



# ESTAVIS AG

THE REAL ESTATE INVESTMENT GROUP

**INTERIM REPORT**  
**Third Quarter 2008/2009**

## OVERVIEW KEY FINANCIAL DATA

	3rd quarter 08/09 Jan. 1, 2009 – March 31, 2009	3rd quarter 07/08 Jan. 1, 2008 – March 31, 2008	9 months 08/09 July 1, 2008 – March 31, 2009	9 months 07/08 July 1, 2007 – March 31, 2008
ESTAVIS AG				
Revenues and earnings*	TEUR	TEUR	TEUR	TEUR
Revenues	13,979	17,537	64,393	122,050
Total operating performance	17,841	24,283	67,900	118,729
EBIT	-3,148	-4,695	-6,428	543
Pre-tax profit	-4,539	-5,509	-11,213	-1,669
Net profit	-3,171	-4,073	-8,164	-799

\* from continued operations

ESTAVIS AG	March 31, 2009	June 30, 2008
Structure of assets and capital	TEUR	TEUR
Non-current assets	41,351	38,644
Current assets	210,477	211,127
Equity	85,933	95,336
Equity ratio	34 %	38 %
Total assets/equity and liabilities	251,828	249,772

ESTAVIS AG

Share	
ISIN	DE000A0KFKB3
German Securities Code Number (WKN)	A0KFKB
Trading symbol	E7S
Number of shares on March 31, 2009	8,099,427
Free float	44.6 %
Share price high (July 1, 2008 – March 31, 2009*)	EUR 6.07
Share price low (July 1, 2008 – March 31, 2009*)	EUR 1.20
Closing price on March 31, 2009*	EUR 1.59
Market capitalisation on March 31, 2009*	EUR 13 million

\* Closing prices in Xetra trading

## CONTENT

- 3** Letter to the Shareholders
- 5** The ESTAVIS Share
- 7** Interim Management Report
- 11** Consolidated Balance Sheet
- 13** Consolidated Income Statement
- 14** Consolidated Cash Flow Statement
- 15** Consolidated Statement of Changes in Equity
- 16** Selected Disclosures on Consolidated Interim Financial Statements
- 22** Financial Calendar
- 22** Forward-looking Statements
- 23** Credits

## LETTER TO THE SHAREHOLDERS

Dear Shareholders,  
dear Ladies and Gentlemen,

The economic downturn in Germany and the ongoing difficult conditions on the financing market continued to be significant challenges to ESTAVIS in the past quarter.

Against this background, the company's business development as a whole was in line with our expectations.

Thus apartment sales to private investors were encouraging. Despite the ongoing economic slowdown in Germany, we are continuing to record high demand there. In particular, renovated properties listed for historic preservation which private investors can use for tax allowances met with a high level of customer interest. In contrast, no transactions were carried out in portfolio trading.

The ESTAVIS Group sold 167 apartments in the quarter under review. Overall, we sold 618 units with a revenues volume of EUR 56.3 million in the first nine months of the current financial year. This puts us well on the way to reaching our own target mark of roughly 1,000 sold apartments in the current financial year.

We implemented a number of measures in the third quarter to improve the cost structures of the company. Following the sale of the majority participation of ESTAVIS Property Management GmbH, Berlin, in December 2008, the number of staff was further decreased and additional savings were made. Additional steps were taken in the current final quarter of the 2008/2009 financial year. The resulting savings will lead to a significant reduction in the cost base starting in financial year 2009/2010 (begins 1 July 2009).

At the same time, we used targeted activities to scale back receivables and liabilities on the balance sheet and reduced financing expense. Existing funding lines were also significantly extended. At around EUR 16 million, cash and cash equivalents did not change from the previous quarter.

In view of the ongoing difficult economic situation, the Management Board will continue to pay special attention to improving the cost situation and securing liquidity.

### **Outlook: positive trend for trading in apartments**

We expect that the sale of apartments to private investors will continue to develop positively. According to a survey by ImmobilienScout24.de, more than 25% of the 1,479 brokers asked report a significant increase in buyer enquiries for apartments because they are considered crisis- and inflation-proof.

Due to the continued low level of construction activity in Germany along with growing demand for living space, apartments – especially in large cities – are recording steady value appreciation.

We expect that we will sell around 1,000 apartments to private investors by the end of the financial year. The ESTAVIS Group is already one of the leading providers in Germany in this market segment.



Rainer Schorr  
*Chief Executive  
Officer (CEO)*



Corina Büchold  
*Member of the  
Management Board*



Hans Wittmann  
*Member of the  
Management Board*



Eric Mozanowski  
*Member of the  
Management Board*

## THE ESTAVIS SHARE

ESTAVIS shares are listed on the Regulated Market of the Frankfurt Stock Exchange and fulfil the transparency requirements of the Prime Standard.

