INTERIM FINANCIAL REPORT

2. QUARTER 2008

alstria
First German REIT

NOTICE

Audited/Unaudited

All numbers presented in this report are unaudited with the exception of those dated 31 Dec. 2007

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KEY FIGURES

GROUP FINANCIALS (in EUR m)	1 Jan. - 30 Jun. 2008	1 Jan. - 30 Jun. 2007	Change
Revenues	49.6	39.1	27.0%
EBITDA	13.2	74.5	-82.3%
EBT	-10.3	56.5	-118.3%
Consolidated profit for the period	-10.4	44.1	-123.6%
FFO	20.4	12.8	59.8%
NAV/share	15.1	15.6	-3.0%
NNNAV/share	15.1	15.6	-3.0%
	30 Jun. 2008	**31 Dez. 2007**	**Change**
Equity	844.5	870.9	-3.02%
Liabilities	1,127.1	964.6	16.84%
Total assets	1,971.6	1,835.5	7.41%
Equity ratio	42.8%	47.4%	-4.6pp

SHARE	
ISIN	DE000A0LD2U1
Symbol	AOX
Prime Sector	Financial Services
Industry Group	Real Estate
Market Segment	Prime Standard, Frankfurt
Indices	S-DAX, EPRA, German REIT Index, S&P/Citigroup Global REIT Index
Share Capital (notional)	EUR 56,000,000
Market Capitalization (June 30)[1]	EUR 588,000,000
Issued Shares	56,000,000
Treasury Shares (June 30)	1,375,755
Shares outstanding (June 30)	54,624,245
Free Float	46 %

[1] Market Capitalization calculated with all 56 million shares as basis.

LETTER FROM THE BOARD

Dear Shareholders and Business Partners,
Ladies and Gentlemen

The half year result of your company shows strong performance in its operations, with increasing funds from operations (FFO) up 60% from 12,787 in H1 2007 to 20,430 in H1 2008. Given that the achievement of alstria´s financial plan in 2008 does not depend on trading results and thus, is not impacted by the situation in the direct investment markets we can confirm our financial guidance of EUR 101 Mio in turnover and EUR 40 Mio of funds from operations. The year on year increase in the FFO is driven by the first time consolidation of the last acquired portfolios but also by our asset management results as well as the reduction in our overall administrative costs.

First steps in implementing alstria's future capital structure

We have used the time of slowing real estate acquisitions in order to specify our financing strategy for the future. It is alstria's aim to switch overtime its existing syndicated loan of EUR 1.1 billion for other sources of financing that will be adjusted in terms of leverage and maturity to the specifics of the underlying assets´ business plan. We have started to implement this strategy as we have agreed on a new EUR 95 millions, 7 years, non recourse loan on two of our long term lease assets. This transaction allows us to keep the total net debt of the company constant, but have increased the average maturity of our loan by 4 month (from 3.4 years to 3.7 years), at a marginal financing cost increase of 9 bps (the average cost of debt moving from 4.45% to 4.54 %). Although this specific transaction is only the first step of a global plan to better align the maturity of our debt with the maturity of our assets between now and 2011, we believe it also helps to address some short term concerns with regards to the ability of real estate companies to raise or refinance debt in the current market. This financing clearly demonstrates that there is today in Germany sufficient liquidity in the debt market to finance high quality assets at attractive terms.

With a net loan to value ratio of 58.5% alstria is today among the most conservative financed company in the German listed sector. With an average lease maturity of 10 years, it is today the German company with the best secured income.

Revaluing the portfolio at 30/06/08…

It is alstria's policy to revalue its portfolio by a third party external appraiser on an annual basis. We have taken this decision on the bases that the movement in direct real estate prices was relatively slow, and that volatility within one year is fairly limited. However, given the significant changes in the global environment, the uncertainties, the questions raised by analyst and investors, as well as rational and sometime irrational belief in what is happening in the real estate market place, we have decided to go for a full valuation of the portfolio for this half year report. The result of this exercise is a decrease of the overall value of our portfolio by EUR 29.8 million which negatively impacts our profit and loss statement.

The overall yield expansion applied by Colliers CRE, alstria's valuer, was 32 bps across the portfolio. Based on Colliers assessment of the yield expansion the total value of the portfolio would have dropped by around EUR 70 millions (or 3.7% of the total value). This negative valuation result was partially offset by asset management results on the portfolio for around EUR 12,5 million and increases in rental income linked to the indexation of around 35% of our leases.

The valuation adjustments lead to an overall valuation yield of the portfolio of 5.6%, and a total of investment properties of EUR 1,878 billion.

… and selling assets above 12/07 and 06/08 book values

We have started in the beginning of the summer the

[1] Net Loan To Value Ratio: Net debt / Real Estate Property
[2] Yield expansion corrected by the early termination of the BKK Mobil oil lease in Hamburg

sale process of a limited number of small assets, as part of our disposal process for the year. The assets that are offered for sale on an asset per asset basis are usually assets which are too small for alstria to efficiently handle or with limited potential.

Since the signature of the joint venture on the Alte Post property which was completed on July 25 2008, we have entered into three sale and purchase agreements which are still subject to the market standard condition precedents. The three assets sold are a plot of land in Hanover, one asset in the outskirts of Hamburg, rented on a long term basis to the city of Hamburg sold at a NOI yield on cost of 4.5% and an asset in the city centre of Hamburg sold with a remaining two year lease at a NOI yield of 4.75%. Theses sales were realized at a profit to both 31/12/07, and 30/06/08 book values, and on aggregate represent a net gain of around EUR 2.6 millions or 18% above the latest IFRS values. With those sales and taking into accounts the JV signed on Alte-Post, alstria has agreed to dispose so far EUR 34.6 millions worth of assets.

With kind regards

Alexander Dexne
Chief Financial Officer

Olivier Elamine
Chief Executive Officer

SHARE PRICE DEVELOPMENT

alstria's share price proved to be stable compared to the beginning of the year. Although being rather volatile, alstria's share price on June 30, 2008, closed at EUR 10.50 slightly above the level it was traded in the end of 2007 (EUR 10.25 closing price). This result exceeded its reference indices and the SDAX by far.

For the reporting period this is an increase in alstria's share price by +2,4%, outperforming the development of the EPRA/EUROPE index (-20%) and the EPRA Germany Index (-35%).

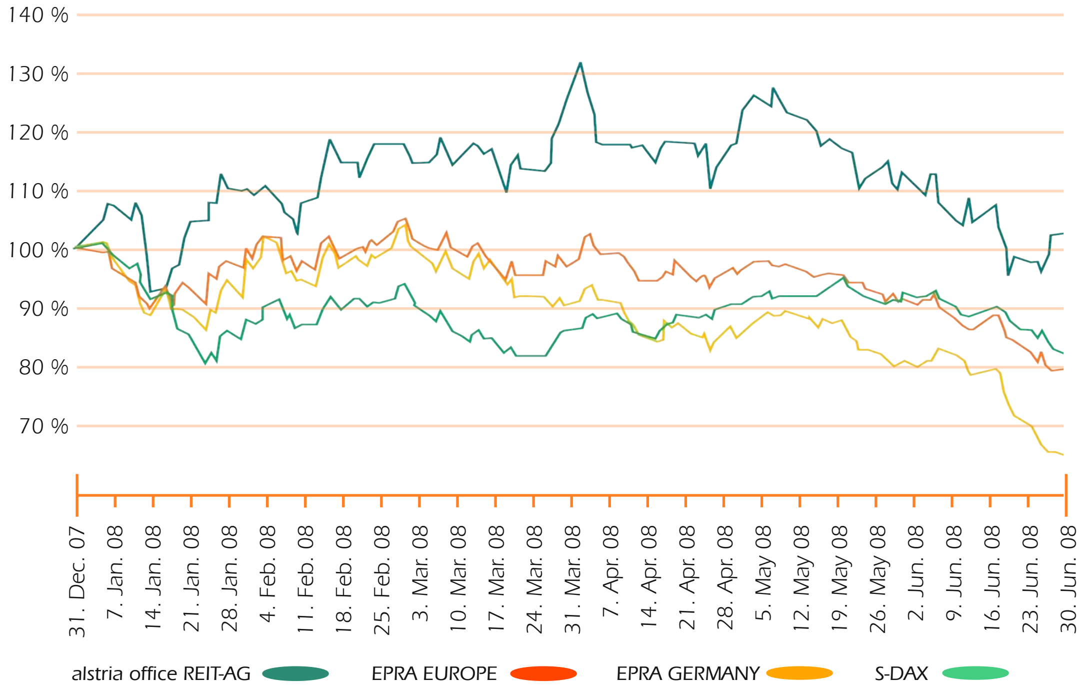
Though improving compared to the beginning of the year, our share price shows a downward swing in the second quarter of the term. alstria's shares are trading at a significant discount to their Triple Net Asset Value of EUR 15,08 (December 31, 2007: EUR 15,55).

At balance sheet date alstria owns 1,375,755 treasury shares due to the buy back program started in November last year.

For the time being it is intended to hold the acquired shares as treasury stock and eventually use them according to the authorization of the shareholders meeting. Potential uses may include using the shares in future acquisition projects, or resell them in the market.

The General Meeting of alstria on June 5, 2008 resolved to distribute a dividend of EUR 28,400k (EUR 0,52 per outstanding share). The dividend was distributed on June 6, 2008.

