REAL ESTATE ...

ANNUAL FINANCIAL STATEMENTS AND MANAGEMENT REPORT 2009

alstria
First German REIT

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Management Discussion and Analysis

Economic conditions

Although the equity markets have seen some of the largest gains on record in 2009, the year was, as expected, challenging from a macro-economic perspective.

Germany's GDP was down 5.0%[1] in 2009. The unemployment rate for the full year was 8.2%[2], which reflects an increase of 0.4 percentage points over 2008. The first signs of an economic rebound at the end of the year were mainly driven by economic stimulus programmes established by the German government.

As expected, the real estate market was extremely challenging in 2009, both for investment and on the leasing front. Tenant demand was down year-on-year in all major German cities, and investment volumes were amongst the lowest since 1990.

Granting of loans remained relatively limited in 2009, and although there was improved liquidity in the mortgage credit market towards the end of the year, the volumes on offer appear far lower than are required to sustain global recovery in the market. It is also evident that the commercial mortgage backed securities (CMBS) market will remain inactive for the foreseeable future.

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[1] Statistisches Bundesamt (German Federal Statistics Office).

[2] Bundesagentur für Arbeit (German Federal Labour Agency).

Overview of the German office and commercial property market[3]

The overall development of rents in the German office and commercial properties market mirrored the growth of the German economy. Rents started to decline at the end of 2008 and continued to fall throughout 2009.

Prime rents fell in almost all large cities in Germany. Whilst they decreased by around 2% in Hamburg (EUR 23.00 per sqm), Munich prime rents (EUR 28.50 per sqm) were 7% lower, Frankfurt (EUR 34.00 per sqm) prime rents were 8% lower and Berlin (EUR 20.00 per sqm) prime rents were 9% lower than in 2008.

The vacancy rate of office properties in German cities increased from 8.9% in 2008 to 9.9% in 2009, which represents total vacancies of 7.89 m sqm.

Economic conditions facing the German real estate industry are expected to remain challenging in 2010. alstria still expects pressure on prime rents, as new stock will be delivered to the market, while second-tier rents are expected to remain at the same level as in 2009.

Strategy and structure

Against this background of the changing financial environment, alstria focused on regular reviews of its business situation, assets and liabilities, and on its short and long term perspectives.

Considering the conservative nature of alstria's set-up, analysis of these parameters leads to the conclusion that the company is well prepared to navigate through the difficult times ahead.

- alstria has a long-term lease portfolio (around 8.6 years weighted average lease lengths). Around 80% of rental income comes from a small number of high quality tenants. More than 50% of rental income

[3] All numbers referred to in this section are sourced from Jones Lang Lasalle, BNP Paribas and CB Richard Ellis.

is derived from local authorities or local-authorities-like entities, which are less affected by the economical downturn.

- alstria pursues a non-trading strategy, and focuses on long term value creation through asset management. Therefore the slowdown in the investment market does not affect the company's individual business plan, nor does it threaten the company's cash projection.
- The operating strategy involves helping alstria's tenants to optimize their real estate operating cost. There is no contradiction in reducing the overall real estate costs of alstria's tenants and increasing the returns of alstria. In fact, the current environment could create opportunities for alstria at a time when most German corporations are looking to reduce costs.

alstria will stay focused on its buy-and-manage strategy. In light of the overall economic development, and the liquidity squeeze that was anticipated in the lending market, alstria has pro-actively focused its attention on the management of the maturity profile of its main syndicated loan facility, and in the management of its debt covenant. As a result, alstria started as early as mid-2008 the proactive management of the loan to value (LTV) covenant, and a reduction of the balloon payment that will become due in 2011. alstria believes that a deleveraging process in the current market environment could only be achieved by a step-by-step approach. This strategy includes the renegotiation of the LTV covenants that took place in the first quarter 2009, selected assets sales, and selected non-recourse financing of assets. Parts of these steps were realized by setting up new affiliates and by entering into joint ventures with selected partner.

FINANCIAL ANALYSIS

Earnings Position

The following table shows the key operating figures of the audited income statements for the financial years 2009 and 2008:

Profit and Loss Statement

in EUR k	**2009**	**% of oper.perf.**	**2008**	**% of oper.perf.**	**Change**
Total operating performance	104,825	100.0	111,003	100.0	-6,178
Other operating income	17,814	17.0	12,748	11.5	5,066
Cost of purchased services	18,378	17.5	16,433	14.8	1,945
Personnel expenses	4,069	3.8	3,899	3.5	170
Depreciation	66,026	35.2	35,993	32.3	30,033
Other operating expenses	40,732	28.5	16,163	13.4	24,569
Interest income	7,914	7.5	15,610	14.1	-7,696
Depreciation of financial assets and securities	7,026	6.7	8,094	7.3	-1,068
Other interest and similar expenses	50,038	47,7	61,461	55.4	-11,423
Net operating result/ Earnings before taxes (EBT)	**-56,172**	-12.5	**-2,682**	-1.1	**-53,490**
Taxes on income and revenue	0	0.0	75	0.1	-75
Net result for the year	**-56,172**	-12.5	**-2,757**	-1.2	**-53,490**

In the financial year 2009, operating earnings of the Company decreased due to the asset disposals that have been completed throughout the reporting period as well as the transfer of several assets to newly formed affiliates.

Operating performance 2009

For the financial year 2009, total revenues were at EUR 99,243 k. The operating performance decreased to EUR 104,825 k by taking into consideration the increase of inventory of EUR 5,583 k.

Other operating income is mainly impacted by the proceeds from the disposal of share in affiliates (EUR 12,134 k), proceeds from passed on charges (EUR 1,914 k) and income from accrued liabilities (EUR 1,751 k). The costs of purchased services included the service charges for the properties, whereof EUR 5,583 k are recoverable service charges, which have been capitalised under work in progress.

The personnel expenses for 2009 increased to EUR 4,524 k. Depreciation of fixed assets increased from EUR 35,993 k in 2008 to EUR 66,026 k due to extraordinary depreciation of fixed assets.

Real estate operating expenses of EUR 7,942 k as well as accruals for contingent losses (EUR 9,754 k) are considered in other operating expenses of EUR 40,732 k.

EBITDA at EUR 69.6 million.

EBITDA

in EUR k	2009	2008	Change
Earnings before taxes (EBT)	**-56,172**	**-2,682**	**-53,490**
less financial result	42,125	45,851	-3,726
less amortization and depreciation	66,026	44,087	21,939
EBITDA	**51,979**	**87,256**	**-35,277**

The Earnings before interest, tax, depreciation and amortisation (EBITDA) were EUR 51,979 k in 2009 as compared to EUR 87,256 k last year. EBITDA represents around 50% of the total operating performance. The amortisation and depreciation apply to fixed assets.

Financial result

The interest payable and other similar charges were driven by the refinancing activities within the alstria group. alstria's EUR 1.139 billion syndicated loan facility was repaid while at the level of affiliates new non-recourse loans have been drawn. As a result the utilization of the syndicated loan facility decreased to EUR 756.2 million (December 31, 2009: EUR 995.4 million). Therefore and due to the dramatically decreased interest rates the interest expenses for the syndicated loan fell accordingly. The strong decrease in the 3-month EURIBOR led to a negative interest result from financial derivatives. In the prior year alstria still received interest payments out of the financial derivatives, which had been shown within the "other interest receivable and similar income" in the income statement 2008.
Other interest receivable and similar income of EUR 587 k results from interest for bank deposits. Income from loans with an amount of EUR 3,810 k relate to loans granted to affiliates.

Loss of the period EUR 56,172 k

The resulting loss before tax is at EUR 56,172 k for the financial year of 2009 (2008 loss before tax of EUR 2,682 k). As the Company is tax-exempted, no expenses arose from taxes in 2009. Therefore, the consolidated net loss is also at EUR 56,172 k compared to a net loss of EUR 2,757 k in the prior year.

FINANCIAL AND ASSET POSITION

Cash position is EUR 144,758 k

In the financial year the cash position increased by EUR 114,672 k from EUR 30,086 k to EUR 144,758 k. The relatively strong increase is mainly related to the payment of the disposal price of the Pan-German transaction.

Cash flow from operating activities amounted to EUR 20,390 k. The reduction since 2008 (EUR 31,778 k) is based on a shift of cash inflow to the newly established subsidiaries, an increase in working capital, and higher payments for refurbishment costs.

The cash flow from investing activities (EUR 271,473 k) mainly comprises cash inflow resulting from the sale of properties and the sale of a KfW (German Development Bank) bond.

The cash flow from financing activities (EUR 177,192 k) reflects loan repayments, payment of dividends and additional transaction costs for the restructuring of the loan facility.

Change in Land and Buildings

The following table illustrates the change in investment property of alstria in 2009:

Change in Land and Buildings (in EUR m)

Land and Buildings as at 31 Dec. 2008	**1,551.92**
Acquisitions	5.73
Disposals	-304.37
Depreciation	-65,48
Land and Buildings as at 31 Dec. 2009	**1,187.80**

By forming 16 new affiliates, shares in affiliates have increased to EUR 107,067 k. Seven out of the new affiliates were formed by an asset contribution where eleven real estate properties have been transferred to affiliates.

The liability side of the balance sheet states equity of EUR 653,764 k, which results in an equity ratio of 42.0%. This represents an increase compared to 41.5% in the prior year.

The long term loan position is at EUR 851,237 k down from EUR 995,374 k. The main changes in the long term loan position over the last twelve months resulted from the refinancing, asset disposals and voluntary prepayments. Since starting the restructuring of its balance sheet alstria was able to reduce the outstanding exposure of its syndicated loan facility by around EUR 260 m to EUR 843 m.

