CA IMMO

# INTERIM REPORT
# AS AT 31 MARCH 2010

# FINANCIAL KEY FIGURES

## INCOME STATEMENT

| | | 1.1.–31.3.2010 | 1.1.–31.3.2009 |
|---|---|---|---|
| Rental income | € m | 41.7 | 45.2 |
| EBITDA | € m | 28.7 | 36.4 |
| Operating result (EBIT) | € m | 21.5 | –16.9 |
| Net income before taxes (EBT) | € m | –9.4 | –51.8 |
| Consolidated net income | € m | –8.4 | –54.5 |
| Attributable to the owners of the parent | € m | –6.5 | –33.6 |
| Operating cash flow | € m | 10.4 | 30.8 |
| Capital expenditure | € m | 72.3 | 51.4 |

## BALANCE SHEET

| | | 31.3.2010 | 31.12.2009 |
|---|---|---|---|
| Total assets | € m | 4,367.9 | 4,310.6 |
| Stated value (equity) (incl. minority interests) | € m | 1,699.0 | 1,729.2 |
| Long and short term financial liabilities | € m | 2,038.8 | 1,976.5 |
| Net debt | € m | 1,540.5 | 1,472.3 |
| Gearing | % | 91 | 85 |
| Equity ratio | % | 39 | 40 |
| Equity-to-fixed-assets ratio | % | 48 | 49 |
| Net asset value | € m | 1,532.9 | 1,559.0 |
| Net asset value (NNNAV) | € m | 1,576.5 | 1,612.1 |

## PROPERTY PORTFOLIO

| | | 31.3.2010 | 31.12.2009 |
|---|---|---|---|
| Total usable space (excl. parking, excl. projects) | sqm | 1,453,742 | 1,518,180 |
| Gross yield investment properties | % | 6.1 [2] | 6.5 [1] |
| Book value of properties | € m | 3,562.1 | 3,515.8 |

## SHARE RELATED KEY FIGURES

| | | 1.1.–31.3.2010 | 1.1.–31.3.2009 |
|---|---|---|---|
| Rental income / share | € | 0.48 | 0.53 |
| Operating cash flow / share | € | 0.12 | 0.36 |
| Earnings / share (EPS) | € | –0.07 | –0.39 |
| | | **31.3.2010** | **31.12.2009** |
| NNNAV / share | € | 18.07 | 18.47 |
| NAV / share | € | 17.57 | 17.87 |
| Price (key date)/NNNAV per share –1 [3] | % | –50.35 | –57.24 |

## SHARES

| | | 31.3.2010 | 31.12.2009 |
|---|---|---|---|
| Number of shares (key date) | pcs. | 87,258,600 | 87,258,600 |
| Ø number of shares (key date) | pcs. | 87,258,600 | 86,141,113 |
| Ø price / share | € | 7.81 | 6.45 |
| Market capitalisation (key date) | € | 782.71 | 689.34 |
| | | | |
| Highest price | € | 9.25 | 11.88 |
| Lowest price | € | 7.01 | 2.35 |
| Closing price | € | 8.97 | 7.90 |

[1] Excluding the Capital Square, Dunacenter and Sava Business Center project completions that have been newly incorporated into the portfolio in 2009
[2] Including the Capital Square, Dunacenter and Sava Business Center project completions that have been newly incorporated into the portfolio in 2009
[3] Before deffered taxes

# DEAR SHAREHOLDERS AND READERS,

Management Board:
Bernhard H. Hansen, Bruno Ettenauer, Wolfhard Fromwald

The beginning of 2010 saw a noticeable improvement of the overall economic situations on our markets. Against this background, the operational development of the CA Immo Group proceeded largely according to plan in the first quarter of the year.

Compared to the same period last year there was a noticeable reduction in rental income, which is the result of the loss of revenue from income-producing properties sold in 2009. On a like-for-like comparison of properties in the portfolio rental income and vacancy have remained broadly unchanged. The development of revenues from the sale of properties during the quarter reflects the usual seasonal fluctuation in the real estate sector. We anticipate finalising most of the sales planned for 2010 during the second half of the year, and reaffirm our annual sales target of approximately € 200-250 m.

Although the revaluation result continued to have a negative impact in quarter one of 2010, write-downs (relating to the Eastern Europe region) were significantly down on the preceding quarters at € –6.7 m in total. In overall terms, we believe the valuation level has already bottomed out, and that present fluctuations in value are essentially arising for reasons specific to individual properties rather than general market trends.

At the end of quarter one, we announced a voluntary takeover bid for the free float in our subsidiary CA Immo International. From our point of view, the takeover bid was a big success: by the end of the acceptance period in mid-May, we had increased our shareholding from 63.05 % to 90.94 %. Since the applicable threshold of 90 % was exceeded, the acceptance period was extended by three months in accordance with the provisions of the Takeover Act. After the takeover bid, the intention is to de-list CA Immo International, thereby streamlining the Group structure and improving the flexibility of capital allocation in the CA Immo Group.

In the months ahead, the main focus of our activity will be on concluding current negotiations concerning the sale of development sites; we will also continue to devote considerable effort to the evaluation of investment opportunities with high earnings potential. We are confident that by reducing the level of capital tied up in development and acquiring income-generating properties and portfolios, we can boost the earnings power of the CA Immo Group for the long term.

| Bernhard H. Hansen | Bruno Ettenauer | Wolfhard Fromwald |
|---|---|---|
| (Member of the Management Board) | (Chairman of the Management Board) | (Member of the Management Board) |

Vienna, May 2010

# CA IMMO SHARE DEVELOPED IN LINE WITH MARKET TRENDS

**International environment**

Although share prices are recovering appreciably, investors clearly remain in a state of high anxiety. Forecasts on economic data in the first quarter of 2010 were much more optimistic than those of last year and the situation in the financing sector is also easing, but despite this the after-effects of the financial market crisis are continuing to suppress development on stock markets around the world. In addition, the problems surrounding Greece have become the main concern since the start of the year. By April, fears that the country could go bankrupt – with all that implies for the entire economy of Europe – were leading to corrections on the international stock markets. Share prices on European markets in particular have tumbled.

**CA Immo share**

During the opening months of 2010, the CA Immo share has generally developed in line with market trends. The share price was spurred by the positive market environment in the first few weeks of the year, consistently trading in the range of € 8.10 to € 8.70. As the markets went into a tailspin at the end of January, however, the rate accordingly fell back well below the € 8 level and there was no upturn until March. At the end of quarter one 2010, the CA Immo share had a closing price of € 8.97. The highest rate for the first three months was € 9.25 and the lowest price was € 7.01. The average trading volume for the first three months of the year was 170,200 shares per day (double-counting), well above the comparable value for the previous year (131,700 shares). Market capitalisation was approximately € 782.7 m on the balance sheet date of 31 March 2010 (compared to € 310.5 m last year).

**Outlook for the capital market**

In spite of the evident stabilisation of the stock markets, numerous indicators of economic uncertainty mean that it is still not possible to rule out corrections in the short term. In particular, the debt crisis affecting the Mediterranean states has the potential to jeopardise any positive trend. For this reason, the share market is likely to remain volatile in 2010.

**Voluntary takeover bid for free float shares of CA Immo International AG**

In parallel with the publication of its annual results for 2009, CA Immo announced its intention to offer a voluntary takeover bid to the free float shareholders of CA Immo subsidiary company CA Immo International AG at an offer price of € 6.50 (in cash). The decision was

SHARE PRICE DEVELOPMENT IN RELATION TO ATX, IATX, EPRA (01.01.2008 to 26.05.2010)

mainly driven by the planned de-listing of CA Immo International AG, which is intended to streamline the Group structure and improve the flexibility of capital allocation in the CA Immo Group. At the time the takeover bid was announced, CA Immo held 27,402,775 shares in the takeover target CA Immo International, equivalent to a 63.05 % stake in the share capital. The offer extended until 11 May 2010 and was taken up with a total of 11,293,906 CA Immo International shares (around 26 % of the total share capital of CA Immo International AG). CA Immo acquired a further 827,286 shares through the share market during the bid period at an average price of € 6.46 per share. Taking into account shares held prior to the bid, CA Immo had 39,523,967 CA Immo International shares (approximately 90.94 % of CA Immo International AG's total share capital) as of 15 May 2010. The term of acceptance has been extended for another three months and will end on 16 August 2010.

**Ordinary General Meeting 2010**

The 23rd Ordinary General Meeting took place at the Hotel Savoyen in Vienna and was attended by around 130 shareholders and representatives. The following resolutions were passed:

- Net retained earnings: The net retained earnings of € 5,896,665.38 shown in the annual financial statements for 2009 were carried forward to new account in accordance with the restriction on distribution imposed by article 235 line 1 of the Austrian Commercial Code.
- Formal approval of management: The actions of the Management Board and Supervisory Board members in business year 2009 were formally approved in separate votes.
- Supervisory Board remuneration: Remuneration for the Supervisory Board in business year 2009 was set at € 79,000.
- Auditor: KPMG Wirtschaftsprüfungs- und Steuerberatungs GmbH was appointed (Group) auditor for business year 2010.
- Acquisition of treasury shares: The Management Board was authorised, in accordance with article 65 subsection 1 line 8 of the Austrian Stock Corporation Act, to acquire own bearer shares to the maximum legally permissible limit for a period of 30 months from the day of the resolution (12 May 2010). The nominal value to be paid in the repurchase may not be more than 30 % below or 10 % above the average non-weighted clos-

KEY DATA OF SHARE

| | | 31.03.2010 | 31.12.2009 |
|---|---|---|---|
| NNNAV / share | € | 18.07 | 18.47 |
| NAV / share | € | 17.57 | 17.87 |
| Price (key date)/NNNAV per share –1 [3)] | % | –50.35 | –57.24 |
| | | | |
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1) Before deffered taxes

ing price for the ten trading days preceding the repurchase. At the discretion of the Management Board, the acquisition can be made via the share market, a public offer or other appropriate and legally permissible manner. The Management Board was also authorised, subject to the approval of the Supervisory Board, to utilise treasury shares to service convertible bonds, as consideration in the acquisition of companies, businesses, parts thereof or shares in companies at home or abroad, to sell via the share market or a public offer according to article 65 subsection 1b of the Austrian Stock Corporation Act, for sale within five years by all legally permissible means (including off-exchange, without or partially excluding the general purchase opportunity) and to reduce the share capital through the redemption of treasury shares.

- Changes to Articles of Association: In response to amendments in legal provisions linked to the Austrian Stock Corporation Amendment Act 2009 and the Company Law Amendment Act 2008, the Articles of Association were adapted as follows: article 6 (share capital and shares), articles 10, 12 and 15 (Supervisory Board), articles 17–20 (Ordinary General Meeting) and article 24 (annual financial statements and profit allocation); article 22 (Ordinary General Meeting) was removed and articles 23–27 were renumbered. The current Articles of Association are published at http://www.caimmoag.com/investor_relations/corporate_governance/.