SHARE PRICE DEVELOPMENT
1. Jan. - 30. Jun. 2008



INTERIM MANAGEMENT REPORT

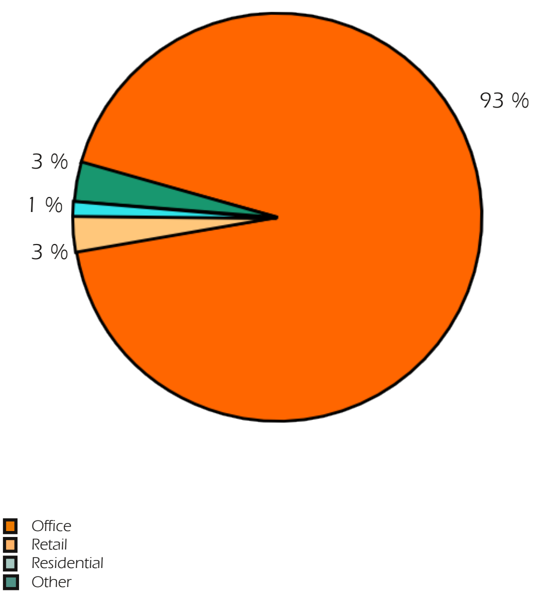
PORTFOLIO OVERVIEW

A EUR 1.88 billion portfolio of office properties in Germany

The announced acquisitions in Q4 2007 have been closed in the first quarter of 2008. In the second quarter alstria acquired a vacant office property located in Hamburg. It has a total lettable area of approximately 3,100 sqm for an all in cost of approximately EUR 4.6 million (approximately EUR 1,485 per sqm). This acquisition has been funded through the company's cash flow.

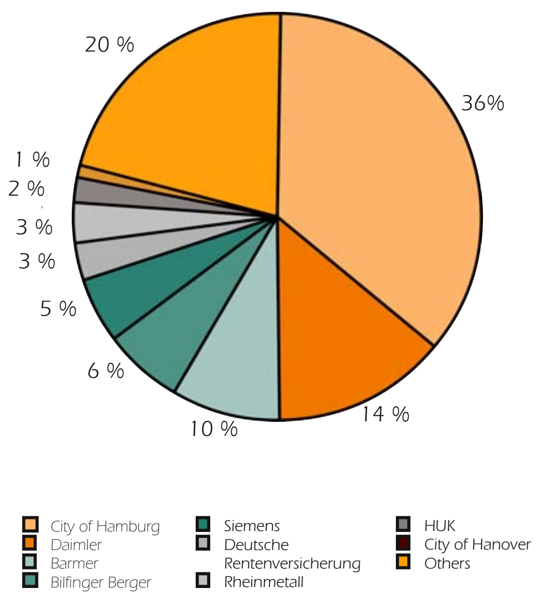
With these transactions the portfolio has been extended by 19 properties and approx. 138,000 sqm lettable area across Germany. alstria now manages a portfolio of 92 properties and approx. 953,000 sqm. The total portfolio vacancy rate increased slightly to around 7.6% which corresponds to approx. 73,000 sqm. The increased vacancy is mainly driven by the execution of an early termination agreement with BKK Mobil Oil in Hamburg (approximately 10.500 sqm were vacated one year in advance and alstria received EUR 1,000 k in compensation) and the acquisition of a 3,100 sqm vacant office building in Hamburg. This vacancy was partly compensated by new lease-ups of 7,000 sqm. The Weighted Average Unexpired Lease Length of the portfolio is above 10 years. For a detailed description of the alstria portfolio please refer to our annual report 2007.

OFFICE PURE PLAY[1]



FOCUS ON TENANTS[2]

- Focus long term cooperation with our key tenants
- Number of key tenants increased



[1] Based on net lettable area
[2] Based on passing rent

EARNINGS POSITION

Continued strong operating performance - Revenues at EUR 49,632 k

Also in the first six month of 2008 alstria was able to further increase revenues and improve operating efficiency. Revenues were EUR 49,632 k (EUR 39,069 k previous year) with real estate operating expenses of around 9.1 percent of revenues at EUR 4,530 k. Net rental income increased by EUR 8,030 k up to EUR 44,941 k compared to the first half of 2007.

Based on the revaluation of the investment portfolio as at June 30, 2008 we undertake a devaluation on the fair value of investment property of -EUR 29,816 k. This amount contains EUR 2,321 k negative adjustment of acquisition expenses relating to the first time inclusion of the Berlin, Darwinstraße and the Hamburg, Max-Brauer-Allee assets as well as the Blue portfolio. These acquisition expenses had been additionally capitalised within the valuation period and were therefore not considered in the devaluation provided by Colliers (-EUR 27,495 k).

Administrative and personnel expenses are at EUR 6,669 k for the six months (H1 2007 EUR 6,232 k). Total recurring operating expenses are at 13.4 percent of total revenues for the first half 2008 (H1 2007 16.0 percent). This improvement shows that the measures to enhance efficiency gains of overhead expenses, started to succeed.

Other operating income includes the reversal of accruals of EUR 1,100 and a one time separation payment of around EUR 1,000 k relating to the early termination of a rental agreement (BKK Mobil Oil; see page 8).

Significantly influenced by the valuation result alstria closed the first six month of 2008 with a net operating result of EUR 10,719 k compared to EUR 56,133 for the previous year reference period.

Hamburg, Blue-Portfolio

Funds from operations at EUR 0.36 per share

FUNDS FROM OPERATIONS

(in EUR k)	1 Jan. – 30 Jun. 2008	1 Jan. – 30 Jun. 2007	Change
Pre-tax income (EBT)	**-10,318**	**56,517**	**-66,835**
less financial result	-22,983	-18,021	-4,962
plus non-cash expenses	549	0	
EBITDA	**13,214**	**74,538**	**-61,324**
less net loss/gain from fair value adjustments on investment property	-29,816	25,325	-55,141
less net loss/gain from fair value adjustments on financial derivatives	-381	18,405	-18,787
plus financial result	-22,983 [1]	-18,021	-4,962
Funds from operations (FFO)	**20,430**	**12,787**	**7,643**

[1] Fair value loss disregarding realised fair value gains of EUR 2.328k

FFO is not a measure of operating performance or liquidity under generally accepted accounting principles, in particular IFRS, and should not be considered as an alternative to the Company's income or cash-flow measures as determined in accordance with IFRS. Furthermore, no standard definition exists for FFO. Thus, the FFO or measures with similar names as presented by other companies may not necessarily be comparable to the Company's FFO.EBITDA is not a measure of operating performance or liquidity under generally accepted accounting principles, in particular IFRS, and should not be considered as an alternative to the Company's income or cash-flow measures as determined in accordance with IFRS. Furthermore, no standard definition exists for EBITDA. Thus, EBITDA or measures with similar names as presented by other companies may not necessarily be comparable to the Company's EBITDA.

Funds From Operations (FFO) were EUR 20,430 k for the reporting period. The strong increase as compared to H1 2007 resulted mainly from the improvement of net rental income to EUR 44,941 k, which is reflected by an increase of EUR 8,030 k compared to the first half 2007. As a result, FFO per share were at EUR 0.36 in the first six months of 2008 (H1 2007: EUR 0,23).

EBITDA were EUR 13,214 k in the first half 2008 as compared to EUR 74,538 k last year. The main reason for this significant difference are fair value adjustments that positively affected last years results and impact the reported result negatively. Namely a fair value gain of EUR 18,405 k on derivatives and a fair value gain of EUR 25,325 k on investment properties positively influenced last years EBITDA. In contrast, the fair value adjustments in the reporting period had a negative impact of – EUR 30,198 k (- EUR 29,816 k on investment properties and -EUR 381 k on derivatives). This year's operating performance was largely driven by top line growth.

Hedging Instruments

In order to limit the P&L impact of the volatility of the interest rate markets, we have changed the accounting policy of our derivatives, and are now applying hedge accounting on all the hedges that qualify. This allows the full loss or gain on the qualifying derivative to be recognized through the cash flow hedge reserve (for more details please refer to the Notes to the Condensed Interim Consolidated Financial Statements as of March 31 and June 30, 2008). An overview of the composition of the fair values is given in the following table:

HEDGING INSTRUMENTS

(in EUR k)	Notional	30 Jun. 08	31 Dec. 07	Change
Swap - 3.6165%	625,000	30,273	18,939	11,334
Swap - 3.1925%	148,785	5,902	0	5,902
Swap - 3.1925%	80,880	5,067	3,761	1,306
Swap - 4.1160%	100,000	3,766	0	3,766
Cap - 4.9000%*	75,000	1,625	1,126	499
Swap - 4.9000%	75,000	301	0	301
Cap - 4.0000%	80,880 **	0	1,811	-1,811
Cap - 3.8000%	41,721 **	0	961	-961
Cap - 3.8000%	26,185 **	0	604	-604
Total	**1,104,665**	**46,934**	**27,202**	**19,732**

* As at December 31, 2007 EUR 150,000k notional amount
** Not recognized in total because notional as per December 2007; June 30, 2008: EUR 0

The following table shows the changes of alstria's financial instruments by category:

CHANGE IN FINANCIAL DERIVATIVES

(in EUR k)	
Hedging instruments as at 31 Dec. 2007	
Effective Change of Fair Values Cash Flow Hedges	27,202
Ineffective Change of Fair Values Cash Flow Hedges	19,893
Fair Value Changes of Financial Instruments held for sale (Cap)	0
Changes of accrued interests concerning financial derivatives	1,946
Acquisitions	221
Disposals	4,079
	-6,407
Hedging instruments as at 30 Jun. 2008	**46,934**

In the first six month of 2008 EUR 19,893 k represents the effective change in value of the swaps, which is recorded in equity as a "cash flow hedging reserve" account. While the fair value changes of derivatives not categorized as cash flow hedge (CAPs) are shown in the income statement under "Net gain/loss from fair value adjustments on financial derivatives", the ineffective impact of changes in fair value of the cash flow hedges and the interest payments and accruals on swaps and caps are stated in the financial result. Our current average hedge rate is of 3,8 percent with an average maturity of 3,7 years.

