Points of view

Half-Year Financial Report
as per June 30, 2013

53° 33' 13" N; 9° 58' 54" E

alstria
First German REIT

alstria office REIT-AG: Key figures

according to IFRS

in EUR k	January 1 – June 30, 2013	January 1 – June 30, 2012	Change
Revenues and earnings			
Revenues	52,156	49,249	5.9 %
Net rental income	48,043	44,298	8.5 %
Consolidated profit for the period	29,027	21,712	33.7 %
FFO	25,214	20,759	21.5 %
Earnings per share (in EUR)	0.37	0.28	32.1 %
FFO per share (in EUR)	0.32	0.26	21.5 %
EPRA[1] earnings per share (in EUR)	0.33	0.28	17.9 %
EPRA cost ratio	17.5%	18.9%	–1.4 pp

	June 30, 2013	Dec. 31, 2012	Change
Balance sheet			
Investment property	1,597,569	1,622,988	–1.6%
Total assets	1,822,655	1,786,893	2.2%
Equity	828,860	829,287	–0.1%
Liabilities	993,795	957,606	3.8%
NAV per share (in EUR)	10.50	10.51	–0.1%
Net LTV	49.0 %	47.8 %	1.2 pp
G-REIT key figures			
G-REIT equity ratio	50.9 %	50.0 %	0.9 pp
Revenues incl. other income from investment properties	100 %	100 %	0.0 pp
EPRA[1] key figures			
Diluted EPRA-NAV per share (in EUR)	10.97	10.98	–0.1%
EPRA-NNNAV per share (in EUR)	10.49	10.50	–0.1%
EPRA net initial yield	5.6 %	5.7 %	–0.1 pp
EPRA „topped-up“ net initial yield	5.8 %	5.7 %	0.1 pp
EPRA vacancy rate	7.4 %	8.0 %	–0.6 pp

[1] Please refer to EPRA Best Practices Recommendations, www.epra.com.

Corporate Responsibility Prime
rated by oekom research

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oekom has classified alstria as "prime" in its rating. The Company's shares are thereby qualified as an environmental and social investment.

Contents

Management Letter

Alexander Dexne
Chief Financial Officer

Olivier Elamine
Chief Executive Officer

Ladies and Gentlemen, dear shareholders, business partners and tenants,

alstria continued its positive trend in the second quarter of 2013. On the financial side we continue to report an increase in revenues and earnings and on the operating side we achieved important successes in terms of letting and streamlining our portfolio. We have also placed our first convertible bond in early June, 2013. This allows us to broaden the funding base of the company and gives us access to a new group of investors.

Based on solid fundamentals our revenues grew by 5.9% to EUR 52.2 m and our operating profit (FFO) increased even more by 21.5% to EUR 25.2 m in the first half of 2013. The FFO growth is based on higher revenues on the one hand and positive economies of scale due to a tight cost control on the other hand. However, in our view, the half-year FFO is still inflated by lower real estate operating expenses in the first quarter of the year. The FFO per share improved in the same order of magnitude to EUR 0.32. Our balance sheet ratios remained strong with a Net-LTV of 49.0% and a G-REIT equity ratio of 50.9%.

On the operating side the company is developing as expected. Total new leases for 17,100 sqm were signed and contracts for 9,700 sqm were extended. A particular success of our new office in Düsseldorf was the signature of a long-term lease agreement with the State of North Rhine-Westphalia for the 7,700 sqm-building in Hans-Böckler-Strasse 36 in Düsseldorf. This success was based on the combination of a high-quality building in a good location with a competitive rent.

We have also progressed well in our effort to further streamline the portfolio. Our target is to exit non-core markets and strengthen our key regions in order to gain efficiency. In the first half of 2013 we have sold around EUR 32.5 m of properties mainly in smaller cities particularly in Eastern Germany, whilst we have invested around EUR 36.5 m in Stuttgart and Düsseldorf, which are core regions in our portfolio. End of May, we acquired 8,600 sqm of office space in the inner city of Stuttgart and a few days ago we signed a sale-and-purchase agreement for an 8,200 sqm-office building in Düsseldorf. The new assets will generate a rental income of around EUR 2.8 m per annum on a full year basis, thus compensating the loss of rent of EUR 2.4 m per annum following the asset sales.

In early June, we placed our first convertible bond in the capital market. The issue was multiple-times oversubscribed and led to a cash inflow of close to EUR 80 m. We will use these funds to increase the company's flexibility in its financing structure. The convertible bond issue is our first foray into the unsecured market. Following the issuance of the convertible bond, our plans are still to refinance the syndicated loan which is due in July 2015 as early as possible, in order to take advantage of the supportive financing environment while it lasts.

