA IMMOEAST Beteiligungsverwaltung GmbH, legal, auditing and consulting fees of EUR 5,001,590.69 (2010: TEUR 8,137), appraisal fees of EUR 408,981.88 (2010: TEUR 795) and issue costs of EUR 1,849,634.06 (2010: TEUR 0) for the convertible bonds.

The company has elected not to disclose the fees charged by the auditor in accordance with the option provided by § 237 no. 14 last sentence of the Austrian Commercial Code.

The remuneration for the members of the Supervisory Board is approved during the current financial year for the previous financial year and subsequently distributed. The members of the Supervisory Board received remuneration of EUR 338,065.00 for the 209/10 financial year.

INCOME FROM INVESTMENTS IN SUBSIDIARIES

This position includes the dividend paid by the subsidiary IMBEA IMMOEAST Beteiligungsverwaltung GmbH for 2010.

INTEREST AND SIMILAR INCOME

The major components of interest and similar income are interest of EUR 12,189,164.72 (2010: TEUR 14,526) on trustee loans granted by Immofinanz Corporate Finance Consulting GmbH and interest of EUR 4,354,949.62 (2010: 2,994) on Group receivables.

Income on the partial repurchase of convertible bonds totalled EUR 1,410,087.31 (2010: 37,448).

EXPENSES ARISING FROM INVESTMENTS IN SUBSIDIARIES AND OTHER FINANCIAL ASSETS

Impairment losses of EUR 37,657,680.10 were recognised to investments in other subsidiaries during the reporting year (2010: revaluations of TEUR 314).

INTEREST AND SIMILAR EXPENSES

This position includes interest expense from trustee loans granted by Immofinanz Corporate Finance Consulting GmbH (EUR 16,572,085.91; 2010: TEUR 16,138) as well as interest expense on the convertible bonds (EUR 39,445,078.91; 2010: TEUR 40,795). A guarantee of EUR 6,243,320.49 (2010: TEUR 7,030) is also included under this position in accordance with a guarantee contract concluded on 06/04/2009.

INCOME TAX EXPENSES

This position includes the following items:

Amounts in EUR	2010/11	2009/10
Corporate income tax	-410,697.00	-288,627.50
Corporate income tax, credit prior years	3,500.00	0.00
Reversal of provision for corporate income taxes	6,132.00	0.00
Income tax expense (Group taxation)	0.00	-131,631.51
Income tax expense (Group taxation), other periods	-21,073.05	-19,592,369.93
Income tax credits (Group taxation)	23,323.96	161,641.23
Income tax credits (Group taxation), other periods	6,112.82	1,896,435.60
Total	-392,701.27	-17,954,552.11

In 2010/11 the company did not elect to use the option provided by § 198 (10) of the Austrian Commercial Code, which permits the recognition of deferred tax assets on temporary differences arising from the financial statements prepared in accordance with Austrian commercial law and the respective tax bases.

Deferred tax assets totalled TEUR 2,549 as of 30/04/2011 (2010: TEUR 2,645).

5. Other Information

INFORMATION ON SIZE PURSUANT TO § 221 OF THE AUSTRIAN COMMERCIAL CODE:

The company is classified as a large corporation based on the criteria defined in § 221 (1) of the Austrian Commercial Code.

INFORMATION ON GROUP TAXATION PURSUANT TO § 9 OF THE AUSTRIAN CORPORATE INCOME TAX ACT

In accordance with a group application filed on 29/04/2005, the company has served as the head of a corporate group as defined in § 9 of the Austrian Corporate Income Tax Act since the 2005 tax assessment year. This corporate group has been expanded several times. The intragroup tax settlement takes the form of positive tax charges equalling 12.5% of the taxable profit recorded by the individual group members and negative tax charges equalling 12.5% of the taxable losses recorded by the individual group companies that are utilised by the head of the group.

IMMOFINANZ AG is the head of a corporate group as defined in § 9 of the Austrian Corporate Income Tax Act. The company and the members of the tax group have concluded an agreement for the settlement of taxes. Accordingly, the head of the group recognises a receivable due from a member of the group if taxable results are positive and a liability to the company if taxable results are negative. Group members are only compensated for losses to the extent of their contribution to the reduction of tax expense for the financial year. Loss carryforwards are only settled when they are utilised.

RELATED PARTY TRANSACTIONS IN THE SENSE OF § 237 NO. 8B OF THE AUSTRIAN COMMERCIAL CODE

All transactions with related companies and persons during the reporting year took place at arm's length.

RISK REPORT

As international corporations, IMMOFINANZ AG and its subsidiaries are exposed to various financial risks in connection with their operating and financing activities. The major financial risks for IMMOFINANZ are associated with possible changes in foreign exchange rates, interest rates, share prices and the protection of liquidity as well as the creditworthiness and liquidity of customers and business partners. IMMOFINANZ AG follows a policy that is designed to limit these risks through active management. Hedges are concluded to limit some of these risks, with derivative financial instruments used to hedge interest rate risk in the operating business. As of 30 April 2011 the company held derivative financial instruments with a nominal value of EUR 490,000,000.00 and a negative market value of EUR 390,053.01.

Credit risks represent the risk that one party to a financial transaction is unable or unwilling to meet its obligations and thereby causes financial damages for IMMOFINANZ.

Interest rate risks arise from changes in interest rates that have a negative effect on the asset and financial position of the company. The company handles this risk by avoiding fixed interest agreements and by concluding hedges.

Foreign exchange risks arise primarily from assets that are held in US Dollars.

IMMOFINANZ places special focus on the monitoring of liquidity risk in order to safeguard its ability to meet payment obligations at all times. Liquidity positions are reviewed monthly on the basis of payment flow analyses and future income and expense forecasts. The net liquidity position determined by this process forms the basis for investment planning and the estimation of the resulting capital requirements.

Risks rising from legal proceedings

LEGAL PROCEEDINGS BY SHAREHOLDERS AGAINST IMMOFINANZ AG

A number of shareholders have filed claims against IMMOFINANZ AG since November 2008. Some of the plaintiffs are IMMOFINANZ AG shareholders, while others are shareholders of the former IMMOEAST AG (now IMBEA IMMOEAST Beteiligungsgesellschaft GmbH, in short: IMBEA). In all cases, the plaintiffs are claiming damages based on prospectus liability. The plaintiffs' argumentation is based primarily on alleged deficiencies in the prospectuses of IMMOFINANZ AG and IMMOEAST AG. Some of the plaintiffs' claims are also based on other legal grounds, e.g. the violation of ad-hoc reporting requirements. Among others, the plaintiffs allege that the funds raised from the public offering were not used for acquisitions or the development of new real estate projects, but for the financing of IMMOFINANZ AG and IMMOEAST AG and for the purchase of shares in IMMOFINANZ AG and IMMOEAST AG. IMMOFINANZ AG and IMBEA reject these claims.

Of special note are two class-action suits of Austrian origin involving claims totalling EUR 10,096,065.23 by 69 and 242 plaintiffs, respectively, against IMMOFINANZ AG. These cases are still in the early stages. AdvoFin, a company that finances legal proceedings, is carrying the plaintiffs' costs.

A total of 157 lawsuits had been filed against IMMOFINANZ AG by the end of May 2011. The total value in dispute of these lawsuits was EUR 21,859,124.28 as that time. Most of the plaintiffs are covered by insurance for legal expenses or represented by a company that finances such proceedings. It is expected that several more claims will be filed under the coordination of insurance carriers or companies that finance legal proceedings.

The status of the pending proceedings is different, whereby most are in the early stages. In eight cases, a judgment in the first instance or a final judgment was issued, each – for different reasons – in favour of IMMOFINANZ AG or IMMOEAST AG/IMBEA.

LEGAL PROCEEDINGS BY SHAREHOLDERS AGAINST INVESTMENT CONSULTANTS AND AVISO ZETA AG; THIRD-PARTY NOTICES AGAINST IMMOFINANZ AG

At the beginning of August 2008 shareholders of IMMOFINANZ AG and IMMOEAST AG filed lawsuits against Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG) and AWD Gesellschaft für Wirtschaftsberatung GmbH, through which they purchased IMMOFINANZ and IMMOEAST shares. The plaintiffs allege incorrect investment advising, misleading advertising and false depiction of IMMOFINANZ AG and IMMOEAST AG in public due to the withholding of information on the close relationship between the former Constantia Privatbank AG and IMMOFINANZ AG/IMMOEAST AG. Furthermore, the lawsuits contend that information on material transactions by the former Constantia Privatbank AG with shares of IMMOFINANZ AG and IMMOEAST AG was withheld and maintain that investors' funds were not used for the purposes stated in the prospectuses. The plaintiffs are seeking compensation and/or the assessment of the resulting financial losses.