KEY PERFORMANCE FIGURES

(1.4.2009–31.03.2010)

| | |
|---|---|
| CA Immo share | 143.1 % |
| IATX | 166.0 % |
| EPRA | 55.0 % |
| ATX | 53.9 % |

FINANCIAL CALENDAR 2010

12 MAY
ORDINARY SHAREHOLDERS' MEETING

26 AUGUST
INTERIM REPORT FOR FIRST HALF 2010

28 MAY
INTERIM REPORT FOR FIRST QUARTER 2010

25 NOVEMBER
INTERIM REPORT FOR THIRD QUARTER 2010

# ECONOMIC ENVIRONMENT

**The economic situation**

At the present time, the debt crisis being played out in the member states of Greece, Spain and Portugal is placing a severe strain on economic development in the eurozone. The austerity measures to be implemented by these debt-ridden nations will suppress demand for exports in those countries free from serious problems in their domestic economies (including Austria and Germany). Following the modest upturn in economic activity in the third quarter of 2009, output across Europe stagnated or increased only tentatively in the final quarter of last year and the first quarter of 2010. Unemployment remained high at 10.0 %, and could climb even higher. The European Central Bank (ECB) is forecasting GDP growth rates of between 0.4 % and 1.2 % in 2010. As for the inflation rate, moderate values in the region of 1 % early in the year were followed by an increase to 1.4 % in March as the price of fuel rose sharply.[1)]

The Austrian National Bank (OeNB) issued a forecast of gradual recovery for the CEE-8 region[2)] in March 2010; modest growth of 1.3 % will be driven mainly by foreign trade, with domestic consumption remaining weak.[3)]

**Interest rates**

Since May 2009, base rates have stood at the record low of one percent. The ECB is not planning to raise interest rates in the near future. By contrast, rate increases are expected to resume in the USA towards the end of 2010. The overall liquidity situation has continued to ease for the European banks, leading to lower money market rates.[4)] Generally speaking, although the real estate market is still benefiting from the low interest level (as in 2009), companies are not increasing their investment activity to any significant degree.

**Currencies**

As the precarious position of the deeply indebted eurozone members Greece, Portugal and Spain came to a head early in the year, the single European currency came under severe pressure; the euro subsequently tumbled against the US dollar and the pound sterling at the end of March. Despite this, the ECB does not believe the stability of the euro is under threat. From the start of 2010, the dollar rose steadily against the euro, which hit a 12-month low of US$ 1.3116 at the end of April.

In recent months, eastern European currencies have made strong gains against the euro. This was especially true of the Polish zloty, which has gained 22 % on the euro over the past year, although the Hungarian forint has gained 17 % and the Czech koruna 9 %. The increases were driven by a resurgence of interest from financial investors in emerging markets pushed out of the euro in recent months in particular by the turbulence emanating from Greece, Spain and Portugal.[5)]

**Property markets**

Some small signs of recovery are apparent on the European **investment market**. The negative trend caused by the economic crisis finally halted early in 2010 as the transaction volume rose for the first time since 2008; turnover for the first quarter of 2010 totalled € 19.1 bn, nearly 64 % above the comparable value for last year.[6)] The main factor behind the increased turnover was investment in retail properties; across Europe, this property class accounted for 41 % of turnover (equivalent to some € 7.8 bn). Large-volume transactions (those with volumes in excess of € 200 m) increased substantially. Most investment was in low-risk core products, and the countries with the highest turnover were the United Kingdom (€ 5.9 bn) and Germany (€ 4.7 bn).

Eastern European investment markets are also showing signs of gradual improvement, with investment levels in the CEE regions increasing by a significant 133 % over the past year. Around € 587 m was invested in the first quarter of 2010 (compared to € 252 m in Q1 2009).

Investors are becoming more attracted to prime quality investment properties: this is apparent from the development trend in top yields, which fell by between five and 50 base points on most European markets in the first quarter of 2010.[7)] In Western Europe, **office yields** declined in virtually all cities during quarter one. The most stable office markets in Eastern Europe were Bratislava, Prague and Warsaw; CA Immo maintains a presence in all of these. Peak yields in this region varied

1) Austrian National Bank, Konjunktur aktuell, April 2010
2) Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland and Romania (EU member states in Central, Eastern and Southeastern Europe that have not introduced the euro)
3) Austrian National Bank, Konjunktur aktuell, April 2010
4) Cf. ECB Monthly Bulletin, April 2010
5) Die Presse newspaper, 30.03.2010
6) Cf. CB Richard Ellis, European Investment Quarterly, Q1 2010
7) Jones Lang LaSalle, European Capital Markets Bulletin, March 2010

from 12.00 % in Moscow, 9.50 % in Bucharest and 8.00 % in Budapest to 7.50 % in Bratislava, 7.00 % in Prague and 6.75 % in Warsaw.[8] Yields remained much lower in CA Immo's Western European sites of Munich (5.10 %), Frankfurt (5.20 %), Berlin (5.30 %) and Vienna (5.60 %).[9]

Although it takes time for wider economic developments to be reflected on Europe's **rental markets**, the situation on the labour market is clearly critical to the office sector. Many companies currently engaged in restructuring are waiting for the first signs of a positive economic tendency before taking on more staff or renting new premises. Nonetheless, the diminishing supply risk is strengthening stability as regards peak rents. Although peak rents for Europe as a whole are still 4.5 % below the level of quarter one 2009, stability was reported in specific countries over the first quarter of 2010. Rental rates appear to have bottomed out in Moscow, formerly the most expensive of the office markets: for more than three months, the peak rent has been unchanged at around € 44/sqm. Values also remained stable on CA Immo's other Eastern European markets during the same period (with the exception of the office market of Sofia, where peak rents fell by a further 1.67 % in the first quarter of 2010). Over the final quarter of 2009, peak rents in the main German property hubs of Berlin, Düsseldorf and Frankfurt either stabilised or fell marginally.[10]

## AUSTRIA

With a large part of the **investment market** at a standstill during the first three months of this year, the result for the quarter was poor. Purchasing activity on the part of Austrian (accounting for 73 %) and German institutional investors in the fund/insurance sector as well as family offices generated turnover of just € 200 m on the Austrian property investment market, compared to € 650 m in quarter one 2009. Office properties were the subject of most purchases (58 %), followed by properties utilised as retirement homes (35 %).

To a large extent, **market yields** for office properties have stabilised; yields in the peak segment stand at 5.60 %, slightly down on the figure for the final quarter of 2009 (5.65 %). Prices in this segment may increase over the course of the year as supply becomes more limited.[11]

**Rental prices** have been largely stable on the Viennese office market since the end of 2009. Although peak rents now amount to approximately € 22/sqm, this represents a 3.0 % decrease on the same quarter last year.[12]

## GERMANY

Investment turnover picked up significantly in Germany towards the end of 2009. Single transactions in excess of € 100 m were concluded in December 2009, contributing to total turnover of € 10.59 bn on the German **investment market**. With a transaction volume of € 4.7 bn reported in the opening quarter of 2010[13], the pace of the upturn has increased sufficiently to produce the best quarterly result of the past two years. Retail properties accounted for most trading activity, with several shopping centres sold; office properties represented some 26 % of the transaction volume.

Given that investors are mainly attracted to investment properties with core (and core-plus) attributes in central, high value, inner city locations – and since supply is continuing to diminish in this property class at the same time – **yields** are falling moderately in locations such as Berlin, Düsseldorf and Cologne. At the present time, yields are 5.10 % in Munich, 5.20 % in Frankfurt and 5.30 % in Berlin, Düsseldorf and Cologne.[14]

Compared to the same quarter last year, **peak rents** for office properties have dropped by 3 % on average. Rent levels are only rising in Düsseldorf and Cologne; elsewhere, rents are falling in Hamburg and Frankfurt. In Munich, the peak rent has stabilised at last year's level of € 30.00/sqm. **Vacancy** on these office markets has risen by almost 9 % to 7.08 million sqm over the past 12 months.[15]

[8] Cf. CB Richard Ellis, EMEA Rents and Yields, Q1 2010
[9] Cf. BNP Paribas Real Estate, Investment markets: Rousing start to the year, April 2010
[10] Cf. CB Richard Ellis, EMEA Rents and Yields, Q1 2010
[11] Cf. CB Richard Ellis, Market View Vienna Offices, Q1 2010; EHL, Vienna Office Market Report, Spring 2010
[12] Cf. CB Richard Ellis, Market View Vienna Offices, Q1 2010
[13] Cf. CB Richard Ellis, European Investment Quarterly, Q1 2010
[14] Cf. BNP Paribas Real Estate, Investment markets: Rousing start to the year, April 2010
[15] Cf. BNP Paribas Real Estate, Office Market, Q1 2010


DIPLOMAT CENTER PILSEN
Plzeň

## EASTERN EUROPE

A gradual recovery is taking place on the investment markets of Eastern Europe. Over the past year, investment turnover has risen by a significant 133 % in the CEE regions. Approximately € 587 m was invested in the first quarter of 2010, compared to € 252 m in quarter one 2009.

The development pattern of peak yields reveals the rising interest of investors in high quality investment properties. The most stable office markets in Eastern Europe are Bratislava, Prague and Warsaw – locations in which CA Immo maintains a presence. Peak yields across the region ranged from 12.00 % in Moscow, 9.50 % in Bucharest and 8.00 % in Budapest to 7.50 % in Bratislava, 7.00 % in Prague and 6.75 % in Warsaw.[16)]

[16)] Cf. CB Richard Ellis, EMEA Rents and Yields, Q1 2010

# THE PROPERTY ASSETS

The CA Immo Group is positioned in the regions of Austria and Germany, and also – via its subsidiary CA Immo International – in Eastern Europe. The group's core business is geared to commercial real estate with a clear focus on office properties and includes both investment properties (68 % of the overall portfolio) and investment properties under development (29 % of the overall portfolio). Some 3 % of the property assets are intended for trading.

As of the key date 31 March 2010, the group property assets amount to about € 3.6 billion (as compared to € 3.5 billion on 31.12.2009).

The book value of the investment properties as of 31 March 2010 is approximately € 2.4 billion; the portfolio generates a yield of 6.1 % [1]. Compared to the fiscal year change, the tenancy rate as at 31 March 2010 is 92 % [2] (31.12.2009: 94 % [2]). Including the Capital Square, Dunacenter and Sava Business Center project completions that have been newly incorporated into the portfolio in 2009, the tenancy rate is 89 % as of 31 March 2010 (31.12.2009: 91 % [1]). Around 46 % of the investment properties are located in Germany, for instance the Hesse Portfolio with rentable floor space of 450,000 sqm, which is rented to the German state of Hesse with the remaining rental agreement term averaging over 20 years. Of the remaining investment properties, 29 % are located in Austria and 25 % are accounted for by investment properties of CA Immo International in CEE and SEE states. As of the key date, the Group's asset portfolio comprises a total effective area of 1.4 million sqm, of which office premises account for around 60 % and storage facilities make up 24 %. Of the remaining premises, 7 % account for retail, 5 % for hotel, some 3 % of residential and 1 % for other premises.

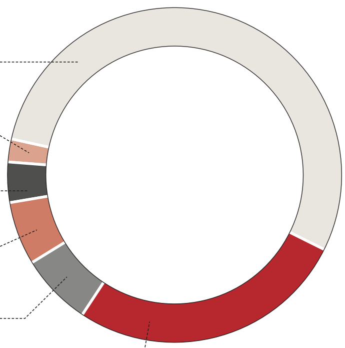
As regards the investment properties under development with a total value of € 1.0 bn, developments and strategic land reserves of CA Immo in Austria account for around 3 %, Germany contributes 90 % and the remaining 7 % is linked to CA Immo International projects in CEE and SEE countries and the CIS.

Of the german development projects with a total value of € 917 m, € 390 m account for projects either being under construction or having start of construction scheduled to be in the near future, the remaining € 527 m represent long-term land reserve.