Kind Regards

Olivier Elamine **Alexander Dexne**

alstria's share

Share price development

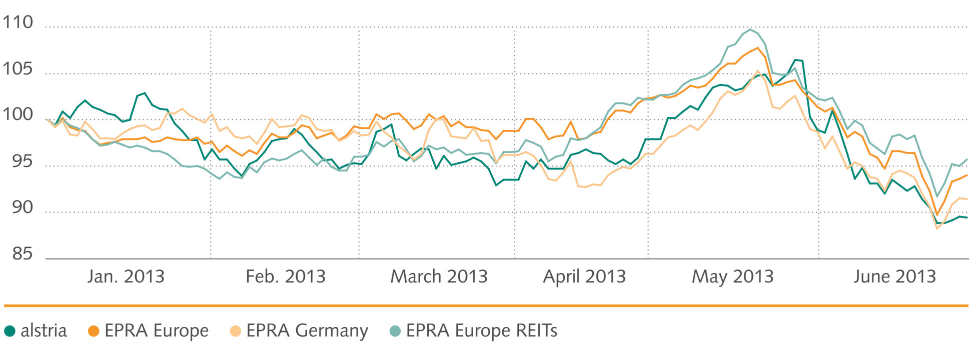
In the second quarter the surge in equity markets continued worldwide. Regardless of the direction of the makro data, equity markets continued to increase. Good market data fueled hopes that the global economic weakness will soon overcome, disappointing market data fueled expectations that central banks continue their expansionary monetary policy. However, since the U.S. Federal Reserve has announced to cut their massive quantitative easing programs, market participants are alienated and equity markets are showing an increased volatility.

As per end of June the German DAX30 index stood at 7,959 points and recorded – under heavy fluctuations – an increase of 4.6% in the first six months of the year.

alstria's share price performed in-line with the European stock-listed real estate sector. In the course of the first six months of 2013 the share price fluctuated between EUR 8.30 and EUR 10.01. The share price movement also reflected the dividend payment on May 30, 2013, which resulted in a corresponding markdown of the share price.

The Annual General Meeting of alstria office REIT-AG held on May 29, 2013 resolved to grant a dividend entitlement of EUR 0.50 per share for the financial year 2012. The total dividend therefore amounted to EUR 39,467 k.

Share price development
June 30, 2013 – EUR 8.40



Key share data

ISIN	DE000A0LD2U1
Symbol	AOX
Market segment	Financial Services
Industry group	Real Estate
Prime sector	Prime Standard, Frankfurt
Indices	SDAX, EPRA, German REIT Index, S&P/Citigroup Global REIT Index
Designated sponsors	Close Brothers Seydler, J.P. Morgan

		Jun. 30, 2013	**Jun. 30, 2012**
Number of shares	in thousand	78,933	78,933
thereof outstanding	*in thousand*	*78,933*	*78,933*
Closing price[1]	in EUR	8.40	8.35
Market capitalisation	in EUR k	663,037	659,091
Free float	in percent	88	80

		H1 2013	**H1 2012**
Average daily trading volume (all exchange and OTC)[2]	in EUR k	2,388	2,049
thereof XETRA	*in EUR k*	*1,215*	*820*
Share price: high[1]	in EUR	10.01	9.20
Share price: low[1]	in EUR	8.30	7.64

[1] Xetra-closing share price.
[2] Source: Bloomberg.

Consolidated interim management report

Portfolio overview

On June 30, 2013, alstria's portfolio consisted of 77 office properties and one retail property with a total of approximately 902,505 sqm of lettable area and a contractual vacancy rate of 11.0%. The portfolio is valued at a yield of 6.5% and the remaining weighted average unexpired lease term is approximately 6.9 years. Additionally, alstria is a 49% shareholder in two joint ventures.

For a detailed description of the alstria portfolio, please refer to the Annual Report 2012 (Part I/II - Company Report, pp. 36 to 57).

Key metrics for the portfolio[1)]

as of June 30, 2013

Metric	Value
Number of properties[2)]	78
Number of joint venture properties	1
Market value (EUR bn)	1.6
Contractual rent (EUR m/annum)	103.7
Valuation yield (contractual rent/OMV)	6.5%
Lettable area (k sqm)	903
Vacancy (% of lettable area)[3)]	11.0%
WAULT (years)	6.9
Average rent/sqm (EUR/month)	10.76

[1)] Includes assets classified under property, plant and equipment.
[2)] As at reporting date, two assets are classified as 'assets held for sale'.
[3)] Contractual vacancy includes vacancy in assets of the Company's development pipeline. EPRA vacancy rate of 7.4%.