The plaintiffs did not lodge any direct claims against IMMOFINANZ AG in these cases. IMMOFINANZ AG is involved as an intervening party in some of the cases against Aviso Zeta AG or AWD Gesellschaft für Wirtschaftsberatung GmbH. An intervening party is someone who has a legal interest in the success of one party to pending legal proceedings between other persons. Participation in legal proceedings as an intervening party allows the defendant to file a recourse claim against IMMOFINANZ AG if the case is lost; otherwise the objections would not be allowed in subsequent proceedings.

By the end of May 2011 Aviso Zeta AG had served IMMOFINANZ AG and/ or IMBEA with third-party notices in 577 cases. AWD Gesellschaft für Wirtschaftsberatung GmbH has also served IMMOFINANZ AG and/ or IMBEA with third-party notices in 181 cases. The total value in dispute of these third-party notices is EUR 56,055,814.06. IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsgesellschaft GmbH joined in most of these cases.

According to the information currently available to IMMOFINANZ AG, judgments have been issued in 11 lawsuits against AWD Gesellschaft für Wirtschaftsberatung GmbH and Aviso Zeta AG. The judgments were issued in favour of the defendant in most of these cases. Neither AWD Gesellschaft für Wirtschaftsberatung GmbH nor Aviso Zeta AG has filed recourse claims against IMMOFINANZ AG to date.

PROCEEDINGS TO REVIEW THE EXCHANGE RATIO APPLIED TO THE MERGER OF IMMOEAST AG AND IMMOFINANZ AG

IMMOFINANZ AG, as the accepting company, was merged with IMMOEAST AG, as the transferring company, in accordance with a merger agreement dated 21/01/2010. In connection with this merger, the former shareholders of IMMOEAST AG were granted a total of 567,363,702 shares in IMMOFINANZ AG based on the agreed exchange ratio of three IMMOFINANZ shares for each two IMMOEAST shares. Petitions were subsequently filed with the commercial court of Vienna by IMMOFINANZ shareholders and shareholders of the former IMMOEAST AG for a review of this exchange ratio pursuant to §§ 225c ff of the Austrian Stock Corporation Act. This step led to the start of court proceedings, and IMMOFINANZ AG has filed an extensive statement in response to the petitions.

Decisions or settlements in the proceedings to review the exchange ratio will apply to all shareholders in the respective shareholder groups (erga omnes right). If the proceedings lead to additional payments (additional settlement payments), the shareholders in the disadvantaged shareholder group will receive these payments plus interest at a rate of 2% over the base interest rate on the registration date (29/04/2010). IMMOFINANZ AG has requested permission to grant additional IMMOFINANZ shares in place of cash settlements.

The outcome of the proceedings to review the exchange ratio cannot be predicted at the present time. It is not possible to estimate whether the shareholder groups will be granted additional payments (additional settlement payments) or how high these payments might be.

OTHER LEGAL DISPUTES

In March 2011 IMMOFINANZ AG filed a lawsuit against three former members of the Executive Board and members of the Supervisory Board of the former Constantia Privatbank AG over option transactions to the detriment of the former IMMOEAST AG. This case is still in the early stages.

INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

Shares in subsidiaries and associated companies comprise the following:

Company	Balance sheet date	Share owned	Equity as of 30/04/2011 in EUR	Profit for the year in EUR
IMBEA IMMOEAST Beteiligungsverwaltung GmbH, Vienna	30/04/2010	100%	5,278,041,852.63	8,951,230.69
IMMOWEST Immobilien Anlagen GmbH, Vienna	30/04/2010	100%	228,175,970.04	238,172.05
EHL Immobilien GmbH, Vienna	31/12/2009	49%	4,078,475.24	4,435,328.15

SHARE-BASED PAYMENTS

The employment contracts concluded with Executive Board members Daniel Riedl and Michael Wurzinger in September 2008 provide for the granting of 200,000 stock options with cash settlement. Mr. Wurzinger resigned from the Executive Board as of 30/09/2010. The employment contract with Daniel Riedl was renewed in June 2011 and no longer calls for share-based remuneration.

Share-based payments for the reporting year amounted to TEUR 0 for the reporting year (2009/10: TEUR 0). The carrying amount of the liabilities resulting from share-based payments totalled TEUR 0 as of 30/04/2011 (30/04/2010: TEUR 0).

Average number of employees

The company had an average of four Executive Board members during the reporting year.

BODIES OF THE COMPANY

The corporate bodies of IMMOFINANZ AG are:

EXECUTIVE BOARD

Eduard Zehetner (Chief Executive Officer since 24/06/2010)

Daniel Riedl

Michael Wurzinger (from 01/07/2008 to 30/09/2010)

Manfred Wiltschnigg

The members of the Executive Board received remuneration totalling EUR 4,026,667.65 in 2010/11. No provisions for severance compensation were recognised because these employment relationships fall under the regulations governing employee severance funds.

SUPERVISORY BOARD

Herbert Kofler – Chairman

Michael Knap – Vice-Chairman

Guido Schmidt-Chiari

Vitus Eckert

Rudolf Fries

Nick van Ommen

Klaus Hübner

Christian Böhm

AUTHORISED SIGNATORIES

Margit Hermentin (from 28/08/2007 to 16/03/2011)

Birgit Noggler

Wolfgang Idl (since 30/04/2011)

Josef Mayer (since 30/04/2011)

Robert Operschall (since 30/04/2011)

Martina Wimmer (since 30/04/2011)

Vienna, 03 August 2011

The Executive Board



Eduard Zehetner
Chief Executive Officer



Daniel Riedl FRICS
Member of the Executive Board



Manfred Wiltschnigg MRICS
Member of the Executive Board

Development of Non-Current Assets in acc. with § 226 (1) of the Austrian Commercial Code

Amounts in EUR	Balance on 01 May 2010	Acquisition or Production Cost			Balance on 30 April 2011
		Additions	Disposals	Reclassification	
1. Wordmarks – Group	30,399.05	0.00	0.00	0.00	30,399.05
2. Software	258,654.41	9,000.00	0.00	0.00	267,654.41
Intangible assets	289,053.46	9,000.00	0.00	0.00	298,053.46
1. Buildings on land owned by third parties	0.00	1,427,526.15	0.00	0.00	1,427,526.15
2. Furniture, fixtures and office equipment	93,647.20	637,888.68	-18,958.80	0.00	712,577.08
Tangible assets	93,647.20	2,065,414.83	-18,958.80	0.00	2,140,103.23
1. Investments in subsidiaries ¹	6,504,398,118.58	17,760,000.00	0.00	0.00	6,522,158,118.58
2. Investments in associated companies	0.00	850,000.00	0.00	0.00	850,000.00
3. Non-current securities (rights)	7,373,235.83	0.00	0.00	0.00	7,373,235.83
Thereof subsidiaries	6,322,536.57	0.00	0.00	0.00	6,322,536.57
4. Treasury shares	0.00	145,755,598.51	0.00	0.00	145,755,598.51
Financial assets	6,511,771,354.41	164,365,598.51	0.00	0.00	6,676,136,952.92
Total non-current assets	6,512,154,055.07	166,440,013.34	-18,958.80	0.00	6,678,575,109.61

¹ Impairment losses

Management Report for the 2010/11 Financial Year

A. General information

IMMOFINANZ AG (in the following, IMMOFINANZ) is an international real estate investment and development corporation whose headquarters are located in Vienna, Austria. It serves as the parent company of IMMOFINANZ Group and is listed in the ATX segment of the Vienna Stock Exchange (ISIN AT0000809058). As of 30/04/2011 the company had 1,045,373,586 zero par value, voting shares outstanding. Market capitalisation amounted to approx. EUR 3.4 billion at the end of the 2010/11 financial year based on a closing price of EUR 3.21. As of 30/04/2011 5.2% of the IMMOFINANZ shares were held by the FRIES Family Private Foundation, the Dr. Rudolf FRIES Family Private Foundation and Mr. and Mrs. Rudolf Fries. The remaining 94.8% of the shares are held in free float by private and institutional investors.

B. Business activities

The headquarters of IMMOFINANZ AG are located in A-1100 Vienna, Wienerberg Strasse 11. The company serves as the parent company of IMMOFINANZ Group. The primary business activities of IMMOFINANZ are the investment in and management of stakes in other companies.