[1] Incl. the Capital Square, Dunacenter and Sava Business Center project completions that have been newly incorporated into the portfolio in 2009
[2] Excl. the Capital Square, Dunacenter and Sava Business Center project completions that have been newly incorporated into the portfolio in 2009

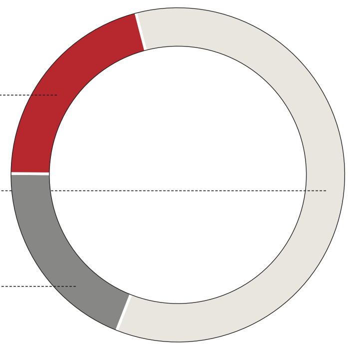
BOOK VALUE
BY MAIN USAGE TYPE

| | |
|---|---|
| Office | 54 % |
| Retail | 2 % |
| Hotel | 4 % |
| Residential | 6 % |
| Commercial | 7 % |
| Other | 27 % |



BOOK VALUE
BY SEGMENT

| | |
|---|---|
| Austria | 21 % |
| Germany [1] | 60 % |
| Eastern and South-eastern Europe | 19 % |



[1] Incl. a property in Switzerland

# CHANGES TO THE PORTFOLIO IN QUARTER ONE 2010

During the first quarter of the year, the focus of CA Immo's portfolio management activities was on raising the letting rate on current and recently completed developments; another priority was modernising floor space with maximum efficiency in order to reduce vacancy levels across all of the Group's regional segments. Realisation of the project pipeline continues to proceed according to plan. The Group's large-scale construction projects currently in progress are concentrated on major German cities such as Frankfurt (Tower 185) and Munich (SKYGARDEN) as well as Warsaw (Poleczki Business Park).

## GERMANY

As of 31 March 2010, CA Immo controlled investment properties and inventory intended for trading with an approximate value of € 1.23 bn in Germany. The occupancy rate for property assets let (€ 1.12 bn) stood at 95 % on the key date, with rental income of € 16 m generated in the first three months. Where rental revenue from inventory intended for trading and temporarily rented property reserves in the development segment are taken into account, rental income amounted to € 20.3 m.

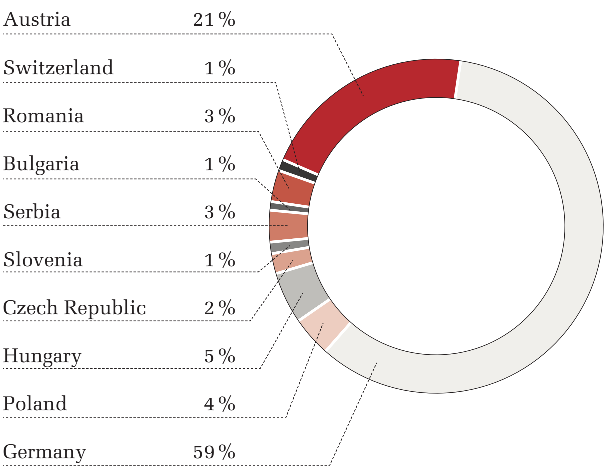
**Lettings**

A major letting agreement was both expanded and extended in Berlin during the first quarter of this year. The rental contract with Bombardier Transportation, the transport company and anchor tenant of the Königliche Direktion building, relates to around 15,000 sqm of floor space; the agreement has now been extended by six years and expanded to include some 1,530 sqm of additional floor space. The global market leader in the rail transport industry has had its headquarters at the Königliche Direktion since 2005.

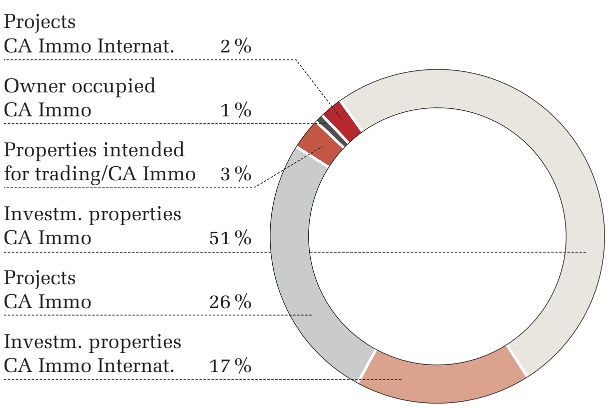
**Investment properties under development**

The topping-out ceremony for the **SKYGARDEN** office building has taken place at the **Arnulfpark®** in Munich. The structure, realised by Vivico and OFB Projektentwicklung, has above-ground gross floor area of around 33,000 sqm. Before construction work had started, PricewaterhouseCoopers signed a contract for rentable area of some 17,500 sqm. The company and its Munich branch staff of around 900 will take up residence in the SKYGARDEN in 2011.

BOOK VALUE
BY COUNTRY




BOOK VALUE
BY COMPANY AND TYPE



## AUSTRIA

**Investment properties**

CA Immo held investment properties with an approximate value of € 702.5 m in Austria as of 31 March 2010. On the key date, the occupancy rate for property assets let was 86 %, compared to 91.8 % on 31 December 2009; this was explained by the return of floor space by Siemens at the Erdberger Lände site in Vienna, as had been planned for the first quarter. Rental income for the first three months was € 10.4 m. New lettings of approximately 3,000 sqm were concluded in the first quarter of 2010. Modernisation work is currently being carried out on numerous properties with a view to cutting vacancy and optimising the general condition of the asset portfolio for the long term.

Early in 2010, a large-scale development and restoration project known as **Lände 3** was initiated at the Erdberger Lände property in Vienna's third municipal district. The entire site, which has a rentable effective area totalling some 80,000 sqm, had been rented to Siemens until February 2010. In March, Siemens began relocating, as scheduled, to a newly developed site of its own, where the company will occupy a number of floors. This freed up effective office space of 33,200 sqm at the end of February, with a further 30,700 sqm to follow at the end of August. The remainder of the floor space (amounting to around 18,000 sqm) is let on a long-term basis to Siemens (until 2014) and a petrol station operator (until 2030). Annual rental revenue for the whole complex amounted to € 9.7 m in 2009; revenue of € 5 m is anticipated for 2010.

Activities aimed at determining alternative uses for a revitalised and repositioned site are in full swing; these range from the speedy re-letting of the highest value elements to the modernisation of certain older buildings and construction of new residential structures on sites that will continue to be let to Siemens until further notice. The aim of the project, which will extend over several years, is to ensure the best possible utilisation of space, thereby securing and enhancing the value of the Erdberger Lände site for the long term. The first step in the restoration of part of the existing effective area already returned by Siemens took place in May with the submission, during a construction moratorium, of a revitalisation plan to the responsible municipal authorities of the city


LÄNDE 3
Vienna, Erdberger Lände, visualisation

of Vienna. Work on the project will commence when the necessary planning permission has been received.

Refurbishment of the **Galleria Landstrasse shopping centre** started in July 2009 and is proceeding on schedule. Phase two, which covers modernisation of the general mall areas, sections of the rentable areas and the external façade, is currently taking place. Existing and potential tenants have responded positively to the changes at the Galleria: around 90 % of the 15,500 sqm of the centre's rentable space has already been let to more than 40 specialist outlets. With an attractive mix of sectors now guaranteed, detailed negotiations are taking place concerning the remaining floor space. All conversion work will be completed by the autumn, and the 'new' Galleria will open in October 2010.

## EASTERN AND SOUTH EASTERN EUROPE

**Investment properties**

In Eastern and South Eastern Europe, CA Immo International held investment properties with a value of around € 598.1 m as of 31 March 2010. In the first three months of 2010, property assets let with a total effective area of 287,970 sqm generated rental income of € 11.0 m. New lettings amounting to some 4,780 sqm were concluded in the first quarter of the year; over the same period, contract extensions and floor space expansions by existing tenants accounted for around 8,450 sqm.

Where a like-for-like comparison is drawn with the turn of the year, the occupancy rate for investment properties in Eastern Europe is almost unchanged at 92 % (31 December 2009: 91 %). Where properties assimilated into the asset portfolio of CA Immo International during 2009 are taken into account (the Sava Business Center in Belgrade, Capital Square in Budapest and the Duna Center in Györ), the like-for-like occupancy rate is around 84 % on the key date (compared to 82 % on 31 December 2009).


ARNULFPARK®
Munich, construction site Skygarden

**Investment properties under development**

In Eastern Europe, CA Immo International focused on the development of projects already initiated during the first quarter of 2010.

Construction of the **Poleczki Business Park** in Warsaw, which will provide a total effective area of 200,000 sqm, is proceeding apace. Completion of phase one (comprising two separate buildings) is scheduled for the second quarter of 2010. Demand is developing well on the office property market in the Polish capital, and demand for rental space at the Poleczki Business Park has also risen considerably. The occupancy rate was above 75 % as of 31 March 2010, and construction phase two is currently at the planning stage. The first tenants will move in on 1st June.

CA Immo International is involved in two development projects in Russia. The company has a 50 % stake in **Maslov Tower** in Moscow and a 25 % interest in the **Airport City St. Petersburg** project through the CA Immo New Europe project development fund. The problematic economic and legal conditions that currently prevail in Russia are still adversely affecting both projects to a significant degree; financing with outside capital and preletting arrangements remain hard to come by, discussions concerning this matter are in process.

**BBC 1 Plus** is an extension to the Bratislava Business Center currently being planned for a section of this office property site. Construction of the project is likely to start at the end of quarter two 2010.

## SUPPLEMENTARY REPORT

The following activities are reported after the key date 31 March 2010:

**Germany**

The second residential building in Frankfurt's Europaviertel has been completed. The **CITY COLOURS** complex comprises 112 rental flats and 51 owner-occupied flats. All of the former have been bought by the VBL in Germany (Versorgungsanstalt des Bundes und der Länder) and around 85 % of the owner-occupied apartments have been sold so far. CITY COLOURS is a joint development of Vivico and Realgrund AG.

Planning approval has been granted for the **BelsenPark®** development scheme in Düsseldorf and building rights for the project have been secured. BelsenPark® was designed as a mixed-use city district. Over the next few years, around 550 residential apartments for all age groups will be built around a park approximately 20 hectares in size; the district will also feature a pedestrian zone with shops and offices. The marketing of the site, which is expected to be ready for development this autumn, has begun.

**Eastern Europe**

In Romania, CA Immo International is building the **Retail Park Sibiu** (a double-level shopping centre connected to specialist retail outlets) together with a German/Romanian joint venture partner. A structure with 9,700 sqm of effective area was completed late in April and let to the DIY chain OBI. Negotiations on the next phase of construction are now under way.

# RESULTS

**Gross revenues and net operating income**

Compared to the first three months of 2009, rental income fell by 7.6 % to € 41.7 m. This trend was mainly explained by the loss of rental income from properties sold in 2009.

Trading income of € 13.6 m was generated in the first quarter of 2010 (compared to € 5.2 m in 2009) through the scheduled sale of properties held in current assets in Germany. This income was counteracted by the book value of the assets sold of € 12.7 m as well as other development/material costs of € 2.6 m. The trading portfolio therefore contributed around € –1.7 m to the result (€ 0.5 m in 2009). As a consequence of these developments, net operating income (NOI) fell by 13.7 % to € 33.1 m.

**Profit from the sale of long-term properties**

In the first quarter of 2010, the profit from property sales (generated almost exclusively in Germany) was € 2.4 m (€ 2.3 m in 2009).

**Indirect expenditures**

Indirect expenditures rose by 12.7 %, from € 10.8 m to € 12.2 m. Part of the reason for the increase was the higher level of expenditure on consultancy services. The item 'Capitalised services' (accounting for € 3.3 m) is an offsetting item to indirect expenditures, neutralising that part of Vivico's internal expenditure which is directly attributable to specific development projects and can thus be capitalised.

**Earnings before interest, taxes, depreciation and amortisation (EBITDA)**

Earnings before interest, taxes, depreciation and amortisation (EBITDA) fell by 21.0 %, from € 36.4 m last year to € 28.7 m, mainly on account of the reduced profit from property sales.

**Revaluation result**

The revaluation result for the first three months of 2010 was € –6.7 m, against € –51.6 m in the first quarter of 2009.

The main factor in the revaluation result was devaluation totalling € 8.1 m in the Eastern and South Eastern Europe segment; most of this related to hotel properties forming part of the portfolio in the Czech Republic and Slovenia. A marginally negative revaluation result of € –1.3 m was also reported in the Austrian segment; this was counteracted by a positive revaluation result of € 2.7 m in Germany.