The sale of fully let properties and the commencement of refurbishment of selected assets increased the vacancy rate at year-end increased by 40 bps to 6.6% or 47,800 sqm. Of these 47,800 sqm, 15,800 sqm represents strategic vacancy (intended vacancy implemented by alstria as part of its repositioning process for certain assets), while the remainder is operational vacancy.

In the next two years, the company plans to invest between EUR 20 and 30 m in the portfolio. These investments depend on ongoing lease discussions with existing and potential tenants. Major projects are related to the property Ernst-Merck-Str. 9 , “Bieberhaus”, in Hamburg, which comprises the construction of the new Ohnsorg Theatre (EUR 12 m), and the property Hamburger Str. 1-15 (EUR 14 m) in Hamburg. This capex plan is part of alstria’s ongoing asset value enhancement program.

The net result for the year 2009 was heavily impacted by extraordinary expenses that were incurred as a consequence of the financial crisis. Major items were extraordinary write-downs on land and buildings (EUR 32,188 k), as well as accruals for contingent losses (EUR 9,754 k). This led to a significant shortfall as compared to previous year’s financial guidance.

REPORT ON RISKS AND OPPORTUNITIES

Risk report

Risk management

alstria has implemented a Group wide structured risk management and an early warning system in accordance with section 91 (2) of the German Stock Corporation Act (AktG). All risks are recorded, evaluated and monitored on at least a quarterly basis. The goal of the alstria Group's risk management strategy is to minimize or, where possible, completely avoid the risks associated with entrepreneurial activity in order to safeguard the Group against potential losses and against risks to the company as a going concern. The early risk detection system is in active use. The company's risk identification process allows the early identification of sources of any potential new risks on an ongoing basis. Risk mitigation measures are defined in order to undertake any necessary steps to circumvent the identified risks, i.e. to insure, diversify, manage or avoid risks. For alstria, risk management means the targeted securing of existing and future potential for success, and improving the quality of the company's planning processes. Organisationally, risk management is assigned to the controlling Group. A risk report is prepared by the risk manager, who reports directly to the management board on a quarterly basis.

The risk report presents the organisational measures and regulations that are to be observed with regard to risk identification, assessment, response, reporting and monitoring. At the same time, the comprehensive documentation of this report ensures an orderly assessment, which is conducted by the responsible departments and by the supervisory board.

Risks are assessed according to their likelihood of occurrence and their magnitude of impact. Overall risk is calculated and updated over a specific period of time by linking various parameters. By monitoring the risk management system, alstria is able to continually advance and adapt its structures and processes.

Within the context of its business activities, the company and the alstria Group faces various risks, which are explained in greater detail below.

alstria’s risks are divided into four categories:

- strategic risks;
- operational risks;
- compliance risks;
- financial risks

All material risks to the future development of the company’s position and performance are described in this chapter in accordance with alstria’s risk management system. The individual risks described relate to the group wide planning horizon of 2010 to 2012.

Strategic risks

Strategic risk management consists mainly of the implementation of guidelines contained in the investment policy, asset management policy and management rules governing the relationship with the Group's core tenants.
Furthermore, risks resulting from the effect of key market dynamics on alstria’s business are categorized as strategic risks. In view of the ongoing constrictions in the financial markets, general strategic risks could arise in particular if the situation deteriorates once again and the future macroeconomic environment deteriorates correspondingly. As long as there is no dramatic change in the wider economic picture, which seems most likely from today’s point of view, alstria’s strategic risk situation will remain stable.

Operational risks

alstria's operational risk management refers to property-specific risks and general business risks. This includes, among others, vacancy risk, the creditworthiness of tenants and the risk of falling market rents. Personnel-related risks such as loss of knowledge and competences are also monitored in this risk area. The company uses various early warning indicators to monitor these risks. Rent projections, vacancy analyses, the control of the duration of lease contracts and termination clauses, and ongoing insurance checks are designed to help identify potential dangers and risks. Operational risks that could arise as a result of the financial crisis are viewed mainly in terms of a potential shortfall of payment by a major tenant. Due to the fact that all of alstria's main tenants are public institutions or still highly rated, the risk of shortfall of payments is currently limited.

Compliance risks

G-REIT legislation

alstria is registered in the commercial register as a German REIT-AG (G-REIT). The German REIT segment allows alstria to offer a high profile to investors and distinguish itself as a REIT on the capital market. Certain requirements have to be met by the company in order to qualify for and retain its designation as a G-REIT. The most relevant of these requirements are as follows: The G-REIT must be a stock corporation listed on an organised market and its registered seat and management must be in Germany. The registered share capital must amount to at least EUR 15 million, and all shares must be voting shares of the same class. The free float must be at least 15% and no investor may directly hold 10% or more of the shares, or shares that represent 10% or more of the voting rights. Furthermore, at least 75% of assets must consist of real estate and at least 75% of gross income must be generated from real estate. At least 90% of annual profits under German GAAP must be distributed to shareholders and the G-REIT's equity may not fall below 45% of the fair value of its real estate assets as recorded under IFRS rules. REIT corporations are fully exempted from German corporate income tax (KSt) and German trade tax (GewSt). Subject to certain conditions, sellers who offer real estate to alstria may benefit from *exit tax*, which gives 50% relief on German income tax (ESt), German corporate income tax (KSt) and the German trade tax (GewSt) payable on capital gains.

Capital management

Capital management activities are designed to maintain the company's REIT classification in order to support its business activities and maximise shareholder value.

The company manages its capital structure and makes adjustments in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group can make a capital repayment to its shareholders or issue new shares. No changes were made to the aims, guidelines and processes as at December 31, 2009 and December 31, 2008.

The capital structure is monitored by the company using Key Performing Indicators (KPIs) relevant for classification as a G-REIT. The G-REIT equity ratio, (the ratio of equity to investment property) is the most important KPI. Under the Group's strategy, the G-REIT equity ratio must be between 45% and 55%.

The G-REIT equity ratio at balance sheet date is 40.3%. According to the G-REIT Act (REITG), the minimum compliance requirement is a G-REIT equity ratio calculated at year-end of 45%.

alstria may fail to meet the minimum equity ratio in the fiscal year 2010 and faces the prospect of losing its status as G-REIT and its tax exemption.

In particular, the exemption from corporate income tax (KSt) and trade tax (GewSt) would cease at the end of the third financial year if the minimum equity ratio (alstria's equity must not fall short of 45% of its immovable assets, based on alstria's consolidated financial statements) has not been satisfied for three consecutive financial years.

If alstria fails to meet the equity ratio requirement also as at December 31, 2010, the Company would lose its tax exemption under the G-REIT Act.

In order to meet the minimum equity ratio target, alstria would have to increase its equity and/or reduce its real estate portfolio.

The loss of the tax exemption might trigger various material adverse tax consequences for the Company, in particular the following:

- alstria would become subject to corporate income tax (KSt) and, possibly, trade tax (GewSt) on its taxable profits in Germany;
- alstria could only regain tax-exempt status four years after the loss of the tax exemption;
- alstria's profits generated but not distributed during the tax-exempt period would be subject to taxation at alstria's tax rate for the first year for which the tax exemption had been lost.

alstria might also face legal action from real estate vendors who had sold real estate on condition that they will be able to enjoy the beneficial tax treatment (exit tax) for vendors who sell their real estate to G-REITs.

Therefore, if alstria fails to meet the minimum equity ratio for the third year in a row, alstria could face the potential loss of its tax-exempt status and its status as a G-REIT, which could have a material adverse effect on alstria's assets and liabilities, financial condition and results of operations.

Legal risks

The company is not subject to major legal proceedings arising from any individual or other kind of legal dispute outside of its day to day business.

<u>Financial risks</u>

Assessment of the financial risk situation is made difficult by the financial crisis.

The Group normally uses financial instruments such as bank loans and derivative financial instruments. The main purpose of the bank loans is to finance the alstria's business activities.

Derivative financial instruments include interest swaps and caps. The purpose of these derivative financial instruments is to hedge against interest risks arising from the company's business activities and its sources of finance. The main risks arising from the Group's financial instruments are cash flow interest rate risks and liquidity risks.

alstria's current debt to equity ratio is approximately 60%. This is a reasonable rate compared to the average leveraging rate of German real estate companies. alstria's syndicated loan facility agreement allows for a loan-to-value ratio (LTV) of 65%. After loan restructuring, alstria managed to keep the LTV at 59.8% at the relevant test date. With the additional measures implemented at the beginning of 2009, the risk of breach of covenant was resolved proactively.

The Group is not otherwise exposed to any significant credit risks.

Interest rate risk

Interest rate risk results from market variations in interest rates. These affect the amount of interest expenses in the financial year and the market value of derivative financial instruments used by the Company.

alstria applies hedge accounting on all qualifying hedges in order to limit the impact on profit and loss of the volatility of the interest rate markets. This allows the losses or gains on the qualifying part of the derivatives to be recognised under the equity cash flow hedge reserve with no effect on income. alstria's hedging policy uses a combination of plain vanilla swaps and caps in order to limit the exposure of the company to interest rate fluctuations, but still provides enough flexibility to allow the disposal of real estate assets, avoiding any cost linked to an over-hedged situation. The interest base for the financial liability (loan) is the 3-month EURIBOR, which is adjusted every three months. A number of different derivative financial instruments were acquired to manage the interest expense. The maturity of the derivative financial instruments is based on the term of the borrowings. The derivative financial instruments relate to interest swaps in which the company agrees to exchange with contracting partners, at specified intervals, the difference between fixed and variable interest rate amounts calculated by reference to an agreed notional principal amount. The swaps alstria uses to hedge its interest rate payments qualify as cash flow hedges. Interest caps were also acquired, where the interest is capped at a set maximum. If the maximum interest rate is exceeded, the difference between the actual interest rate and the cap rate will be paid out.