Transactions

In the first six months of 2013, the transfer of benefits and burden took place for six properties, of which two were classified as 'assets held for sale' as of December 31, 2012. In addition alstria signed binding and notarised agreements for the sale of two further properties during the second quarter of 2013.

While the transfer of benefits and burden of one property took place on August 1, 2013, the other transaction is expected to be closed during the fourth quarter 2013.

Sales and disposals 2013

Asset	City	Sales price (EUR k)[1)]	Annual rent (EUR k)	Avg. lease length (years)[2)]	Signing SPA	Transfer of ben. and bur.
Closed transactions H1						
Zwinglistr.	Dresden	2,640	203	2.5	12-10-25	13-01-01
Benrather Schlossallee	Düsseldorf	7,620	614	8.4	12-11-14	13-02-01
Lothar-Streit-Str.	Zwickau	350	0	–	13-03-28	13-05-24
Schweinfurter Str.	Würzburg	4,530	397	3.0	13-04-02	13-06-30
Kanalstr.	Hamburg	15,000	914	4.3	13-03-05	13-05-30
Helene-Lange Str.	Potsdam	5,700	422	4.7	13-05-06	13-06-30
		35,840	**2,550**			
Asset held-for-sale properties						
Am Roten Berg	Erfurt	1,060	142	1.5	13-04-23	Q3 2013[3)]
Johannesstr.	Erfurt	5,850	577	3.9	13-07-18	Q4 2013[3)]
		6,910	**719**			
Total		**42,750**	**3,269**			

[1)] Excluding transaction costs.
[2)] At the time of transfer of benefits and burden; for future transfers of benefits and burden: expected at predicted time.
[3)] Expected transfer of benefits and burden.

As of June 30, 2013 alstria signed binding and notarised agreements for the acquisition of a freehold in Düsseldorf in which it already owned the asset as a leasehold and one office property in Stuttgart. The acquisition of the freehold was closed in April 2013, while the transfer of benefits and burden of the Stuttgart asset took place after the reporting period on July 1, 2013.

In July 2013 alstria signed a binding and notarised purchase agreement for the acquisition of one property in Düsseldorf. The transfer of benefits and burden for this property is expected to take place in Q3 2013. For further information regarding transactions, which occured after the reporting period up to the publication date of this report, please refer to the outlook.

Acquisitions 2013

Asset	City	Purchase price (EUR k)[1]	Annual rent (EUR k)	Avg. lease length (years)[2]	Signing SPA	Transfer of ben. and bur.
Freehold Georg-Glock-Str.	Düsseldorf	7,564	–	–	13-02-13	13-04-23
Hauptstätter Str.	Stuttgart	19,655[3]	1,701	3.5	13-05-22	13-07-01
Immermannstr.	Düsseldorf	16,841[3]	1,140	2.9	13-07-11	Q3 2013[4]
Total		**44,060**	**2,841**			

1) Including transaction costs.

2) At the time of transfer of benefits and burden; for future transfers of benefits and burden: expected at predicted time.

3) Estimation.

4) Expected transfer of benefits and burden.

Real Estate Operations

In the first six months of 2013 alstria signed new leases* totalling approximately 17,100 sqm.

With the successful lease-up of 7,700 sqm of office and ancillary space in Hans-Böckler-Strasse 36, alstria signed one of the largest new leasing contracts in Düsseldorf this year. The Company agreed on a long-term lease for the entire building with the State of North Rhine-Westphalia for the accommodation of a regional finance office (Finanzamt Düsseldorf-Nord). The lease will start in the first half of 2014.

Another key component in terms of letting achievements was the lease-up with a new tenant for the property Ernsthaldenstrasse 17, Stuttgart. A five-year contract comprising around 2,500 sqm of office and ancillary space has been signed. The new lease will start in the second half of the year 2013.

The vacancy rate decreased to 11.0% or 99,109 sqm compared to the vacancy rate as of December 31, 2012 (11.4% or 105,890 sqm). Of these 99,109 sqm, around 35,587 sqm represent strategic vacancy (intended vacancy implemented by alstria as part of its repositioning process for certain assets), while the remaining areas describe the operational vacancy.

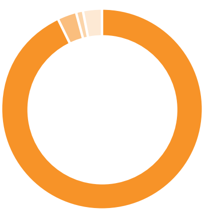
* New leases correspond to lease of vacant space. It does not account for any lease renewal, prolongation or tenant exercise of renewal option.

Tenants and utilisation

The focus on a small number of anchor tenants remains one main characteristic of alstria's portfolio. More than 74% of the total rental revenues are generated by a small number of main tenants. The 2013 portfolio still reflects the clear concentration on one asset class: offices. Offices make up to 93% of the total lettable area.