**Operating result (EBIT)**

Owing to the factors outlined above, compared to the same period last year there was a reduction in EBIT in the segments of Austria and Germany by –30.6 % and –42.2 % respectively. By contrast, a significantly reduced revaluation loss led to an upturn in the EBIT from € –52.8 m to € –0.3 m in the Eastern and South Eastern Europe segment. In overall terms, therefore, the operating result rose sharply from € –16.9 m in the first quarter of 2009 to € 21.5 m in the first three months of 2010.

**Financial result**

The financial result for the first three months of 2010 was € –30.9 m, compared to € –34.9 m for the first quarter of 2009. This development was the result of a 10.8 % rise in financing costs to € –29.4 m linked to bonds issued during the fourth quarter of 2009 and another negative result from the valuation of interest rate swaps used for hedging purposes, which in turn was linked to the continuing decline of the Euribor (€ –5.5 m in Q1 2009, € –7.2 m in Q1 2010). These negative trends were counteracted by a much lower charges from foreign currency differences (€ –0.03 m in Q1 2010 compared to € –2.1 m in Q1 2009) and an improvement in the result from financial investments (€ 0.3 m in Q1 2009, € 3.4 m in Q1 2010) following the higher investment volume and a rebound on the valuation of securities. Income from associated companies was also negative last year at € –0.9 m, while in 2010 the contribution to the result was positive at € 2.5 m.

**Income tax**

In overall terms, the developments described above produced net earnings before tax (EBT) of € –9.4 m for the first three months of 2010 compared to € –51.8 m in the first quarter of 2009. As far as taxes on income are concerned, positive contributions resulting from the change in deferred taxes overcompensated for actual tax, producing an overall positive tax result of € 1.0 m (against € –2.8 m in Q1 2009).

**Result for the period**

The loss for the period improved from € –51.8 m to € –9.4 m. The income attributable to shareholders in the parent company in the first quarter of 2010 was € –6.5 m, compared to € –33.6 m in the first three months of 2009.

**Cash flow**

Operating cash flow for the first three months of 2010 was € 10.4 m, against € 30.8 m in 2009. One key reason for the decrease was the sharp rise in tax payments affecting liquidity. Cash flow from investment activities stood at € –70.3 m in the first quarter of 2010, compared to € –15.1 m for the first three months of 2009. This reflects the ongoing construction activities, which have expanded considerably since last year. Accordingly, the uptake of financing has also risen steeply; when interest paid is taken into consideration, cash flow from financing activities comes to € 36.6 m for the first quarter of 2010 (against € –18.0 m in the first three months 2009).

**Assets**

The situation on the assets side has changed only marginally between 31 December 2009 and 31 March 2010; developments were mainly linked to construction progress on investment properties under development. Cash and cash equivalents stood at € 489.9 m on 31 March 2010, slightly (–1.5 %) down on the value for the start of the year. Total assets rose by around 1.3 % to € 4.4 bn.

**Liabilities and shareholders' equity**

During the first three months of 2010, shareholders' equity (including non-controlling interests) fell by 1.7 % from € 1,729.2 m to € 1,699.0 m. This was explained not only by the result for the period, but also by a significant downturn in the valuation of interest rate hedges recorded as cash flow hedges, which contributed to the decline in shareholders' equity to the extent of € –19.9 m.

Long-term financial liabilities increased by 3.6 % to stand at € 1,429.6 m, whereas short-term financial liabilities went up from € 124.3 m to € 136.0 m. Overall net debt (financial liabilities less cash and cash equivalents) has risen by a modest 4.6 % since the start of the year to stand at € 1,540.5 m; gearing (ratio of net debt to shareholders' equity) increased from 85 % on 31 December 2009 to 91 % on 31 March 2010.

**Net asset value**

The NNNAV was € 1,576.5 m on 31 March 2010 and NNNAV/share was € 18.07; compared to the reference value for 31 December 2009, this represents a decrease of 2.2 %.

MARIAHILFER STRASSE 17, Vienna

## CONSOLIDATED INCOME STATEMENT

| € 1,000 | **1st Quarter 2010** | **1st Quarter 2009** |
|---|---|---|
| Rental income | 41,712.0 | 45,163.1 |
| Income from the sale of properties intended for trading | 13,646.8 | 5,184.9 |
| Gross revenues from development services | 678.5 | 403.9 |
| Operating costs passed on to tenants | 7,680.5 | 6,877.1 |
| **Gross revenues** | **63,717.8** | **57,629.0** |
| Other expenses directly related to properties (incl. operating expenses) | –15,220.2 | –14,477.9 |
| Book value of properties intended for trading [1)] | –15,345.0 | –4,705.9 |
| Expenditures on development services | –99.8 | –160.6 |
| **Net operating income** | **33,052.8** | **38,284.6** |
| NOI as a % of the gross revenues | 51.9 % | 66.4 % |
| Profit from the sale of long-term properties | 9,810.4 | 12,270.7 |
| Book value of long-term properties | –7,451.9 | –9,947.3 |
| **Result from the sale of long-term properties** | **2,358.5** | **2,323.4** |
| Indirect expenditures | –12,170.4 | –10,794.8 |
| Capitalised services | 3,295.9 | 3,303.8 |
| Other operating income | 2,168.7 | 3,235.9 |
| **EBITDA** | **28,705.5** | **36,352.9** |
| EBITDA as a % of the gross revenues | 45.1 % | 63.1 % |
| Depreciation and amortisation of long-term properties | –396.6 | –446.8 |
| Impairment of properties intended for trading | –173.0 | –1,172.6 |
| **Depreciation and amortisation** | **–569.6** | **–1,619.4** |
| **Reversal of write-down of properties intended for trading** | **25.5** | **0.0** |
| Revaluation gain | 13,410.3 | 40,761.8 |
| Revaluation loss | –20,084.9 | –92,382.2 |
| **Result from revaluation** | **–6,674.6** | **–51,620.4** |
| **Operating result (EBIT)** | **21,486.8** | **–16,886.9** |
| EBIT as a % of the gross revenues | 33.7 % | – |
| Financing costs | –29,351.8 | –26,490.0 |
| Foreign currency loss | –29.8 | –2,062.8 |
| Result from derivative transactions | –7,215.3 | –5,536.7 |
| Result from financial investments | 3,352.2 | 256.1 |
| Impairment of financial investments | –162.7 | –93.6 |
| Income from associated companies | 2,530.3 | –933.9 |
| Non-controlling interests held by limited partners | 7.5 | –9.7 |
| **Financial result** | **–30,869.6** | **–34,870.6** |
| **Net income before taxes (EBT)** | **–9,382.8** | **–51,757.5** |
| Income tax | 965.0 | –2,768.5 |
| **Consolidated net income** | **–8,417.8** | **–54,526.0** |
| - thereof attributable to non-controlling interests | –1,879.9 | –20,958.4 |
| **- thereof attributable to the owners of the parent** | **–6,537.9** | **–33,567.6** |
| **Earnings per share in € (undiluted)** | **–€ 0.07** | **–€ 0.39** |
| **Earnings per share in € (diluted)** | **–€ 0.07** | **–€ 0.39** |

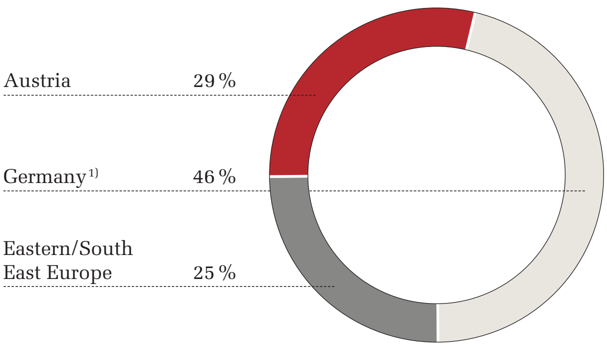
1) The book value of properties intended for trading comprises the book value of stock properties sold and other development costs in connection with properties intended for trading but not change to stock.

The income statement of the comparison period of the first quarter 2009 was adapted. A reclassification of income from changes in properties intended for trading amounting to € 1,875.1K from book value of properties intended for trading to capitalised services was made.

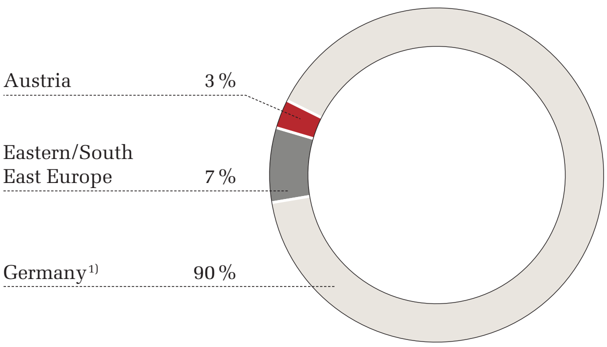
## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| € 1,000 | 1st Quarter 2010 | 1st Quarter 2009 |
|---|---|---|
| Consolidated net income | –8,417.8 | –54,526.0 |
| **Other comprehensive income** | | |
| Valuation cash flow hedges | –25,764.6 | –38,976.7 |
| Other comprehensive income of associated companies | –282.4 | 367.8 |
| Exchange rate differences in equity | –2.4 | 3.0 |
| Income tax related to other comprehensive income | 4,988.0 | 8,371.6 |
| **Other comprehensive income for the year, net of tax** | **–21,061.4** | **–30,234.3** |
| **Total comprehensive income for the year** | **–29,479.2** | **–84,760.3** |
| - thereof: attributable to non-controlling interests | –2,897.2 | –22,213.3 |
| **- thereof: attributable to the owners of the parent** | **–26,582.0** | **–62,547.0** |