Liquidity risk

One of alstria’s core processes is cash management. The company manages its future cash position and monitors progress on a daily basis. A cash-

forecasting tool is used to prevent liquidity risk. This liquidity-planning tool uses the expected cash flows from business activities and the maturity of the financial investments as a basis for analysis.
The main liquidity risk arises from the balloon payment of the main syndicated facility which will be due by the end of November 2011. Although this risk is being addressed pro-actively by the company, a further deterioration in financial markets, or further restriction in lending by banks, could result in liquidity constraints.

Valuation risks

The fair value of the real estate properties owned by the Group reflects the market value as determined by an independent appraiser and might be subject to change. Generally, the market value of real estate properties depends on a variety of factors, some of which are exogenous and may not be under alstria's control, such as declining rent levels, decreasing demand or increasing vacancy rates. Many qualitative factors are also decisive in the valuation of a property, including a property's expected rental stream, its condition and its location. Finally, the particular assessment of the mandated appraiser is to a certain extent discretionary and may differ from the opinion of another appraiser. Should the factors considered or assumptions made in valuing a property change, in order to reflect new developments or for other reasons, subsequent valuations of the respective property may result in a decrease in the market value ascribed to such property.

Counterparty risk

alstria hedges a portion of its risk by using third-party instruments (interest rate derivatives, property insurances and others). alstria's counterparties in these contracts are internationally recognised institutions, which are rated by the main rating agencies. alstria reviews the rating of its counterparties on a regular basis in order to mitigate any risk of default. The financial crisis has raised doubts as to the reliability of rating agencies' assessments. To meet this objection, alstria started to perform a review of the main counterparties in order to reinforce the rating agencies' assessments.

Key characteristics of the accounting-related internal control and risk management system.

alstria has an accounting-related internal control and risk management system in place. The accounting-related monitoring is executed by the controlling department of the Company. All items and main accounts of the income statement and the balance sheet are reviewed regularly for accuracy and plausibility. This refers both to the consolidated financial statements and to the individual financial statements of the Group's companies. Accounting-related data is monitored monthly or on a quarterly basis, depending on the frequency of preparation.

The accounting-related risk management system forms part of the Group's risk management system. Risks that are relevant for the accuracy of accounting-related data are monitored by the risk owner who is responsible for the risk area of finance. Risks are identified quarterly, and assessed and documented by the risk management committee. Appropriate action is taken in order to monitor and optimise accounting-related risks throughout the alstria Group.

Overall assessment

No risk to the company's continued existence can be identified from past or future events. Any possible negative impact on alstria's risk situation arising from adverse development in the financial markets has been subject to thorough analysis. Although alstria has clearly not escaped the effects of the financial crisis, the Company has taken all measures necessary to minimize the adverse implications that the crisis has had on alstria's business situation.

Sufficient precautions have been taken against identifiable risks.

Opportunities of the Company

The refinancing activities undertaken by alstria have safeguarded the company's medium-term financial position at favourable interest rates. On the revenue side, alstria benefits from long-term rent agreements of approximately 8.6 years' average lease length and potential rent increases due to consumer price indexation. The alstria portfolio is well balanced and comprises many first class anchor buildings with high quality tenants.

Therefore, alstria is well positioned to cope with the future competitive market environment and for the next growth cycle of the markets.

alstria’s core competence is asset management. The asset repositioning and refurbishment alstria is planning to undertake, both as part of joint ventures and on its own, will strengthen the basis for value increase across the portfolio.

MANDATORY DISCLOSURE

Disclosure requirements in accordance with section 315 (4) of the German Commercial Code (HGB) for the financial year 2009 and explanatory report of the management board

Composition of subscribed capital, voting rights and special rights

As per the balance sheet date December 31, 2009, the share capital of alstria is EUR 56,000 k, divided into 56,000,000 no par value bearer shares. All shares have equal rights and obligations. Each share gives one vote at the shareholders' general meeting.

Restrictions on disposal of shares or voting rights

There are no restrictions as to the disposal of shares or exercise of voting rights or, as far as they arise from agreements between shareholders, are not known to the management board. The exercise of voting rights and the transfer of shares is based on general statutory requirements and alstria's articles of association, which do not restrict either of these activities.

Shareholders with a shareholding of more than 10%

As per the balance sheet date December 31, 2009, alstria was not aware of any shareholders whose direct shareholding exceeded 10% of the share capital. Captiva 2 Alstria Holding S.à r.l. holds an indirect participation of more than 50% in alstria through wholly owned subsidiaries. None of these companies has a direct shareholding of more than 10% of alstria's share capital.

Holders of shares with special rights

alstria has not issued any shares with special rights that grant control rights.

Nature of voting rights control if employees have a share in capital and do not directly exercise their right of control

This arrangement does not exist at alstria.

Appointment and dismissal of management board and supervisory board members and amendments to the articles of association

alstria's management board consists of one or more members who may be appointed or dismissed by the supervisory board in accordance with sections 84 and 85 of the German Stock Corporation Act (AktG). The articles of association do not contain any special provisions in this respect. Pursuant to section 84 AktG, members of the management board are appointed for a maximum term of five years. Re-appointment or extension of the term of office is permitted, in each case for a maximum of five years.

Amendments to the articles of association may be made pursuant to sections 179 and 133 AktG. The supervisory board is also authorized, without a resolution by the shareholders' meeting, to make changes in and amendments to the articles of association that merely affect the wording. In accordance with section 15 (5) of the articles of association, in conjunction with sections 179 (2) and 133 AktG, shareholders may make resolutions regarding such amendments at a general meeting with a simple majority of the votes cast and a simple majority of the share capital represented. Where the law requires a larger majority for amendments to the articles of association, that majority shall be decisive. The articles of association were last amended by the shareholders in the annual general meeting held on June 10, 2009: the provisions regarding the convocation to and participation in the annual general meeting were amended with regard to the law governing implementation of the shareholders' rights directive (ARUG). The provision regarding conditional capital I was also replaced by provisions regarding new conditional capital (conditional capital 2009/A and conditional capital 2009/B).

Authority of management board regarding issuance and buyback of shares

1. <u>Authorized Capital</u>

   The articles of association authorize the management board, with the approval of the supervisory board, to increase the share capital until

March 14, 2012 by issuing new bearer shares against contribution in cash and/or kind once or repeatedly up to a total amount of EUR 27,500 k.

2. Conditional Capital

The company disposes of certain conditional capital (pursuant to sections 192 *et seq*. AktG), which are regulated in sections 5 (5) to (8) of the company's articles of association.

a) Conditional Capital 2009/A

The share capital is conditionally increased by up to EUR 12,750 k by issuance of up to 12,750,000 new no par value bearer shares with entitlement to share in profits from the beginning of the financial year in which they come into existence. The conditional capital increase shall be carried out only to the extent that the holders of partial debentures with conversion rights or obligations, or option rights, profit participation rights or participating bonds or a combination of these instruments issued in accordance with the resolution of the general meeting of June 10, 2009 exercise their conversion or option rights or fulfil their conversion obligations and that no treasury shares are being used to satisfy such claims.

b) Conditional Capital 2009/B

The share capital is conditionally increased by up to EUR 12,750 k by issuing up to 12,750,000 new no par value bearer shares with entitlement to share in profits from the beginning of the financial year in which they come into existence. The conditional capital increase shall be carried out only to the extent that holders of partial debentures with conversion rights or obligations, or option rights, profit participation rights or participating bonds or a combination of these instruments issued in accordance with the resolution of the general meeting of June 10, 2009 exercise their conversion or option rights or fulfil their conversion obligations and that no treasury shares are being used to satisfy such claims.

c) Conditional Capital II

The share capital is conditionally increased in an amount of up to EUR 2,000 k by the issuance of up to 2,000,000 no par value bearer shares. The purpose of the conditional capital increase is to grant shares to the holders of subscription rights (stock options) which are issued by alstria in accordance with the authorization of the annual general meeting held on March 15, 2007. The conditional capital increase is only carried out insofar as the holders exercise their stock options and no treasury shares are used to fulfil the stock options.

The new shares shall participate in the company's profits from the beginning of the financial year in which they come into existence to satisfy the exercise of the stock options.

d) Conditional Capital III

The share capital is conditionally increased in an amount of up to EUR 500 k by the issuance of up to 500,000 no par value bearer shares. The conditional capital increase shall be used only to grant shares to the holders of convertible participation certificates which are issued by the company in accordance with the authorization of the general meeting held on March 15, 2007. The conditional capital increase shall only be carried out insofar as issued convertible participation certificates are converted into shares of the company and no treasury shares are used to satisfy the certificates.

The new shares shall participate in the company's profits from the beginning of the financial year in which they come into existence as a result of the conversion of certificates.

3. Purchase of treasury shares

The shareholders' meeting on June 10, 2009 authorized the management board to acquire shares up to a total of 10% of the company's share capital until December 9, 2010. The acquired shares and other treasury shares that are in the possession of, or to be attributed to, alstria pursuant to sections 71a *et seq*. AktG may at no point in time amount to more than 10% of the share capital. Shares may be purchased through a stock exchange, by means of a public offer to all shareholders or by using derivatives (put or call options or a combination of both).

Change of control clauses in key agreements entered into by the company

A significant syndicated loan agreement of alstria contains an entitlement of the lender to require repayment of the loan if there is a change of control. In this agreement, a change of control is defined as the takeover of more than 50% of the voting rights in alstria.

Compensation agreements with management board members and employees in case of a takeover bid

There are no compensation agreements with management board members or employees in case of a takeover bid.