The core business of IMMOFINANZ Group is the generation of rental income through the active management of a diversified real estate portfolio in Central and Eastern Europe. Development projects and portfolio-optimising sales represent additional sources of income. The Group's activities are based on an 80:10:10 strategy: property rentals are responsible for 80% of operating income, and 10% each is realised on development projects and property sales. This combination of standing investments and development projects allows IMMOFINANZ Group to optimise the balance between opportunities and risks. The standing investments produce steady income, while development activities create a potential for the future.

Accumulated depreciation	Carrying amount		Impairment losses current year	Revaluations current year
	30 April 2011	30 April 2010		
16,707.73	13,691.32	15,791.06	2,099.74	0.00
210,674.97	56,979.44	106,500.71	58,521.27	0.00
227,382.70	70,670.76	122,291.77	60,621.01	0.00
11,896.05	1,415,630.10	0.00	11,896.05	0.00
81,032.30	631,544.78	40,975.12	47,319.02	0.00
92,928.35	2,047,174.88	40,975.12	59,215.07	0.00
370,837,656.62	6,151,320,461.96	6,171,218,142.06	37,657,680.10 ¹	0.00
0.00	850,000.00	0.00	0.00	0.00
0.00	7,373,235.83	7,373,235.83	0.00	0.00
0.00	6,322,536.57	6,322,536.57	0.00	0.00
0.00	145,755,598.51	0.00	0.00	0.00
370,837,656.62	6,305,299,296.30	6,178,591,377.89	37,657,680.10	0.00
371,157,967.67	6,307,417,141.94	6,178,754,644.78	37,777,516.18	0.00

IMMOFINANZ concentrates its regional activities on the core markets of Austria, Germany, Poland, Hungary, Czech Republic, Slovakia, Romania and Russia and on the residential, office, retail and logistics asset classes.

Additionally, IMMOFINANZ Group holds investments in international property companies and funds. One element of the current strategy is to reduce these passive commitments through sales or to gain majority control. The funds released by the sale of non-core assets and by opportunistic property sales are reinvested in prime properties.

C. Development of business

GENERAL INFORMATION

On 20/05/2010 an agreement on the "IBAG bond" (EUR 512 million) was reached between representatives of IMMOFINANZ Group and representatives of Constantia Packaging B.V. as well as Christine de Casteljacob and Prince Michael von und zu Liechtenstein. In accordance with these agreements, IMMOFINANZ Group has received EUR 164 million in cash. Another element of the agreements is the transfer of more than one hundred companies from the CPB Enterprise Group from Constantia Packaging B.V., whose assets consist primarily of approx. 55 million shares of IMMOFINANZ AG and real estate.

These transactions mark the end of the restructuring of IMMOFINANZ Group and form the basis for the further development and optimisation of the corporation. The closing gave IMMOFINANZ Group over EUR 600 million in free funds that were used to strengthen the portfolio. The transfer of these companies and Aviso Zeta AG will give IMMOFINANZ shareholders an opportunity to benefit from the purchase price component of more than EUR 80 million from the sale of assets to Semper Constantia Privatbank AG, at the latest after expiration of the guarantee periods.

IMBEA IMMOEAST Beteiligungsverwaltung AG, a wholly owned subsidiary of IMMOFINANZ AG, acquired all shares in Aviso Zeta AG (formerly Aviso Zeta Bank AG and Constantia Privatbank Aktiengesellschaft) for EUR 1.00 as of 22/12/2010 through a share purchase agreement. The seller was Aviso Gamma GmbH, an investment owned by UniCredit Bank Austria AG, Raiffeisen Bank International AG, Erste Bank der österreichischen Sparkassen AG, BAWAG PSK and Österreichische Volksbanken-Aktiengesellschaft.

The takeover of Aviso Zeta AG also led to the acquisition of the CREDO Immobilien Development Group, the development segment of the former Constantia Privatbank Aktiengesellschaft, by IMMOFINANZ Group. At the same time Aviso Delta GmbH, an associated company of Aviso Zeta Bank AG, was acquired by the above Group company for a price equalling the paid-in share capital of EUR 17,500.00. The staff of IMMOFINANZ Group is employed by Aviso Delta GmbH and its subsidiaries through management contracts. These transactions formally complete the internalisation of property management in IMMOFINANZ Group that began 18 months ago.

The final step in the internalisation of management was the transfer of the staff employed by Aviso Delta GmbH and its subsidiaries to IMMOFINANZ as of 01/05/2011.

Through its subsidiary IMMOEAST Allegro Beteiligungs GesmbH, IMMOFINANZ acquired the 20% stake in the Grand Centar in Zagreb, which was previously held by Generali Immobilien AG, as of 06/04/2011. The Grand Centar is one of the most important office properties in the Croatian capital.

ASSET POSITION

The assets held by IMMOFINANZ consist primarily of financial assets, marketable securities, other receivables and cash in bank. The balance sheet total equalled EUR 7,115,682,415.35 as of 30/04/2011, which represents an increase of EUR 460,475,463.65 over the prior year. This development was related above all to the share buyback programme carried out in 2010/11 and to the repurchase of the 2014 and 2017 convertible bonds. The equity ratio equalled 76.11% as of 30/04/2011 (2009/10: 75%).

EARNINGS POSITION

Net profit for the 2010/11 financial year amounted to EUR 421,703,230.92 (2009/10: loss of TEUR 66,058). This improvement resulted mainly from a distribution by the subsidiary IMBEA IMMOEAST Beteiligungsverwaltung GmbH.

FINANCIAL POSITION

Cash and cash equivalents rose by TEUR 9,435 in year-on-year comparison (2009/10: decrease of TEUR 66,769). Net cash flow from operating activities amounted to TEUR 220,147 (2009/10: TEUR -28,324) and is based primarily on dividend payments from subsidiaries. Net cash flow from investing activities totalled TEUR -20,684 (2009/10: TEUR 6,996). Net cash flow from financing activities equalled TEUR -190,027 (2009/10: TEUR -45,441).

NON-FINANCIAL PERFORMANCE INDICATORS

The number of properties directly or indirectly owned by IMMOFINANZ declined from 1,684 to 1,672 during the reporting year. This development led to a decrease in rentable space from 6.8 million sqm to 6.6 million sqm.

D. Significant events after the end of the reporting year

As of 04/05/2011 IMMOFINANZ Group acquired the remaining 25.00% stake of the *GoodZone* shopping center project in Moscow, which is currently under construction. The initial 75.00% investment was acquired in mid-2007.

On 08/06/2011 IMMOFINANZ Group concluded an agreement for the sale of seven fund investments with a carrying amount of EUR 129.1 million to European investors. Since these investments were financed in full with equity by member companies of IMMOFINANZ Group, the transaction will increase cash at an amount equalling the sale price.

As of 10/06/2011 IMMOFINANZ Group acquired the remaining 49.00% of the Equator, a prime office property in Warsaw, and the adjacent Nimbus office development project from Karimpol S.A. In exchange Karimpol S.A. took over 51.00% of the Cirrus development project and thereby became its sole owner.

On 16/06/2011 IMMOFINANZ Group concluded an agreement for the acquisition of the remaining 69.22% of the share capital of Adama Holding Public Ltd. ("Adama"). IMMOFINANZ has held an investment in this leading South-East European residential construction group since 2007 and, through this transaction, will become the sole owner of Adama. The purchase price for this stake equals EUR 42.4 million. The sellers include the global US hedge fund Tiger Global, Morgan Stanley, Lehman Brothers UK in administration and the founding shareholders.

E. Information on capital

The share capital of IMMOFINANZ Group totalled EUR 1,085,289,446.60 as of 30/04/2011 (2009/10: EUR 1,084,088,464.68) and is divided into 1,045,373,586 (2009/10: 1,044,216,775) zero par value bearer shares with a proportional share of (rounded) EUR 1.04 in share capital.

The classification of shares as of 30/04/2011 and 30/04/2010 is as follows:

	Number of shares	Share capital in EUR	Number of shares	Share capital in EUR
	30 April 2010		30 April 2011	
Registered shares	6	6.23	6	6.23
Bearer shares	1,044,216,769	1,084,088,458.45	1,045,373,580	1,085,289,440.37
Total	1,044,216,775	1,084,088,464.68	1,045,373,586	1,085,289,446.60

The shares numbered 1 through 6 are registered shares that are held by Aviso Zeta AG, 1010 Vienna, Bösendorferstrasse 4. The registered shares may only be transferred with the approval of IMMOFINANZ AG. The holders of these shares have the right to nominate one member to the Supervisory Board for each registered share held. Based on a share purchase agreement that was signed on 19/05/2010 and closed in December 2010, Aviso Zeta AG was acquired in full by IMBEA IMMOEAST Beteiligungsverwaltung GmbH (a wholly owned subsidiary of IMMOFINANZ AG). Plans call for a recommendation to the annual general meeting of IMMOFINANZ AG, requesting cancellation of the previously unused right of delegation to the Supervisory Board that is connected with the registered shares and conversion of the registered shares to bearer shares.