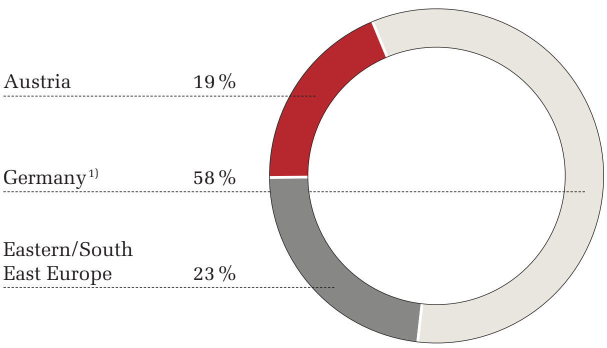
## PROPERTY ASSETS



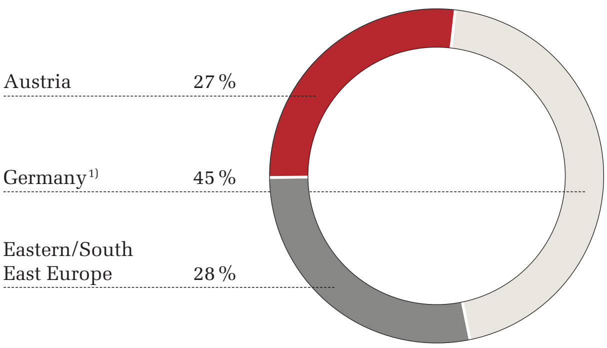

## OTHER PROPERTY ASSETS




## GROSS REVENUES




## NET OPERATING INCOME




1) Incl. a property in Switzerland

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| € 1,000 | 31.3.2010 | 31.12.2009 | Changes | |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Investment properties | 2,417,426.5 | 2,409,589.1 | | |
| Investment properties under development | 1,015,995.0 | 962,459.0 | | |
| Own used properties | 14,074.7 | 14,247.9 | | |
| Prepayments made on properties | 543.6 | 543.6 | | |
| Office furniture, equipment and other assets | 1,807.5 | 1,939.4 | | |
| Intangible assets | 39,202.5 | 39,529.1 | | |
| Prepayments made on investments in properties | 200.0 | 200.0 | | |
| Investments in associated companies | 40,532.2 | 38,242.1 | | |
| Loans to joint ventures | 25,436.9 | 24,983.4 | | |
| Loans to associated companies | 13,645.5 | 11,867.8 | | |
| Other loans | 0.0 | 40.0 | | |
| Other financial assets | 16.6 | 7.3 | | |
| Deferred tax assets | 27,073.0 | 24,606.3 | | |
| **Long-term assets** | **3,595,954.0** | **3,528,255.0** | **67,699.0** | **1.9 %** |
| Long-term assets as a % of statement of financial position total | 82.3 % | 81.8 % | | |
| Assets held for sale | 1,384.0 | 6,020.1 | | |
| Property intended for trading | 112,677.2 | 122,902.4 | | |
| Receivables from joint ventures | 40,947.1 | 40,034.4 | | |
| Receivables and other assets | 118,627.3 | 109,290.6 | | |
| Securities | 8,449.2 | 6,948.2 | | |
| Cash and cash equivalents | 489,854.6 | 497,199.3 | | |
| **Short-term assets** | **771,939.4** | **782,395.0** | **–10,455.6** | **–1.3 %** |
| **Total assets** | **4,367,893.4** | **4,310,650.0** | **57,243.4** | **1.3 %** |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| € 1,000 | Share capital | Capital reserves | Reserves for own shares |
|---|---|---|---|
| **As at 1.1.2009** | **634,370.0** | **1,006,970.8** | **–11,861.3** |
| Total comprehensive income for the period | 0.0 | 0.0 | 0.0 |
| Change in deferred tax own shares | 0.0 | 0.0 | 217.1 |
| Purchase of shares in CAIIAG [3] | 0.0 | 2,303.9 | 0.0 |
| **As at 31.3.2009** | **634,370.0** | **1,009,274.7** | **–11,644.2** |
| | | | |
| **As at 1.1.2010** | **634,370.0** | **1,013,988.3** | **0.0** |
| Total comprehensive income for the period | 0.0 | 0.0 | 0.0 |
| Purchase of shares in CAIIAG [3] | 0.0 | 485.4 | 0.0 |
| **As at 31.3.2010** | **634,370.0** | **1,014,473.7** | **0.0** |

1) Reserves from associates comprise the changes in equity with no effect on the income statement of one company consolidated at equity, in which the valuation of cash flow hedges and the change in reserves from foreign exchange gains/losses are included.
2) Company in Switzerland with functional currency CHF.
3) CAIIAG = CA Immo International AG, Vienna.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| € 1,000 | 31.3.2010 | 31.12.2009 | Changes | |
|---|---|---|---|---|
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | | | |
| Share capital | 634,370.0 | 634,370.0 | | |
| Capital reserves | 1,014,473.7 | 1,013,988.3 | | |
| Retained earnings (incl. valuation result from hedging and other reserves) | –115,935.3 | –89,353.3 | | |
| Non-controlling interests | 166,108.0 | 170,155.1 | | |
| **Shareholders' equity** | **1,699,016.4** | **1,729,160.1** | **–30,143.7** | **–1.7%** |
| shareholders' equity as a % of statement of financial position total | 38.9% | 40.1% | | |
| Non-controlling interests held by limited partners | 2,422.8 | 2,437.6 | | |
| Provisions | 625.3 | 522.4 | | |
| Liabilities from bonds | 473,244.9 | 472,525.3 | | |
| Financial liabilities | 1,429,623.3 | 1,379,668.4 | | |
| Trade creditors | 41,761.6 | 40,815.8 | | |
| Other liabilities | 182,206.0 | 173,823.1 | | |
| Deferred tax liabilities | 123,875.1 | 129,788.0 | | |
| **Long-term liabilities** | **2,253,759.0** | **2,199,580.6** | **54,178.4** | **2.5%** |
| Tax provisions | 57,447.2 | 82,292.0 | | |
| Provisions | 66,314.0 | 57,082.6 | | |
| Financial liabilities | 135,963.5 | 124,276.3 | | |
| Payables to joint venture partners | 16,368.8 | 15,225.9 | | |
| Trade creditors | 25,295.5 | 24,901.0 | | |
| Other liabilities | 113,729.0 | 78,131.5 | | |
| **Short-term liabilities** | **415,118.0** | **381,909.3** | **33,208.7** | **8.7%** |
| **Total liabilities and shareholders' equity** | **4,367,893.4** | **4,310,650.0** | **57,243.4** | **1.3%** |

| Retained earnings | Valuation result (hedging) | Reserves from associates [1)] | Reserves from foreign currency translation [2)] | Shares held by the shareholders of the parent company | Non-controlling interests | Shareholders' equity (total) |
|---|---|---|---|---|---|---|
| **45,824.5** | **–52,133.2** | **–219.2** | **2.1** | **1,622,953.7** | **231,700.4** | **1,854,654.1** |
| –33,567.6 | –29,219.9 | 237.5 | 3.0 | –62,547.0 | –22,213.3 | –84,760.3 |
| 0.0 | 0.0 | 0.0 | 0.0 | 217.1 | 0.0 | 217.1 |
| 0.0 | 0.0 | 0.0 | 0.0 | 2,303.9 | –2,999.3 | –695.4 |
| **12,256.9** | **–81,353.1** | **18.3** | **5.1** | **1,562,927.7** | **206,487.8** | **1,769,415.5** |
| | | | | | | |
| **–31,090.5** | **–58,291.6** | **26.8** | **2.0** | **1,559,005.0** | **170,155.1** | **1,729,160.1** |
| –6,537.9 | –19,890.3 | –151.4 | –2.4 | –26,582.0 | –2,897.2 | –29,479.2 |
| 0.0 | 0.0 | 0.0 | 0.0 | 485.4 | –1,149.9 | –664.5 |
| **–37,628.4** | **–78,181.9** | **–124.6** | **–0.4** | **1,532,908.4** | **166,108.0** | **1,699,016.4** |

## SEGMENTATION BY REGIONS

| € 1,000 | 1st Quarter 2010 | | | | 1st Quarter 2009 | | | |
|---|---|---|---|---|---|---|---|---|
| | Austria | Germany [1] | SEE/CEE/ CIS | Total | Austria | Germany [1] | SEE/CEE/ CIS | Total |
| Rental income | 10,429.6 | 20,276.8 | 11,005.5 | 41,712.0 | 12,041.3 | 23,321.3 | 9,800.5 | 45,163.1 |
| Income from the sale of properties intended for trading | 0.0 | 13,646.8 | 0.0 | 13,646.8 | 0.0 | 5,184.9 | 0.0 | 5,184.9 |
| Gross revenues from development services | 0.0 | 678.5 | 0.0 | 678.5 | 0.0 | 403.9 | 0.0 | 403.9 |
| Operating costs passed on to tenants | 1,883.9 | 2,537.9 | 3,258.7 | 7,680.5 | 1,684.4 | 2,474.3 | 2,718.4 | 6,877.1 |
| **Gross revenues** | **12,313.5** | **37,140.0** | **14,264.2** | **63,717.8** | **13,725.7** | **31,384.4** | **12,518.9** | **57,629.0** |
| Other expenses directly related to properties (incl. operating expenses) | –3,483.2 | –6,782.4 | –4,954.5 | –15,220.1 | –3,788.8 | –6,772.2 | –3,916.9 | –14,477.9 |
| Book value of properties intended for trading | 0.0 | –15,345.0 | 0.0 | –15,345.0 | 0.0 | –4,705.9 | 0.0 | –4,705.9 |
| Expenditures on development services | 0.0 | –99.8 | 0.0 | –99.8 | 0.0 | –160.6 | 0.0 | –160.6 |
| **Net operating income** | **8,830.3** | **14,912.8** | **9,309.7** | **33,052.8** | **9,936.9** | **19,745.7** | **8,602.0** | **38,284.6** |
| NOI as a % of the gross revenues | 71.7 % | 40.2 % | 65.3 % | 51.9 % | 72.4 % | 62.9 % | 68.7 % | 66.4 % |
| Result from the sale of long-term properties | –2.8 | 2,361.3 | 0.0 | 2,358.5 | 18.5 | 2,304.9 | 0.0 | 2,323.4 |
| Indirect expenditures | –1,284.3 | –8,831.6 | –2,054.5 | –12,170.4 | –1,234.4 | –7,257.6 | –2,302.8 | –10,794.8 |
| Capitalised services | 0.0 | 3,295.9 | 0.0 | 3,295.9 | 0.0 | 3,303.8 | 0.0 | 3,303.8 |
| Other operating income | 284.3 | 1,351.4 | 533.0 | 2,168.7 | 621.0 | 2,346.1 | 268.8 | 3,235.9 |
| **EBITDA** | **7,827.5** | **13,089.8** | **7,788.2** | **28,705.5** | **9,342.0** | **20,442.9** | **6,568.0** | **36,352.9** |
| EBITDA as a % of the gross revenues | 63.6 % | 35.2 % | 54.6 % | 45.1 % | 68.1 % | 65.1 % | 52.5 % | 63.1 % |
| Depreciation and amortisation of long-term properties | –204.9 | –172.7 | –19.0 | –396.6 | –234.2 | –193.7 | –18.9 | –446.8 |
| Impairment of properties intended for trading | 0.0 | –173.0 | 0.0 | –173.0 | 0.0 | –1,172.6 | 0.0 | –1,172.6 |
| Reversal of write-down of properties intended for trading | 0.0 | 25.5 | 0.0 | 25.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| Result from revaluation | –1,338.8 | 2,749.5 | –8,085.3 | –6,674.6 | –55.7 | 7,758.6 | –59,323.3 | –51,620.4 |
| **Operating result (EBIT)** | **6,283.7** | **15,519.2** | **–316.1** | **21,486.8** | **9,052.1** | **26,835.2** | **–52,774.2** | **–16,886.9** |
| EBIT as a % of the gross revenues | 51.0 % | 41.8 % | – | 33.7 % | 66.0 % | 85.5 % | – | – |
| Financing costs [2] | –18,686.8 | –16,793.9 | –7,398.9 | –42,879.7 | –19,120.9 | –18,451.9 | –8,606.0 | –46,178.8 |
| Foreign currency gain/loss | 6.4 | –13.2 | –23.0 | –29.8 | 68.1 | 206.4 | –2,337.3 | –2,062.8 |
| Result from derivative transactions | –3,242.7 | –3,890.2 | –82.4 | –7,215.3 | –4,680.1 | –856.6 | 0.0 | –5,536.7 |
| Result from financial investments [2] | 12,865.9 | 271.7 | 3,742.5 | 16,880.1 | 12,128.5 | 2,542.6 | 5,273.8 | 19,944.9 |
| Impairment of financial investments | 0.0 | 0.0 | –162.7 | –162.7 | 0.0 | 0.0 | –93.6 | –93.6 |
| Income from associated companies | 0.0 | 0.0 | 2,530.3 | 2,530.3 | 0.0 | 0.0 | –933.9 | –933.9 |
| Non-controlling interests held by limited partners | 0.0 | 7.5 | 0.0 | 7.5 | 0.0 | –9.7 | 0.0 | –9.7 |
| **Net income before taxes (EBT)** | **–2,773.5** | **–4,898.9** | **–1,710.4** | **–9,382.8** | **–2,552.3** | **10,266.0** | **–59,471.2** | **–51,757.5** |
| Income tax | –1,599.9 | 4,961.9 | –2,397.0 | 965.0 | –2,308.4 | –10,050.8 | 9,590.7 | –2,768.5 |
| **Consolidated net income** | **–4,373.3** | **62.9** | **–4,107.4** | **–8,417.8** | **–4,860.7** | **215.2** | **–49,880.5** | **–54,526.0** |
| | 31.3.2010 | | | | 31.12.2009 | | | |
| Segment properties [3] | 737,500.9 | 2,149,134.1 | 674,082.0 | 3,560,717.0 | 737,149.6 | 2,098,617.4 | 673,975.0 | 3,509,742.0 |
| Assets held for sale | 0.0 | 1,384.0 | 0.0 | 1,384.0 | 1,975.1 | 4,045.0 | 0.0 | 6,020.1 |
| Other segment assets | 299,834.1 | 272,785.0 | 165,568.0 | 738,187.2 | 303,582.6 | 263,626.1 | 164,830.8 | 732,039.5 |
| Investments in associated companies | 0.0 | 22.3 | 40,509.9 | 40,532.2 | 0.0 | 22.2 | 38,219.9 | 38,242.1 |
| Deferred tax assets | 0.0 | 26,887.3 | 185.8 | 27,073.0 | 0.0 | 24,580.0 | 26.3 | 24,606.3 |
| **Total assets** | **1,037,335.0** | **2,450,212.6** | **880,345.7** | **4,367,893.4** | **1,042,707.3** | **2,390,890.7** | **877,052.0** | **4,310,650.0** |
| Segment liabilities | 625,552.2 | 1,424,554.5 | 437,448.0 | 2,487,554.7 | 614,452.8 | 1,325,239.1 | 429,718.0 | 2,369,409.9 |
| Deferred tax liabilities incl. tax provisions | 27,653.4 | 129,466.8 | 24,202.1 | 181,322.3 | 27,881.0 | 161,518.1 | 22,680.9 | 212,080.0 |
| **Segment debts** | **653,205.6** | **1,554,021.3** | **461,650.1** | **2,668,877.0** | **642,333.8** | **1,486,757.2** | **452,398.9** | **2,581,489.9** |
| **Capital expenditures [4]** | **1,961.6** | **62,165.8** | **8,197.2** | **72,324.6** | **8,227.7** | **175,734.5** | **90,905.3** | **274,867.5** |
| **Employees [5]** | **49** | **191** | **96** | **336** | **49** | **193** | **90** | **332** |