Financial Result

alstria has a EUR 1,139 million syndicated loan facility in place that was arranged by J.P. Morgan, Natixis and HSH Nordbank. The utilization of this facility is presently at EUR 1,102.9 million (EUR 1,098.6 million taken into account the deduction according to IFRS effective interest rate method). The facility is used by alstria to partially finance the current investment property base. The interest rate on this syndicated loan is based on the three months EURIBOR floating rate plus a spread dependent on the average lease length of the property portfolio and the loan to value ratio. For economic as well as for G-REIT compliance reasons alstria is committed to maintain a G-REIT equity ratio of 45 percent or above. Following the recent acquisition, the current spread paid by alstria is 65 basis points above three month EURIBOR.

FINANCIAL RESULT BREAKDOWN

(in EUR k)	**01 Jan. - 30 Jun. 2008**	**01 Jan. - 30 Jun. 2007**
Syndicated Loan - Interest and similar costs	-27,994	-19,208
Shareholder - Interests and similare costs	0	-1,182
Interest income	5,325[1]	2,716
Other	-314	-347
Total	**-22,983**	**-18,021**

[1] EUR 3,985k of the income are interest refunds for the derivatives; in H1 2007 -EUR 37k interest expenses for derivatives are shown under syndicated loan costs

Consolidated Net Result influenced by valuation effects

The resulting loss before tax is at -EUR 10,318 k for the first half 2008 (H1 2007 profit before tax of EUR 56,517 k). Consolidated net loss is at -EUR 10,392 k (H1 2007 net profit of EUR 44,108 k). The reason for the decrease of the consolidated net result compared to same period in 2007 resulted from a net loss from fair value adjustments in investment property of –EUR 29,816 k compared to a net gain in the first half of 2007 (EUR 25,325 k) and a significant decrease of the net gain on financial derivatives (EUR 1,946 k in H1 2008 against EUR 18,405 k H1 2007). Altogether these valuation effects account for -EUR 71,600 k difference.

Loss per share is -EUR 0.19 for the first six months.

CONSOLIDATED INCOME STATEMENT

From January 1 to June 30, 2008	1 Jan. - 30 Jun. 2008	1 Jan. - 30 Jun. 2007
(in EUR k)		
Net rental income	**44,941**	**36,911**
Operational Expenses	-6,669	-6,232
Net other income	2,264	129
Net gain/loss from fair value adjustments on investment properties	-29,816	25,325
Net operating profit before finance costs	**10,719**	**56,133**
Net gain/loss from fair value adjustments on financial derivatives	1,946	18,405
Financial result	-22,983	-18,021
Earnings before tax (EBT)	**-10,318**	**56,517**
Income tax income/expense	-75	-12,409
Consolidated Loss/Profit for the Period	**-10,392**	**44,108**
EPS	-0.19	0.79
EPS Diluted	-0.19	0.79

FINANCIAL AND ASSET POSITION

Cash position of EUR 33,362 k – announced acquisitions closed

Cash flow from operating activities for the six month period was at EUR 18,641 k. The strong improvement of alstria's operating performance reflected in the increase of the FFO (EUR 7,643 k) as compared to the previous year period was overcompensated by changes in working capital.

Cash flows from investing activities were impacted by the payments for the Bilfinger Berger portfolio (also referred to as "BLUE" portfolio; EUR 105,770 k), the HUK Coburg portfolio (EUR 50,262 k), as well as the purchase price payments for the acquisition of the properties in Berlin, Darwinstraße (EUR 52,350 k) and Hamburg, Max Brauer Allee (EUR 4.310 k).

Cash flow from financing activities reflects the payment of dividend (EUR 28,400 k) and the further EUR 171,453 k drawdown of the loan for the payments of the abovementioned investment properties.

As a result, alstria closes the first six months of 2008 with a cash position of EUR 33,362 k.

Equity Ratio of 42.8% – G-REIT Equity ratio at 45.4%

The total investment property value is at EUR 1,861,111 k as compared to EUR 1,693,718 k at the beginning of the year:

CHANGE IN INVESTMENT PROPERTIES

Investment properties as at 31 Dec. 2007	**1,693.72**
Acquisitions	214.89
Reclassification	-17.68
Revaluations	-29.82
Investment properties as at 30 Jun. 2008	**1,861.11**

One building (Bäckerbreitergang, Hamburg; EUR 3,10 million) is not longer stated as investment property but shown under development property.

Two investment properties (Düsternstrasse, Hamburg and Osterbekstrasse, Hamburg; EUR 14,58 milion) have been reclassified to investments held for sale in Q2 2008.

The equity and liability side of the balance sheet reflects a total equity position of EUR 844,537 k with an equity ratio of 42.8%. The G-REIT equity ratio which is defined as total equity divided by investment properties is at 45.4 percent in compliance with the G-REIT law requirements.

Hamburg, Blue-Portfolio

NNNAV at EUR 15.08 per share

The Triple Net Asset Value (NNNAV) droped from EUR 15.55 per share to EUR 15.08 per share. Dividend payments (-EUR 28.400 k), further acquisition of treasury shares (-EUR 7.868 k) and the consolidated loss for the period (-EUR 10.392 k) were responsible for the reduction of alstria's equity while the valuation gain of the effective derivatives (EUR 19.893 k) narrowed the gap. In total this lead to a decrease of equity from EUR 870.876 k to EUR 844.537 k[1].

The following table shows the key metrics of the NNNAV and NNNAV per share calculation according to EPRA[2]:

NNNAV PER SHARE

(in EUR k)	**30 Jun. 08**	**31 Dec. 07**
NAV	**844,537**	**870,875**
NAV/share	**15.08**	**15.55**
Effect of exercise of options, convertibles and other equity interests	-	-
Diluted NAV, after the exercise of options, convertibles and other equity interests	**844,537**	**870,875**
Revaluation of investment properties (if IAS 40 cost option is used)	-	-
Development properties held for investment	-	-
Revaluation of other non current investment	-	-
Fair value of tenant leases held as finance leases	-	-
Fair value of trading properties	-	-
Fair Value of Financial Instruments	-46,934	-27,202
Diluted EPRA NAV	**797,604**	**843,673**
Diluted EPRA NAV/share	**14.24**	**15.07**
Fair Value of Financial Instruments	46,934	27,202
Fair Value of Debt	-	-
Deffered Tax	-	-
Diluted EPRA NNNAV	**844,537**	**870,875**
NNNAV/share	**15.08**	**15.55**

The long term loan position is at EUR 1,098,575 k up from EUR 927,400 k. The main changes in the long term loan position over the last six months resulted from the refinancing of the new acquisitions.

Current liabilities are at EUR 28,440 k which is mainly related to accrued interest that will become due under the syndicated loan agreement within one year, trade payables and other accruals.

[1] See also the statement of shareholders' equity in the consolidated financial statements section, page 21.
[2] EPRA: European Public Real Estate Association, Best Practises Committee, Schiphol Airport, The Netherlands.

RISK AND OPPORTUNITY REPORT

The risks and opportunities alstria is exposed to are described in detail in the annual report 2007. The risk reporting structure within the alstria group was updated for the preparation of this interim report. There have been no significant changes in the alstria group's risks and opportunities situation compared with the risks and opportunities outlined in the management report of the 2007 annual report. It is therefore assumed the reported risks and opportunities will remain substantially unchanged in the second half of 2008.

On the basis of all known particulars and circumstances, there moreover exist no risks that can endanger the alstria group's survival for the foreseeable future.

RECENT DEVELOPMENTS AND OUTLOOK

New acquisition in Hamburg

alstria has acquired another vacant office property based in Hamburg with a total lettable area of approximately 3,100 sqm. The all in costs of approximately EUR 4.6 million (approximately EUR 1,485 per sqm) have been funded through the company's cash flow. The acquisition was completed in the course of the second quarter 2008.

Agreement for new retail space

We realized a principle agreement with the Ohnsorg Theatre to move sites within our portfolio. This agreement gives us the opportunity to develop 3.000 sqm of high-end retail space in one of Hamburg´s most sought after shopping streets at Grosse Bleichen.

First step implementation of new financing structure

It is our intent to restructure the current credit facility well before its expiry in November 2011 with the objective to increase capacity and flexibility and also to have a more structured maturity of the new facility. In order to open the field for more capital market orientated debt financing we would also need to move from a secured to an unsecured debt structure. In a first step towards the new financing structure we agreed a new EUR 95 millions, 7 years, non recourse loan on the properties Gänsemarkt 36 and Drehbahn 36, Hamburg, with Deutsche Hypothekenbank (Actien-Gesellschaft). Under the new agreement the leverage on these assets will increase from currently EUR 78.5 m to EUR 95 m, keeping the net debt of the company constant. Accordingly, the transaction will provide us with EUR 16.5 m of additional cash. Given the level of volatility in the markets we intend to keep the funds on the balance sheet for the time being, so we can react rapidly to changes/opportunities in the market. Once we have greater clarity of where the markets are moving we will preferably re-invest the funds.

Anticipated development and Financial Goals

In view of the positive operational development in the first six month alstria is able to look to the second half of the 2008 financial year with confidence. Our operational efficiency gains correspond with the employment of skilled experts in order to improve processes and with the insourcing of the financial accounting activities decrease administration costs. The higher than expected growth of the German CPI has a positive income effect and triggered the CPI adjustment clauses on around 35% of our leases allowing alstria to additionally generate approximately EUR 1.7 million of annualized revenues from the second quarter of 2008 on. Based on the fact that the closing of the recent acquisitions are in line with our adjusted schedule, the management of alstria reinforces its revenues expectations of around EUR 101 m. The corresponded FFO expectation remains at EUR 40 m for the year 2008.

Disclaimer

The management report contains statements relating to anticipated future developments. These statements are based on current assessments and are by their very nature exposed to risks and uncertainty. Actual developments may differ from those predicted in these statements.