### Shareholder structure

44.6 % of ESTAVIS shares are in free float according to the definition of the Deutsche Börse (as of March 2009). The largest single shareholder is Rainer Schorr, the CEO of ESTAVIS AG, with approximately 37 %. The other members of the Management Board also have a major stake in the company with approximately 8 % of total shares.

Other major shareholders according to the published notifications on voting rights are Asset Value Investors (10 %), Elliston Properties Ltd. (9 %) and Galloway Ltd. (5 %).

The company was authorised at the Annual General Meeting on 20 February 2009 to acquire and use up to 809,942 own shares. However, ESTAVIS does not intend to acquire own shares at this time.

### ESTAVIS share price performance

The global economic downturn and ongoing uncertainty about the stability of the financial system led to additional falls in share prices on German and international stock markets in the past quarter.

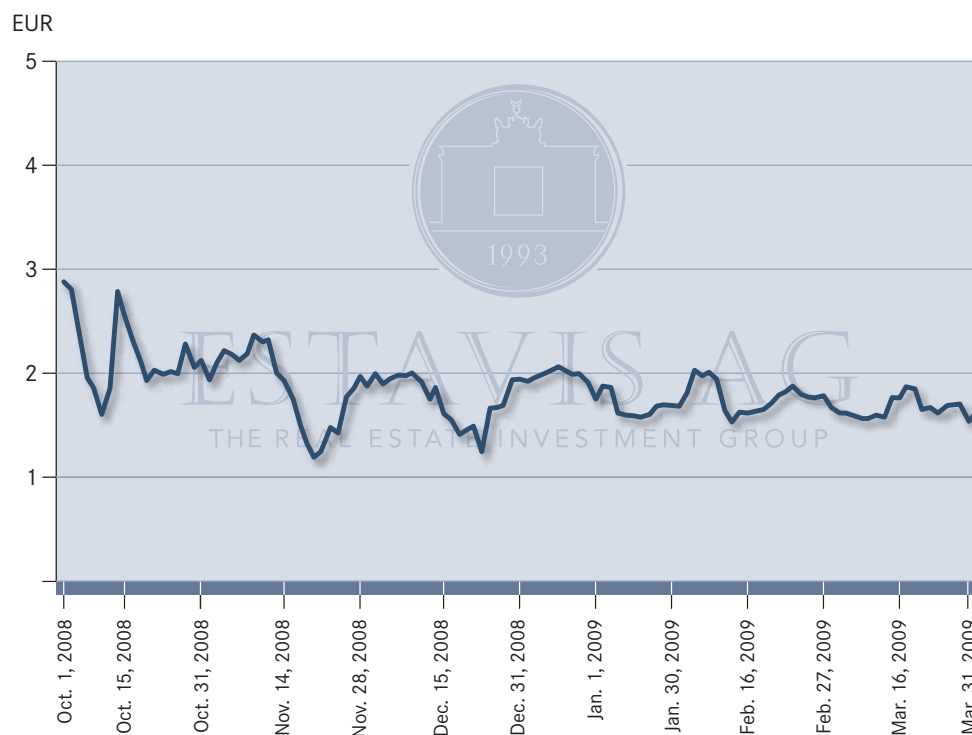
The difficult economic situation not only negatively impacted the valuations of financial and insurance shares, but also property companies' shares in particular. The ESTAVIS share was also affected.

As of 31 March 2009, the share was listed at EUR 1.59 (closing price in Xetra). On the basis of this share price, the market capitalisation of ESTAVIS is approximately EUR 13 million. This means the company is valued significantly below its current net assets (assets less liabilities).

According to the majority of recent analyst reports, ESTAVIS shares are considered to offer significant upside potential:

- SES Research, "Buy", target price EUR 4.00
- SRC Research, "Buy", target price EUR 6.00
- WestLB, "Sell", target price EUR 1.20

## ESTAVIS share price development from October 1, 2008 to March 31, 2009



## ESTAVIS shares at a glance

ESTAVIS AG

Share	
ISIN	DE000A0KFKB3
German Securities Code Number (WKN)	A0KFKB
Trading symbol	E7S
Number of shares on March 31, 2009	8,099,427
Free float	44.6 %
Share price high (July 1, 2008 – March 31, 2009*)	EUR 6.07
Share price low (July 1, 2008 – March 31, 2009*)	EUR 1.20
Closing price on March 31, 2009*	EUR 1.59
Market capitalisation on March 31, 2009*	EUR 13 million

\* Closing prices in Xetra trading

## INTERIM MANAGEMENT REPORT

### Preliminary Remarks

As a result of the acquisition of B&V Bauträger- und Vertriebsgesellschaft für Immobilien mbH, Berlin, and its affiliate Protect Vermittlungsgesellschaft für Kapitalanlagen mbH, Stuttgart (together B&V Group) in the second quarter of the 2007/2008 financial year, the comparability of the figures under review and those of the previous year is limited.