Total portfolio by utilisation

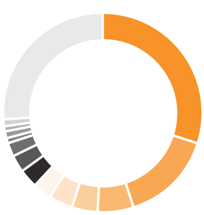
based on % of lettable area



Office	93
Retail	3
Residential	1
Others	3

alstria's core tenants

based on % of annual rent



City of Hamburg	30
Daimler AG	15
Bilfinger Berger SE	6
Siemens AG	4
Barmer GEK	4
Deutsche Rentenversicherung Bund	3
Rheinmetall	3
Württembergische Lebensversicherung AG	3
L'Oréal Deutschland GmbH	2
HUK-COBURG	1
ATOS Origin	1
State of NRW	1
State of Baden-Württemberg	1
Third Party	26

Earnings position

Revenues increased due to acquisitions

In the first half of 2013 revenues increased due to previous year acquisitions by 5.9% compared to the first half 2012. Revenues amounted to EUR 52,156 k (H1 2012: EUR 49,249 k) with real estate operating expenses of around EUR 4,038 k or 7.7% of revenues (H1 2012: EUR 4,903 k or 10.0% of revenues). As a result of the acquisitions the net rental income increased by EUR 3,745 k to EUR 48,043 k compared to the first half of the year 2012.

For the reporting period administrative expenses and personnel expenses decreased by EUR 388 k to EUR 5,733 k (H1 2012: EUR 6,121 k) mainly due to decreasing legal and advisory expenses (EUR 383 k). In the first half of 2013 total operating expenses amounted to 11.0% of total revenues (H1 2012: 12.4%).

Funds from operations (FFO) at EUR 0.32 per share

EUR k	January 1 – June 30, 2013	January 1 – June 30, 2012
Pre-tax income (EBT)	**29,052**	**21,730**
Net profit/loss from fair value adjustments on investment property	0	–255
Net profit/loss from fair value adjustments on financial derivatives	–2,819	585
Profit/loss on disposal of investment property	–163	145
Other adjustments[1]	–856	–1,446
Fair value and other adjustments in joint venture	0	0
Funds from operations (FFO)[2]	**25,214**	**20,759**
Maintenance capex	–3,573	–2,684
Adjusted funds from operations (AFFO)[3]	**21,641**	**18,075**

[1] Non-cash income or expenses and non-recurring effects.

[2] (A)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 (A)FFO. Thus, the (A)FFO or measures with similar names as presented by other companies may not necessarily be comparable to alstria's (A)FFO.

[3] The AFFO is equal to the FFO with adjustments made for capital expenditures used to maintain the quality of the underlying investment portfolio.

For the reporting period funds from operations (FFO) amount to EUR 25,214 k compared to EUR 20,759 k in the first half of 2012. The increase of the FFO is mainly based on higher revenues (EUR 2,907 k), a reduction of real estate operating expenses (EUR 865 k) and a reduction of operating expenses (EUR 388 k).

As a result, the FFO per share reaches EUR 0.32 in the first six months 2013 (H1 2012: EUR 0.26).

Hedging Instruments

alstria uses hedge accounting on all qualifying hedges in order to limit the impact of volatile interest rate markets on the profit and loss account. This allows alstria to recognise the losses or gains on the qualifying part of the derivatives through the equity cash flow hedge reserve with no effect on income. (For more details, please refer to the notes to the consolidated financial statements as at December 31, 2012).

On June, 7 2013, alstria issued a convertible bond for a total amount of EUR 79,400 k. Due to the terms and conditions of the convertible bond, the conversion right has to be separately accounted as an embedded derivative.

The value changes of the derivatives are reflected in various balance sheet items.

The following derivative financial instruments existed as of the end of the reporting period:

			June 30, 2013		December 31, 2012	
Product	Strike price %	Maturity date	Notional value (EUR k)	Fair value (EUR k)	Notional value (EUR k)	Fair value (EUR k)
Cap	3.0000	Sep. 30, 2019	42,500	580	42,500	395
Cap[1]	4.6000	Oct. 20, 2015	47,902	14	47,902	8
Financial derivatives – held for trading[2]			**42,500**	**594**	**42,500**	**403**
Cap	3.0000	Dec. 17, 2018	56,000	617	56,000	395
Cap	3.2500	Dec. 31, 2015	11,414	7	11,500	5
Cap	3.3000	Oct. 20, 2014	22,499	2	22,876	2
Cap	3.3000	Oct. 20, 2014	7,741	1	7,871	1
Swap	2.1940	Dec. 31, 2014	37,283	–1,158	37,283	–1,632
Swap	2.9900	Jul. 20, 2015	472,500	–24,618	472,500	–33,448
Financial derivatives – cash flow hedges			**607,437**	**–25,149**	**608,030**	**–34,677**
Total Interest rate derivatives[2]			**649,937**	**–24,555**	**650,530**	**–34,274**
Embedded derivative	n/a	June 14, 2018	7,884[3]	–9,553	0	0
Total				**–34,108**		**–34,274**

[1] Not effective before July 10, 2013.
[2] Notional excluding the EUR 47,902 k not effective before July 10, 2013.
[3] Underlying number of shares for conversion in thousand.