Hamburg, Blue-Portfolio

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2008

Assets	Notes	30 Jun. 2008	31 Dec. 2007
(in EUR k)			
Assets			
Investment property	6.1	1,861,111	1,693,718
Development property	6.2	3,109	0
Other property, plant and equipment		1,347	1,494
Intangible assets		366	359
Derivatives	3; 6.3	45,309	0
Total non-current assets		**1,911,243**	**1,695,571**
Current assets			
Investment properties held for sale		14,575	0
Trade receivables		5,120	2,646
Accounts receivable from affiliates	6.4	27	77
Derivatives		1,624	27,202
Income tax receivables		1,949	1,949
Other receivables		3,708	5,039
Cash and cash equivalents		33,362	103,036
Total current assets		**60,366**	**139,949**
Total assets		**1,971,609**	**1,835,520**

CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2008

Equity and liabilities	Notes	30 Jun. 2008	31 Dec. 2007
(in EUR k)			
Equity			
Share capital	7.1	56,000	56,000
Capital surplus	7.1	755,075	754,647
Hedging reserve	3; 7.1	19,893	0
Treasury shares	7.1	-14,983	-7,115
Retained earnings	7.1	28,552	67,344
Total equity		**844,537**	**870,876**
Liabilities			
Long-term loans, net of current portion	7.2	1.098,576	927,400
Other non-current liabilities		56	56
Total non-current liabilities		**1,098,631**	**927,456**
Current liabilities			
Short-term loans		11,798	8,936
Trade payables		5,681	3,068
Payables to affiliates		5	15
Profit participation rights		48	5
Liabilities of current tax		21	5,332
Other current liabilities		10,033	19,832
VAT liabilities		856	0
Total current liabilities		**28,440**	**37,188**
Total liabilities		**1,127,072**	**964,644**
Total equity and liabilities		**1,971,609**	**1,835,520**

CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD FROM JANUARY 1 TO JUNE 30, 2008

(in EUR k)	Notes	01. 04. - 30. 06. 2008	1. 04. - 30. 06. 2007	01. 01. - 30. 06. 2008	01. 01. - 30. 6. 2007
Gross rental income		26,084	21,720	49,632	39,069
Income less expenses from passed on expenses		-5	0	-162	0
Real estate operating expenses		-3,494	-1,370	-4,530	-2,158
Net rental income		**22,585**	**20,350**	**44,941**	**36,911**
Administrative expenses	8.1	-1,738	-2,903	-4,042	-4,808
Personnel expenses		-1,474	-733	-2,627	-1,424
Other income		915	-142	2,468	192
Other expenses		75	-14	-204	-63
Net loss/gain from fair value adjustments on investment property		-29,249	21,833	-29,816	25,325
Net operating profit before finance costs		**-8,887**	**38,391**	**10,719**	**56,133**
Net financing costs		-11,383	-6,769	-22,983	-18,021
Net gain from fair value adjustments on financial derivatives		3.628	16,343	1,946	18,405
Profit before tax (EBT)		**-16,642**	**47,965**	**-10,318**	**56,517**
Income tax income/expense		0	-10,198	-75	-12,409
Consolidated profit/loss for the period		**-16,642**	**37,767**	**-10,392**	**44,108**
Attributable to: Shareholder		-16,642	37,767	-10,392	44,108
Earnings/loss per share in EUR:					
basic, for profit for the year attributable to ordinary equity holders of the parent				-0.19	0.79
diluted, for profit for the year attributable to ordinary equity holders of the parent				-0.19	0.79

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY JANUARY 1 TO JUNE 30, 2008

(in EUR k)	Notes	Share capital	Capital surplus	Hedging reserve	Treasury shares	Retained earnings	Total Equity
As of January 1, 2008		**56,000**	**754,647**	**0**	**-7,115**	**67,344**	**870,876**
Changes in first half 2008							
Consolidated profit for the year		-	-		-	-10,392	-10,392
Payment of dividends	9	-	-	-	-	-28,400	-28,400
Valuation financial derivatives	3; 6.3; 7.1	-	-	-	-	-	19,893
Share-based payments	7.1	-	436	19,893	-	-	436
Changes of treasury shares		-	-	-	-7,868	-	-7,868
Other Contributions to capital surplus	7.1	-	-8	-	-	-	-8
As of June 30, 2008		**56,000**	**755,075**	**19,893**	**-14,983**	**28,552**	**844,537**

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY JANUARY 1 TO JUNE 30, 2008

(in EUR k)	Notes	Share capital	Capital surplus	Hedging reserve	Treasury shares	Retained earnings	Total Equity
As of January 1, 2007		**8,000**	**375,066**	**0**	**0**	**14,533**	**397,599**
Changes in first half 2007							
Consolidated profit for the year		-	-	-	-	44,108	44,108
Changes in the consolidated group		-	-479	-	-	-	-479
Valuation shareholder loan		-	646	-	-	-	646
Share-based payments		-	335	-	-	-	335
Contributions to share capital		48,000	-	-	-	-	48,000
Contributions to capital surplus (IPO)		-	240,000	-	-	-	240,000
Expenses in connection witht IPO		-	-11,108	-	-	-	-11,108
Other Contributions to capital surplus		-	154,665	-	-	-	154,665
As of June 30, 2007		**56,000**	**9,125**	**0**	**0**	**58,641**	**873,766**

CONSOLIDATED CASH FLOW STATEMENT JANUARY 1 TO JUNE 30, 2008

(in EUR k)	Notes	1 Jan. - 30 Jun. 2008	1 Jan. - 30 Jun. 2007
1. Operating activities			
Consolidated profit for the year		-10,392	44,108
Unrealized valuation movements		27,870	-43,730
Interest income		-5,325	-3,673
Interest expense		27,773	20,712
Result from income taxes		74	12,408
Other non-cash income (-)/expenses (+) and IPO-costs		429	0
Depreciation and amortisation		254	57
Movement in receivables		344	-2,857
Movement in payables and provisions		1,967	3,468
Cash generated from operations		42,994	30,493
Interest received		5,325	3,069
Interest paid		-24,614	-12,967
Income taxes paid		-5,064	-861
Cash flows from operating activities		**18,641**	**19,734**
2. Investing activities			
Acquisition of investment properties		-222,921	-31,481
Acquisition of other property plant and equipment		-115	-45
Acquisition of subsidiaries		-464	-14,794
Cash flows used in investing activities		**-223,500**	**-46,320**

CONSOLIDATED CASH FLOW STATEMENT JANUARY 1 TO JUNE 30, 2007

(in EUR k)	Notes	01 Jan. - 30 Jun. 2008	01 Jan. - 30 Jun. 2007
3. Financing activities			
Proceeds from equity contributions		0	304,983
Repurchase of own shares	7.1	-7,868	0
Proceeds from the issue of bonds and borrowings		171,453	163,327
Payment of dividends	7.1	-28,400	0
Payment for the redemption of bonds and borrowings		0	-161,820
Payment of transaction costs		0	-355
Payment of IPO costs		0	-11,261
Cash flows used in financing activities		**135,185**	**294,874**
4. Cash and cash equivalents at the end of the period			
Change in cash and cash equivalents (subtotal of 1 to 3)		-69,674	121,438
Cash and cash equivalents at the beginning of the period		103,036	242,876
Cash and cash equivalents at the end of the period		**33,362**	**292,592**
5. Composition of cash and cash equivalents			
Cash		33,362	292,592
Securities		0	0
Cash and cash equivalents at the end of the period		**33,362**	**292,592**

FUNDS FROM OPERATIONS

FUNDS FROM OPERATIONS

(in EUR k)	1 Jan. - 30 Jun. 2008	1 Jan. - 30 Jun. 2007	Change
Pre-tax income (EBT)	**-10,318**	**56,517**	**-66,835**
less financial result	-22,983	-18,021	-4,962
plus non-cash expenses	549	0	
EBITDA	**13,214**	**74,538**	**-61,324**
less net loss/gain from fair value adjustments on investment property	-29,816	25,325	-55,141
less net loss/gain from fair value adjustments on financial derivatives	-381	18,405	-18,787
plus financial result	-22,983 [1]	-18,021	-4,962
Funds from operations (FFO)	**20,430**	**12,787**	**7,643**

[1] Fair value loss disregarding realised fair value gains of EUR 2.328k

FFO is not a measure of operating performance or liquidity under generally accepted accounting principles, in particular IFRS, and should not be considered as an alternative to the Company's income or cash-flow measures as determined in accordance with IFRS. Furthermore, no standard definition exists for FFO. Thus, the FFO or measures with similar names as presented by other companies may not necessarily be comparable to the Company's FFO.EBITDA is not a measure of operating performance or liquidity under generally accepted accounting principles, in particular IFRS, and should not be considered as an alternative to the Company's income or cash-flow measures as determined in accordance with IFRS. Furthermore, no standard definition exists for EBITDA. Thus, EBITDA or measures with similar names as presented by other companies may not necessarily be comparable to the Company's EBITDA.

NOTES

1. Corporate Information

alstria office REIT-AG, Hamburg, (hereinafter referred to as the "Company" or "alstria office REIT-AG" and together with its subsidiaries the "Group"), is a German stock corporation based in Hamburg. The Group's principal activities are described in detail in section 1 of the notes to the consolidated financial statements for the fiscal year ended December 31, 2007.

The Condensed Interim Consolidated Financial Statements for the period from January 1, 2008 to June 30, 2008 (hereinafter referred to as the "Condensed Interim Consolidated Financial Statements") were authorized for issue by resolution of the Company's management board on August 15, 2008.