1) Incl. a property in Switzerland 2) Financing costs and result from financial investments are allocated to the segments before consolidating entries. Financing costs and result from financial investments are therefore comparable only in total with consolidated statement of comprehensive income. 3) Segment properties include investment properties, investment properties under development, own used properties, properties intended for trading and prepayments made on properties. 4) Capital expenditures include all acquisitions of properties (long-term and short-term), office furniture, equipment, other assets and intangible assets; out of which € 2,658.3K (31.12.2009: € 24,477.4K) in properties intended for trading. 5) Situation as at 31.3.2010 (31.12.2009), employees in companies consolidated on a proportional basis are included at 100 %.

The income statement of the comparison period of the first quarter 2009 (region Germany) was adapted. A reclassification of income from changes in properties intended for trading amounting to € 1,875.1K from book value of properties intended for trading to capitalised services was made.

## SEGMENTATION BY SECTORS

| € 1,000 | 1st Quarter 2010 Income producing | 1st Quarter 2010 Trading | 1st Quarter 2010 Development [1] | 1st Quarter 2010 Total | 1st Quarter 2009 Income producing | 1st Quarter 2009 Trading | 1st Quarter 2009 Development [1] | 1st Quarter 2009 Total |
|---|---|---|---|---|---|---|---|---|
| Rental income | 37,321.2 | 2,138.6 | 2,252.1 | 41,712.0 | 39,335.2 | 2,780.4 | 3,047.5 | 45,163.1 |
| Income from the sale of properties intended for trading | 0.0 | 13,646.8 | 0.0 | 13,646.8 | 0.0 | 5,184.9 | 0.0 | 5,184.9 |
| Gross revenues from development services | 0.0 | 0.0 | 678.5 | 678.5 | 0.0 | 0.0 | 403.9 | 403.9 |
| Operating costs passed on to tenants | 6,866.8 | 340.1 | 473.6 | 7,680.5 | 5,917.2 | 421.7 | 538.2 | 6,877.1 |
| **Gross revenues** | **44,188.0** | **16,125.5** | **3,404.2** | **63,717.8** | **45,252.4** | **8,387.0** | **3,989.6** | **57,629.0** |
| Other expenses directly related to properties (incl. operating expenses) | −12,194.7 | −382.9 | −2,642.6 | −15,220.1 | −11,767.4 | −885.8 | −1,824.7 | −14,477.9 |
| Book value of properties intended for trading | 0.0 | −15,345.0 | 0.0 | −15,345.0 | 0.0 | −4,705.9 | 0.0 | −4,705.9 |
| Expenditures on development services | 0.0 | 0.0 | −99.8 | −99.8 | 0.0 | 0.0 | −160.6 | −160.6 |
| **Net operating income** | **31,993.4** | **397.6** | **661.9** | **33,052.8** | **33,485.0** | **2,795.3** | **2,004.3** | **38,284.6** |
| NOI as a % of the gross revenues | 72.4 % | 2.5 % | 19.4 % | 51.9 % | 74.0 % | 33.3 % | 50.2 % | 66.4 % |
| Result from the sale of long-term properties | −76.6 | 0.0 | 2,435.0 | 2,358.5 | 32.8 | 0.0 | 2,290.6 | 2,323.4 |
| Indirect expenditures | −3,477.0 | −584.3 | −8,109.1 | −12,170.4 | −3,319.3 | −375.7 | −7,099.8 | −10,794.8 |
| Capitalised services | 21.6 | 120.0 | 3,154.3 | 3,295.9 | 0.0 | 1,875.1 | 1,428.7 | 3,303.8 |
| Other operating income | 1,138.6 | 856.7 | 173.3 | 2,168.7 | 1,200.3 | 212.2 | 1,823.4 | 3,235.9 |
| **EBITDA** | **29,600.1** | **790.0** | **−1,684.5** | **28,705.5** | **31,398.8** | **4,506.9** | **447.2** | **36,352.9** |
| EBITDA as a % of the gross revenues | 67.0 % | 4.9 % | – | 45.1 % | 69.4 % | 53.7 % | 11.2 % | 63.1 % |
| Depreciation and amortisation of long-term properties | −253.5 | 0.0 | −143.2 | −396.6 | −304.4 | 0.0 | −142.4 | −446.8 |
| Impairment of properties intended for trading | 0.0 | −173.0 | 0.0 | −173.0 | 0.0 | −1,172.6 | 0.0 | −1,172.6 |
| Reversal of write-down of properties intended for trading | 0.0 | 25.5 | 0.0 | 25.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| Result from revaluation | −7,300.4 | 0.0 | 625.8 | −6,674.6 | −49,019.3 | 0.0 | −2,601.1 | −51,620.4 |
| **Operating result (EBIT)** | **22,046.2** | **642.5** | **−1,201.9** | **21,486.8** | **−17,924.9** | **3,334.3** | **−2,296.3** | **−16,886.9** |
| EBIT as a % of the gross revenues | 49.9 % | 4.0 % | – | 33.7 % | – | 39.8 % | – | – |
| Financing costs [2] | −32,285.3 | −245.1 | −10,349.3 | −42,879.7 | −36,483.0 | −1,055.0 | −8,640.8 | −46,178.8 |
| Foreign currency gain/loss | −175.4 | 0.0 | 145.6 | −29.8 | −1,834.7 | 1.5 | −229.6 | −2,062.8 |
| Result from derivative transactions | −5,123.9 | 0.0 | −2,091.4 | −7,215.3 | −5,045.5 | 0.0 | −491.2 | −5,536.7 |
| Result from financial investments [2] | 14,458.7 | 16.0 | 2,405.4 | 16,880.1 | 19,784.0 | 5.1 | 155.8 | 19,944.9 |
| Impairment of financial investments | −1.6 | 0.0 | −161.1 | −162.7 | 0.0 | 0.0 | −93.6 | −93.6 |
| Income from associated companies | 0.0 | 0.0 | 2,530.3 | 2,530.3 | 0.0 | 0.0 | −933.9 | −933.9 |
| Non-controlling interests held by limited partners | 3.6 | 0.0 | 3.9 | 7.5 | −6.1 | −2.1 | −1.5 | −9.7 |
| **Net income before taxes (EBT)** | **−1,077.6** | **413.4** | **−8,718.5** | **−9,382.8** | **−41,510.2** | **2,283.8** | **−12,531.1** | **−51,757.5** |
| Income tax | −3,754.5 | −374.3 | 5,093.8 | 965.0 | 4,056.9 | 683.3 | −7,508.7 | −2,768.5 |
| **Consolidated net income** | **−4,832.1** | **39.0** | **−3,624.7** | **−8,417.8** | **−37,453.3** | **2,967.1** | **−20,039.8** | **−54,526.0** |
| | **31.3.2010** | | | | **31.12.2009** | | | |
| Segment properties [3] | 2,432,044.8 | 112,677.2 | 1,015,995.0 | 3,560,717.0 | 2,424,380.5 | 122,902.4 | 962,459.1 | 3,509,742.0 |
| Assets held for sale | 0.0 | 0.0 | 1,384.0 | 1,384.0 | 2,155.0 | 0.0 | 3,865.1 | 6,020.1 |
| Other segment assets | 494,221.6 | 4,424.6 | 239,541.0 | 738,187.2 | 484,159.3 | 10,189.4 | 237,690.8 | 732,039.5 |
| Investments in associated companies | 0.0 | 0.0 | 40,532.2 | 40,532.2 | 0.0 | 0.0 | 38,242.1 | 38,242.1 |
| Deferred tax assets | 7,849.3 | 914.1 | 18,309.6 | 27,073.0 | 4,155.9 | 987.3 | 19,463.1 | 24,606.3 |
| **Total assets** | **2,934,115.7** | **118,015.9** | **1,315,761.8** | **4,367,893.4** | **2,914,850.7** | **134,079.1** | **1,261,720.2** | **4,310,650.0** |
| Segment liabilities | 1,797,438.1 | 45,330.9 | 644,785.7 | 2,487,554.7 | 1,763,643.6 | 44,133.1 | 561,633.2 | 2,369,409.9 |
| Deferred tax liabilities incl. tax provisions | 62,349.3 | 7,404.7 | 111,568.3 | 181,322.3 | 56,858.7 | 17,609.9 | 137,611.4 | 212,080.0 |
| **Segment debts** | **1,859,787.4** | **52,735.6** | **756,354.0** | **2,668,877.0** | **1,820,502.3** | **61,743.0** | **699,244.6** | **2,581,489.9** |
| **Capital expenditures [4]** | **5,025.0** | **2,658.3** | **64,641.2** | **72,324.6** | **20,808.7** | **24,477.4** | **229,581.4** | **274,867.5** |

[1] Incl. a property in Switzerland [2] Financing costs and result from financial investments are allocated to the segments before consolidating entries. Financing costs and result from financial investments are therefore comparable only in total with consolidated statement of comprehensive income. [3] Segment properties include investment properties, investment properties under development, own used properties, properties intended for trading and prepayments made on properties.
[4] Capital expenditures include all acquisitions of properties (long-term and short-term), office furniture, equipment, other assets and intangible assets.

The income statement of the comparison period of the first quarter 2009 (sector Trading) was adapted. A reclassification of income from changes in properties intended for trading amounting to € 1,875.1K from book value of properties intended for trading to capitalised services was made.