## 1 BUSINESS PERFORMANCE AND FINANCIAL POSITION

### 1.1 Economic environment and business performance

The first nine months of the 2008/2009 financial year were characterised by a clear decline in global economic activity. The German Federal Government expects a decline in GDP in 2009 of 6 %, representing the deepest recession in the history of the German Federal Republic. This also means a sharp downturn in investments and exports as well as a rise in unemployment. To prop up the economy, the US Federal Reserve and the European Central Bank cut key interest rates to a historic low.

The trigger of this worldwide economic crisis is the international real estate and financial market crisis that caused significant global turbulences and severely impacted confidence in the financial market.

Economic development also impacted the investment climate in the German real estate sector, especially for institutional transactions. Despite historically low valuations, there are hardly any large investments being made at the current time. The ESTAVIS Group's portfolio trading segment is also affected by this. No portfolio transactions were entered into in the first nine months of 2008/2009.

In contrast to this, apartment sales to private investors (retail trading) were encouraging. Buying a property as a form of pension provision and private investment is becoming increasingly important, especially in view of significant losses in the value of other investment forms such as shares or funds due to the financial crisis.

Against the background of difficult business conditions, the ESTAVIS AG Management Board implemented a large number of measures in the first nine months of the 2008/2009 financial year to adapt the Group's cost structures to the changed conditions. These include the sale of the majority participation (50.1 %) in ESTAVIS Property Management GmbH, Berlin, the reduction of staff and general savings in other operating expenses.

### 1.2 Earnings situation

As a result of the economic influences described, in the first nine months of the 2008/2009 financial year ESTAVIS Group revenues for continued operations declined year-on-year from EUR 122.0 million to EUR 64.4 million.

Broken down for financial reporting purposes, revenues for continued operations were attributable to the following company business segments:

- Property trading EUR 7.5m (previous year: EUR 72.3m)
- Sale of residential property EUR 56.3m (previous year: EUR 49.0m)
- Other business areas EUR 0.6m (previous year: EUR 0.8m)

Discontinued operations (property management) accounted for revenues of EUR 0.7 million (previous year: EUR 0.4 million).

Revenues generated in the first nine months 2008/2009 are based on a business volume of 618 sold units (previous year: 2,026) with a total residential and useful area of 32,510 m<sup>2</sup> (previous year: 129,046 m<sup>2</sup>). The decline in revenues is due to the slump in sales in portfolio trading. Here revenues in the period under review were due exclusively to the provision of construction services for the portfolio.

The gross margin for continued operations (gross profit/revenues) rose from 14.5 % to 26.8 % year-on-year. This increase is mainly due to the reduced proportion of revenues from the B&V Group and the HAG Group, which were already agreed by contract at the time the respective company was acquired. As a result of the revenues shortfall in the portfolio trading segment, EBIT from continued operations declined significantly by EUR 7.0 million and net profit from continued operations was similarly down by EUR 7.4 million. The EBIT margin (EBIT/revenues) of the ESTAVIS Group from continued operations dropped from 0.4 % to –10.0 % year-on-year and the return on sales from continued operations (net profit/revenues) fell from –0.7 % to –12.7 %.

In terms of the development of earnings and profitability, it should be noted that the contribution to earnings from the B&V Group and the HAG Group in the period under review still partially relates to revenues that were already contractually agreed when the respective group was acquired. The corresponding property portfolios were thus revalued in the context of purchase price allocation. This negatively impacted EBIT in the amount of EUR 1.9 million in the first nine months of the 2008/2009 financial year (previous year: EUR 5.3 million).

The discontinued operations relate to property management. This negatively impacted net profit in the amount of EUR 1.2 million (previous year: EUR 0.7 million).

In view of the negative earnings trend, the Management Board of ESTAVIS AG agreed on and implemented measures to improve the company's cost structures. The sale of the interest in ESTAVIS Property Management GmbH, Berlin, led to a significant reduction in the number of staff (48 employees). A further 7 job cuts – particularly in the portfolio trading segment – became effective at the start of the third quarter of the 2008/2009 financial year. The ESTAVIS Group employed 56 staff at the end of the third quarter.

### 1.3 Financial and assets position

As against 30 June 2008, the asset structure of the ESTAVIS Group only marginally changed in the period under review. The increase in total assets from EUR 249.8 million to EUR 251.8 million is primarily due to the inventory increase of EUR 12.6 million and the simultaneous reduction in cash and cash equivalents by EUR 10.0 million. However, cash and cash equivalents remained virtually unchanged as compared with the reporting date of 31 December 2008.



In terms of finance, this resulted in an increase in financial liabilities of EUR 5.7 million as against 30 June 2008. This primarily relates to liabilities to banks. This rise comprises an increase in current financial liabilities of EUR 9.9 million and a decline in non-current financial liabilities of EUR 4.2 million.