The remaining shares are bearer shares and, similar to the registered shares, entitle their holders to participate in the annual general meetings and exercise their voting rights. Each bearer share carries the right to one vote.

The Executive Board is not aware of any agreements between shareholders that restrict voting rights or the transfer of shares.

There are no shares with special control rights in the sense of § 243a (1) no. 4 of the Austrian Commercial Code.

The staff does not hold an investment in capital. Therefore, no information is provided on the control of voting rights pursuant to § 243a (1) no. 5 of the Austrian Commercial Code.

The following table shows the development of shares, share capital and capital reserves during the 2010/11 financial year:

	Number of shares	Share capital in EUR	Capital reserves in EUR	Reason for change
30 April 2010	1,044,216,775	1,084,088,464.68	3,907,290,389.38	
November 2010	1,044,273,586	1,084,147,444.92	3,907,431,409.14	Conversion of CB 2011 and CB 2014
December 2010	1,044,373,586	1,084,251,263.25	3,907,527,590.81	Conversion of CB 2011
January 2011	1,044,773,586	1,084,666,536.59	3,907,912,317.47	Conversion of CB 2011
February 2011	1,044,973,586	1,084,874,173.26	3,908,104,680.80	Conversion of CB 2011
April 2011	1,045,373,586	1,085,289,446.60	3,908,489,407.46	Conversion of CB 2011
30 April 2011	1,045,373,586	1,085,289,446.60	3,908,489,407.46	

SIGNIFICANT SHAREHOLDINGS

On 15/04/2011 the company was informed that FRIES Familien-Privatstiftung, Dr. Rudolf FRIES Familien-Privatstiftung and Mr. and Mrs. Rudolf Fries (together the "Fries Group") hold a total of 52,873,309 voting rights directly and through their holdings. This represents a combined investment of more than 5% in the share capital of IMMOFINANZ AG.

IMMOFINANZ AG held 47,350,248 treasury shares as of 30/04/2011. IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, held 57,071,429 shares of IMMOFINANZ AG as of this same date. Aviso Zeta AG, a wholly owned subsidiary of IMBEA IMMOEAST Beteiligungsverwaltung GmbH, holds the six registered shares. In total member companies of IMMOFINANZ Group held roughly 9.99% of the share capital of IMMOFINANZ AG in the form of treasury shares as of 30/04/2011.

Convertible bonds

CONVERTIBLE BOND 2014

The annual general meeting on 28/09/2006 authorised the Executive Board to issue convertible bonds with a total nominal value of up to EUR 750.0 million within a period of five years. This annual general meeting also approved a conditional capital increase pursuant to § 159 of the Austrian Stock Corporation Act, which totalled EUR 58,076,106.11 and is intended to service the subscription or exchange rights of the convertible bonds issued on the basis of this resolution.

On 19/01/2007 IMMOFINANZ AG issued convertible bonds with a total nominal value of EUR 750 million and a term extending to 20/01/2014.

A resolution of the annual general meeting on 02/10/2009 expanded the scope of the capital increase approved on 28/09/2006 to include the servicing of exchange and/or conversion rights for the convertible bonds issued in accordance with the resolution of the annual general meeting on 27/09/2007.

CONVERTIBLE BOND 2017

The annual general meeting on 27/09/2007 authorised the issue of convertible bonds with a total nominal value of EUR 750.0 million. A conditional capital increase in accordance with § 159 of the Austrian Stock Corporation Act was also approved at the same time, which permitted an increase of EUR 156,828,594.90 in share capital for the purpose of granting conversion or

subscription rights to the holders of the convertible bonds issued in accordance with the resolution of the annual general meeting on 27/09/2007.

On 19/11/2007 IMMOFINANZ AG issued convertible bonds with a total nominal value of EUR 750.0 million and a term ending on 19/11/2017.

A resolution of the annual general meeting on 02/10/2009 expanded the scope of the conditional capital increase approved on 27/09/2007 to also include the servicing of exchange and/or conversion rights of the convertible bonds issued in accordance with the resolution of the annual general meeting on 28/09/2006.

EXCHANGE OFFER AND CONVERTIBLE BOND 2011

In connection with an exchange offer to the holders of the CB 2014 convertible bond and the CB 2017 convertible bond, convertible bonds with a total nominal value of EUR 229.6 million and a term ending on 22/12/2011 were issued on 28/04/2009. These convertible bonds were issued in accordance with resolutions of the annual general meetings of IMMOFINANZ AG on 28/09/2006 and 27/09/2007. The nominal liability of the CB 2014 and CB 2017 has declined by a total of EUR 574.0 million.

The annual general meeting of IMMOFINANZ AG on 02/10/2009 approved a conditional capital increase of EUR 23,384,795.39 in accordance with § 159 of the Austrian Stock Corporation Act. The purpose of this increase is to service the exchange and/or subscription rights of the convertible bonds issued in accordance with the resolution of the annual general meeting on 28/09/2006 and/or 27/09/2007.

REPURCHASE OF CONVERTIBLE BONDS AND EXERCISE OF CONVERSION RIGHTS DURING THE 2010/11 FINANCIAL YEAR

During the first half of the 2010/11 financial year IMMOFINANZ AG repurchased convertible bonds with a nominal value of EUR 96,200,000.- from the CB 2014 issue and convertible bonds with a nominal value of EUR 4,300,000.- from the CB 2017 issue. IMMOFINANZ AG has not withdrawn these repurchased bonds to date.

In February/March 2011 IMMOFINANZ AG made a tender offer to the holders of the CB 2014 and CB 2017. This tender offer resulted in the repurchase and withdrawal of CB 2014 certificates with a nominal value of EUR 454.7 million and CB 2017 certificates with a nominal value of EUR 10.5 million during March 2011.

In 2010/11 the exchange right was exercised for one certificate from the CB 2014 with a nominal value of EUR 100,000.00.

Exchange rights were also exercised in 2010/11 for 23 certificates from the CB 2011 with a total nominal value of EUR 2.3 million.

These conversions led to an increase of EUR 1,200,940.8 in the share capital of IMMOFINANZ AG during the reporting year through the issue of 1,156,811 new shares pursuant to § 167 of the Austrian Stock Corporation Act.

CONVERTIBLE BOND 2018

On 08/03/2011, IMMOFINANZ AG issued 125,029,692 convertible bonds with a total nominal value of EUR 515,122,331.04 and a term ending on 08/03/2018. This issue was based on a resolution of the annual general meeting on 27/09/2007 covering the issue of convertible bonds and a resolution on 28/09/2010 authorising the Executive Board to sell treasury shares in full or in part by means other than over the stock exchange or through a public offer.

The original conversion rights connected with the CB 2018 for 125,029,692 shares of IMMOFINANZ AG are supported by up to 20,608,015 new shares from conditional capital and up to 104,421,677 treasury shares. A proposal will be made to the annual general meeting, calling for a resolution on further conditional capital.

The following table shows the development of the nominal value of the convertible bonds during 2010/11 and after the end of the reporting year:

Convertible bonds	ISIN	Nominal value as of 30/04/2010 in EUR mill.	Nominal value of repurchased convertible bonds (not withdrawn)	Nominal value of convertible bonds repurchased through tender offer (withdrawn or new issue)	Conversions in 2010/11	Nominal value as of 30/04/2011 in EUR mill.	Conversions in 2011/12	Nominal value as of 30/06/2011 in EUR mill.
Convertible bond 2009–2011	XS0416178530	194.20	0.00	0.00	-2.30	191.90	-36.40	155.50
Convertible bond 2007–2014*	XS0283649977	654.30	-96.20	-454.70	-0.10	103.30	0.00	103.30
Convertible bond 2007–2017*	XS0332046043	212.30	-4.30	-10.50	0.00	197.50	0.00	197.50
Convertible bond 2011–2018*	XS0592528870	0.00	0.00	515.12	0.00	515.12	0.00	515.12
		1,060.80	-100.50	49.92	-2.40	1,007.82	-36.40	971.42

* Put option for convertible bondholders

Treasury shares

SHARE PURCHASE BASED ON AGREEMENTS FOR THE “IBAG BOND” AND AVISO ZETA

As of 30/04/2011 IMBEA IMMOEAST Beteiligungsverwaltung GmbH (a wholly owned subsidiary of IMMOFINANZ AG) held 57,071,429 shares of IMMOFINANZ AG. That represents a proportional stake of EUR 59,250,607.08 or roughly 5.46% of the company's share capital as of 30/04/2011.