## CONDENSED STATEMENT OF CASH FLOWS

| € 1,000 | 1st Quarter 2010 | 1st Quarter 2009 |
|---|---|---|
| Operating cash flow | 10,362.7 | 30,814.9 |
| Cash flow from changes in net current assets | 14,599.9 | –1,413.3 |
| **Cash flow from operating activities** | **24,962.6** | **29,401.7** |
| Cash flow from investment activities | –70,319.0 | –15,139.6 |
| Cash flow from financing activities | 36,604.8 | –17,983.8 |
| **Net change in cash and cash equivalents** | **–8,751.6** | **–3,721.7** |
| Cash and cash equivalents as at 1.1. | 497,199.3 | 321,380.3 |
| Changes in the value of foreign currency | 1,406.9 | –2,685.5 |
| Net changes in cash and cash equivalents | –8,751.6 | –3,721.7 |
| **Cash and cash equivalents as at 31.3.** | **489,854.6** | **314,973.1** |

## TAXES ON INCOME

Tax income / expense is composed as follows:

| € 1,000 | 1st Quarter 2010 | 1st Quarter 2009 |
|---|---|---|
| Corporate income tax (current tax) | –1,315.2 | –3,460.4 |
| Trade tax (current tax) | –801.7 | –3,430.2 |
| **Corporate income tax and trade tax (current tax)** | **–2,116.9** | **–6,890.6** |
| Taxes associated with valuation of own shares | 0.0 | –217.1 |
| Taxes associated with valuation of interest derivatives | –1,599.1 | –2,908.9 |
| Amortisation of adjustment items from intangible assets | –342.0 | –3,956.9 |
| Change in deferred tax liabilities (deferred tax) | 5,023.0 | 11,205.0 |
| **Tax income / expense** | **965.0** | **–2,768.5** |

# NOTES

## GENERAL NOTES

The quarterly financial statements as at 31.3.2010 were prepared in compliance with the provisions of IAS 34 (Interim Financial Reporting) and are based on the accounting and valuation principles described in the 2009 annual report of CA Immobilien Anlagen Aktiengesellschaft.

The consolidated interim financial statements of CA Immobilien Anlagen Aktiengesellschaft for the period from 1.1. to 31.3.2010 have been neither fully audited nor examined by an auditor.

The use of automatic data processing equipment may lead to rounding differences in the addition of rounded amounts and percentage rates.

## CHANGE OF RECOGNITION, ACCOUNTING AND VALUATION METHODS

All compulsory IAS, IFRS and IFRIC and SIC interpretations (existing standards, amendments of same and new standards) to be applied in the European Union as at 31.3.2010 for business years commencing from 1.1.2010 were taken into account in the preparation of the consolidated interim financial statements.

Applicable new and revised standards and interpretations:

| Standard/ interpretation | Content | Effects on the quarterly financial statements of the CA Immo Group |
|---|---|---|
| IAS 39 | **Financial instruments: Recognition and Measurement**<br>The amendments clarify the accounting principles for hedging relationships. They concern the circumstances in which inflation risks qualify as the hedged item in a hedge relationship. They also resolve doubtful issues relating to the hedging of one-sided risks | None |
| IFRS 1 (revised) | **First-time Adoption of International Financial Reporting Standards**<br>Restructured version of IFRS 1, in which outdated transitional provisions were deleted and minor amendments were made to the text. | None |
| IFRS 2 | **Share-based Payment**<br>The amendments concern group cash-settled share-based payment transactions. | None |
| IFRS 3 (revised)/ IAS 27 | **Business Combinations**<br>Amended provisions concerning business combination accounting. In particular, the scope of IFRS 3 and the accounting for step acquisitions have been revised. In addition, IFRS 3 (revised) grants an option to measure any non-controlling interest in the entity acquired either at fair value or at the non-controlling interest's proportionate share of the entity's net identifiable assets.<br>In the revised version of IAS 27, the IASB in particular amended the accounting provisions for transactions with non-controlling interests in a group. Transactions changing the proportionate interest of a parent company in a subsidiary without the parent relinquishing control are to be recognised in future as equity transactions. The accounting rules concerning the loss of a controlling interest in a subsidiary have also been revised. The standard establishes how a gain on deconsolidation is to be calculated and how a retained non-controlling investment in a former subsidiary is to be measured. | The revision of IFRS 3/ IAS 27 does not have any effect on the consolidated financial statements of the CA Immo Group because transactions with non-controlling interests have already been recognised as equity transactions in the past. |
| IFRIC 12 | **Service Concession Arrangements**<br>IFRIC 12 rules on the accounting for arrangements whereby a government or other public sector body contracts with a private operator to fulfil the grantor's sovereign duties. In performing the contract, the private operator uses infrastructure assets that remain at the disposal of the public sector body. | None |

| Standard/ interpretation | Content | Effects on the quarterly financial statements of the CA Immo Group |
|---|---|---|
| IFRIC 15 | **Agreements for the Construction of Real Estate**<br>Governs the accounting for property disposals in the event of a contract being brought about with the buyer before completion of the building works. In particular, this interpretation clarifies the conditions that trigger the application of either IAS 11 or IAS 18 and when the revenues from the construction are to be recognised. | IFRIC 15 does not have any impact on the consolidated financial statements of the CA Immo Group because the clarification it offers simply corroborates the current accounting practice. |
| IFRIC 16 | **Hedges of a Net Investment in a Foreign Operation**<br>IFRIC 16 clarifies issues arising in connection with the hedging of the foreign currency exposure of a foreign operation. | None |
| IFRIC 17 | **Distributions of Non-cash Assets to Owners**<br>Governs the accounting for the distribution of non-cash assets to the owners of a company. | None |
| IFRIC 18 | **Transfers of Assets from Customers**<br>IFRIC 18 governs the accounting for assets acquired by an entity from a customer, which the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services. | None |

**Reclassification in consolidated income statement for the first quarter of 2009**

In the consolidated interim financial statements for 2009, the CA Immo Group offset the changes in properties intended for trading against the book value of properties intended for trading and the direct material costs. Since the changes in stock relate to the capitalisation of indirect expenditures attributable to the properties intended for trading, however, it is now to be recognised – as indicated in the 2009 annual report – together with the capitalised services after the net operating income (NOI). For this reason and to facilitate the comparability required by IAS 1, the amount of € 1,875.1K was reclassified in the first quarter of 2009.

## SCOPE OF CONSOLIDATION

On the effective acquisition date 1.3.2010, the CA Immo Group (CA Immobilien Anlagen Aktiengesellschaft and its subsidiaries) acquired 50 % of Mainzer Hafen GmbH, Mainz, for a purchase price of € 12.5K, which was paid in full.

In addition, two entities were sold, namely Lokhalle München Verwaltungsgesellschaft mbH & Co. KG, Munich, and Lokhalle München GmbH, Munich. The aggregate selling price was € 4.0K.

The acquisition and disposal of the forenamed entities affects the composition of the consolidated statement of financial position as follows (values as at time of acquisition or deconsolidation):

| € 1,000 | Acquisitions (book value = market value) | Sales | Total |
|---|---|---|---|
| Other assets | 0.0 | –427.4 | –427.4 |
| Cash and cash equivalents | 7.6 | –24.0 | –16.4 |
| Financial liabilities | –12.5 | 0.0 | –12.5 |
| Provisions | 0.0 | 15.8 | 15.8 |
| Other liabilities | –5.6 | 12.6 | 7.0 |
| **Net assets** | **–10.5** | **–423.0** | **–433.5** |

The gross revenues of the acquired company came to € 0.0K from the date of acquisition (since 1.1.2010: € 0.0K); the net income before taxes totalled € –7.7K (since 1.1.2010: € –23.0K). The acquired company is included in the consolidated statement of financial position as at 31.3.2010 with assets of € 7.7K and liabilities of € 13.9K.

In addition, the following entities were established and consolidated for the first time:

- Zollhafen Mainz GmbH & Co. KG, Mainz
- CAII Projektmanagement GmbH, Vienna
- CAII Projektbeteiligungs GmbH, Vienna

The capital contributions to the newly established entities totalled € 52.5K.

In the first quarter of 2010, CA Immo Office Park d.o.o., Belgrade and CA Immo Projekt d.o.o., Zagreb were wound up.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

**Statement of financial position**

As at the reporting date, 31.3.2010, the total assets of the CA Immo Group were € 4,367,893.4K. Measured against 31.12.2009, the long-term assets increased by 1.9 % to € 3,595,954.0K. The rise is chiefly attributable to construction progress on investment properties under development.

As at 31.3.2010, one investment property under development with a market value of € 1,384.0K (31.12.2009: four properties in the amount of € 6,020.1K) was classified as „held for sale". As at 31.3.2010, the sale within one year is classified as very probable.

As at 31.3.2010, the CA Immo Group disposed of securities in the amount of € 8,449.2K and cash and cash equivalents in the amount of € 489,854.6K. The cash and cash equivalents contain € 116,952.8K (31.12.2009: € 12,062.5K) bank balances to which the CA Immo Group has only restricted access. Of this total, an amount of € 104,900.0K concerns bank balances deposited in a special account as cover for financing the offer price to be paid in connection with the voluntary public takeover offer of CA Immobilien Anlagen Aktiengesellschaft, made to the free float shareholders of CA Immo International AG, Vienna, on 24.3.2010. Drawing on the bank balance is restricted until the end of the offer period (see „Major events after the close of the interim reporting period": offer acceptance period extended until 16.8.2010).

The other bank balances subject to drawing restrictions, in the amount of € 12,052.8K (31.12.2009: € 12,062.5K), serve the purpose of securing current loan repayments (amortisation and interest). They cannot be used otherwise without the consent of the lender. Bank balances subject to drawing restrictions having a term of more than three months, in the amount of € 25,160.3K (31.12.2009: € 24,374.7K), are also recognised under the receivables and other assets.

The total long and short-term financial liabilities climbed from € 1,503,944.7K as at 31.12.2009 to € 1,565,586.8K as at 31.3.2010. They consist of 99.3 % EUR loans, 0.2 % USD loans and 0.5 % CZK loans. Of the financial liabilities existing as at 31.3.2010, 2.2 % were fixed-interest, 76.7 % were fixed-interest by way of swaps, and 21.1 % were at floating rates.

**Income statement**

Year on year, consolidated revenues for the first quarter increased by € 6,088.8K to € 63,717.8K in 2010. The total includes € 13,646.8K (Q1 2009: € 5,184.9K) of gross revenues from the sale of properties intended for trading belonging to the Vivico Group.

The net operating income (NOI) originates from the various activities, namely renting, trading and development services, as follows:

| € 1,000 | 1st Quarter 2010 | 1st Quarter 2009 |
|---|---|---|
| **Rental** | | |
| Rental income | 41,712.0 | 45,163.1 |
| Operating costs passed on to tenants | 7,680.5 | 6,877.1 |
| **Gross rental income** | **49,392.5** | **52,040.2** |
| Other expenses directly related to properties (incl. operating expenses) | –15,220.2 | –14,477.9 |
| **Net rental income** | **34,172.3** | **37,562.3** |
| Net rental income as a % of the gross rental income | 69.2 % | 72.2 % |
| **Trading** | | |
| Income from sales | 13,646.8 | 5,184.9 |
| Book value of properties intended for trading | –12,736.1 | –4,057.9 |
| Other development expenses / material costs 1) | –2,608.9 | –648.0 |
| **Result from property transactions** | **–1,698.2** | **479.0** |
| Result from property transactions as a % of the income from sales | – | 9.2 % |
| **Result from development services** | | |
| Gross revenues from commissioned work as per IAS 11 | 662.0 | 403.9 |
| Gross revenues from service contracts | 16.5 | 0.0 |
| Other material costs | –99.8 | –160.6 |
| **Result from development services** | **578.7** | **243.3** |
| Result from services as a % of the development revenues | 87.4 % | 60.2 % |

1) In the comparison period of the first quarter of 2009 a reclassification of € 1,875.1K from other development expenses/material costs to capitalized services/changes in stock was made.

The result from the sale of long-term properties encompasses the sale of the properties recognised at year-end as per IFRS 5 under „assets held for sale“ and the realisation of prepayments received on the basis of multiple-component transactions of the Vivico Group.

The EBITDA posted for the first quarter of 2010 was € 28,705.5K. EBIT improved from € –16,886.9K to € 21,486.8K.