Owing to the negative earnings, equity fell from EUR 95.3 million (30 June 2008) to EUR 85.9 million during the period under review. The equity ratio of the ESTAVIS Group therefore fell from 38.2% as at 30 June 2008 to 34.1% at the end of the period under review. Despite this, the Group's financial situation and liquidity position remain stable. Although cash and cash equivalents and working capital (current assets less current liabilities) were at a lower level than at the previous year's period, at EUR 15.7 million (30 June 2008: EUR 25.7 million) and EUR 62.0 million (30 June 2008: EUR 78.9 million) respectively, these are still at a solid level. Cash and cash equivalents amount to 6.2% of total assets (30 June 2008: 10.3%).

## 2 RISK REPORT

The ESTAVIS Group has implemented a risk management system that is designed for several purposes, including allowing the early recognition and appropriate communication of significant risk factors arising from its business activities that could be of relevance to its earnings situation or its continued existence. The risk management system allows action to be taken against potentially unfavourable developments and events in a timely manner and, where required, facilitates the implementation of countermeasures before any significant damages are incurred.

Based on the available information, the Management Board of ESTAVIS AG currently sees no specific risks that could either individually or cumulatively endanger the continued existence of the company or have a significant negative impact on its asset, finance and earnings position. This is valid despite the fact that the risk of recession in Germany has increased significantly since the assessment in the Risk Report given in the Group Management Report for the 2007/2008 financial year.

It should also be noted that all projections exhibit a significant degree of uncertainty due to the unpredictability currently prevalent concerning the effects of the crisis on the property and financial markets. It cannot currently be reliably estimated how long these negative influences will affect economic development and how significant the repercussions will be on the German property market, which is still considered very attractive on the basis of its fundamental data. As a result, a sufficiently reliable estimate cannot be made as to when an end to the current reluctance to buy can be expected, particularly among institutional investors.

It should also be emphasised that financing conditions have worsened because of the current crisis on the credit market. It is possible that the largely restrictive attitude of financial institutions could adversely affect business and company financing.

Furthermore, there have been no significant revisions to the risks for the ESTAVIS Group in the period under review compared with the Risk Report in the Group Management Report for the previous financial year. Accordingly, reference should be made to the information contained therein.

### 3 FORECAST REPORT

The macroeconomic environment has worsened significantly since the end of the 2007/2008 financial year as a result of the negative influence of the global financial crisis. Aside from this, we estimate that the fundamental industry and company data which are crucial in the medium and long-term business development of the ESTAVIS Group have not substantially changed as the German property market continues to appear positive in terms of potential yields. However, portfolio trading in particular is currently being adversely affected by the seriously restricted financing possibilities for larger property transactions and the overall uncertainty of investors. In this respect, there have been no significant changes to the opportunities profile of our company in the medium to long term in the reporting period. In this respect, the information contained in the Forecast Report given in the Group Management Report for the 2007/2008 financial year and in the half year financial report 2008/2009 continues to apply.

Due to the prevailing economic conditions, the Management Board of ESTAVIS AG is not making any sales and earnings forecasts, but it still expects to sell 1,000 apartments to private investors in the current financial year.

Overall, we are assuming that the financial market crisis will continue and that there will be no sustainable upturn of the market environment in the short term, despite political support measures. In order to reduce the negative effects of the crisis on the company's earnings situation as well as financial and asset position, the Management Board of ESTAVIS has agreed upon and implemented a number of measures, such as the sale of the majority stake in ESTAVIS Property Management GmbH, the reduction of staff especially in the portfolio trading segment and the implementation of a restrictive acquisition policy. Further measures are currently being prepared and will be implemented in the course of the fiscal year.

On the basis of the available information, we currently regard as realistic the forecast statements for the future course of business and the influencing factors judged decisive. However, they naturally involve the risk that the expected developments will not actually occur either in terms of their trend or their extent.

## CONSOLIDATED BALANCE SHEET – ASSETS

ESTAVIS AG		March 31, 2009	June 30, 2008
Assets	TEUR	TEUR	
<b>Non-current assets</b>			
Goodwill	20,581	20,581	
Other intangible assets	50	141	
Property, plant and equipment	814	1,113	
Investment property	12,693	12,840	
Investments in associates	28	32	
Other non-current financial assets	510	252	
Deferred income tax receivables	6,673	3,684	
<b>Total</b>	<b>41,351</b>	<b>38,644</b>	
<b>Current assets</b>			
Inventories	116,275	103,703	
Trade receivables	25,050	27,604	
Other receivables	52,173	52,328	
Current income tax receivables	1,300	1,759	
Cash and cash equivalents	15,679	25,733	
<b>Total</b>	<b>210,477</b>	<b>211,127</b>	
<b>Total assets</b>	<b>251,828</b>	<b>249,772</b>	