The following table shows the change in financial derivatives since December 31, 2012:

		Financial derivatives			
		Financial assets		Financial liabilities	
in EUR k	**Cash flow hedge reserve**	**Non-current**	**Current**	**Non-current**	**Total**
Hedging instruments as at December 31, 2012	**–22,137**	**403**	**403**	**–35,080**	**–34,274**
Effective change in fair value cash flow hedges	9,264	0	0	9,264	**9,264**
Ineffective change in fair value cash flow hedges	0	224	0	0	**224**
Net result from fair value changes in financial derivatives not qualifying for cash flow hedging	0	0	191	2,900	**3,091**
Reclassification of cumulated loss from equity to income statement	496	0	0	0	**0**
Changes in accrued interests concerning financial derivatives	0	0	0	40	**40**
Additions	0	0	0	–12,453	**–12,453**
Hedging instruments as at June 30, 2013	**–12,377**	**627**	**594**	**–35,329**	**–34,108**

An increase of EUR 9,264 k is attributed to the change in fair value of cash flow hedges and has been recognised in the hedging reserve in the first half 2013 (H1 2012: decrease of EUR 5,169 k).

The ineffective portion, that has been recognised in the profit or loss, arises from cash flow hedges and amounts to a fair value gain of EUR 224 k (H1 2012: loss of EUR 525 k). Further gains totalling EUR 3,091 k (H1 2012: gain of EUR 436 k), due to the market valuation of derivatives not included in hedge accounting, were recognised in the income statement.

A loss of EUR 496 k (H1 2012: loss of EUR 496 k) relates to the cumulative losses from cash flow hedges for which the forecast transaction is no longer expected to occur due to premature repayment of loans.

Together, this results in a gain of EUR 2,819 k (H1 2012: loss of EUR 585), which is shown as net result from fair value adjustments on financial derivatives.

Financial result

The following table shows the financial result for the period January 1 to June 30, 2013:

Financial result breakdown

EUR k	January 1 – June 30, 2013	January 1 – June 30, 2012	Change (%)
Interest expenses syndicated loan	–5,501	–8,109	–32
Interest expenses other loans	–4,581	–5,038	–9
Interest result derivatives	–7,000	–5,519	27
Interest expense convertible bond	–317	0	n/a
Other interest expenses	–123	–31	n/a
Financial expenses	**–17,522**	**–18,697**	**–6**
Financial income	172	475	–64
Other financial expenses	–440	–32	n/a
Net financing result	**–17,790**	**–18,254**	**–3**

As at June 30, 2013 alstria was not in breach of any of its financial covenants.

Interest expenses of EUR 317 k relate to a convertible bond issued by alstria in the second quarter of the financial year 2013 (see page 14 for further information).

Net financing costs decreased marginally by EUR 464 k to EUR 17,790 k in comparison with the first half 2012.

Increase in consolidated net result driven by higher revenues and lower real estate operating expenses

The consolidated net result amounts to EUR 29,027 k (H1 2012: EUR 21,712 k). Compared to the same period in 2012 the increase is mainly based on higher revenues (H1 2013: EUR 52,156 k; H1 2012: EUR 49,249 k) and lower real estate operating expenses (H1 2013: EUR 4,038 k; H1 2012: EUR 4,903 k).

Earnings per share are EUR 0.37 for the first six months of 2013.

Financial and asset position

Financial management

alstria's financial management is carried out at corporate level, with individual loans and corporate bonds being taken out at both – property level and portfolio level. alstria's main financial goal is to establish a sustainable long-term finance structure. An integral part of this structure is for example the coverage of long-term loans by corresponding hedging instruments, more precisely swaps and caps. The aim of this strategy is largely to eliminate short-term interest volatility from the income statement.

Furthermore alstria issued its first convertible bond in June 2013. The bonds have a maturity of five years, are issued and will be redeemed at 100% of their principal amount. The coupon is set at 2.75% p.a., payable quarterly in arrears. The initial conversion price was set at EUR 10.0710, representing a conversion premium of 15% above the reference share price of EUR 8.7574. alstria intends to use the proceeds of EUR 79,400 k for the refinancing of existing debt and general corporate purposes. The convertible bond has improved the current maturity profile and is considered to be an important step to diversify the Company´s sources of financing.