The result from derivative transactions consists of the following:

| € 1,000 | 1st Quarter 2010 | 1st Quarter 2009 |
|---|---|---|
| Ineffectiveness of swaps | –23.7 | 0.0 |
| Valuation derivative transactions (not realised) – interest rate swaps | –7,168.9 | –5,536.7 |
| Valuation derivative transactions (not realised) – interest rate caps | –22.7 | 0.0 |
| | **–7,215.3** | **–5,536.7** |

The item „ineffectiveness of swaps“ contains the differences established by the performed effectiveness tests in which the effectiveness of the relevant cash flow hedge materially exceeded 100 %.

The result from financial investments consists of the following:

| € 1,000 | 1st Quarter 2010 | 1st Quarter 2009 |
|---|---|---|
| Result from securities | 1,608.0 | –2,332.2 |
| Income from bank interest | 747.4 | 1,252.7 |
| Income from interest from loans to associated companies and joint ventures | 874.1 | 760.3 |
| Other interest income | 122.7 | 575.3 |
| | **3,352.2** | **256.1** |

The foreign currency loss consists of the following:

| € 1,000 | 1st Quarter 2010 | 1st Quarter 2009 |
|---|---|---|
| Value change forward foreign exchange transactions | 160.4 | –93.8 |
| Foreign currency gain/loss (realised) | –477.1 | –354.7 |
| Foreign currency gain/loss from valulation | 286.9 | –1,614.3 |
| | **–29.8** | **–2,062.8** |

The foreign currency gain/loss from valuation originates from unrealised (non-cash) gains and losses from the end-of-period valuation of foreign currency loans taken out in US dollars and Czech korunas, and balances in Swiss francs.

The income from associated companies consists of the following:

| € 1,000 | 1st Quarter 2010 | 1st Quarter 2009 |
|---|---|---|
| UBM Realitätenentwicklung AG, Vienna | 2,247.6 | 1,452.3 |
| OAO Avielen AG, St. Petersburg | 282.7 | –2,386.2 |
| | **2,530.3** | **–933.9** |

The current tax expense/income arises chiefly in the Germany segment. The difference between the expected and recognised tax credit is primarily attributable to exchange rate differences not affecting tax and non-capitalised deferred taxes on losses carried forward.

**Cash-flow**

The fund of cash and cash equivalents as at 31.3.2010 also contains bank balances in the amount of € 116,952.8K (31.12.2009: € 12,062.5K) to which the CA Immo Group has only restricted access.

For the first time in the present quarterly financial statements, the paid taxes are classified according to their principal cause. In business years 2008 and 2009, numerous taxable disposals of long-term properties were made – above all in Germany – for which income tax provisions were recognised that are now affecting cash flows. In the first quarter of 2010, paid taxes are thus not only assigned to the operating cash flow, but also, for the first time, recognised in the cash flow from investment activities in the amount of € 17,548.0K (Q1 2009: € 0.0K). The other paid taxes are contained in the operating cash flow.

## BUSINESS RELATIONSHIPS WITH RELATED COMPANIES AND PARTIES

As at the indicated reporting dates, the following significant receivables and liabilities existed from and to companies in which the CA Immo Group held interests:

| € 1,000 | 31.3.2010 | 31.12.2009 |
|---|---|---|
| **Loans to joint ventures** | | |
| Triastron Investments Limited, Nicosia | 16,535.1 | 16,156.5 |
| Poleczki Business Park Sp.z.o.o., Warsaw | 6,530.0 | 6,481.6 |
| Pannonia Shopping Center Kft., Györ | 1,186.9 | 1,180.3 |
| Log Center d.o.o., Belgrade | 1,165.0 | 1,165.0 |
| Starohorska Development s.r.o., Bratislava | 19.9 | 0.0 |
| **Total** | **25,436.9** | **24,983.4** |
| **Loans to associated companies** | | |
| OAO Avielen AG, St. Petersburg | 13,645.5 | 11,867.8 |
| **Total** | **13,645.5** | **11,867.8** |
| **Receivables from joint ventures** | | |
| REC Frankfurt Objekt GmbH & Co. KG, Frankfurt | 28,319.4 | 27,701.5 |
| SKYGARDEN Arnulfpark GmbH & Co. KG, Grünwald | 8,687.2 | 8,483.8 |
| Boulevard Süd 4 GmbH & Co. KG, Ulm | 1,536.0 | 2,060.1 |
| Einkaufszentrum Erlenmatt AG, Basel | 915.3 | 822.7 |
| EG Vivico MK 3 Arnulfpark GmbH & Co. KG, Oberhaching | 783.0 | 0.0 |
| Infraplan Vivico Isargärten GmbH & Co KG, Munich | 300.2 | 0.0 |
| Zollhafen Mainz GmbH & Co. KG, Mainz | 170.3 | 0.0 |
| Poleczki Business Park Sp.z.o.o., Warsaw | 54.3 | 22.8 |
| Lokhalle München Verwaltungsgesellschaft mbH & Co. KG, Munich | 0.0 | 781.1 |
| Concept Bau Premier Vivico Isargärten GmbH & Co KG, Munich | 0.0 | 157.4 |
| Other | 181.1 | 5.0 |
| **Total** | **40,946.8** | **40,034.4** |
| **Payables to joint ventures** | | |
| SKYGARDEN Arnulfpark GmbH & Co. KG, Grünwald | 8,223.1 | 7,612.0 |
| REC Frankfurt Objekt GmbH & Co. KG, Frankfurt | 3,292.0 | 2,846.8 |
| Concept Bau Premier Vivico Isargärten GmbH & Co KG, Munich | 1,574.8 | 1,523.6 |
| Infraplan Vivico Isargärten GmbH & Co KG, Munich | 1,132.1 | 941.5 |
| EG Vivico MK 3 Arnulfpark GmbH & Co. KG, Oberhaching | 1,000.0 | 0.0 |
| CA Betriebsobjekte Polska Sp.z.o.o., Warsaw | 629.0 | 626.3 |
| Einkaufszentrum Erlenmatt AG, Basel | 388.0 | 319.5 |
| Boulevard Süd 4 GmbH & Co. KG, Ulm | 106.3 | 106.3 |
| Lokhalle München Verwaltungsgesellschaft mbH & Co. KG, Munich | 0.0 | 1,228.9 |
| Other | 23.5 | 21.0 |
| **Total** | **16,368.8** | **15,225.9** |

The loans to joint ventures existing as at the reporting date serve the purpose of financing the property and project development companies. The interest rates are market rates. No guarantees or other forms of security exist in connection with these loans.

The loans to associated companies existing as at the reporting date serve the purpose of financing the property companies. All the loans have interest rates in line with those prevailing in the market. No guarantees or other forms of security exist in connection with these loans. The cumulative value adjustment for loans to associated companies is € 5,018.6K. In the reporting period, an amount of € 83.0K (Q1 2009: € 93.6K) was recognised as an expense.

Bank Austria/UniCredit Group is the principal bank of the CA Immo Group. The CA Immo Group carries out the majority of its payment transactions through this bank, holds a large portion of its loans with the bank, and places a lot of its financial investments with same as well.

**Consolidated statement of financial position:**

| € 1,000 | **31.3.2010** | **31.12.2009** |
|---|---|---|
| Share of financial liabilities recognised in consolidated statement of financial position | 25.9 % | 26.8 % |
| Outstanding receivables / liabilities | –136,650.0 | –149,966.8 |
| Market value of interest rate swaps | –103,532.7 | –79,405.5 |

**Consolidated income statement:**

| € 1,000 | **1st Quarter 2010** | **1st Quarter 2009** |
|---|---|---|
| Net interest expenses of CA Immo AG (incl. interest income, swap expenses and income and loan processing charges) | | |
| - CA Immo AG | –4,191.7 | –3,356.8 |
| - Other CA Immo Group companies | –6,622.5 | –6,350.6 |

The terms and conditions of the business relationship with the Bank Austria/UniCredit Group are in line with those prevailing in the market.

## OTHER LIABILITIES AND CONTINGENT LIABILITIES

As at 31.3.2010, contingent liabilities existed in the Vivico Group in the amount of € 22,359.3K (31.12.2009: € 22,033.0K) from urban development contracts, and in the amount of € 3,498.2K (31.12.2009: € 4,765.3) for the assumption of costs arising from contaminated sites or war damage, relating to concluded purchase agreements. Granted rent guarantees also exist, in the amount of € 211.0K (31.12.2009; € 211.0K). In addition, letters of support for two companies consolidated on a proportional basis in Germany, in the amount of € 2,053.7K (31.12.2009: € 2,285.0K), and a guarantee in the amount of € 800.0K (31.12.2009: € 800.0K) were issued.

As at 31.3.2010, contingent liabilities exist for Eastern/South East Europe in the amount of € 1,905.0K (31.12.2009: € 1,905.0K) in respect of a company consolidated on a proportional basis in Slovakia.

The pro rata contingent liabilities of associated companies accepted jointly by the CA Immo Group and the other owners stand at € 3,360.0K (31.12.2009: € 3,360.0K) and relate to a mortgage charge securing a long-term loan.

In the prior period, an out-of-court compensation claim in the amount of around € 22,000.0K, considered unjustified by the CA Immo Group, was asserted against the Group. Since an actual demand currently appears unlikely, no provisions were formed in this connection as at 31.3.2010.

Estimates are to be made for the purpose of forming tax provisions. Uncertainties exist concerning the interpretation of complex tax regulations and as regards the amount and effective date of taxable income. Tax audits are currently being conducted in both Austria and Germany. The CA Immo Group forms appropriate provisions for known and probable charges arising from current tax audits by the relevant national fiscal authorities.

## MAJOR EVENTS AFTER THE CLOSE OF THE INTERIM REPORTING PERIOD

On 20.4.2010, CA Immobilien Anlagen Aktiengesellschaft published a voluntary public takeover offer to the free float shareholders of CA Immo International AG, Vienna, concerning the acquisition of their shares. The offer price was € 6.50 per share. The period for accepting the offer ran until 11.5.2010. Including the shares already held before the offer was made, the CA Immo Group holds 39,523,967 shares in CA Immo International AG as at 11.5.2010, which represents an interest of around 90.94 % in the entire share capital of CA Immo International AG. For the remaining shareholders of CA Immo International AG, the offer acceptance period has therefore been extended until 16.8.2010.

In April 2010, a further portion of the capital authorised for use by CA Immo New Europe Property Fund S.C.A. SICAR, Luxembourg, was issued in the amount of € 3,120.0K.

At the end of April 2010, the Süd 4 residential building complex in Frankfurt's Europaviertel was completed and handed over to the ultimate investors.

At the beginning of May 2010, Düsseldorf city council adopted a resolution approving the land-use plan for the BelsenPark, an urban development project in the city focusing on residential units. Also in May 2010, a property in Germany recognised under „assets held for sale“ was sold.

The CA Immo Group has announced its rescission of the contract existing with City Deco, Prague.

Vienna, 17.5.2010

The Management Board

Bernhard H. Hansen | Bruno Ettenauer | Wolfhard Fromwald

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GENERAL INFORMATION
ON CA IMMO SHARE

Listed on Vienna Stock Exchange
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Reuters: CAIV.VI
Bloomberg: CAI:AV

Shareholders' equity: 634,370,022 €
Number of shares (31 March 2010): 87,258,600 pcs

DISCLAIMER

This Interim Report contains statements and forecasts which refer to the future development of CA Immobilien Anlagen AG and their companies. The forecasts represent assessments and targets which the Company has formulated on the basis of any and all information available to the Company at present. Should the assumptions on which the forecasts have been based fail to occur, the targets not be met or the risks materialise, then the actual results may deviate from the results currently anticipated. This Interim Report does not constitute an invitation to buy or sell the shares of CA Immobilien Anlagen AG.

We ask for your understanding that gender-conscious notation in the texts of this Interim Report largely had to be abandoned for the sake of undisturbed readability of complex economic matters. This Interim Report is printed on environmentally friendly and chlorine-free bleached paper.

IMPRINT

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