ADDITIONAL COMPANY DISCLOSURES

Employees

As of December 31, 2009, alstria had 32 employees (December 31, 2008: 29). The annual average number of employees was 31 (previous year: 28). These figures exclude board members.

Compensation Report

Management board members' compensation comprises a fixed and a variable component linked to the company's operating performance. In addition to the bonus, members of the management board received share options as a long-term incentive component of remuneration.

Members of the supervisory board receive fixed remuneration.

The Compensation Report, containing details of the principles for the definition of the management board and supervisory board remuneration, forms an integral part of the audited Management Discussion and Analysis.

Declaration of Compliance in accordance with Section 289a of the German Commercial Code (HGB)

The declaration of compliance will be made by the management board and the supervisory board in accordance with Section 289a HGB and will be permanently available to the shareholders on the alstria office REIT-AG website (www.alstria.com).

Group and dependent company report

Captiva Capital II S.à r.l., Luxembourg, holds a majority interest in alstria. In accordance with Section 290 of the German Commercial Code (HGB), alstria is required to prepare consolidated statements and a group management report with respect to the Group companies controlled by the Group. Apart from this, alstria office REIT-AG and all associated companies as stated in the Notes are consolidated in the alstria Group.

Due to the majority interest in alstria held by Captiva Capital II S.à r.l, Luxembourg, we issued a separate dependent company report with affiliated companies, in accordance with Section 312 of the German Stock Corporation Act (AktG). This report includes the following statement:

"Our Company received appropriate remuneration for all legal transactions and all the transactions stated in the report on relations with related parties. This appraisal is based on the circumstances which were known to us at the time when the events which are subject to reporting occurred."

SUBSEQUENT EVENTS AND OUTLOOK

In January 2010, alstria agreed the terms of a joint venture with the Hamburg-based developer and fund manager Quantum Immobilien AG regarding the rebuilding of the Kaisergalerie at Grosse Bleichen 23-27 in Hamburg. It is the second joint venture between Quantum and alstria as part of the overall strategy to fund organic growth opportunities.

In January 2010, alstria made a voluntary down payment on its main credit facility of EUR 20 m in order to decrease the LTV ratio to below 60% on the relevant test date. This down payment secures the margin of 85 bps for the next two interest periods.

Since alstria office REIT-AG is managed on the basis of group performance measures, the following outlook is based on the projection for the group:
Based on the latest transactions and the contracted rent for 2010, alstria expects revenues of EUR 89 m and funds from operations of EUR 27 m. This projection could be impacted by further refinancing, disposals or acquisitions in 2010. alstria expect its 2011 revenues and results to be influenced positively or negatively by the refinancing of its main syndicated loan facility that matures in November 2011, as well by the development of the underlying real estate markets.

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, Feburary 12, 2010

Remuneration report[1]

Management board remuneration

The remuneration system for the members of the management board is determined by the supervisory board and is reviewed regularly. The supervisory board currently reviews the remuneration system for the members of the management board and discusses amendments with regard to regulations of the German Management Board Remuneration Appropriateness Act (VorstAG) which came into force in summer 2009. The following describes the remuneration system effective at the date of the preparation of this report and before any of these amendments were resolved upon or came into force.

The structure and amount of management board remuneration is based on customary market terms and conditions. It comprises a fixed basic salary and two variable components. These variable components (short and long-term) are performance and result-based: firstly, in the first quarter of a financial year the supervisory board determines an incentive payment to be paid to individual members of the management board with respect to the past financial year, which is paid out partly in company shares; and, secondly, after the annual general meeting the supervisory board may issue stock options with long-term incentives to members of the management board. alstria further pays for each member of the management board premiums for a disability insurance, a risk life insurance and a company pension scheme.

Total remuneration for all active members of the management board in the last financial year amounted to EUR 1,516 k. Members of the management board did not receive any advance salary payments, loans or pension benefits. 25% of the incentive payment were paid out as shares in the company. In financial year 2009 no stock options were issued.
Former members of the management board received payments in the financial year 2009 totalling EUR 13 k. No provisions needed to be set aside for former members of the management board.

[1] This remuneration report forms an integral part of the audited group management report or notes to the annual financial statements and also forms part of the corporate governance report.

Individual management board remuneration 2009 (in EUR k):

	Fixed amount	Short-term variable remuneration[1]		Long-term variable remuneration	Other remuneration[2]	**Total remuneration**
		cash component	share component			
Olivier Elamine Chief Executive Officer	438	262.5	87.5	0	94	**882**
Alexander Dexne Chief Financial Officer	360	150	50	0	74	**634**
Former members of the management board	0	0	0	0	13	13
Total	**798**	**412.5**	**0**	**137.5**	**181**	**1,529**

[1] For performance in 2008
[2] Includes benefits for company cars, insurance and pensions

Individual management board remuneration 2008 (in EUR k):

Management board member	Fixed amount	Short-term variable remuneration[1]		Long-term variable remuneration	Other remuneration[2]	**Total remuneration**
		cash component	share component			
Olivier Elamine Chief Executive Officer	265	267.3[3]	82,7	0	17	**632**
Alexander Dexne Chief Financial Officer Since June 1, 2007	300	78	22	0	19	**419**
Former members of the management board	250[4]	0	0	0	13	**263**
Total	**815**	**345.3**	**104.7**	**0**	**49**	**1,314**

[1] For performance in 2007
[2] Includes benefits for company cars
[3] Partly includes promised incentive payments
[4] Lump sum payment

If membership of the management board is terminated, members have agreed to a post-contractual non-compete agreement of up to twelve months, which may be waived by alstria with a six months notice period. As long as alstria exercises this post-contractual non-compete obligation, the members of the management board shall receive a compensation payment for this period equivalent to their last fixed basic salary. Benefits to be paid by the company if the appointment is terminated by the death of the board member amount to the fixed basic salary for the month in which the member died and for the following three months. The incentive payment for this period shall be paid pro rata up to and including the month of death.

Stock option scheme

On March 27, 2007, the supervisory board established a stock option program for members of the management board. The details of this stock option program were based on the authorisation by the annual general meeting of March 15, 2007 and the first tranche of stock options was issued to members of the management board.

The details of the stock option program set up by the supervisory board are as follows:

Members of the management board may be granted up to 2,000,000 options, giving entitlement of up to a maximum 2,000,000 shares of the company with a total nominal value of up to EUR 2,000 k. The stock options shall be issued in annual tranches. The supervisory board granted the first tranche in 2007. The exercise price for the stock options granted in 2007 is EUR 16. The exercise price for future options amounts to 100% of the arithmetic mean of the closing auction in Xetra trading of alstria shares on the Frankfurt Stock Exchange on the last ten trading days before the options are issued ("issue date"). No stock options were issued in 2008 and 2009 due to development of the share price. The stock options granted in the financial year 2007 resulted in an expense in the financial year 2009 of EUR 55.8 k for Olivier Elamine and EUR 35.6 k for Alexander Dexne.

The term of the stock options is seven years from the time they are granted. The options may only be exercised if the current share price of the company exceeds the exercise price by 20% or more on at least seven non-consecutive trading days of the Frankfurt Stock Exchange before the start of the respective exercise period. The performance target for the 2007 stock options amounts to EUR 19.20. The stock options may only be exercised after expiry of a vesting period of two years and during one of the four exercise periods of each year. The exercise period amounts to 30 days beginning on the date of publication of the company's results for the first, second and third quarters and the date of the company's annual general meeting. There are no cash settlement alternatives.

Remuneration of the supervisory board

Total remuneration for the supervisory board in 2009 amounted to EUR 299.1 k. Members of the supervisory board each receive an annual fixed remuneration amount of EUR 40 k. The chairman of the supervisory board also receives an additional annual amount of EUR 20 k, the deputy chairman receives an additional EUR 10 k. Members who only sit on the supervisory board for part of a year receive pro rate remuneration. Membership of the audit committee entails separate remuneration of EUR 10 k and the chair of the audit committee receives EUR 15 k. Membership of other committees does not give entitlement to any additional remuneration. No advance remuneration payments were made to members of the supervisory board, nor were any loans made. No remuneration was paid out for individual services.

Name	**Supervisory board membership**	**Audit committee membership**	**Remuneration for 2009** in EUR k	**Remuneration for 2008** in EUR k
Alexander Stuhlmann	Chairman	n/a	60.0	60.0
John van Oost	Deputy chairman	Member until September 30, 2009	57.5	53.3
Dr. Johannes Conradi	Member	Chairman	55.0	55.0
Roger Lee	Member since February 24, 2009	Member since October 01, 2009	36.6	./.
Richard Mully	Member	n/a	40.0	40.0
Daniel Quai	Member	Member	50.0	50.0
Dr. Christian Olearius	Member until August 31, 2008	Member until August 31, 2008	./.	33.3
Total			**299.1**	**291.6**