IMBEA IMMOEAST Beteiligungsverwaltung GmbH purchased 55,005,409 IMMOFINANZ shares during 2010/11 in connection with the closing of the agreements between IMMOFINANZ Group and Constantia Packaging B.V. on the so-called “IBAG bond” (EUR 512 million) as part of the contract performance by Constantia Packaging B.V. This purchase was based on the statutory provision for the prevention of damages as defined in § 65 (1) no. 1 of the Austrian Stock Corporation Act.

The details of the share purchase by IMBEA IMMOEAST Beteiligungsverwaltung GmbH are as follows: The 55,005,409 IMMOFINANZ shares were held by four companies belonging to the CPB Enterprise Group. The transfer of the companies holding the shares (together with the other companies in the CPB Enterprise Group) from Constantia Packaging B.V. to IMBEA IMMOEAST Beteiligungsverwaltung AG represented part of the contract performance by Constantia Packaging B.V. based on the agreements covering the “IBAG bond” (EUR 512 million). In order to enable IMBEA IMMOEAST Beteiligungsverwaltung GmbH to hold these shares directly, the 55,005,409 IMMOFINANZ shares were purchased by IMBEA IMMOEAST Beteiligungsverwaltung GmbH from the four above-mentioned CPB Enterprise Group companies at the closing price of the IMMOFINANZ share on 23/08/2010 (i.e. at EUR 2.75 per share). The purchase price was settled through an offset with financial receivables held by IMBEA IMMOEAST Beteiligungsverwaltung GmbH against the companies holding the shares, which are now member companies of IMMOFINANZ Group – with the exception of the purchase price for 465,409 IMMOFINANZ shares from a company with no financial liabilities due to IMBEA IMMOEAST Beteiligungsverwaltung GmbH – which represented an intragroup liability/receivable as of 30/04/2011.

IMBEA IMMOEAST Beteiligungsverwaltung GmbH also purchased 2,066,020 IMMOFINANZ shares from Aviso Zeta AG (formerly Aviso Zeta Bank AG) on 29/09/2010 at the closing price of the IMMOFINANZ share on that date (i.e. EUR 2.708 per share). This purchase was based on the statutory provision for the prevention of damages as defined in § 65 (1) no. 1 of the Austrian Stock Corporation Act. The transaction made it possible for Aviso Zeta AG to terminate its banking activities without the "emergency sale" of these IMMOFINANZ shares and to fulfil the closing conditions for the share purchase agreement dated 19/05/2010 for the shares of Aviso Zeta AG.

The six registered shares of IMMOFINANZ AG are held by Aviso Zeta AG. The purchase of all shares of Aviso Zeta by IMBEA IMMOEAST Beteiligungsverwaltung GmbH in December 2010 resulted in the acquisition of these shares, here also based on the statutory provision for the prevention of damages (§ 65 (1) no. 1 of the Austrian Stock Corporation Act).

SHARE BUYBACK PROGRAMME 2010–2011

A resolution by the annual general meeting on 28/09/2010 authorised the Executive Board to repurchase the company's shares in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act at an amount equalling up to 10% of share capital. This authorisation is valid for a period of 30 months. This resolution also authorised the Executive Board, subject to the consent of the Supervisory Board, to sell treasury shares during a period of five years in full or in part in another manner than over the stock exchange or through a public offering, also under the exclusion of the general purchase option (exclusion of subscription rights), if this sale of treasury shares (i) represents return consideration for properties or stakes in property companies transferred to the company or its subsidiaries or (ii) if this sale of treasury shares is intended to service exchange and/or subscription rights of the convertible bondholders. The Executive Board is also authorised, subject to the consent of the Supervisory Board, to withdraw these shares without a further resolution of the annual general meeting.

Based on the resolution of the annual general meeting on 28/09/2010 that authorised the Executive Board pursuant to § 65 (1) no. 8 of the Austrian Stock Corporation Act to repurchase the company's shares up to 10% of share capital, IMMOFINANZ AG carried out a share buyback programme from 12/11/2010 to 18/03/2011. The purpose of this buyback was to use treasury shares for capital market instruments to refinance the CB 2017 and CB 2014. The share buyback programme led to the repurchase of 47,350,248 IMMOFINANZ shares for a total of EUR 145,755,598.48. These shares had a proportional stake of EUR 49,158,238.87 in the share capital of the company, which represents 4.53% of share capital as of 30/04/2011.

A summary of the shares purchased in 2010/11 is provided in the following table:

Date	Number of shares	Circumstances and statutory provision	Proportional share of share capital as of 30/04/2011 in EUR	Proportional share of share capital as of 30/04/2011 in %	Purchase price in EUR
August 2010	55,005,409	Closing of the agreements with Constantia Packaging B.V. on the "IBAG bond" (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	57,105,699.52	5.26%	151,264,874.75 (internal settlement)
September 2010	2,066,020	Termination of banking activities by Aviso Zeta (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	2,144,907.56	0.20%	5,594,782.16
December 2010	6	Acquisition of Aviso Zeta (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	6.23		16.85
November 2010 to March 2011	47,350,248	Share buyback programme 2010–2011 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	49,158,238.87	4.53%	145,755,598.51
Total	104,421,683		108,408,852.18	9.99%	

IMMOFINANZ AG held 104,421,683 treasury shares as of 30/04/2011, which represents 9.99% of share capital.

CHANGE OF CONTROL

The terms of issue for the convertible bonds CB 2011, CB 2014, CB 2017 and CB 2018 entitle all bondholders to call all or some of the securities not yet converted or repaid if there is a change of control. In such case, IMMOFINANZ AG would be required to repay the relevant securities at nominal value plus accumulated interest as of that date. Details on these conditions are provided in the respective terms of issue for the convertible bonds CB 2011, CB 2014, CB 2017 and CB 2018.

A syndicate of Austrian and international banks granted IMMOFINANZ Finance B.V. a revolving credit facility ("syndicated loan") in 2006. In the event of a change of control, creditors are entitled to call the outstanding amounts immediately. IMMOFINANZ AG has provided the creditors with a guarantee for its liabilities under this arrangement. The outstanding nominal amount was EUR 240,000,000.00 as of 30/04/2011.

EXECUTIVE AND SUPERVISORY BOARDS

As explained above, the holders of the registered shares are entitled to delegate one member to the Supervisory Board for each registered share held. These registered shares are held by Aviso Zeta AG which, as a subsidiary of IMMOFINANZ AG (§ 228 (3) of the Austrian Commercial Code), is not permitted by § 65 (5) of the Austrian Stock Corporation Act to exercise the delegation right connected with these registered shares. Plans call for a recommendation to the annual general meeting of IMMOFINANZ AG, requesting cancellation of the previously unused right of delegation to the Supervisory Board that is connected with the registered shares and conversion of the registered shares to bearer shares. There are no other provisions governing the appointment and removal of the members of the Executive Board or Supervisory Board that are not derived directly from law.

All Executive Board agreements contain a change of control clause that may lead to the cancellation of a contract. There are no other significant agreements which enter into force, change or terminate in the event of a change of control in the company following a takeover bid.

The company and the Executive Board have concluded compensation agreements that will take effect in the event of a public takeover bid. Depending on the remaining term of the Executive Board member, the respective contract entitlement will equal one or two years at most.

There are no such agreements for the members of the Supervisory Board or for employees. Eduard Zehetner was appointed Chief Executive Officer of IMMOFINANZ AG as of 24/06/2010. Accordingly, he has the deciding vote in the event of a tie.

F. Research and development

IMMOFINANZ does not incur any expenses for research and development.

G. Branch offices

IMMOFINANZ has no branch offices.

H. Financial instruments and risk reporting

As an international corporation, IMMOFINANZ is exposed to various financial risks. A systematic risk management process ensures the timely identification of developments that could endanger the realisation of strategic and operating goals and also allows for the inclusion of important information in decision-making processes.

IMMOFINANZ Group has integrated an active risk management system into its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct impact on strategic decisions and operating processes. Internal guidelines, reporting systems and control measures have been installed throughout the company to support the monitoring, evaluation and control of risks related to the operating business. Risk management in IMMOFINANZ Group takes place at all levels and is ultimately the responsibility of the Executive Board, which is involved in all risk-related decisions. The internal control system (ICS) was also expanded to support the early identification and monitoring of risk. The auditor evaluates the efficiency and effectiveness of the ICS – to the extent this is necessary for the preparation of the annual financial statements and the provision of a true and fair view of the asset, financial and earnings position of the company – and presents the results of this analysis to the Executive Board.