2. Basis of Preparation

These Condensed Interim Consolidated Financial Statements have been prepared in accordance with IAS 34 "Interim Financial Reporting". They do not contain all the disclosures and explanations required in annual financial statements and should therefore be read in conjunction with the consolidated financial statements as of December 31, 2007.

These Condensed Interim Consolidated Financial Statements have not been audited. They have been reviewed by PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft, Berlin branch.

3. Significant accounting policies

The accounting policies adopted in the preparation of the Condensed Interim Consolidated Financial Statements are consistent with those followed in the preparation of the Group's annual financial statements for the fiscal year ended December 31, 2007, except for the adoption of hedge accounting as explained below.
Derivative financial instruments and hedging.

The Group uses derivative financial instruments such as interest rate swaps and caps to hedge its risks associated with interest rate fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivatives during the period that do not qualify for hedge accounting are taken directly to profit or loss. For the purpose of hedge accounting, hedges are classified as cash flow hedges when hedging exposure to variability in cash flows is attributable to a particular risk associated with a recognised liability.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges which meet the strict criteria for hedge accounting are accounted for as follows:
The effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while any ineffective portion is recognised immediately in profit or loss.

Amounts taken to equity are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is realized.

4. Consolidated Group

There have been no changes to the consolidated group since the consolidated financial statements as of December 31, 2007.

5. Key Judgements and Estimates

The preparation of the consolidated financial statements in accordance with IFRS requires assumptions and estimates to be made for various items which have an effect on the amount and disclosure of the assets and liabilities as well as income and expenses. Actual amounts may differ from these estimates.

6. Notes to the Consolidated Balance Sheet - Assets

6.1. Investment Property

alstria office REIT-AG uses the fair value model pursuant to IAS 40.33 et seq. for subsequent measurement. External appraisals were obtained for measurement dated June 30, 2008. For a detailed description of the valuation process we refer to section 8 of the consolidated financial statements as of December 31, 2007.

On August 22, 2007, alstria office REIT-AG concluded a purchase agreement on the acquisition of further property with a purchase price value of EUR 52,350k, with the property being transferred to alstria office REIT-AG with effect of March 3, 2008 (property Darwinstrasse).

On December 12, 2007, alstria office REIT-AG concluded a purchase agreement on the acquisition of further properties with a purchase price value of EUR 105,770k, with the properties being transferred to alstria office REIT-AG with effect of March 3, 2008 (EUR 104,520k) and May 2, 2008 (EUR 1,250k) (BLUE portfolio).

On December 17, 2007, alstria office REIT-AG concluded a purchase agreement on the acquisition of further properties with a purchase price value of EUR 50,262k. The transfer of possession, benefits and burdens took place on April 1, 2008 (Helios portfolio).

Under the purchase agreement dated April 4, 2008, alstria office REIT-AG concluded the acquisition of one further property located in Hamburg with a purchase price value of EUR 4,310k. The property has been transferred to alstria office REIT-AG with effect of June 1, 2008.

Under the sales agreement dated June 27, 2008, alstria office REIT-AG concluded the sale of a plot of land at Vahrenwalder Str. 133, Hanover, with a total sales price value of EUR 1,250k. The transfer of possession, benefits and burdens is expected to take place in Q4 2008.

Due to a sales process, two investment properties have been reclassified to investments held for sale in Q2. These two properties are Düsternstrasse 10, Hamburg and Osterbekstrasse 96, Hamburg with a fair value of EUR 14,575k.

6.2. Development property

alstria office REIT-AG intends to use one of its office buildings in Hamburg for owner occupation use. For this purpose, the property will be refurbished. Therefore the property was re-categorised from investment property according to IAS 40 to development property according to IAS 16.

6.3. Financial instruments

In the second quarter 2008 alstria office REIT-AG used the market opportunities to restructure its hedging portfolio while keeping the same protection level. With value date April 21, 2008 alstria office REIT-AG entered with Natixis into an off-market interest rate swap with a notional amount of EUR 148,785k at a swap rate of 3.9087%, expiring on January 20, 2012. This swap replaced existing interest rate caps for the same combined notional amount and interest rate with maturity in March and November 2011.

On June 11, 2008 alstria office REIT-AG entered with HSH Nordbank AG into an off-market interest swap with a notional amount of EUR 75,000k at a swap rate of 4.9000%, expiring on December 20, 2012. This swap partly replaces the existing interest rate cap amounting to EUR 150,000k with the same maturity. This transaction is effective as per July 21, 2008.

6.4. Receivables

Due to the specific nature of the business, the Group considers receivables due up to one year to be current. All receivables as per balance sheet date are due within the next twelve months.

7. Notes to the Consolidated Balance Sheet - Equity and Liabilities

7.1. Equity

Please refer to the Consolidated Statement of Changes in Equity.

Share Capital

In the balance sheet of the Consolidated Interim Financial Statements as of June 30, 2008, the share capital of alstria office REIT-AG amounted to EUR 56,000k. Captiva 2 Alstria Holding S.à.r.l., Luxembourg, held, directly and indirectly, 54.0% of the shares in the Company, 43.5% of the shares are free float and the remaining 2.5% are treasury shares.

Treasury shares

In the first six month of 2008 the Company completed its share buyback programme. For a detailed description of the share buyback programme, please see section 11 of the consolidated financial statements as of December 31, 2007. With resolution of the supervisory board, dated June 5, 2008, the management board members were granted the possibility to receive a part of their resolved bonus payments for the financial year 2007 in the form of alstria' shares. Based on this resolution the members of the management board decided to receive in total 9.500 shares as bonus compensation payment. At granting date these shares valued at a closing price of EUR 11.03 each. The 9.500 shares have been charged against the bonus entitlements out of the existing treasury shares. On June 30, 2008 the Company held 1,375,755 non-par value bearer shares of EUR 1 each.

Capital Surplus

A stock option program was resolved on March 27, 2007 by the supervisory board of the Company and accordingly stock options with a total fair value of EUR 1,997k were issued to members of the management board of the Company on April 3, 2007 and September 5, 2007. Thereof stock options with a fair value of EUR 446k were forfeited as of December 31, 2007 in relation with the retirement of Dr. Michael Börner-Kleindienst. As of June 30, 2008, further EUR 415k (December 31, 2007: EUR 806k), from the allocation of the fair values of the granted stock options over the respective vesting period, have been added to the capital surplus.

A convertible profit participation rights program was resolved on September 5, 2007 by the supervisory board of the Company and profit participation rights certificates with a fair value according to IFRS 2 of EUR 35K were issued to employees of the Company on September 6, 2007. As of June 30, 2008, the issue of the certificates resulted in a further increase of the capital surplus of EUR 8k (December 31, 2007: EUR 6k) from the allocation of the fair values of the profit participation rights over the respective vesting period.

Further 42.000 profit participation rights certificates with a fair value according to IFRS 2 of EUR 331K were issued to employees of the Company on June 6, 2008. As of June 30, 2008, the issue of the certificates resulted in a further increase of the capital surplus of EUR 13k from the allocation of the fair values of the profit participation rights over the respective vesting period.

Other reserves

OTHER RESERVES

(in EUR k)	June 30, 2008 (unaudited)	Dec. 31, 2007 (audited)
As of January 1	0	0
Net movement on cash flow hedges	19,893	0
As of June 30 / December 31	**19,893**	**0**

This reserve records the portion of the gain or loss on hedging instruments in cash flow hedge that are determined to be an effective hedge.

7.2. Financial Liabilities

As of June 30, 2008, the loans used by alstria office REIT-AG are repayable with EUR 1,102,869k (December 31, 2007: EUR 931,416k). The carrying amount takes into account interest liabilities and transaction costs to be allocated under the effective interest method upon raising the liabilities.

In the first six months of 2008 alstria office REIT-AG drew down new loans with a nominal amount of EUR 171,453k in conjunction with financing new investment properties. The loans are part of the syndicated loan agreement with J.P. Morgan Plc., Natixis, German Branch, and HSH Nordbank AG with a nominal amount of EUR 1,139,800k.

For a detailed description of the syndicated loan agreement, loan terms and grant securization, please see section 11.2 of the consolidated financial statements as of December 31, 2007.

8. Notes to the Consolidated Income Statement

8.1. Personnel expenses

The personnel expenses shown in the profit and loss account in the amount of EUR 2,627k (June 30, 2007: EUR 1,424k (stated in administration expenses)) include bonuses in the amount of EUR 452k (June 30, 2007: EUR 370k). Furthermore, personnel expenses of EUR 415k (June 30, 2007: EUR 335k) relating to stock options granted to the management are included as well as EUR 29k (June 30, 2007: EUR 0k) personnel expenses relating to profit participation rights certificates granted to employees.

8.2. Taxes

In consequence of the transformation into a G-REIT, alstria office REIT-AG is exempted from income taxes.

For a detailed description of the transformation and tax related implications, please see section 12.9 of the consolidated financial statements as of December 31, 2007.

9. Dividend

The General Meeting of alstria office REIT-AG on June 5, 2008 resolved to distribute a dividend of EUR 28,400k (EUR 0.52 per share outstanding). The dividend was distributed on June 6, 2008.

10. Employees

During the period from January 1, 2008 to June 30, 2008, on an average twenty-five people (January 1, 2007 to June 30, 2007: on an average ten people) were employed by the Company. The average was calculated by the sixth part of the total of employed people at the end of each month. On June 30, 2008, twenty-eight people (December 31, 2007: twenty people) were employed at alstria office REIT-AG, excluding the management board.