## CONSOLIDATED BALANCE SHEET – EQUITY AND LIABILITIES

ESTAVIS AG	March 31, 2009	June 30, 2008
<b>Equity</b>	<b>TEUR</b>	<b>TEUR</b>
Issued capital	8,099	8,099
Capital reserves	77,065	77,065
IAS 39 reserve	0	16
Retained earnings	-6,968	1,413
Equity attributable to the shareholders of the parent company	78,196	86,594
Minority interests	7,737	8,742
<b>Total equity</b>	<b>85,933</b>	<b>95,336</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Provisions	264	429
Non-current financial liabilities	12,310	16,517
Deferred income tax liabilities	4,848	5,238
<b>Total non-current liabilities</b>	<b>17,421</b>	<b>22,184</b>
<b>Current liabilities</b>		
Provisions	5,949	4,416
Current financial liabilities	94,202	84,281
Advance payments received	19,757	11,055
Current income tax liabilities	2,832	4,430
Trade payables	4,664	5,297
Other liabilities	21,069	22,774
<b>Total current liabilities</b>	<b>148,473</b>	<b>132,252</b>
<b>Total equity and liabilities</b>	<b>251,828</b>	<b>249,772</b>

## CONSOLIDATED INCOME STATEMENT

	3rd quarter 08/09 Jan. 1, 2009 – Mar. 31, 2009	3rd quarter 07/08 Jan. 1, 2008 – Mar. 31, 2008	9 months 08/09 July 1, 2008 – Mar. 31, 2009	9 months 07/08 July 1, 2007 – Mar. 31, 2008
ESTAVIS AG				
	TEUR	TEUR	TEUR	TEUR
Revenues	13,979	17,537	64,393	122,050
Change in investment property	-558	0	-558	-170
Other operating income	2,179	1,542	6,193	3,077
Changes in inventories	2,241	5,203	-2,128	-6,228
<b>Total operating performance</b>	<b>17,841</b>	<b>24,283</b>	<b>67,900</b>	<b>118,729</b>
Cost of materials	12,193	22,315	45,029	98,169
Staff costs	1,587	1,035	3,968	3,927
Depreciation and amortisation	64	65	171	170
Other operating expenses	7,138	5,515	25,164	15,814
<b>Operating profit</b>	<b>-3,141</b>	<b>-4,647</b>	<b>-6,433</b>	<b>649</b>
<b>Net income from associates</b>	<b>-7</b>	<b>-48</b>	<b>4</b>	<b>-106</b>
Interest income	228	875	835	2,301
Interest expenses	1,618	1,689	5,620	4,513
<b>Financial result</b>	<b>-1,391</b>	<b>-814</b>	<b>-4,785</b>	<b>-2,212</b>
<b>Pre-tax profit</b>	<b>-4,539</b>	<b>-5,509</b>	<b>-11,213</b>	<b>-1,669</b>
Income taxes	-1,368	-1,436	-3,050	-870
<b>Result from continued operations</b>	<b>-3,171</b>	<b>-4,073</b>	<b>-8,164</b>	<b>-799</b>
Result from discontinued operations	0	-90	-1,204	-682
<b>Net profit</b>	<b>-3,171</b>	<b>-4,163</b>	<b>-9,367</b>	<b>-1,481</b>
attributable to parent company shareholders	-2,634	-3,787	-8,381	-1,051
attributable to minority interests	-537	-375	-986	-430
<b>Earnings per share (EUR)</b>				
from continued operations	-0.33	-0.47	-0.89	-0.05
from discontinued operations	0.00	-0.01	-0.15	-0.08
<b>from net profit</b>	<b>-0.33</b>	<b>-0.48</b>	<b>-1.03</b>	<b>-0.13</b>

## CONSOLIDATED CASH FLOW STATEMENT

ESTAVIS AG

9 months 08/09  
July 1, 2008 –  
March 31, 20099 months 07/08  
July 1, 2007 –  
March 31, 2008

	TEUR	TEUR
Net profit	-9,367	-1,481
+ Depreciation/amortisation of non-current assets	240	226
+/- Increase/decrease in provisions	1,413	-4,714
+/- Change in investment property	558	170
+/- Other non-cash expenses/income	46	386
-/+ Gains/losses from the disposal of non-current assets	0	-22
-/+ Increase/decrease in inventories, trade receivables and other assets that are not attributable to investing or financing activities	-13,230	-36,179
+/- Increase/decrease in trade payables and other liabilities that are not attributable to investing or financing activities	10,591	39,308
+/- Result from the disposal of consolidated companies	680	0
<b>= Cash flow from current operating activities</b>	<b>-9,068</b>	<b>-2,304</b>
Payments received from the disposal of property, plant and equipment	0	23
+ Payments received from the disposal of financial assets	0	322
+ Payments received from the disposal of investment property	0	3,020
- Payments for investments in intangible assets	-33	-55
- Payments for investment property	-413	-1
- Payments for investments in property, plant and equipment	-350	-364
- Payments for investments in non-current financial assets	0	-2
+ Payments received from the disposal of fully consolidated companies	293	0
- Payments from the additions of fully consolidated companies	0	-8,048
<b>= Cash flow from investing activities</b>	<b>-504</b>	<b>-5,105</b>
Payments made by shareholders	0	25
- Payments to shareholders	-78	-767
+ Payments from issuing bonds and raising (financial) loans	299	2,589
- Repayment of bonds and financial loans	-703	-2,176
<b>= Cash flow from financing activities</b>	<b>-482</b>	<b>-330</b>
Net change in cash and cash equivalents	-10,054	-7,739
+ Cash and cash equivalents at the beginning of the period	25,733	36,048
<b>= Cash and cash equivalents at the end of the period</b>	<b>15,679</b>	<b>28,309</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from July 1, 2008 to March 31, 2009