Financial Statements for the Year Ending December 31, 2009

alstria office REIT AG, Hamburg

Balance sheet as at December 31, 2009

Assets

	31.12.2009	31.12.2008
	EUR	**EUR**
A. Non-current assets		
I. Intangible assets		
Concessions, commercial intellectual property rights and similar rights and assets as wall as licences to such rights and assets	310,595.56	335,938.12
II. Property, plant and equipment		
1. Land, property rights and buildings, including buildings owned by third parties	1,187,804,650.83	1,551,920,284.39
2. Technical plant and machinery	693,684.99	1,066,999.04
3. Other plant, operating ond office equipment	102,373.23	101,948.22
4. Prepayments and construction in progress	4,078,332.18	0.00
	1,192,679,041.23	1,553,089,231.65
III. Financial assets		
1. Shares in affiliates	107,066,814.34	51,705,218.68
2. Loans to affiliates	50,714,210.28	79,771,588.28
3. Participating interests	14,158,133.25	0.00
4. Loans to companies in which the company has a participating interest	1,770,890.65	0.00
	173,710,048.52	131,476,806.96
	1,366,699,685.31	**1,684,901,976.73**
B. Current assets		
I. Inventories		
Work in progress	27,889,670.26	22,307,069.71
II. Receivables and other assets		
1. Trade receivables	1,799,929.17	1,282,455.73
2. Receivables from affiliated companies	7,884,270.79	3,141,258.53
3. Receivables from companies in which the company has a participating interest	84,257.88	0.00
4. Other assets	2,025,909.51	551,210.58
	11,794,367.35	4,974,924.84
III. Securities		
1. Treasury shares	17,805.00	6,809,987.25
2. Other	0.00	24,877,500.00
	17,805.00	31,687,487.25
IV. Cash in hand and at banks, cheques	144,757,684.06	30,085,864.84
	184,459,526.67	**89,055,346.64**
C. Prepaid and deferred expenses	**4,221,054.56**	**8,868,623.25**
	1,555,380,266.54	**1,782,825,946.62**

Equity and liabilities

	31.12.2009	31.12.2008
	EUR	**EUR**
A. Shareholders' equity		
I. Authorized and issued capital	56,000,000.00	56,000,000.00
(plus conditional capital EUR 28.000.000,00; previous year EUR 20,000k)		
II. Capital reserves	569,246,127.39	647,048,603.11
III. Earnings reserves		
Reserve for treasury stock	17,805.00	6,809,987.25
IV. Balance sheet profit/loss	28,500,000.00	28,500,000.00
(of which unappropriated profits brought forward EUR 76.869.68; previous year EUR 332.60)		
	653,763,932.39	**738,358,590.36**
B. Provisions		
1. Tax provisions	220,197.09	2,225,068.71
2. Other provisions	16,842,965.36	6,135,262.28
	17,063,162.45	**8,360,330.99**
C. Accounts payable		
1. Equity participation	157,500.00	43,500.00
2. Bank loans and overdrafts	851,237,034.55	1,006,797,806.00
3. Payments received on account	24,833,665.15	22,426,843.06
4. Trade payables	659,229.40	1,090,429.65
5. Payables to affiliated companies	4,181,126.62	1,674,848.96
6. Other liabilities	1,707,074.86	1,626,970.91
(of which for taxes EUR 230,321.48; previous year EUR 907)		
	882,775,630.58	**1,033,660,398.58**
D. Deferred income	**1,777,541.12**	**2,446,626.69**
	1,555,380,266.54	**1,782,825,946.62**

alstria office REIT-AG, Hamburg

Income Statement
Januar 1 to December 31, 2009

	2009	2008
	EUR	**EUR**
1. Revenues	99.242.571,07	96.689.143,13
2. Increase or decrease in work in progress	5.582.600,55	14.313.454,13
3. Total operating performance	104.825.171,62	111.002.597,26
4. Other operating income	17.813.604,64	12.748.433,26
5. Cost of materials		
Cost of purchased services	18.378.032,30	16.432.916,30
6. Personnel expenses		
a) Wages and salaries	4.068.661,76	3.641.477,99
b) Social security pension and other benefits	455.068,33	257.439,29
(of which relating to pensions EUR 130,580.04; previous year EUR 1 k)		
	4.523.730,09	3.898.917,28
7. Amortization and depreciation of fixed intangible and tangible assets	66.025.854,70	35.993.434,66
8. Other operating charges	40.732.233,79	16.163.469,28
9. Income from loans	3.809.513,01	4.019.312,60
(of which from group undertakings EUR 3,809,513.01; previous year EUR 4,017 k)		
10. Other interest receivables and similar income	4.103.967,09	11.590.827,02
11. Write-down of long term financial assets and current securities	7.025.951,05	8.093.731,71
12. Interest payable and other similar charges	50.037.982,08	61.461.343,82
13. Net operating loss	**-56.171.527,65**	**-2.682.642,91**
14. Taxes on income	0,00	74.693,12
15. Net loss for the year	**-56.171.527,65**	**-2.757.336,03**
16. Profit carried forward from previous year	76.869,68	332,60
17. Transfer from capital surplus	77.802.475,72	31.153.934,21
18. Transfer from reserve for treasury shares	6.798.235,95	8.074.694,99
19. Transfer to reserve for treasury shares	-6.053,70	-7.971.625,77
20. Profit shown on the balance sheet	**28.500.000,00**	**28.500.000,00**

alstria office REIT-AG, Hamburg
Notes to the Financial Statements for the Period from January 1 to December 31, 2009

Contents

I. General

1. Applied Regulations

alstria office REIT-AG was incorporated on January 20, 2006 as a German limited liability company under the name “Verwaltung Alstria Erste Hamburgische Grundbesitz GmbH". On October 5, 2006, the shareholders' meeting resolved upon the conversion of the Company into a German stock corporation and the Company's name was changed to Alstria Office AG. On November 17, 2006 the conversion and the change of name were entered into the relevant commercial register and thus became effective.

The Company was registered as a REIT corporation (hereinafter also referred to as “REIT AG”) in the commercial register on October 11, 2007; the company name was changed to alstria office REIT-AG.

REIT AGs are fully exempt from German corporate income and trade tax. Therefore the corporate income and trade tax exemption for alstria office REIT-AG applied as of the beginning of the business year 2007.

The Company is a real estate property company in the meaning of the G-REIT Act. Pursuant to Section 2 of its Articles of Association, the Company’s objective is the acquisition, the management, the operation and the sale of owned real estate property as well as the holding of participations in enterprises, which acquire, manage, operate and sell owned property. All the aforementioned objectives are subject to the conditions of the G-REIT Act legislation.

The Company is registered in the commercial register at the local court of Hamburg under HRB No. 99204. The Company’s address is Bäckerbreitergang 75, D-20355 Hamburg, Germany.

The fiscal year ends on December 31 of each calendar year.

These financial statements have been prepared in accordance with Secs. 242 et seq. and Secs. 264 et seq. HGB [“Handelsgesetzbuch”: German Commercial Code] as well as in accordance with the relevant provisions of the German Stock Corporation Act [“Aktiengesetz”: AktG]. The Company is subject to the requirements for large corporations.

The income statement has been prepared using the nature of expense method. A line “Total operating performance” was introduced in the income statement in order to draw a subtotal. Real estate tax expenses are stated within the cost of purchased services. As far as real estate tax is not attributable to tenants it is shown under other operating charges.

These financial statements are financial statements for the period from January 1 to December 31, 2009.

2. Accounting Policies

The following accounting policies have been used to prepare the financial statements:

Purchased **intangible assets** are capitalized at acquisition cost and, if they have a limited life, are reduced by systematic amortization in accordance with their useful lives.

Land, land rights and buildings including buildings on leasehold land are capitalized at acquisition or production cost and are reduced by systematic depreciation rates according to their useful lifes. The useful life is 33.3 to 50 years. For land and buildings the allocation of acquisition costs is made on the basis of an independent expert opinion. Unscheduled depreciation to the lower fair value are undertaken in case of a permanent fair value reduction. This is the case, if the carrying amount after five years would be also above the current fair value as determined in an expert opinion.

Other **Property, plant and equipment** are capitalized at acquisition or production cost and, if they have a limited life, are reduced by systematic depreciation. Property, plant and equipment are depreciated in accordance with their estimated useful lifes. The assets are depreciated using the straight-line method. Depreciation on additions to property, plant and equipment is generally charged pro rata temporis (3 to 15 years). Movable property subject to depreciation the requirement according to section 6 para. 2a EStG (Income tax law) was applied where applicable (Compound item for assets with acquisition cost between EUR 150 an EUR 1,000).

Low-value assets up to an amount of EUR 150 are fully depreciated in the year of acquisition.

With regard to **financial assets**, investments in subsidiaries **and loans granted to subsidiaries** are recorded at the lower of cost or net realizable value. In the case of a permanent diminuation in value the lower fair value is recognized. Immovable assets transferred to affilites as capital contribution are made according to their fair values at the transfer date.

Work in process is valued at acquisition costs of the expenses for operating costs laid out by the company for the tenants. The principle of lower of cost or market is used.

Receivables and other assets as well as **current securities** are stated at their nominal value. Itemized valuation allowances are made for identifiable risks. The principle of lower of cost or market is used.

Cash and Bank balances are stated with face value.

Prepaid expenses are stated at the value of costs prior to the balance sheet date as far as expenses after the balance sheet date are concerned. Furthermore the net book values of financial derivatives (Swaps and Caps) are shown under this item. The acqusition costs are allocated over the duration of the financial derivatives and are recorded pro rata as interest expenses. Because the financial derivatives are in a hedge position with the floating interest rate expenses for the syndicated loan, these assets are not subject to a devaluation to a lower fair value.

The **other provisions** include all contingent liabilities. They are recorded at the amounts required according to reasonable business judgement.

Liabilities are recorded at the amount repayable.

Prepaid income is stated at the value of receipts prior to the balance sheet date as far as income after the balance sheet date is concerned.

II. Notes to the Balance Sheet

1. Fixed Assets

The development of the individual fixed asset items, including depreciation and amortization for the fiscal year, is shown in the analysis of fixed assets (see attachment to the notes). Depreciation for fixed assets in an amount of EUR 32,188 k (previous year EUR 0 k) is unscheduled depreciation in the sense of section 253 (2) sentence 3 of the German Commercial Code (HGB).