As one of the first refinancing measures resulting from the corporate bond issue, alstria terminated the non-recourse loan #4 and repaid it on July 22, 2013 (EUR 30,240 k).

In conjunction with the disposal of four assets, an amount of EUR 20,003 k of the syndicated loan has been repaid in H1 2013.

Existing financing agreements as per June 30, 2013

Financing	Maturity	Principal Amount Outstanding (EUR k)	Current LTV (%)	LTV-Covenant (%)
Loans				
Syndicated loan	Jul. 20, 2015	544,718	53.8	70.0
Non-recourse loan #1	Oct. 20, 2015	47,902	70.2	80.0
Non-recourse loan #2	Dec. 31, 2014	42,670	64.9	80.0
Non-recourse loan #3	Jun. 30, 2014	29,302	55.5	62.5
Non-recourse loan #4	Jul. 22, 2013	30,240	54.1	65.0
Non-recourse loan #5	Jan. 31, 2017	70,946	59.9	75.0
Loan #6	Dec. 31, 2015	11,414	58.3	80.0
Loan #7	Dec. 17, 2018	56,000	48.8	60.0
Loan #8	Sep. 30, 2019	42,500	45.6	65.0
Total loans		**875,692**	**54.7**	
Convertible bond	Jun. 14, 2018	79,400		
Total as of Jun. 30, 2013		**955,092**		

Cash position is EUR 156,820 k

Cash flows from operating activities for the first six months amounted to EUR 26,140 k. The increase compared to the first half 2012 (EUR 23,036 k) resulted mainly from higher rental revenues.

The cash flows from investing activities are impacted by cash inflows of EUR 27,563 k received for the sale of investment properties. Cash outflows related to the acquisition of investment properties and investments in existing properties amounted to EUR 33,540 k.

The cash flows from financing activities reflect cash inflows for the issue of a convertible bond (EUR 79,400 k). Cash outflows were made in an amount of EUR 39,476 k for the dividend payment and in an amount of EUR 21,292 k for the redemption of loans.

As a result, alstria ended the first six months of 2013 with a cash position of EUR 156,820 k (June 30, 2012: EUR 61,479 k).

Investment property remains stable

The total value of investment property at the reporting date amounts to EUR 1,597,569 k in comparison with EUR 1,622,988 k at the beginning of the financial year. The decrease of investment property relates to the reclassification of two assets to "assets held for sale" as well as the disposals since the beginning of the financial year 2013 (four properties).

Development of investment properties

in EUR k	
Investment properties at Dec. 31, 2012	**1,622,988**
Capital expenditures	6,376
Acquisitions	405
Disposals	–25,100
Reclassification	–7,100
Net loss/gain from fair value adjustments on investment property	0
Investment properties at June 30, 2013	**1,597,569**
Fair value of owner-occupied properties	5,930
Fair value of properties held for sale	6,712
Interests in joint ventures	17,337
Fair value of immovable assets	**1,627,548**

Other receivables increased by EUR 24,872 k

In May 2013 alstria signed a binding and notarised agreement for the purchase of one asset in Stuttgart. The transfer of benefits and burden took place on July 1, 2013. As the payments for the property and related costs were due until end of June 2013, an amount of EUR 19,576 k was classified as other receivables.

Furthermore other receivables increased by EUR 5,700 k due to the fact that the payment of the purchase price of one disposed property took place on July 1, 2013 while the transfer of benefits and burden occurred on June 30, 2013.

Equity ratio of 45.5% – G-REIT equity ratio at 50.9%

The balance sheet reflects a total equity position of EUR 828,860 k with an equity ratio of 45.5% (December 31, 2012: EUR 829,287 k or 46.4%).

The G-REIT equity ratio, which is defined as total equity divided by immovable assets, increased by 0.9 percentage points to 50.9% (December 31, 2012: 50.0%). According to the G-REIT Act (REIT-Gesetz – REITG), the minimum requirement for compliance with G-REIT criteria is a G-REIT equity ratio of 45% calculated at the end of the financial year.

NNNAV at EUR 10.49 per share

NNNAV (Triple Net Asset Value according to EPRA*) remains stable at EUR 10.49 per share as of June 30, 2013 in comparison to December 31, 2012 of EUR 10.50 per share. The development considers the dividend payment in June 2013 of EUR 39,467 k, which is compensated by the consolidated profit for the period of EUR 29,027 k and the decrease in the hedging reserve of EUR 9,760 k, which reflects a positive valuation effect of the derivatives. In total, this leads to a change in equity from EUR 829,287 k to EUR 828,860 k**.

Increase of financial debt

Long-term loans increased by 2.3% or EUR 20,485 k to EUR 902,590 k in H1 2013. This is mainly due to the issuance of the convertible bond in June 2013 on the one hand and reclassifications to short-term loans on the other hand.