	Issued capital	Capital reserves	IAS 39 reserve	Retained earnings	Equity attribut- able to the shareholders of the parent company	Minority interests	Total
ESTAVIS AG							
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
<b>As of July 1, 2008</b>	<b>8,099</b>	<b>77,065</b>	<b>16</b>	<b>1,413</b>	<b>86,594</b>	<b>8,742</b>	<b>95,336</b>
Changes in the value of available- for-sale financial assets	-	-	-16	0	-16	0	-16
Net profit for the period July 1, 2008 – March 31, 2009	-	-	0	-8,381	-8,381	-986	-9,367
<b>Total recognised income and expenses</b>	-	-	-16	-8,381	-8,397	-986	-9,383
Acquisition of shares of consolidated companies	-	-	-	-1	-1	-19	-20
<b>As of March 31, 2009</b>	<b>8,099</b>	<b>77,065</b>	<b>0</b>	<b>-6,968</b>	<b>78,196</b>	<b>7,737</b>	<b>85,933</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from July 1, 2007 to March 31, 2008

	Issued capital	Capital reserves	IAS 39 reserve	Retained earnings	Equity attribut- able to the shareholders of the parent company	Minority interests	Total
ESTAVIS AG							
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
<b>As of July 1, 2007</b>	<b>7,724</b>	<b>70,577</b>	<b>73</b>	<b>7,280</b>	<b>85,654</b>	<b>10,514</b>	<b>96,168</b>
Changes in the value of available- for-sale financial assets	-	-	-73	0	-73	0	-73
Net profit for the period July 1, 2007 – March 31, 2008	-	-	0	-1,051	-1,051	-430	-1,481
<b>Total recognised income and expenses</b>	-	-	-73	-1,051	-1,123	-430	-1,553
Capital increase	0	0	0	0	0	25	25
Capital increase against contribu- tions in kind (acquisition of B&V Group)	375	6,488	0	0	6,863	0	6,863
Acquisition of shares of consolidated companies	-	-	-	-386	-386	-382	-767
<b>As of March 31, 2008</b>	<b>8,099</b>	<b>77,065</b>	<b>0</b>	<b>5,843</b>	<b>91,007</b>	<b>9,728</b>	<b>100,735</b>

## SELECTED DISCLOSURES ON CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 1 BASIC INFORMATION

ESTAVIS AG and its subsidiaries trade in property upon which they undertake maintenance work partly for the purpose of resale. Furthermore, property is held as financial investments. The company is domiciled in Berlin, Germany. The company's shares are listed on the Frankfurt Stock Exchange for trading on the Regulated Market (Prime Standard).

On 31 March 2009, ESTAVIS AG acted as the operating holding company for numerous special purpose entities. Its major operating investments are Hamburgische Immobilien Invest SUCV AG, Hamburg, CWI Real Estate AG, Bayreuth (together: HAG Group), and B&V Bauträger- und Vertriebsgesellschaft für Immobilien mbH, Berlin (B&V Group).

In view of the expansion of the scope of consolidation to include the B&V Group, the figures in the reporting period are comparable only to a limited extent with those of the previous year.

These Condensed Consolidated Interim Financial Statements were approved for publication by the company's Management Board in May 2009. The Condensed Consolidated Interim Financial Statements were not checked by an auditor or subjected to review.

### 2 SIGNIFICANT ACCOUNTING POLICIES

The Condensed Consolidated Interim Financial Statements for the third quarter of the 2008/2009 financial year that ended on 31 March 2009 were compiled in accordance with the regulations of IAS 34, 'Interim Reporting' included in the directives of European law. The Condensed Consolidated Interim Financial Statements should be read in connection with the most recent Consolidated Financial Statements of ESTAVIS AG as of 30 June 2008.

The accounting methods employed in the Condensed Consolidated Interim Financial Statements are equivalent to those on which the Consolidated Financial Statements as of 30 June 2008 are based. The regulations were also observed in the presentation of discontinued operations.