2. Information on Investments in Subsidiaries

As at balance sheet date alstria office REIT-AG holds the following investments:

	Ownership	Capital	Net result
		December 31, 2009	2009
	%	in EUR k	in EUR k
alstria Bamlerstraße GP GmbH, Hamburg[1]	100	25	0
alstria Gänsemarkt Drehbahn GP GmbH, Hamburg	100	24	-2
alstria Grundbesitz 2 GP GmbH, Hamburg[1]	100	25	0
alstria Halberstädter Straße GP GmbH, Hamburg[1]	100	25	0
alstria Hamburger Str. 43 GP GmbH, Hamburg[1]	100	25	0
Alstria IV. Hamburgische Grundbesitz GmbH & Co. KG, Hamburg	100	329	-1,188
alstria Ludwig-Erhard-Straße GP GmbH, Hamburg[1]	100	25	0
alstria Mannheim/Wiesbaden GP GmbH, Hamburg[1]	100	24	-1
alstria office Bamlerstraße GmbH & Co. KG, Hamburg[1]	100	-5	-5
alstria office Gänsemarkt Drehbahn GmbH & Co. KG, Hamburg	100	33,795	-914
alstria office Grundbesitz 2 GmbH & Co. KG, Hamburg[1]	100	-5	-5
alstria office Halberstädter Str. GmbH & Co. KG, Hamburg[1]	100	5,238	-24
alstria office Hamburger Str. 43 GmbH & Co. KG, Hamburg[1]	100	19,589	-146
alstria office Ludwig-Erhard-Straße GmbH & Co. KG, Hamburg[1]	100	-5	-5

	Ownership	Capital	Net result
		December 31, 2009	2009
	%	in EUR k	in EUR k
alstria office Mannheim/Wiesbaden GmbH & Co. KG, Hamburg[1]	100	24,490	1,715
alstria office Steinstraße 5 GmbH & Co. KG, Hamburg[1]	100	20,569	-611
Alstria Sechste Hamburgische Grundbesitz GmbH & Co. KG, Hamburg	51	-22	-10
alstria solutions GmbH, Hamburg[1]	100	22	-3
alstria Steinstraße 5 GP GmbH, Hamburg[1]	100	25	0
Alstria VII. Hamburgische Grundbesitz GmbH & Co. KG, Hamburg	49	15,527	-2,830
Verwaltung Alstria Sechste Hamburgische Grundbesitz GmbH, Hamburg	100	2	-6

1) Incorporated in the reporting period 2009

Except for the Alstria VII. Hamburgische Grundbesitz GmbH & Co. KG these companies have been consolidated as part of alstria group.

When exercising the valuation option pursuant to Sec. 253 (2) Sentence 3 HGB, the equity investments in four limited partnerships were stated with a book value EUR 16.06 million higher than net realizable value. The net realizable value of the equity investments was derived from the equity values of the companies as stated in the individual IFRS financial statements on the basis of fair values.

The equity stated in the companies' individual IFRS statements is primarily defined by the fair-value valuation of the property portfolio on the basis of the current leasing inventory. Some of the properties of the two limited partnerships are currently empty on account of planned large-scale refurbishment. This reduces the fair value of the property portfolio. As the management board does not consider the vacancy due to renovation measures to be permanent, the properties were not written down to the lower attributable value.

Write down of long term financial assets in an amount of EUR 7,026 k (previous year EUR 0 k) is unscheduled depreciation in the sense of section 253 (2) sentence 3 of the German Commercial Code (HGB).

3. Inventories

The balance sheet item "Work in progress" valued at acquisition cost considers the expense for operating costs laid out by the company for the tenants of the residential property. With EUR 13,698 k this item is made up of recoverable service charges that have been paid in 2008 and with EUR 14,192 k of recoverable service charges that have been paid in the reporting period. The final invoicing for 2008 is not yet finished. Therefore the total amount of recoverable service charges of the year 2008 are still stated at the balance sheet date.

4. Receivables

The receivables due from affiliates (EUR 7,884 k) substantially consist of loans granted to subsidiaries and also of recharges.

Receivables from companies in which the company has a participating interest amount to EUR 84 k and relate to recharges of real estate operating expenses.

5. Prepaid Expenses

The prepaid expenses mainly consist of derivative financial instruments. The net book value results from the historic acquisition costs. The acquisition costs have to be reduced monthly over the remaining period. EUR 2,145 k (swap) and EUR 408 k (cap) were recognized as interest expenses in 2009.

These derivative financial instruments include interest swaps and caps. Their purpose is to hedge against interest risks arising from the Company's business activities and its sources of financing. The derivative financial instruments of alstria office REIT-AG are presented below:

Product	Notional TEUR	Strike pro Jahr	Maturity Date	Fair value EUR k	Carrying amount EUR k
Swap	625,000	3.6170	29.11.2011	-27,895	2,139
Swap	21,880	3.1930	29.11.2011	-781	320
Cap	75,000	4.9000	20.12.2012	100	1,190
Swap	148,785	3.9090	20.01.2012	-7,828	0
Swap	34,100	4.9000	20.10.2012	-3,170	0
Swap	95,000	4.6000	29.11.2015	-1,854	0
Swap	100,000	4.1160	10.07.2013	-7,331	0
Gesamt	**1,099,765**			**-48,759**	**3,649**

An interest rate swap with a notionol of EUR 95,000 is a forward swap. It wil be effective starting Juli 10, 2013.

Deferred expenses for derivative financial instruments that are not longer effective in a hedge relationship due to the preterm repayment of the underlying loan were released, resulting in expenses of EUR 2,354 k.

Furthermore, the prepaid expenses contain insurance premiums of EUR 195 k, financial expenses of EUR 192 k and other costs of EUR 185 k.

6. Equity

Share Capital (subscribed capital)

In the balance sheet of the financial statements as of December 31, 2009, the share capital of alstria office REIT-AG amounted to EUR 56,000k. It is divided into 56,000,000 bearer shares in the form of no-par shares, each of which represents an interest in the capital stock of EUR 1.00.

Captiva 2 Alstria Holding S.à r.l., Luxembourg, held, directly and indirectly, the majority of the shares in the Company, the remaining shares are free float.

Authorized Capital

Furthermore the management board is authorized by resolution of the annual general meeting of shareholders held on June 10, 2009, to increase the share capital with the approval of the supervisory board until March 14, 2012 by issuing new bearer shares against contribution in cash and/or kind once or repeatedly up to a total amount of EUR 27,500 k (authorized capital).

Contingent Capital

In accordance with the resolution as resolved by the annual general meeting of shareholders held on March 15, 2007 and June 10, 2009, the share capital was conditionally increased (contingent capital) by up to EUR 28,000 k, divided into up to 28,000,000 no-par bearer shares.

Capital Surplus

The capital surplus changed as follows during the fiscal year:

(in EUR k)	December 31, 2009	December 31, 2008
As of January 1	647,049	678,203
Withdrawel from capital surplus	-77,803	-31,154
As of December 31	569,246	647,049

Retained Earnings

alstria office REIT-AG offered its shareholders to pay out treasury shares instead of a cash dividend. As a result 1,337,760 treasury shares had been issued to the shareholders. Distribution date was on July 7, 2009. The exchange value of these shares at the time of distribution was below carrying amount and resulted in a loss of EUR 1,057 k.

Furthermore 35,621 treasury share for an amount of EUR 137 k were sold in the reporting period, resulting in a loss of EUR 39 k.

For the reporting period EUR 6,798 k were transferred from the reserve for treasury shares and EUR 6 k were transferred to the reserve for treasury shares.

As at balance sheet date the reserve for treasury shares therefore still amounts to EUR 18 k.

By resolution of the shareholder meeting on June 10, 2009, the authorization of the Company to acquire treasury shares has been renewed. According to the resolution alstria office REIT-AG is authorized to acquire up to 10% of the capital stock until December 9, 2010. For the time being it is not intended to make any use of this authorization.

7. Provisions

Real estate transfer tax in the amount of EUR 220 k is recognized as a tax provision. Due to the REIT tax exemption as at balance sheet date there are no provisions for corporate income tax anymore.

The other provisions (EUR 16,843 k) were recognized mainly for accruals for contingent losses (EUR 9,754 k), outstanding balances (EUR 3,141 k), rental guarantees (EUR 1,550), bonuses (EUR 1,320 k), legal and consulting costs (EUR 265 k), audit fees (EUR 137 k) and other (EUR 676 k). Accruals for contingent losses relate to derivative financial instruments which are no longer designated to a hedge relationship due to the preterm downpaiment of the underlying loan.

8. Liabilities

Schedule of Liabilities in EUR k:

	31. Dezember 2009 Due in up to 1 year	Between 1 and 5 years	more than 5 years	Total
1. Liabilities to convertible profit participation rights program	0	158	0	158
2. Liabilities to banks	95,032	756,205	0	851,237
3. On-account payments received on orders	24,834	0	0	24,834
4. Trade payables	659	0	0	659
5. Liabilities to affiliated companies	4,181	0	0	4,181
6. Other liabilities	1,707	0	0	1,707
- (thereof for taxes)	(230)			(230)

	31.12.2008 Due in up to 1 year	Between 1 and 5 years	more than 5 years	Total
1. Liabilities to convertible profit participation rights program	0	44	0	44
2. Liabilities to banks	11,423	995,374	0	1,006,797
3. On-account payments received on orders	22,427	0	0	22,427
4. Trade payables	1,090	0	0	1,090
5. Liabilities to affiliated companies	1,674	0	0	1,674
6. Other liabilities	1,569	58	0	1,627
- (thereof for taxes)	(907)			(907)

EUR 845,553 k of the liabilities to banks relate to a portion of a EUR 1,139.8 k loan that will be repayable on November 29, 2011. The short term portion is made up of EUR 86,632 k preterm repayment and EUR 2,716 k accrued interest on the loan. The loan amount is largely secured by land charges relating to the properties of Alstria IV. Hamburgische Grundbesitz GmbH & Co. KG and alstria office REIT-AG. In addition the claims resulting from the purchase agreement are assinged. The same applies for an amount of EUR 845,553 k for the assignment of claims resulting from rental and leasing agreements. Furthermore, Alstria IV. Hamburgische Grundbesitz GmbH & Co. KG, and alstria office REIT-AG pledge their bank accounts and assign miscellaneous claims.