The primary financial instruments reported under assets consist primarily of the shares in subsidiaries reported under financial assets, securities, financing receivables and cash in bank. The primary financial instruments recorded under liabilities consist primarily of financial liabilities and trade payables.

In order to manage interest rate risk, the company has concluded SWAP and CAP transactions with financial institutions.

DEFAULT/CREDIT RISK

Credit risk (default risk) is understood to represent the risk that one party to a financial instrument causes the other party to incur a financial loss by failing to meet a financial obligation.

Credit risks arise from the possibility that the counterparty to a transaction could fail to meet the related obligations, and IMMOFINANZ incurs financial damages as a result. The maximum credit risk for assets is represented by the amounts shown on the balance sheet. Default risks are accounted for through value allowances.

The primary financing instruments held by the Group are reported on the balance sheet, whereby the carrying amounts of the financial assets represent the maximum risk of default on these financial instruments. The risk of default associated with other primary financial instruments and derivative financial instruments is also low because all financing transactions are concluded with financial institutions that have excellent credit ratings.

CAPITAL MARKET AND FINANCING RISK

The ability to obtain refinancing on the capital markets is an important strategic factor for IMMOFINANZ Group. Significant fluctuations on these markets can limit the availability of equity and/or debt. In order to minimise refinancing risk, IMMOFINANZ Group works to maintain a balance between equity and debt and distributes bank financing over various terms.

In order to ensure conformity with capital market regulations, IMMOFINANZ Group has issued a compliance guideline. This guideline is designed to guarantee the fulfilment of all relevant obligations under stock market law and, in particular, to prevent the misuse or distribution of insider information. The measures implemented in this connection include: the development of a compliance organisation; the definition of authorisations and duties for the compliance officer; the implementation of permanent and, where necessary, temporary classified units as well as blackout periods and trading prohibitions for persons assigned to these units.

The generation of liquidity from the operating business represents a central element of IMMOFINANZ Group's strategy. Processes to evaluate opportunities for optimisation or a further reduction in operating costs are expanded and improved continuously. Internal procurement guidelines for the operating business, above all in the area of property services, construction and facility management, form an important part of this cost reduction and optimisation potential.

In order to receive or continue the use of funds obtained through loan agreements, IMMOFINANZ Group must meet certain obligations – so-called financial covenants. The Group continuously monitors compliance with these covenants and remains in close contact with the lending institutions. If these obligations are not met, the lender may cancel the loan agreement under certain circumstances. At the present time IMMOFINANZ Group is not aware of and does not expect a breach of any major covenants that could negatively influence its business activities.

FOREIGN EXCHANGE RISK

IMMOFINANZ is exposed to foreign exchange risk as follows: cash balances, loans granted and borrowings can influence the asset position of the company.

The risk of devaluation associated with foreign currency cash balances is offset by the rapid conversion of these funds into the Euro.

Another management instrument to minimise foreign exchange risk is the limited use of foreign currency credits.

INTEREST RATE RISK

As an international company, IMMOFINANZ is exposed to the risk of interest rate fluctuations on various property submarkets. The company manages interest rate risk by avoiding fixed interest rate agreements and also uses hedges to counter interest rate risks.

A change in interest rates will have a direct influence on financial results through its impact on variable interest rate financing. IMMOFINANZ Group limits the risk associated with rising interest rates – which would lead to higher interest expense and a decline in financial results – through the use of fixed interest rate financing contracts and derivative financial instruments (above all caps and swaps).

LIQUIDITY RISK IN CONNECTION WITH THE FINANCIAL AND REAL ESTATE CRISIS

Liquidity risks are minimised through medium-term forecasts that cover a period of five years and an annual budget that is prepared in monthly sections as well as monthly revolving liquidity plans with variance and sensitivity analyses. Daily liquidity management ensures the ability to meet operating commitments at all times and the best possible investment of surplus funds, while maintaining the flexibility to realise acquisition opportunities at short notice.

IMMOFINANZ also places an emphasis on long-term financing that is based on the economic viability and market value of the individual properties.

In order to prevent cost overruns, IMMOFINANZ Group routinely monitors budgets and the progress of construction on all development projects and maintenance work.

MARKET RISK AND PROPERTY-SPECIFIC RISKS

Micro- and macroeconomic developments have a significant influence on the property sector. This is, of course, also true for IMMOFINANZ Group's markets.

The related risks involve the economic development of the countries in which IMMOFINANZ Group is active as well as developments on the global financial and investment markets, together with the resulting effects on rental prices and yields.

Property-specific risks are associated, above all, with the location of the properties, the architecture and the condition of the building as well as the local competitive situation.

In order to identify these risks and allow for the timely implementation of countermeasures, the property portfolio of IMMOFINANZ Group is analysed quarterly by means of a portfolio tracker. This analysis includes the systematic evaluation of quantitative and qualitative property factors, portfolio concentration, and sector and regional allocation and forms the basis for tactical decisions.

The examination of quantitative property factors includes the calculation of an expected future return for each property based on a detailed budget for the next financial year and medium-term forecasts derived from assumptions. The properties are then ranked according to their total return on equity. The qualitative factors are made measurable with a scoring model that values the quality of the building and location as well as the market attractiveness of each property.

Properties whose location and quality do not meet the portfolio requirements are sold over the medium-term. The goal of IMMOFINANZ Group is to manage a homogeneous property portfolio with four asset classes and eight core markets.

The sector and regional diversification of the property portfolio provides an excellent balance for market cycles and fluctuations as well as concentration risks. IMMOFINANZ Group generally owns high-quality properties in good locations, and this provides special protection against the above-mentioned risks. Detailed market studies are prepared on a regular basis and analysed in connection with reports by recognised real estate experts to allow for timely reaction to changes in the market environment. All market changes are included in the portfolio analysis and have an important influence on investment, sales and project plans and thereby also on the Group's mid-term planning. Extensive due diligence audits involving independent experts are performed to identify these types of risks prior to the acquisition of properties and to evaluate all risks related to legal, tax, economic, technical and social issues. IMMOFINANZ Group does not purchase properties that fail to meet its high quality standards. Regular commercial and technical reports are prepared after the acquisition, and the results are presented to the Executive Board.

The internal investment guideline of IMMOFINANZ Group regulates the framework and approval limits for all capital expenditure (property acquisitions, development projects and ongoing investments). This process minimises or eliminates the major strategic and property-specific risks. Approval limits are defined in an extensive guideline that applies to all Group companies and regulates all authorisations from individual employees up to the Executive Board. In addition, these transactions are subject to the approval of the Supervisory Board.

Development projects are exposed to increased risks in the form of schedule and construction cost overruns as well as the success of rentals. IMMOFINANZ Group minimises these risks by starting projects only after a specific level of pre-rentals is reached and by the regular monitoring of costs and schedules through variance analyses.

IMMOFINANZ Group minimises inflation risk by including index clauses in its standard leases.

CONCENTRATION RISK

Concentration risk is understood to mean the accumulation of similar risks that contradict the principle of risk diversification. These risks are reduced through particular attention to the sector and regional diversification of the portfolio and the development of larger property projects together with a partner. In addition to sector and regional diversification, IMMOFINANZ Group also works to achieve a diversified tenant structure. In this way, the loss of a tenant will not have a significant influence on the Group.

RISKS ARISING FROM LEGAL DISPUTES

LEGAL PROCEEDINGS BY SHAREHOLDERS AGAINST IMMOFINANZ AG

A number of shareholders have filed lawsuits against IMMOFINANZ AG since November 2008. Some of the plaintiffs are IMMOFINANZ AG shareholders, while others are shareholders of the former IMMOEAST AG (now IMBEA IMMOEAST Beteiligungsgesellschaft GmbH, in short: IMBEA). In all cases, the plaintiffs are claiming damages based on prospectus liability. The plaintiffs' argumentation is based primarily on alleged deficiencies in the prospectuses of IMMOFINANZ AG and IMMOEAST AG. Some of the plaintiffs' claims are also based on other legal grounds, e.g. the violation of ad-hoc reporting requirements. Among others, the plaintiffs allege that the funds raised from the public offering were not used for acquisitions or the development of new real estate projects, but for the financing of IMMOFINANZ AG and IMMOEAST AG and for the purchase of shares in IMMOFINANZ AG and IMMOEAST AG. IMMOFINANZ AG and IMBEA reject these claims.