11. Convertible profit participation rights program

In line with the convertible profit participation rights program the supervisory board resolved on September 5, 2007, with granting date June 6, 2008, 42.000 convertible profit participation certificates ("certificates") had been issued to the employees of alstria office REIT-AG. The nominal amount of each certificate is EUR 1.00 and was payable on issuance. The fair values of the inherent options for conversion are estimated using a binary barrier option model based on the black-scholes-assumptions. The model takes into account the terms and conditions upon which the instruments were granted. For a detailed description of the convertible

profit participation rights program, please see section 18 of the consolidated financial statements as of December 31, 2007.
The following table lists the inputs to the model used for the determination of the options for conversion granted on June 6, 2008:

Dividend yield (%)	4.70
Risk-free interest rate (%)	4.65
Expected volatility (%)	35.00
Expected life option (years)	2.00
Exercise share price (EUR)	2.00
Labour turnover rate (%)	10.00
Stock price as of valuation date (EUR)	11.03

The estimated fair value of one option for conversion at the granting date was EUR 8.76.

12. Significant events after the end of the reporting period

Under the sales agreement dated July 31, 2008, alstria office REIT-AG concluded the sale of property Osterbekstrasse 96, Hamburg, with a total sales price value of EUR 11,000k. The transfer of possession, benefits and burdens is expected to take place in Q4 2008.
Under the sales agreement dated August 1, 2008, alstria office REIT-AG concluded the sale of property Düsternstrasse 10, Hamburg, with a total sales price value of EUR 4,950k. The transfer of possession, benefits and burdens is expected to take place in Q4 2008.
The newly founded subsidiary alstria Gänsemarkt Drehbahn GmbH & Co. KG entered into a facility agreement of a EUR 95 millions, 7 years, non recourse loan on the properties Gänsemarkt 36 and Drehbahn 36, Hamburg, with Deutsche Hypothekenbank (Actien-Gesellschaft). The loan amount is expected to be paid to alstria office REIT-AG, who will repay the allocated loan amount of these assets under the current facility agreement. In return the possession, benefits and burdens will be transferred to the debtor. The transaction is expected to close on 20 October 2008.

13. Management board

As of June 30, 2008, the members of the Company's management board are:
Mr. Olivier Elamine (CEO)
Mr. Alexander Dexne (CFO)

14. Supervisory board

Pursuant to the Company's articles of association (Section 9), the supervisory board consists of six members, which are elected by the general meeting of shareholders. The expiration of the term of office is identical for all members, i.e., the close of the annual general meeting of shareholders in the year 2011.
As of June 30, 2008, the members of the supervisory board are:
Mr. Alexander Stuhlmann (Chairman)
Mr. John van Oost (Vice-Chairman)
Dr. Christian Olearius
Dr. Johannes Conradi
Mr. Richard Mully
Mr. Daniel Quai

15. Assurance by the company's legal representatives

We assure that, to the best of our knowledge and based on the accounting standards to be applied for interim financial reporting, the shortened Consolidated Interim Report provides a true and fair view of the net worth, financial position and financial performance of the Group and that the Group Interim Management Report presents business progress including the business results and the position of the Group in such a way that it provides a true and fair view, as well as describing the principal opportunities and risks of the Group's anticipated development in the remainder of the financial year.

Hamburg, Germany, August 15, 2008

Olivier Elamine	Alexander Dexne
Chief Executive Officer	Chief Financial Officer

VALUATION REPORT

Dear Sirs

THE ALSTRIA OFFICE REIT-AG PORTFOLIO VALUATION AS AT 30 JUNE 2008

We refer to your instructions to provide you with our opinion of the Market Value of the above portfolio, as at 30 June 2008, for balance sheet purposes, debt covenant calculation and inclusion within your mid year accounts.

We have pleasure in presenting our report.

INSPECTIONS AND QUALIFICATIONS

The properties have been inspected and valued by suitably qualified surveyors who fall within the requirements as to competence as set out in PS 1.4 and 1.5 of the Valuation Standards (the 'Red Book') issued by the Royal Institution of Chartered Surveyors (the 'RICS').

We confirm that Colliers CRE complies with the requirements of independence and objectivity under PS 1.6 and that we have no conflict of interest in acting on your behalf in this matter.

The properties were all inspected at various times between June 2006 and December 2007 by either Christopher J Fowler-Tutt, BSc MRICS, Robert Mayhew BSc (Hons) MRICS, Nick Harris BSc (Hons) MRICS, Charlie Henry BSc (Hons) MRICS, Adrian Camp BSc (Hons) MRICS or Giles Bendell BSc MRICS.

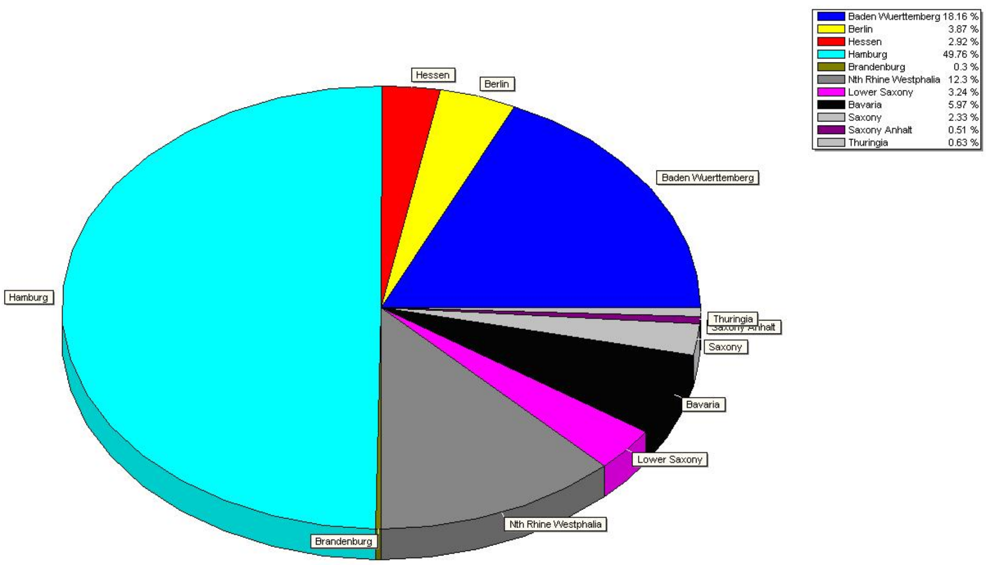
The extent of our investigations and the sources of information on which we have relied upon are as described in Section 4 – Valuation Procedures and Assumptions contained within the Red Book.

We confirm that our valuation complies with the requirements of IAS 40 – Investment Property. Where an entity opts to account for investment property using the fair value model, IVSC considers that the requirements of this model are met by the valuer adopting Market Value.

Our General Assumptions and Definitions form Appendix I to this report.

THE PORTFOLIO AND ITS LOCATION

The portfolio comprises 90 office investment properties located throughout Germany. The regional location profile of the portfolio across Germany's states is illustrated below, where it can be seen that the largest concentration of investment property in terms of value, 49.76%, is held in the City of Hamburg. The portfolio also comprises properties in the cities of Augsburg, Berlin, Bonn, Darmstadt, Detmold, Dortmund, Dresden, Dusseldorf, Erfurt, Essen, Frankfurt, Halle, Hannover, Jena, Koln, Leipzig, Magdeburg, Mannheim, Munich, Nurnberg, Potsdam, Stuttgart, Wiesbaden, Wuppertal, Wurzburg and Zwickau.



FLOOR AREAS

In accordance with your instructions we have not measured the subject premises and have relied upon the floor areas adopted at the time the properties were purchased.

TENURE

We have been provided with the following reports, which we have had regard to in arriving at our opinions of value.

Due Diligence Report	Dated 12 December 2005
Draft Due Diligence Report	Dated 26 September 2006
Summary of Major Findings	Dated 27 September 2005
Legal Due Diligence Report	Dated 26 September 2006
Legal Due Diligence Report	Dated 24 October 2006
Legal Due Diligence Report	Dated 16 July 2007
Legal Due Diligence Report	Dated 31 October 2007
Draft Preliminary Key Issues Report for Legal Due Diligence	Dated 14 November 2007
Red Flag List of Legal Due Diligence	Dated 14 December 2007

All of the above reports were prepared by your lawyers Messrs. Alpers & Stenger, Freshfields Bruckhaus Deringer and Lovells. Our valuations assume that, with the exception of the matters disclosed within the aforementioned reports, there are no unusual, onerous or restrictive covenants in the titles which are likely to affect the value.

LETTINGS

We have relied upon the letting details contained within the following reports prepared by your lawyers Messrs. Alpers & Stenger, Freshfields Bruckhaus Deringer and Lovells.

Due Diligence Report	Dated 12 December 2005
Draft Due Diligence Report	Dated 26 September 2006
Summary of Major Findings	Dated 27 September 2005
Legal Due Diligence Report	Dated 26 September 2006
Legal Due Diligence Report	Dated 24 October 2006
Legal Due Diligence Report	Dated 16 July 2007
Legal Due Diligence Report	Dated 31 October 2007
Draft Preliminary Key Issues Report for Legal Due Diligence	Dated 14 November 2007
Red Flag List of Legal Due Diligence	Dated 14 December 2007

RENT ROLL

We have been provided with a tenancy schedule dated 30 June 2008 by alstria office REIT-AG to which we have had regard in arriving at our opinions of value. We have compared the new rent roll with the one provided to us on the 31 December 2007 and have enquired about any changes.

We have assumed all information provided to be accurate, up-to-date and complete.

CONDITION

We have not carried out building surveys of the properties and neither have we tested the drainage or service installations in the buildings as this was outside the scope of our instructions. If there is significant capital expenditure required on a property this sum will have been deducted from the value reported.