Furthermore short term liabilities to banks with an amount of EUR 5.684 k relate to accrued interests out of financial derivatives.

The prepayments for purcharches received from the tenants are shown under **Payments received on account.**

Liabilities to affiliated companies might also be shown as trade payables.

9. Other financial commitments

In respect of the sale of properties the group has accepted the commitment to compensate the buyer for possible rent income shortfalls in case of non extension of rental agreements existing with certain tenants at the disposal date. Contingencies out of this commitment amount to a net present value of EUR 4,768 k. The commitment relate to a six years rental period starting 2014. According to the details of the rental guaranties and the lettability of the objects, alstria does not expect a claiming out of the contingent rental guaranties. A provision in an amount of TEUR 1,550 was stated for part of the rental guarantees, which is expected to be more likely to realize (see note II. 7).

Other financial obligations from ongoing maintenance and refurbishment amount to EUR 3,862 k (2008: EUR 4,223 k).

III. Profit and Loss statement

1. Revenues

The revenues accounted for and amounting to EUR 99,243 k refer mainly to rents. The revenues also include surcharge income out of the invoicing of rental surcharge expenses to tenants.

2. Other Operating Income

The other operating income is made up as follows:

(in EUR k)	2009	2008
Property disposal proceeds	12,134	6,665
Proceeds from property related passed on charges	1,914	675
Income from reversal of accrued liabilities	1,751	1,211
Proceeds from refurbishment services	327	0
Compensation payment for the abandonment of an easement	300	0
Off period earnings	104	206
Insurance payments	63	89
Profit from the disposal of derivatives	0	2,615
Compensation for separation of lease contract	0	1,000
Other	1,221	287
	17,814	**12,748**

Proceeds from property related passed on charges are additional property expenses for buildings belonging to subsidiaries, which have been initially incurred by alstria office REIT-AG.

Income from the reversal of accrued liabilities include an amount of EUR 1,447 k from the reversal of provision for contingent loss for the devaluation of a forward swap. The forward swap had a negative fair value at the prior years' balance sheet date but is now designated to an economic hedge relationship.

3. Cost of Materials

Cost of materials concern cost of services for all surcharge expenses related with operating lease activities, like expenses for heating, cleaning, land tax etc as and for maintenance and refurbishment. As far as the cost of materials are cost of services allocatable to the tenant, they are capiatlized as work in progress. Expenses for land tax amounted in total to EUR 3,605 k (previous year: EUR 4,236 k).

4. Other Expenses

The Other Expenses are made up as follows:

(in EUR k)	2009	2008
Allocation to provision for contingent loss	9,754	1,447
Real estate operating expenses	7,942	6,138
Losses from the termination of financial derivatives	6,697	0
Losses from property disposals	5,574	0
Legal and consulting costs	1,978	2,799
Granting of rental guarantees	1,550	0
Release of accrual in relation to financial derivatives	1,148	0
Loss from the disposal of treasury shares	1,096	0
Blocked input tax	709	746
Telecommunication and postal charges	602	587
Bank and stock market related expenses	514	619
Audit and other audit related expenses	427	538
Real estate tax not attributable to tenants	327	0
Supervisory board compensation	299	292
Itemized valuation allowance	267	255
Travel expenses	264	237
Leasing and leasing related expenses	154	275
Off-period expenses	0	358
Tenant incentives	0	280
Cost allocation	0	186
Other	1,430	1,406
	40,732	**16,163**

5. Income Taxes

Due to the REIT tax exemption there are no expenses for corporate income tax and trade tax in 2009.

IV. Other Notes

1. Compensation of Management Board and Supervisory Board

Executive Board

In 2009, the overall compensation of the members of the Executive Board totalled EUR 1,529 k (2008: EUR 1,314 k). As at the reporting date, liabilities for the compensation of the members of the Executive Board amount to EUR 550 k.

Supervisory Board

Pursuant to the Articles of Association, Supervisory Board members' fixed annual payment amounted to EUR 299 k (2008: EUR 292 k).

With respect to disclosures according to Sec. 285 no. 9a HGB ("Handelsgesetzbuch") we refer to the Compensation Report in the attachment to the management report.

2. Auditor's Fees

On June 10, 2009, the shareholder meeting elected PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft, Lise-Meitner-Straße 1, Berlin, to audit the separate and consolidated financial statements for fiscal year 2009. The fee expenses for the audit of the financial statements in 2009 amounted to EUR 62 k.

3. Shares

The share capital is divided into 56,000,000 non-par value bearer shares.

Own Shares

Trading period	Number of shares	Notional Amount of share capital (in EUR k)	Proportion of share capital (in %)
January 2008	441,618	442	0.79
February 2008	149,832	150	0.27
April 2008	32,635	33	0.06
May 2008	117,365	117	0.21
June 2008	-9,500	-10	-0.02
Total 2008	1,375,755	1,376	2.46
March 2009	-35,621	36	-0.06
July 2009	-1,337,760	1,338	-2.39
Total	**2,374**	**1,376**	**0.00**

The carrying amount of the treasury shares at balance sheet date is EUR 7.50. alstria's share price at year end until the date of preparation of this financial statements stayed well above EUR 7.50. Therefore a write-up in an amount of EUR 6 k, starting from the previous years' period end share price of EUR 4.95 per share to EUR 7.50 per share has been undertaken. As at balance sheet date the carrying amount of the reserve for treasury shares is EUR 18 k.

alstria office REIT-AG offered its shareholders to pay out treasury shares instead of a cash dividend. As a result 1,337,760 treasury shares had been issued to the shareholders. Distribution date was on July 7, 2009. The exchange value of these shares at the time of distribution was below carrying amount and resulted in a loss of EUR 1,057 k.

Furthermore 35,621 treasury share for an amount of EUR 137 k were sold in the reporting period for EUR 3,86 per share, resulting in a loss of EUR 39 k.

The proceeds on the write-up of treasury shares (EUR 6 k) was used in the course of operating business.

4. 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.

During the fiscal year 2009 the members of the supervisory board were:

Alexander Stuhlmann Chairman	Hamburg, Germany	Management consultant; Manager of Alexander Stuhlmann GmbH

	BVV Versicherungsverein des Bankgewerbes a.G.	Member of the Supervisory Board
	BVV Versorgungskasse des Bankgewerbes e.V.	Member of the Supervisory Board
	BVV Pensionsfonds des Bankgewerbes AG	Member of the Supervisory Board
	Capital Stage AG	Vice-Chairman of the Supervisory Board
	Frank Beteiligungsgesellschaft mbH	Chairman of the Advisory Board
	Hamburger Feuerkasse Versicherung AG	Vice-Chairman of the Supervisory Board
	HASPA Finanzholding	Member of the Board of Trustees
	HCI Capital AG	Member of the Supervisory Board
	Jahr Holding GmbH & Co. KG	Chairman of the Advisory Board
	LBS Bausparkasse Schleswig-Holstein-Hamburg AG	Member of the Supervisory Board
	Ludwig Görtz GmbH	Member of the Administrative Board
	Otto Dörner GmbH & Co. KG	Chairman of the Advisory Board
	Siedlungsbaugesellschaft Hermann und Paul Frank mbH & Co. KG	Chairman of the Advisory Board
	Studio Hamburg Berlin Brandenburg GmbH	Member of the Advisory Board
John van Oost Vice chairman	London, Great Britain	Managing Partner at Natixis Capital Partners
	NATIXIS Capital Partners Ltd.	Managing Partner
	Axiom Asset 1 GmbH & Co. KG	Director
	Axiom Asset 2 GmbH & Co. KG	Director
	Axiom Immo Management GmbH	Director
	Axiom Immo GP GmbH (formerly Captiva Industrial GP GmbH)	Director
	Axiom Immo Holding GmbH (formerly Captiva Industrial Holding GmbH)	Director
	Captiva Capital Management SaRL	Board Member
	Express Holding Srl	Board Member
	Green Cove Capital Management SaRL	Board Member
	La Jolla Capital Management SaRL	Board Member
	Natixis Capital Partners GmbH	Board Member
	NATIXIS Capital Partners Srl	Board Member

	Ocala Capital Management LLC	Board Member
Dr. Johannes Conradi	Hamburg, Germany	Lawyer and Partner at Freshfields Bruckhaus Deringer LLP
		Global Head of Real Estate Sector Group
		Managing Partner of the Hamburg Office
		Member of the German Management Group
Roger Lee	London, Great Britain	Real Estate Investment Manager at Natixis Capital Partners
	none	
Richard Mully	Dublin, Ireland	Investment Manager at Grove International Partner Ltd.
	Grove International Partners LLP	Managing Partner
	Apellas Holdings B.V.	Director
	Douglasshire International Holdings B.V.	Director
	Event Hospitality Group B.V.	Director
	Hansteen Holdings PLC	Director
	Hellenic Land Holdings B.V.	Director
until Mar. 27, 2009	Hypo Real Estate Holdings AG	Member of the Supervisory Board
	Karta Realty Limited	Director
	Nowe Ogrody 2 Sp. z o.o.	Director
	Nowe Ogrody 3 Sp. z o.o.	Director
	Nowe Ogrody 4 Sp. z o.o.	Director
	Nowe Ogrody Sp. z o.o.	Director
	Polish Investment Real Estate Holding B.V	Director
	Polish Investments Real Estate Holding II B.V.	Director
	SI Real Estate Holding B.V.	Director
until Dec. 3, 2009	Spazio Investments NV	Director
	Spazio Industriale II B.V.	Director

	SREI DI Properties, Inc.	Director
Daniel Quai	Crans, Switzerland	Banker at Natixis Capital Partners
	NATIXIS Capital Partners Ltd	Director
	Arman SW03	Director
	CDS Costruzioni S.p.A.	Director
	CDS Holding S.p.A.	Director
	CDS Project Development BV	Director
	Excelsia Otto Srl	Director
	Express Holdings Srl	Director
	Natixis Capital Partners GmbH	Managing director
	Newreal SpA	Director

The compensation expenses amounted to EUR 299 k for 2009 (EUR 292 k for 2008). The compensation report contains details of the principles for the definition of the Management Board and Supervisory Board remuneration.