Of special note are two class-action suits of Austrian origin involving claims totalling EUR 10,096,065.23 by 69 and 242 plaintiffs, respectively, against IMMOFINANZ AG. These cases are still in the early stages. AdvoFin, a company that finances legal proceedings, is carrying the plaintiffs' costs.

A total of 157 lawsuits had been filed against IMMOFINANZ AG by the end of May 2011. The total value in dispute of these lawsuits was EUR 21,859,124.28 as that time. Most of the plaintiffs are covered by insurance for legal expenses or represented by a company that finances such proceedings. It is expected that several more claims will be filed under the coordination of insurance carriers or companies that finance legal proceedings.

The status of the pending proceedings is different, whereby most are in the early stages. In eight cases, a judgment in the first instance or a final judgment was issued, each – for different reasons – in favour of IMMOFINANZ AG or IMMOEAST AG/IMBEA.

LEGAL PROCEEDINGS BY SHAREHOLDERS AGAINST INVESTMENT CONSULTANTS AND AVISO ZETA AG; THIRD-PARTY NOTICES AGAINST IMMOFINANZ AG

At the beginning of August 2008 shareholders of IMMOFINANZ AG and IMMOEAST AG filed lawsuits against Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG) and AWD Gesellschaft für Wirtschaftsberatung GmbH, through which they purchased IMMOFINANZ and IMMOEAST shares. The plaintiffs allege incorrect investment advising, misleading advertising and false depiction of IMMOFINANZ AG and IMMOEAST AG in public due to the withholding of information on the close relationship between the former Constantia Privatbank AG and IMMOFINANZ AG/IMMOEAST AG. Furthermore, the lawsuits contend that information on material transactions by the former Constantia Privatbank AG with shares of IMMOFINANZ AG and IMMOEAST AG was withheld and maintain that investors' funds were not used for the purposes stated in the prospectuses. The plaintiffs are seeking compensation and/or the assessment of the resulting financial losses.

The plaintiffs did not lodge any direct claims against IMMOFINANZ AG in these cases. IMMOFINANZ AG is involved as an intervening party in some of the cases against Aviso Zeta AG or AWD Gesellschaft für Wirtschaftsberatung mbH. An intervening party is someone who has a legal interest in the success of one party to pending legal proceedings between other persons. Participation in legal proceedings as an intervening party allows the defendant to file a recourse claim against IMMOFINANZ AG if the case is lost; otherwise the objections would not be allowed in subsequent proceedings.

By the end of May 2011 Aviso Zeta AG had served IMMOFINANZ AG and/ or IMBEA with third-party notices in 577 cases. AWD Gesellschaft für Wirtschaftsberatung GmbH has also served IMMOFINANZ AG and/ or IMBEA with third-party notices in 181 cases. The total value in dispute of these third-party notices is EUR 56,055,814.06. IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsgesellschaft GmbH joined in most of these cases.

According to the information currently available to IMMOFINANZ AG, judgments have been issued in 11 lawsuits against AWD Gesellschaft für Wirtschaftsberatung GmbH and Aviso Zeta AG. The judgments were issued in favour of the defendant in most of these cases. Neither AWD Gesellschaft für Wirtschaftsberatung GmbH nor Aviso Zeta AG has filed recourse claims against IMMOFINANZ AG to date.

PROCEEDINGS TO REVIEW THE EXCHANGE RATIO APPLIED TO THE MERGER OF IMMOEAST AG AND IMMOFINANZ AG

IMMOFINANZ AG, as the accepting company, was merged with IMMOEAST AG, as the transferring company, in accordance with a merger agreement dated 21/01/2010. In connection with this merger, the former shareholders of IMMOEAST AG were granted a total of 567,363,702 shares in IMMOFINANZ AG based on the agreed exchange ratio of three IMMOFINANZ shares for each two IMMOEAST shares. Petitions were subsequently filed with the commercial court of Vienna by IMMOFINANZ shareholders and shareholders of the former IMMOEAST AG for a review of this exchange ratio pursuant to §§ 225c ff of the Austrian Stock Corporation Act. This step led to the start of court proceedings, and IMMOFINANZ AG has filed an extensive statement in response to the petitions.

Decisions or settlements in the proceedings to review the exchange ratio will apply to all shareholders in the respective shareholder groups (erga omnes right). If the proceedings lead to additional payments (additional settlement payments), the shareholders in the disadvantaged shareholder group will receive these payments plus interest at a rate of 2% over the base interest rate on the registration date (29/04/2010). IMMOFINANZ AG has requested permission to grant additional IMMOFINANZ shares in place of cash settlements.

The outcome of the proceedings to review the exchange ratio cannot be predicted at the present time. It is not possible to estimate whether the shareholder groups will be granted additional payments (additional settlement payments) or how high these payments might be.

OTHER LEGAL DISPUTES

In March 2011 IMMOFINANZ AG filed a lawsuit against three former members of the Executive Board and members of the Supervisory Board of the former Constantia Privatbank AG over option transactions to the detriment of the former IMMOEAST AG. This case is still in the early stages.

OTHER RISKS

As an international company, IMMOFINANZ is also exposed to price risks. These risks are understood to mean the possible fluctuation in fair value or future cash flows as a result of changes in market prices.

IMMOFINANZ is also exposed to a price risk when the development of the property market in a particular region leads to rising yields and the company has agreed to purchase a property at a fixed but lower yield.

INTERNAL CONTROL SYSTEM

IMMOFINANZ Group continued the development of its internal audit and control department during the reporting year and also launched a number of projects to strengthen the internal control system (ICS).

The ICS comprises a wide range of methods and measures to safeguard assets and to ensure the accuracy and reliability of data for accounting and financial reporting. The ICS is also intended to support compliance with the corporate policies defined by the Executive Board. The evaluation and design of controls are based on ICS benchmarks, whereby the system ensures that internal and external regulatory requirements are met and corporate processes and controls remain efficient.

As an international company, IMMOFINANZ Group utilises the framework developed by the Committee of Sponsoring Organisation of the Treadway Commission (COSO) in developing its ICS. This framework consists of five components: control environment, risk assessment, control activities, information and communication, and monitoring.

The control environment at the company level comprises the general framework under which internal control activities are designed and implemented. The most important components are statutory regulations and the standards and guidelines issued by IMMOFINANZ Group – e.g. the authorisation guideline, compliance guideline, investment guideline and general IT controls – as well as a clear management and organisational structure and the communication of basic values by management. Activities during the reporting year focused, above all, on the revision of procurement guidelines for legal, consulting, property-related and financial services and for the procurement of construction and facility management activities. This framework supports the efficiency of IMMOFINANZ Group's internal control system.

The existing process landscape represents the starting point for the evaluation of the ICS at the process level. The control activities of IMMOFINANZ Group are integrated into procedures with special process management and ICS software as part of a control matrix that also covers key risks.

In order to support the implementation of new guidelines and control measures, information events and feedback rounds are held for employees. Progress and opportunities for improvement are then reported in regularly scheduled management meetings. The internal audit department, which was established at the end of 2009, monitors and tests compliance with control measures as part of its routine activities and also identifies opportunities for improvement. The monthly internal report includes a comparison of budget and actual data as well as a variance analysis, which supports the early identification of risks and the timely implementation of countermeasures.

Compliance with controls is monitored by the internal audit department as part of its auditing activities. The internal audit department, as a staff department of IMMOFINANZ Group's Executive Board that reports directly to the chief financial officer Eduard Zehetner, is responsible for auditing work throughout the entire corporation. The corresponding corporate organisational guidelines apply to all auditing activities.

The internal audit department independently and regularly reviews operating processes and business transactions based on an annual schedule that is approved by the Executive and Supervisory Boards. The priorities for this schedule are defined on the basis of risk criteria and organisational goals. These reviews focus primarily on compliance, the internal control systems and opportunities to improve efficiency.

The results of the audits are reported to the Executive Board of IMMOFINANZ Group on a regular basis and to the Supervisory Board at least once each year. As part of an annual report, the internal audit department gives an account of its performance during the auditing year and presents a summary of all significant auditing areas and results.

I. Outlook

The merger of IMMOFINANZ AG with IMMOEAST AG, which was completed on 29/04/2010, formed the basis for a new strategic orientation that is directed to making IMMOFINANZ Group the leading listed real estate company in Central, Eastern and South-Eastern Europe. The fundamental requirement for this new orientation was the restructuring of IMMOFINANZ Group. This process was successfully completed with an agreement over the so-called "IBAG bond" in summer 2010, the takeover of Aviso Zeta AG (formerly Constantia Privatbank Aktiengesellschaft) on 22/12/2010 and the refinancing of convertible bonds CB 2014 and CB 2017 in March 2011 as well as numerous internal structural and organisational optimisation measures that were implemented during the 2010/11 financial year.