We have been provided with the following reports prepared on your behalf by URS Deutschland GmbH (URS):

Technical Due Diligence Report	Dated 19 December 2005
Technical and Environmental Due Diligence Assessment	Dated 25 August 2006
Intermediate Environmental Bullet Point Report	Dated 9 October 2006
Technical Due Diligence Report	Dated 29 December 2006
Technical and Environmental Due Diligence Assessment Revised Final Report	Dated 7 November 2007
Technical and Environmental Due Diligence Assessment	Dated 13 November 2007
Technical and Environmental Due Diligence Assessment Reports	Dated 21 December 2007
Technical and Environmental Due Diligence Assessments	Dated 22 December 2007

ENVIRONMENTAL MATTERS

We have been provided with the following reports, prepared on your behalf by URS Deutschland GmbH (URS), which we have relied upon in arriving at our opinions of value.

Technical Due Diligence Report	Dated 19 December 2005
Technical and Environmental Due Diligence Assessment	Dated 25 August 2006
Intermediate Environmental Bullet Point Report	Dated 9 October 2006
Technical Due Diligence Report	Dated 29 December 2006
Technical and Environmental Due Diligence Assessment Revised Final Report	Dated 7 November 2007
Technical and Environmental Due Diligence Assessment	Dated 13 November 2007
Technical and Environmental Due Diligence Assessment Reports	Dated 21 December 2007
Technical and Environmental Due Diligence Assessments	Dated 22 December 2007

TOWN PLANNING

We have not made any formal searches or enquiries in respect of the properties and are, therefore, unable to accept any responsibility in this connection. We have, however, relied upon the following reports:

Technical Due Diligence Report	Dated 19 December 2005
Technical and Environmental Due Diligence Assessment	Dated 25 August 2006
Intermediate Environmental Bullet Point Report	Dated 9 October 2006
Technical Due Diligence Report	Dated 29 December 2006
Technical and Environmental Due Diligence Assessment Revised Final Report	Dated 7 November 2007
Technical and Environmental Due Diligence Assessment	Dated 13 November 2007
Technical and Environmental Due Diligence Assessment Reports	Dated 21 December 2007
Technical and Environmental Due Diligence Assessments	Dated 22 December 2007

All of the above were prepared by your lawyers Messrs. Alpers & Stenger, Freshfields Bruckhaus Deringer and Lovells for formal search information, town planning and permit issues and we have had regard to this information in arriving at our opinions of value.

MARKET APPROACH

In preparing our valuations we have taken into account market trends in the locality and except where you have advised us to the contrary, or our other enquiries have alerted us to this, we have assumed that there have been no material changes to any of the properties or their surroundings that might have a material effect on value, since the time of our inspection.

In arriving at our opinions of value we have had regard to comparable investment transactions in determining the net initial yield and equivalent yield which we have adopted in capitalising the current income stream. Where properties have less than 5 years of term certain left we have adopted income void periods which range from 18 to 24 months depending upon the type of property prior to reletting. For properties with a large car parking provision we have adopted a structural void ranging from 5 to 20%, depending on the vacancy rate at the date of valuation. In the case of properties with small car parking provisions we have adopted a void period of 3 months. In addition, where appropriate, we have allowed for capital expenditure either to undertake works necessary to relet properties at the end of the lease or deal with extra ordinary items of disrepair that are the responsibility of the lessor.

We are of the opinion that this portfolio as a whole or each of its individual assets would appeal to a wide range of purchasers including funds, property companies and institutions. It would also be of interest to overseas investors attracted by the high quality income stream secured over long unexpired lease terms. We consider that demand for the portfolio would be strong.

NON-RECOVERABLE EXPENSES

In arriving at our opinion of the value we have made a total deduction of 5% from the income receivable to allow for non-recoverable costs. Such costs relate to items which cannot be recovered from the tenant and generally includes the expense of maintaining and repairing all structural components of the property and associated access roads, as well as being financially responsible for maintenance and repair items and management expenses etc. However, it does not include tenant improvement measures that have been taken into consideration. Moreover, when the technical due diligence reports showed that additional Capital Expenditure was required, we have deducted all, or part of those additional costs from our valuation.

MARKET RENT

In preparing our valuation we have made an analysis of the Market Rent of the portfolio and compared it to the passing rent. Any difference between the Market Rent and the passing rent has been taken into consideration in our valuation.

MARKET VALUE

We are of the opinion that the aggregate Market Value, as at 30 June 2008, of these 90 freehold properties is €1,871,660,000 (one billion eight hundred and seventy one six hundred and sixty million euros).

This value reflects the following aggregate net yields

Yield	%
Initial	5.12
Equivalent	5.55
Reversion (Mar 2018)	5.18

We confirm that all of the foregoing opinions of value, with the exception of Daimler Chrysler HQ property and the three Berlin City properties, are net of the requisite purchaser's costs of 5%. In respect of the Daimler Chrysler HQ investment property in Stuttgart purchaser's costs of 4.25% were adopted reflecting the high value of this single asset and the relatively low costs associated with its management For the three Berlin City properties, we have adopted the requisite purchaser's costs of 6% to reflect the higher rate of land transfer tax.

The market value of the portfolio is the sum of the individual market values of each of its assets. This aggregate figure makes no allowance for any effect that placing the whole portfolio on the market may have on the overall realisation. The market value of the portfolio sold as in a single transaction would not necessarily be the same as the aggregate figure reported.

DISCLOSURES

In accordance with UK Practice Statement 5.4 we confirm the following:

i. Colliers CRE have valued this portfolio since 2006.

ii. The total fees earned in the latest financial year from alstria office REIT-AG amounted to substantially less than 5% of our Company turnover.

iii. We do not undertake any non-valuation fee earning work for alstria office REIT-AG.

LIABILITY AND PUBLICATION

This report is private and confidential and for the sole use of alstria office REIT-AG for publication in its reports and accounts and HSH Nordbank AG for calculation of debt covenant

HSH Nordbank AG is an agent and security agent under the facility agreement to be entered into with Alstria Office AG as borrower (the "Facility Agreement") for and on behalf of itself and each of HSH Nordbank AG, Natexis Banques Populaires and J. P. Morgan Plc as mandated lead arrangers under the Facility Agreement. HSH Nordbank AG, Natexis Banques Populaires and J. P. Morgan Chase Bank N.A. as original lenders under the Facility Agreement and each of their respective assignees or transferees (the "Finance Parties") and to each such Finance Party.

We do not accept any responsibility to any third party for the whole or any part of its contents.

Neither the whole nor any part of this valuation or any reference thereto may be included within any published document, circular or statement or disclosed in anyway without our prior written consent to the form and context in which it may appear. In breach of this condition, no responsibility can be accepted to third parties for the comments or advice contained in this report.

Yours faithfully

Christopher J Fowler-Tutt BSc MRICS
Director
For and behalf of Colliers CRE

Richard Barrett BSc MRICS
Director
For and behalf of Colliers CRE

PORTFOLIO OVERVIEW

ASSET NAME	CITY	TOTAL LETTABLE AREA (sqm)	OFFICE AREA (sqm)	VACANCY (sqm)	PASSING RENT (EUR)	EVR * (EUR)	OMV * (EUR)
HAMBURG							
Alte Koenigsstrasse 29	Hamburg	4,300	4,300	-	559,500	547,796	
Alter Steinweg 4	Hamburg	32,000	32,000	-	3,952,200	4,317,660	
Amsinckstr. 28	Hamburg	8,100	8,100	-	947,100	990,000	
Amsinckstr. 34	Hamburg	6,200	6,200	-	723,200	765,000	
Baeckerbreitergang 73 **	Hamburg	2,400	2,400	2,400	-		
Basselweg 73	Hamburg	2,700	2,300	-	258,900	291,600	
Besenbinderhof 41	Hamburg	5,000	5,000	-	476,000	474,625	
Buxtehuder Strasse 9-11a	Hamburg	7,700	7,700	-	560,900	531,600	
Drehbahn 36	Hamburg	26,200	26,200	-	3,238,700	3,228,000	
Duesternstraße 10 ***	Hamburg	2,200	2,200	-	263,800	264,000	
Eppendorfer Landstr. 59	Hamburg	3,300	2,900	-	402,500	387,300	
Ernst-Merck-Str. 9 (Bieberhaus)	Hamburg	17,500	15,600	1,374	2,129,400	2,322,673	
Gaensemarkt 36	Hamburg	20,900	20,600	142	3,050,400	3,126,132	
Garstedter Weg 13	Hamburg	3,600	3,600	-	342,700	358,800	
Gorch-Fock-Wall 11	Hamburg	8,700	8,700	-	1,023,000	981,000	
Gorch-Fock-Wall 15,17	Hamburg	7,700	7,700	-	805,700	768,000	
Grindelberg 62-66	Hamburg	18,400	18,400	-	2,073,400	2,132,640	
Grosse Bleichen	Hamburg	17,800	15,800	5,300	1,980,000	5,700,955	
Hamburger Strasse 1-15	Hamburg	19,600	9,200	6,250	1,986,400	3,009,846	
Hamburger Strasse 43-49	Hamburg	20,500	20,500	-	2,357,300	2,608,296	
Hammer Steindamm 129	Hamburg	7,200	7,200	-	544,500	522,000	
Harburger Ring 17	Hamburg	3,100	1,600	335	297,700	344,285	
Herthastraße 20	Hamburg	3,300	3,300	-	294,700	318,000	
Johanniswall 4	Hamburg	14,100	13,300	38	1,679,600	1,804,829	
Kaiser-Wilhelm-Strasse 79-87	Hamburg	5,500	5,100	2,533	294,300	937,200	
Kanalstr. 44	Hamburg	8,300	8,300	415	1,047,600	948,960	
Kattunbleiche 19	Hamburg	12,400	12,400	-	1,508,400	1,434,000	
Kuemmelstrasse 5-7	Hamburg	15,700	15,700	-	1,366,900	1,938,000	
Lenhartzstrasse 28	Hamburg	1,100	1,100	-	100,500	138,000	
Ludwig-Rosenberg-Ring 41	Hamburg	5,000	4,400	-	456,200	504,960	
Max-Brauer-Allee 41,43 **	Hamburg	3,100	3,100	3,100	-	-	
Max-Brauer-Allee 89-91	Hamburg	9,800	9,800	-	898,100	924,000	
Nagelsweg 41-45	Hamburg	6,200	6,100	-	880,100	957,015	
Oejendorfer Weg 9-11	Hamburg	6,100	6,100	-	559,500	684,000	
Osterbekstr. 96 ***	Hamburg	7,400	7,400	-	551100	729,000	
Ottenser Marktplatz 10/12	Hamburg	900	900	-	154,800	153,600	
Poststr. 11 (Alte Post)	Hamburg	6,600	4,900	83	1,194,900	2,530,425	
Poststrasse 51	Hamburg	1,700	1,500	111	359,600	443,215	