Increase in current liabilities

Current liabilities went up by 81.4% or EUR 22,869 k to EUR 50,970 k, which is mainly linked to the increase of short-term loans by EUR 25,716 k. The increase is mainly based on the reclassification of loans, which are due within the next twelve months (EUR 45,828 k). On the other hand, during the first half of 2013 EUR 21,292 k of the loans were repaid in conjunction with the disposal of four assets in Düsseldorf, Hamburg, Würzburg and Zwickau and due to regular amortisation.

Other current liabilities sum up to EUR 9,686 k mainly comprising outstanding invoices (EUR 3,849 k), deferred income (EUR 1,309 k) and other current liabilities (EUR 4,528 k).

* EPRA: European Public Real Estate Association, Best Practices Committee, Brussels, Belgium.

** See also the consolidated statement of changes in equity.

Risk and opportunity report

The EU Directive on Alternative Investment Fund Managers (AIFM Directive) will result in a more regulated European investment industry in the future. The directive was transposed into national law by mid-2013. It is not yet clear whether alstria will fall under the scope of the directive. If so, the new law could result in higher expenses due to new regulatory requirements.

The risks and opportunities to which alstria is exposed are described in detail in the Annual Report 2012. There have been no further changes to the status in that report.

Recent developments and outlook

In July 2013, alstria signed a binding and notarised agreement for the sale of one asset in Erfurt. As the transfer of benefits and burden is expected to take place in the fourth quarter of 2013, this asset is classified as 'asset held for sale' as per June 30, 2013. In addition, the closing of the sale of one property took place on August 1, 2013. As the sale and purchase agreement was signed in April 2013, the property is classified as 'asset held for sale' as per June 30, 2013. Furthermore, alstria signed a binding and notarised agreement for the acquisition of one property in Düsseldorf. The transfer of benefits and burden will take place in the third quarter of 2013.

On July 22, 2013, alstria redeemed a non-recourse financing with a total amount of EUR 30,240 k.

Financial guidance

In consideration of the business development of the first six months of 2013 and based on the expected course of business for the remainder of the year, alstria confirms its previous full year guidance of EUR 103 m of revenues and approximately EUR 45 m of funds from operations (FFO).

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.


Hauptstätter Strasse 65–67, Stuttgart
48° 46' 11" N; 9° 10' 31" E

Consolidated interim financial statements

Consolidated income statement

for the period from January 1 to June 30, 2013

in EUR k	Notes	April 1 – June 30, 2013	April 1 – June 30, 2012	January 1 – June 30, 2013	January 1 – June 30, 2012
Revenues		25,865	25,646	52,156	49,249
Income less expenses from passed on operating expenses		–237	33	–75	–48
Real estate operating expenses		–2,458	–2,540	–4,038	–4,903
Net rental income		**23,170**	**23,139**	**48,043**	**44,298**
Administrative expenses		–1,471	–1,671	–2,687	–3,089
Personnel expenses	6.1	–1,611	–1,703	–3,046	–3,032
Other operating income		513	874	1,595	2,321
Other operating expenses		–15	–32	–25	–46
Net gain from fair value adjustments on investment property		0	255	0	255
Gain/loss on disposal of investment property		–353	–145	163	–145
Net operating result		**20,233**	**20,717**	**44,043**	**40,562**
Net financial result	6.2	–9,236	–9,068	–17,790	–18,254
Share of the result of joint venture		25	–44	–20	7
Net loss from fair value adjustments on financial derivatives		3,010	–104	2,819	–585
Pre-tax result (EBT)		**14,032**	**11,501**	**29,052**	**21,730**
Income tax expense	6.3	–7	–18	–25	–18
Consolidated profit		**14,025**	**11,483**	**29,027**	**21,712**
Attributable to:					
Shareholder		14,025	11,483	29,027	21,712
Earnings per share in EUR					
Basic earnings per share	6.4	0.18	0.15	0.37	0.28
Diluted earnings per share	6.4	0.18	0.15	0.37	0.28

Consolidated statement of comprehensive income

for the period from January 1 to June 30, 2013

in EUR k	Notes	April 1 – June 30, 2013	April 1 – June 30, 2012	January 1 – June 30, 2013	January 1 – June 30, 2012
Consolidated profit for the period		14,025	11,483	**29,027**	21,712
Items which might be reclassified to the income statement in a future period:					
Cash flow hedges	8.1	4,244	–3,590	9,264	–5,169
Reclassification from cashflow hedging reserve	8.1	236	247	496	496
Other comprehensive result for the period		**4,480**	**–3,343**	**9,760**	**–4,673**
Total comprehensive result for the period		**18,505**	**8,140**	**38,787**	**17,039**
Total comprehensive profit attributable to:					
Owners of the company		**18,505**	**8,140**	**38,787**	**17,039**