We have set the following central goals for 2011/12 and the following years, which reflect a continuation of our focus during the restructuring phase:

1. Optimisation of the property portfolio
2. Increase in property development activities
3. Optimisation of the investment structure
4. Operational and organisational optimisation

We are confident that we will be able to further increase the value of IMMOFINANZ Group in 2011/12 and generate growing, risk-optimised cash flows for our shareholders.

Vienna, 03 August 2011

The Executive Board



Eduard Zehetner
Chief Executive Officer



Daniel Riedl FRICS
Member of the Executive Board



Manfred Wiltschnigg MRICS
Member of the Executive Board

Auditor’s Report

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements, including the accounting system of IMMOFINANZ AG, Vienna, for the fiscal year from 01 May 2010 to 30 April 2011. These financial statements comprise the balance sheet as of 30 April 2011, the income statement for the fiscal year ended 30 April 2011 and the notes.

MANAGEMENT’S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS AND FOR THE ACCOUNTING SYSTEM

The company’s management is responsible for the accounting system and for the preparation and fair presentation of these financial statements in accordance with Austrian Generally Accepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR’S RESPONSIBILITY AND DESCRIPTION OF TYPE AND SCOPE OF THE STATUTORY AUDIT

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing. Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial statements comply with legal requirements and give a true and fair view of the financial position of IMMOFINANZ AG, Vienna, as of 30 April 2011 and of its financial performance for the fiscal year from 01 May 2010 to 30 April 2011 in accordance with Austrian Generally Accepted Accounting Principles.

COMMENTS ON THE MANAGEMENT REPORT

Pursuant to statutory provisions, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the other disclosures are not misleading with respect to the Company’s position. The auditor’s report also has to contain a statement as to whether the management report is consistent with the financial statements and whether the disclosures pursuant to section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report is consistent with the financial statements. The disclosures pursuant to section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 03 August 2011

Claudia Fritscher-Notthaft

(Austrian) Certified Public Accountant

Marieluise Krimmel

(Austrian) Certified Public Accountant

Deloitte Audit Wirtschaftsprüfungs GmbH

Quarterly Consolidated Income Statement

All amounts in TEUR	Notes
Office	
Logistics	
Retail	
Residential	
Other rental income	
Rental income	4.1.1
Operating costs charged to tenants	
Other revenues	
Revenues	4.1.2
Real estate expenses	4.1.3
Operating expenses	4.1.4
Income from asset management	4.1
Sale of properties	
Carrying amount of sold properties	
Gains/losses from deconsolidation	
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	
Income from property sales before foreign exchange effects	
Revaluation of properties sold and held for sale resulting from foreign exchange effects	
Income from property sales	4.2
Sale of real estate inventories	
Cost of goods sold	
Revaluation of properties under construction adjusted for foreign exchange effects	4.6.1
Income from property development before foreign exchange effects	4.3
Revaluation of properties under construction resulting from foreign exchange effects	4.6.1
Income from property development	4.3
Other operating income	4.4
Income from operations	
Overhead expenses	4.5.1
Personnel expenses	4.5.2
Results of operations	4.5
Revaluation of investment properties adjusted for foreign exchange effects	4.6.1
Revaluation of investment properties resulting from foreign exchange effects	4.6.1
Impairment and related reversals	4.6.2
Addition to/reversal of provision for onerous contracts	4.6.3
Other revaluation results	
Operating profit (EBIT)	4.6
Net financing costs	
Net financing revenue	
Foreign exchange differences	
Other financial results	
Shares of profit/loss from associated companies	5.5
Financial results	4.7
Earnings before tax (EBT)	
Income tax expenses	4.8
Deferred tax expenses	4.8
Net profit for the period	
Thereof attributable to owners of the parent company	
Thereof attributable to non-controlling interests	
Basic earnings per share in EUR	4.9
Diluted earnings per share in EUR	4.9

The comparable prior year figures were adjusted accordingly (section 2.1.9).

01 February 2011–30 April 2011	01 May 2010–30 April 2011	01 February 2010–30 April 2010	01 May 2009–30 April 2010
38,276.1	154,640.1	41,192.9	169,663.3
18,838.4	75,489.0	19,341.3	71,507.4
61,781.2	198,295.4	41,621.0	151,676.1
31,885.1	125,143.9	32,621.8	123,445.7
4,977.8	25,288.9	6,120.9	25,418.2
155,758.6	578,857.3	140,897.9	541,710.7
41,875.2	161,582.7	35,173.4	157,851.4
7,160.7	22,940.6	6,308.8	19,611.0
204,794.5	763,380.6	182,380.1	719,173.1
-55,146.8	-164,418.8	-50,401.0	-120,742.8
-42,385.4	-158,182.8	-41,147.2	-160,237.7
107,262.3	440,779.0	90,831.9	438,192.6
66,865.8	168,471.9	7,880.4	86,120.0
-66,355.3	-168,493.7	-9,670.2	-88,393.1
-670.3	1,134.2	-549.5	10,975.1
29,348.7	53,455.9	-1,300.5	22,090.3
29,188.9	54,568.3	-3,639.8	30,792.3
-798.0	-798.0	0.0	0.0
28,390.9	53,770.3	-3,639.8	30,792.3
10,837.6	66,854.7	12,084.8	28,104.4
-7,156.0	-52,542.0	-10,121.4	-21,589.4
18,182.4	28,554.6	-42,242.4	-17,582.7
21,864.0	42,867.3	-40,279.0	-11,067.7
343.8	1,741.8	-8,297.4	-8,297.4
22,207.8	44,609.1	-48,576.4	-19,365.1
15,336.5	69,245.0	12,049.5	52,701.6
173,197.5	608,403.4	50,665.2	502,321.4
-11,338.1	-111,350.9	-9,633.7	-112,715.7
-13,463.7	-38,335.3	-5,919.9	-24,704.5
148,395.7	458,717.2	35,111.6	364,901.2
23,848.7	54,218.5	170,757.0	255,850.1
-47,412.9	-20,136.3	-103,423.5	-246,060.6
-52,463.8	-55,390.0	-260,597.7	-286,144.6
8,400.0	-13,348.4	92,596.3	92,596.3
-67,628.0	-34,656.2	-100,667.9	-183,758.8
80,767.7	424,061.0	-65,556.3	181,142.4
-64,075.8	-243,096.1	-65,593.9	-237,787.5
20,347.6	94,888.4	28,294.2	114,882.1
49,182.3	754.5	69,276.3	161,995.7
3,469.7	64,404.3	24,526.7	7,334.5
1,203.3	1,279.5	-48,526.4	-19,345.9
10,127.1	-81,769.4	7,976.9	27,078.9
90,894.8	342,291.6	-57,579.4	208,221.3
-2,422.7	-16,138.6	-377.1	-10,898.1
-4,287.6	-12,623.7	32,436.3	-1,754.8
84,184.5	313,529.3	-25,520.2	195,568.4
83,920.6	315,825.1	-24,849.0	80,793.7
263.9	-2,295.8	-671.2	114,774.7
0.09	0.32	-0.06	0.17
0.07	0.30	-0.06	0.17

Imprint

IMMOFINANZ AG, Wienerbergstraße 11, 1100 Vienna, Austria

T +43 (0)5 7111, F +43 (0)5 7111 – 8888, www.immofinanz.com

Photos

BUWOG Group, Stephan Huger, IMMOFINANZ Group, Sabine Klimpt, Peter Sondermann, Franco Winter

Concept and Design

k25 neue Medien neue Werbung

Printing

Trendmarketing

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Key Data on the IMMOFINANZ Share

Established	April 1990
Listing	Vienna Stock Exchange
Segment	ATX
ISIN	AT0000809058
Ticker symbol Vienna Stock Exchange	IIA
Reuters	IMFI VI
Bloomberg	IIA AV
Included in the following indexes	WBI, ATX, ATX Prime, Immobilien-ATX, GPR 250, NTX, E&G EPIX, EURO STOXX, STOXX EUROPE 600
Datastream	O: IMMO 866289
Number of shares	1,045,373,586
Bearer shares	1,045,373,580
Registered shares	6
Financial year	01 May to 30 April

Financial calendar 2011/12

26 September 2011	Report on the first quarter
28 September 2011	Annual general meeting
20 December 2011	Report on the first half-year
26 March 2012	Report on the third quarter

IMMOFINANZ AG
Wienerbergstraße 11
1100 Vienna, Austria
T +43 (0)5 7111
F +43 (0)5 7111 – 8888
investor@immofinanz.com
www.immofinanz.com