In the IFRS Consolidated Financial Statements for the 2008/2009 financial year, the changes to IAS 39 and IFRS 7 concerning allowed reclassifications of financial assets must be applied for the first time. This does not result in any changes to financial reporting for the ESTAVIS AG Consolidated Financial Statements. Apart from IFRS 8 on segment reporting, which was applied last year, no other regulations were applied early.

All amounts in the Balance Sheet, Income Statement, Statement of Changes in Equity and Cash Flow Statement, as well as in the notes and tabular overviews, are given in thousands of euros (TEUR), unless otherwise noted. Both individual and total figures represent the value with the smallest rounding difference. Small differences can therefore occur between the sum of the individual values represented and the reported totals.



### 3 CONSOLIDATED GROUP

On 31 March 2009, the Condensed Consolidated Interim Financial Statements of ESTAVIS AG included 80 subsidiaries, a joint venture and one associate. The 50.1% stake in ESTAVIS Property Management GmbH was sold as at the end of the second quarter (also see Information on discontinued operations in section 4.3). One property management company that was an associate until the end of the first quarter was fully consolidated at the beginning of the second quarter due to the acquisition of additional shares. One property management company was disposed of while another was set up. In the third quarter, an additional 16 property companies were consolidated.

## 4 SUPPLEMENTARY NOTES TO THE INDIVIDUAL ITEMS OF THE INTERIM FINANCIAL STATEMENTS

### 4.1 Segment information

The segment results for the third quarter of the 2008/2009 financial year (1 January 2009 – 31 March 2009) are shown below:

	continued operations					discontinued operations	
	Portfolio trading	Retail trading	Investment property	Development	Consolidation	Group	Property management
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Revenues (external only)	404	13,382	194	–	–	13,979	–
Revenues (internal only)	192	–	–	–	–192	0	–
<b>Segment result</b>	<b>–1,624</b>	<b>–1,077</b>	<b>–422</b>	<b>–18</b>	<b>–</b>	<b>–3,141</b>	<b>–</b>
Unallocated					–	–	
Currency gains					–	–	
Operating result					–	–3,141	
Net income from investments carried at-equity	–7	0	–	–	–	–7	
Financial result					–	–1,391	
Net profit before income taxes from continued operations					–	–4,539	

The segment results for the first nine months of the 2008/2009 financial year (1 July 2008 – 31 March 2009) are shown below:

	continued operations					discontinued operations	
	Portfolio trading	Retail trading	Investment property	Development	Consolidation	Group	Property management
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Revenues (external only)	7,488	56,329	576	–	–	64,393	522
Revenues (internal only)	232	–	–	–	–232	0	145
<b>Segment result</b>	<b>–6,101</b>	<b>–85</b>	<b>–165</b>	<b>–82</b>	<b>–</b>	<b>–6,433</b>	<b>–1,306</b>
Unallocated					–	–	
Currency gains					–	–	
Operating result					–	–6,433	
Net income from investments carried at-equity	–4	8	–	–	–	4	
Financial result					–	–4,785	
Net profit before income taxes from continued operations					–	–11,213	

The property management segment was sold at the end of the second quarter (see also section 4.3).

Following the transition from two to five segments, the segment earnings for the third quarter of the previous year (1 January 2008 – 31 March 2008) are as follows:

continued operations						discontinued operations	
	Portfolio trading	Retail trading	Investment property	Development	Consolidation	Group	Property management
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Revenues (external only)	11,226	6,072	239	–	–	17,537	275
Revenues (internal only)	–	–	–	–	–	0	–
<b>Segment result</b>	<b>–2,961</b>	<b>–1,648</b>	<b>112</b>	<b>–151</b>	<b>–</b>	<b>–4,647</b>	<b>–129</b>
Unallocated					–	–	
Currency gains					–	0	
Operating result					–	–4,647	
Net income from investments carried at-equity	–4	–44	–	–	–	–48	
Financial result					–	–814	
Net profit before income taxes from continued operations					–	–5,509	

Following the transition from two to five segments, the segment earnings for the nine months of the previous year (1 July 2007 – 31 March 2008) are as follows:

continued operations						discontinued operations	
	Portfolio trading	Retail trading	Investment property	Development	Consolidation	Group	Property management
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Revenues (external only)	72,269	48,976	804	–	–	122,050	414
Revenues (internal only)	–	–	–	–	–	–	–
<b>Segment result</b>	<b>1,142</b>	<b>–534</b>	<b>177</b>	<b>–151</b>	<b>–</b>	<b>633</b>	<b>–976</b>
Unallocated					–	–	
Currency gains					–	16	
Operating result					–	649	
Net income from investments carried at-equity	–4	–102	–	–	–	–106	
Financial result					–	–2,212	
Net profit before income taxes from continued operations					–	–1,669	

#### 4.2 Impairment of financial assets

In the first nine months of the 2008/2009 financial year, an impairment of TEUR 80 was recognised on share holdings.