* Based on valuation of Colliers CRE as of June 30, 2008
** Cost method applied
*** Reclassified as development properties

ASSET NAME	CITY	TOTAL LETTABLE AREA (sqm)	OFFICE AREA (sqm)	VACANCY (sqm)	PASSING RENT (EUR)	EVR * (EUR)	OMV * (EUR)
Rahlstedter Strasse 151-157	Hamburg	2,900	2,900	-	289,500	324,000	
Schloßstrasse 60	Hamburg	11,900	11,900	-	962,500	1,042,200	
Steckelhoern 12	Hamburg	14,700	14,400	-	1,868,800	1,977,000	
Steinstrasse 10	Hamburg	26,800	26,800	-	3,239,600	2,928,000	
Steinstrasse 7, Bartholomay-Haus	Hamburg	21,900	19,900	13,432	1,401,700	3,440,328	
Wandsbeker Chaussee 220	Hamburg	3,200	2,700	-	366,000	373,920	
		433,700	**410,200**	**35,513**	**47,447,800**	**58,202,860**	**935,941,889**
STUTTGART	Stuttgart						
Epplestrasse 225	Stuttgart	107,300	107,300	-	14,653,300	14,697,000	
Ernsthaldenstr. 17	Ditzingen	2,600	2,500	128	239,900	260,400	
Siemensstrasse 33		27,300	18,100	5,416	1,818,600	2,136,528	
		137,200	**127,900**	**5,544**	**16,711,800**	**17,093,928**	**307,990,000**
DUSSELDORF AREA	Essen						
Bamler Str. 1-5		36,300	36,300	3,773	3,802,200	4,221,701	
Benrather Schlossallee 29-33 / Ludolfstr. 3	Dusseldorf Dusseldorf	5,000	5,000	-	522,200	530,400	
Friedrichstrasse 19	Wuppertal	2,100	1,300	-	395,800	397,200	
Gathe 78	Neuss	8,500	4,500	156	890,000	1,280,738	
Jagenbergstrasse 1	Dortmund	24,700	24,000	4,479	3,409,900	2,958,000	
Max-Eyth-Strasse 2	Dusseldorf	6,500	6,500	4,448	184,300	750,005	
Mecumstrasse 10		8,600	8,600	-	1,228,100	1,253,230	
		91,700	**86,200**	**12,856**	**10,432,400**	**11,391,274**	**164,680,000**
BERLIN							
Darwinstr. 14-16/ Quedlinburgerstr. 1-3	Berlin Berlin	22,200	22,200	-	3,245,500	3,240,000	
Holzhauser Str. 175-177	Berlin	7,500	7,200	3,099	421,200	723,526	
Marburger Str. 10		6,200	6,100	29	888,100	906,447	
		35,900	**35,500**	**3,128**	**4,554,800**	**4,869,973**	**72,450,000**
MUNICH	Munich						
Arnulfstrasse 150	Munich	5,900	5,900	-	974,500	1,096,200	
Hofmannstrasse 51	Munich	22,100	22,100	-	2,427,500	2,778,000	
Landshuter Allee 174		6,900	6,500	-	900,000	1,167,000	
		34,900	**34,500**	**-**	**4,302,100**	**5,041,200**	**75,250,000**
HANOVER	Hanover						
Arndtstrasse 1	Hanover	10,200	9,800	-	1,017,600	1,135,200	
Vahrenwalder Strasse 133	Hanover	7,100	7,000	-	991,600	1,012,062	
Werner-von-Siemens-Platz 1		21,700	21,700	-	1,862,700	1,986,000	
		39,000	**38,500**	**-**	**3,872,000**	**4,133,262**	**60,600,000**

* Based on valuation of Colliers CRE as of June 30, 2008

ASSET NAME	CITY	TOTAL LETTABLE AREA (sqm)	OFFICE AREA (sqm)	VACANCY (sqm)	PASSING RENT (EUR)	EVR * (EUR)	OMV * (EUR)
SAXONY	Zwickau						
Lothar-Streit-Strasse 10b	Leipzig	1,000	1,000	-	140,100	115,200	
Ludwig-Erhard-Strasse 49	Leipzig	6,300	6,300	-	731,500	700,800	
Nikolaistrasse 16	Dresden	1,200	900	334	143,500	160,232	
Washingtonstrasse 16-16a	Dresden	20,700	19,800	4,985	1,227,200	1,610,351	
Zellescher Weg 21-25a	Dresden	6,500	5,600	279	757,900	647,187	
Zwinglistr. 11-13		3,200	3,100	1,699	100,500	233,621	
		38,900	**36,700**	**7,297**	**3,100,800**	**3,467,391**	**43,650,000**
COLOGNE / BONN	Bonn						
Bertha-von-Suttner-Platz 17	Cologne	1,400	1,400	-	197,000	219,600	
Bonner Strasse 351	Cologne	10,900	10,500	-	1,475,500	1,504,740	
Gereonsdriesch 13	Cologne	2,400	2,200	-	346,900	345,576	
Horbeller Str. 11		6,700	6,700	1,692	479,800	648,000	
		21,400	**20,800**	**1,692**	**2,499,200**	**2,717,916**	**39,050,000**
OTHER	Nuremberg						
Am Graeslein 12	Erfurt	2,700	2,500	588	250,600	342,000	
Am Roten Berg 5	Mannheim	5,300	4,300	1,843	175,000	312,681	
Carl-Reiß-Platz 1,3,5		17,700	17,500	1,251	1,591,800	1,725,332	
Doktorweg 2-4 /	Detmold						
Bismarkstr. 3	Frankfurt	9,800	9,800	-	804,800	831,618	
Emil-von-Behring-Strasse 2	Augsburg	9,300	8,900	-	1,495,200	1,572,000	
Eserwallstrasse 1-3	Frankfurt	5,600	5,500	-	711,100	731,271	
Goldsteinstr. 114	Wiesbaden	8,500	8400	72	1,083,200	1,331,346	
Gustav-Nachtigal-Str. 3	Wiesbaden	18,400	18,200	-	2,410,200	2,412,000	
Gustav-Nachtigal-Str. 4	Magdeburg	700	700	-	107,700	117,840	
Halberstaedter Strasse 17	Potsdam	7,600	7,600	588	608,400	688,800	
Helene-Lange-Strasse 6-7	Erfurt	3,400	3,100	59	384,100	412.800	
Johannesstrasse 164-165	Halle	5,800	4,400	330	518,800	567.600	
Joliot-Curie-Platz 29-30		1,100	500	-	112,200	110,400	
Regensburger Strasse	Nuremberg						
223-231	Darmstadt	8,900	7,300	436	1,003,400	1,098,000	
Rheinstrasse 23	Wurzburg	2,700	2,600	-	317,200	334,099	
Schweinfurter Strasse 4	Jena	5,100	4,400	608	448,900	551,640	
Spitzweidenweg 107	Mannheim	3,300	3,300	1,038	150,000	241,061	
Steubenstrasse 72-74		4,100	4,100	-	533,000	500,648	
		120,000	**113,100**	**6,813**	**12,705,500**	**13,881,136**	**176,670,000**
Total		**952,700**	**903,400**	**72,843**	**105,626,400**	**120,798,940**	**1,876,281,889**

* Based on valuation of Colliers CRE as of June 30, 2008

REVIEW REPORT

To alstria office REIT-AG

We have reviewed the condensed consolidated interim financial statements - comprising the condensed balance sheet, condensed income statement, condensed cash flow statement, condensed statement of changes in equity and selected explanatory notes - and the interim group management report of alstria office REIT-AG for the period from January 1 to June 30, 2008, which are part of the half-year financial report pursuant to § (Article) 37w WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Berlin, August 18, 2008
PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

sgd. Gregory Hartman	sgd. ppa. Markus Salzer
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

FINANCIAL CALENDAR

FINANACIAL CALENDAR

05.06.2008	Annual General Meeting, Hamburg
12.06.2008	11th Annual Property Conference by Morgan Stanley, London
20.06.2008	Sal. Oppenheim Real Estate Conference, Vienna
19.08.2008	Publication of financial results of Q2 2008
29.08.2008	Property Finance Europe German Property Breakfast, London
01.09.2008	Roadshow JPMorgan, Frankfurt
04. - 05.09.2008	EPRA Annual Conference, Stockholm
06.09.2008	Hamburger Börsentag, Hamburg
09. - 11.09.2008	Roadshow JPMorgan, USA
16.09.2008	Roadshow JPMorgan, Paris
18. - 19.09.2008	Roadshow JPMorgan, Benelux
23.09.2008	Roadshow JPMorgan, London
06. - 08.10.2008	EXPO REAL, München
16.10.2008	Pan-European Real Estate conference, London
20.10.2008	Initiative Immobilien Aktie, Frankfurt
27. - 28.10.2008	EPRA Reporting and Accounting Summit, Brussel
19.11.2008	Publication of financial results of Q3 2008
15.12.2008	Sal. Oppenheim Conference, New York

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