5. Management Board

During the fiscal year the members of the Company's management board were:

Mr. Olivier Elamine	Chief Executive Officer (CEO)
Mr. Alexander Dexne	Chief Financial Officier (CFO)

The compensation report contains details of the principles for the definition of the Management Board and Supervisory Board remuneration.

6. Employees

During the period from January 1, 2009 to December 31, 2009, on average 31 employees (2008: on average 28 employees) were employed by the Company. The average was calculated by the employed people at the end of each quarter. On December 31, 2009, 32 people (December 31, 2008: 29 people) were employed by alstria office REIT-AG, excluding the management board.

	Employees	
	Average 2009	**December 31, 2009**
Asset Management	16	17
Finance and legal	11	11
Other occupation	4	4
Total	**31**	**32**

7. Convertible Profit Participation Rights Program

On September 5, 2007 the supervisory board of the Company resolved the issuance of Convertible Profit Participation Certificates ("certificates") to employees of the Company and to employees of companies in which alstria office REIT-AG, directly or indirectly, holds a majority interest.

The main terms of the program resolved by the supervisory board can be summarized as follows: The certificates are issued as non transferable rights. The certificates are neither sellable nor pledgeable or otherwise chargeable. The maximum term of each certificate is five years. During its term, each certificate entitles to a preferred disbursement from the Company's annual net profit. The profit share corresponds to the dividend per share of the Company for a full business year of the Company. For certificates held by a beneficiary for less than a full business year of the Company, the profit share is reduced pro rata temporis. Each certificate shall be converted into one no-par value bearer share of the Company on the second, third, fourth or fifth anniversary date of the issue date if the then current stock exchange price of the Company's shares has exceeded the stock exchange price of the Company's shares on the issue date by 5 % or more on at least seven non subsequent trading days. Upon conversion of a certificate, the beneficiary shall pay an additional conversion price to the Company for each certificate to be converted. The conversion price shall be the aggregate proportionate amount in the Company's share capital of the shares each certificate entitles to subscribe for and shall be payable in addition to the offer price. The fair values of the inherent options for conversion were estimated at the respective granting dates using a binary barrier option model based on the black-scholes-assumptions since the conversion will be affected automatically once the barrier has been reached. The model takes into account the terms and conditions upon which the instruments were granted. The nominal amount of each certificate is EUR 1.00 and is payable upon issuance. Under the program, a maximum of 500,000.00 certificates in an aggregate nominal amount of up to EUR 500,000.00 may be issued. 158,500 certificates were issued until December 31, 2009.

8. Group Relationships

The financial statements are included in the consolidated financial statements of Captiva Capital Partners II SCA, Luxembourg, which prepares the consolidated financial statements for the largest group of companies. These financial statements are published in Luxembourg. alstria office REIT-AG also prepares consolidated financial statements which are published in the electronic Bundesanzeiger [web-based version of "German Federal Gazette"] .

9. Information pursuant to Sec. 160 (1) Number 8 AktG

Captiva 2 Alstria Holding S.à r.l., Luxembourg, has informed us pursuant to Sec. 20 (1), (3) and (4) AktG [German Stock Corporations Act] that

- it directly owns more than one quarter of the shares in our stock corporation (Sec. 20 (1) AktG);
- that even without adding shares pursuant to Sec. 20 (2) AktG, it directly owns more than one quarter of the shares in our stock corporation (Sec. 20 (3) AktG); and that
- it directly holds a majority shareholding pursuant to Sec. 16 (1) AktG in our stock corporation (Sec. 20 (4) AktG).

Captiva Capital Partners II SCA, Luxembourg, has informed us pursuant to Sec. 20 (1), (3) and (4) AktG [German Stock Corporations Act] that

- it indirectly owns more than one quarter of the shares in our stock corporation because the investment of the dependent Captiva 2 Alstria Holding S.à r.l., Luxembourg, in our company in accordance with Sec. 16 (4) AktG is allocable to the former (Sec. 20 (1) AktG);
- even without the addition of shares pursuant to Sec. 20 (2) AktG, it indirectly owns more than one quarter of the shares in our stock corporation because the investment of the dependent Captiva 2 Alstria Holding S.à r.l., Luxembourg, in our company in accordance with Sec. 16 (4) AktG is allocable to the former (Sec. 20 (3) AktG); and that
- it indirectly owns a majority holding pursuant to Sec. 16 (1) AktG in our stock corporation because the investment of the dependent Captiva 2 Alstria Holding S.à r.l., Luxembourg, in our company in accordance with Sec. 16 (4) AktG is allocable to the former (Sec. 20 (4) AktG);

Captiva Capital II S.à r.l., Luxembourg, has informed us pursuant to Sec. 20 (1), (3) and (4) AktG that

- it indirectly owns more than one quarter of the shares in our stock corporation because the investment of the indirectly dependent Captiva 2 Alstria Holding S.à r.l., Luxembourg, (via Captiva Capital Partners II SCA, Luxembourg) in our company in accordance with Sec. 16 (4) AktG is allocable to it (Sec. 20 (1) AktG);
- even without adding the shares pursuant to Sec. 20 (2) AktG, it indirectly owns more than one quarter of the shares in our stock corporation because

the investment of the indirectly dependent Captiva 2 Alstria Holding S.à r.l., Luxembourg, (via the dependent Captiva Capital Partners II SCA, Luxembourg) in our company in accordance with Sec. 16 (4) AktG is allocable to it (Sec. 20 (3) AktG); and that

- it indirectly has a majority holding in our stock corporation pursuant to Sec. 16 (1) AktG because the investment of the indirectly dependent Captiva 2 Alstria Holding S.à r.l., Luxembourg, (via Captiva Capital Partners II SCA, Luxembourg) in our company in accordance with Sec. 16 (4) AktG is allocable to it (Sec. 20 (4) AktG).

10. Corporate Governance Declaration pursuant to Sec. 161 AktG

The declaration of compliance required by Sec. 161 AktG regarding the recommendations of the German Corporate Governance Code developed by the government commission was submitted by the management board and the supervisory board at Mai 29, 2009 and is made permanently available to the shareholders on alstria office REIT-AG's website (www.alstria.de).

Hamburg, February 12, 2010

Management Board

Olivier Elamine (CEO)	Alexander Dexne (CFO)

alstria office REIT AG

Movements on non-current assets 2009

Appendix to the Notes

		Acquisition and manufacturing costs				
		1.1.2009 EUR	Additions EUR	Disposals EUR	Transfers EUR	31.12.2009 EUR
I.	**Intangible assets**					
	Concessions, commercial intellectual property rights and similar rights and assets as wall as licences	474,036	104,510	0	0	578,546
II.	**Property, plant and equipment**					
1.	Land, property rights and buildings, including buildings owned by third parties	1,592,642,220	3,976,408	314,737,320	0	1,281,881,308
2.	Technical plant and machinery	1,536,863	0	0	0	1,536,863
3.	Other plant, operating ond office equipment	142,801	43,378	0	0	186,179
4.	Prepayments and construction in progress	0	6,687,970	2,609,638	0	4,078,332
		1,594,321,884	10,707,756	317,346,958	0	1,287,682,683
III.	**Financial assets**					
1.	Shares in affiliated companies	51,705,219	82,657,240	6,111,560	-21,184,084	107,066,814
2.	Loans to affiliated companies	79,771,588	1,112,622	28,399,109	-1,770,891	50,714,210
3.	Participating interests	0	0	0	21,184,084	21,184,084
4.	Loans to companies in which the company has a participating interest	0	0	0	1,770,891	1,770,891
		131,476,807	83,769,862	34,510,669	0	180,736,000
		1,726,272,727	94,582,128	351,857,627	0	1,468,997,228

Accumulated amortization and depreciation				Book values	
1.1.2009	Additions	Disposals	31.12.2009	31.12.2009	31.12.2008
EUR	EUR	EUR	EUR	EUR	EUR
138,098	129,852	0	267,950	310,596	335,938
40,721,936	65,479,735	12,125,014	94,076,657	1,187,804,651	1,551,920,284
469,864	373,314	0	843,178	693,685	1,066,999
40,853	42,953	0	83,806	102,373	101,948
0	0	0	0	4,078,332	0
41,232,653	65,896,002	12,125,014	95,003,641	1,192,679,041	1,553,089,232
0	0	0	0	107,066,814	51,705,219
0	0	0	0	50,714,210	79,771,588
0	7,025,951	0	7,025,951	14,158,133	0
0	0	0	0	1,770,891	0
0	7,025,951	0	7,025,951	173,710,049	131,476,807
41,370,750	73,051,806	12,125,014	102,297,542	1,366,699,685	1,684,901,977