#### 4.3 Information on discontinued operations

At the end of the second quarter, the 50.1 % interest in ESTAVIS Property Management GmbH was sold and the property management segment was thus closed. The earnings of the discontinued segment can be broken down as follows:

	Nine months 08/09 July 1, 2008 – Mar. 31, 2009	Nine months 07/08 July 1, 2007 – Mar. 31, 2008
	TEUR	TEUR
Revenues/other income (including revenues from continued operations)	765	445
Expenses	1,391	1,421
Operating result	-626	-976
Net interest income	-13	0
Pre-tax profit on discontinued operations	-638	-976
Tax expenses	-115	-293
Result after income taxes on discontinued operations	-523	-682
Loss on disposals	-680	-
Tax expenses	0	-
Loss on disposals after tax	-680	-
<b>Result from discontinued operations</b>	<b>-1,204</b>	<b>-682</b>
Cash flow from current operating activities	-561	-1,106
Cash flow from investing activities	-334	-243
Cash flow from financing activities	0	25
<b>Total cash flow from discontinued operations</b>	<b>-895</b>	<b>-1,324</b>

The selling price of the 50.1 % interest in ESTAVIS Property Management GmbH was TEUR 387 and will be paid in varying instalments by 2011. The sale includes software and other operating and office equipment with a carrying amount of TEUR 533, receivables with a carrying amount of TEUR 777 and deferred tax assets amounting to TEUR 491. At the same time, liabilities totalling TEUR 740 have been transferred. Cash and cash equivalents totalling TEUR 5 were transferred in connection with the sale. This resulted in a loss on disposals of TEUR 680.

#### 4.4 Related party transactions

In the second quarter, Mr Eric Mozanowski, member of ESTAVIS' Management Board, had granted a group company three short term loans of between TEUR 40 and TEUR 500 at interest rates of between 8.5 % and 10.5 %. These were paid back in the third quarter. As at the beginning of the third quarter, a company to which Mr Rainer Schorr, CEO of ESTAVIS, is a related party granted a group company a loan of TEUR 2,564 at an interest rate of 12.5 %. The loan has a term until the end of 2009 and is secured with land charges and the assignment of purchase price receivables.

In the reporting period, there were no other significant new transactions with related parties and no transactions which were reported in the Notes to the Consolidated Financial Statements for the financial year 2007/2008 were changed or discontinued.

#### 4.5 Employees

The ESTAVIS Group employed 56 staff at the end of the third quarter. In the same quarter of the previous year, the figure was 108. The decline is mainly due to the departure of the ESTAVIS Property Management GmbH from the consolidated group. On average, 88 staff were employed in the Group during the last financial year.

## FINANCIAL CALENDAR 2009

<b>15 May</b>	Quarterly Report – 3rd Quarter 2008/2009
<b>25 September</b>	Full Year Results 2008/2009

## FORWARD-LOOKING STATEMENTS

This interim report contains specific forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events. This applies, in particular, to statements relating to future financial earning capacity, plans and expectations with respect to the business and management of ESTAVIS, growth, profitability and the general economic and regulatory conditions and other factors to which ESTAVIS is exposed.

Forward-looking statements are based on current estimates and assumptions made by the company to the best of its knowledge. Such forward-looking statements are based on assumptions and are subject to risks, uncertainties and other factors that may cause the actual results including the net asset, financial and earnings situation of ESTAVIS to differ materially from or disappoint expectations expressed or implied by these statements. The operating activities of ESTAVIS are subject to a number of risks and uncertainties that may also cause a forward-looking statement, estimate or prediction to become inaccurate.

This translation of the original German version of the interim report has been prepared for the convenience of our English-speaking shareholders.

The German version is authoritative.

## CREDITS

ESTAVIS AG  
Uhlandstraße 165  
10719 Berlin, Germany

Phone: +49 (0)30 887 181-0  
Telefax: +49 (0)30 887 181-11

E-Mail: [mail@estavis.de](mailto:mail@estavis.de)  
Home: [www.estavis.de](http://www.estavis.de)



### Management Board

Rainer Schorr (Chairman)  
Corina Büchold  
Hans Wittmann  
Eric Mozanowski

### Chairman of the Supervisory Board

Dr. Karl-Josef Stöhr, Berlin

### Contact

ESTAVIS AG  
Peter Vogt  
Investor & Public Relations

Phone: +49 (0)30 887 181-799  
Telefax: +49 (0)30 887 181-779

E-Mail: [ir@estavis.de](mailto:ir@estavis.de)

### Concept, editing

Goldmund Kommunikation, Berlin  
[www.goldmund.biz](http://www.goldmund.biz)

### Layout and design

Power-DesignThing GmbH  
[www.derthing.de](http://www.derthing.de)



ESTAVIS AG

THE REAL ESTATE INVESTMENT GROUP