Consolidated statement of financial position

as at June 30, 2013

Assets

in EUR k	Notes	June 30, 2013	December 31, 2012
Non-current assets			
Investment property	7.1	1,597,569	1,622,988
Equity-accounted investments		17,337	18,183
Property, plant and equipment		5,253	5,334
Intangible assets		403	467
Derivatives		627	403
Total non-current assets		**1,621,189**	**1,647,375**
Current assets			
Assets held for sale	7.1	6,712	10,010
Trade receivables		4,572	3,656
Accounts receivable from joint ventures		1,084	89
Derivatives	8.3	594	403
Other receivables		31,684	6,812
Cash and cash equivalents	7.2	156,820	118,548
thereof restricted		*251*	*252*
Total current assets		**201,466**	**139,518**
Total assets		**1,822,655**	**1,786,893**

Equity and liabilities

in EUR k	Notes	June 30, 2013	December 31, 2012
Equity	8.1		
Share capital		78,933	78,933
Capital surplus		730,198	769,412
Hedging reserve		–12,377	–22,137
Retained earnings		32,106	3,079
Total equity		**828,860**	**829,287**
Non-current liabilities			
Long-term loans, net of current portion	8.2	902,590	882,105
Derivatives	8.3	35,329	35,080
Other provisions		4,109	5,191
Other liabilities		797	7,129
Total non-current liabilities		**942,825**	**929,505**
Current liabilities			
Short-term loans	8.2	35,702	9,986
Trade payables		5,350	3,735
Profit participation rights	12	232	345
Other current liabilities		9,686	14,035
Total current liabilities		**50,970**	**28,101**
Total liabilities		**993,795**	**957,606**
Total equity and liabilities		**1,822,655**	**1,786,893**

Consolidated statement of changes in equity

for the period ended June 30, 2013

in EUR k	Notes	Share capital	Capital surplus	Hedging reserve	Retained earnings	Total Equity
As of January 1, 2013		**78,933**	**769,412**	**–22,137**	**3,079**	**829,287**
Changes in H1 2013						
Consolidated profit		0	0	0	29.027	29.027
Other comprehensive income		0	0	9,760	0	9.760
Total comprehensive income		**0**	**0**	**9,760**	**29,027**	**38,787**
Payments of dividends	9	0	–39,467	0	0	–39,467
Share-based remuneration		0	253	0	0	253
As of June 30, 2013	8.1	**78,933**	**730,198**	**–12,377**	**32,106**	**828,860**

Consolidated statement of changes in equity

for the period ended June 30, 2012

in EUR k	Notes	Share capital	Capital surplus	Hedging reserve	Retained earnings	Total Equity
As of January 1, 2012		**71,704**	**751,084**	**–17,760**	**–36,833**	**768,195**
Changes in H1 2012						
Consolidated profit		0	0	0	21,712	21,712
Other comprehensive income		0	0	–4,673	0	–4,673
Total comprehensive income		**0**	**0**	**–4,673**	**21,712**	**17,039**
Payment of dividends	15	0	–34,705	0	0	–34,705
Share-based remuneration		0	252	0	0	252
Proceeds from shares issued		7,170	53,778	0	0	60,948
Transaction costs of issue of shares		0	–1,310	0	0	–1,310
Conversion of treasury shares		59	59	0	0	118
As of June 30, 2012	8.1	**78,933**	**769,158**	**–22,433**	**–15,121**	**810,537**

Consolidated statement of cash flow

for the period from January 1 to June 30, 2013

in EUR k	Notes	January 1 – June 30, 2013	January 1 – June 30, 2012
1. Operating activities			
Consolidated profit for the period		29,027	21,712
Unrealised valuation movements		–2,799	315
Interest income	6.2	–172	–475
Interest expense	6.2	17,962	18,729
Result from income taxes		25	18
Other non-cash income (–)/expenses (+)		–29	380
Gain (–)/Loss (+) on disposal of fixed assets		–163	145
Depreciation and impairment of fixed assets (+)		268	165
Decrease (+)/Increase (–) in trade receivables and other assets that are not attributed to investing or financing activities		–1,483	–1,701
Decrease (–)/increase (+) in trade payables and other liabilities that are not attributed to investing or financing activities		–779	155
Cash generated from operations		**41,857**	**39,443**
Interest received		172	475
Interest paid		–15,864	–16,882
Income tax paid		–25	0
Cash flows from operating activities		**26,140**	**23,036**
2. Investing activities			
Acquisition of investment properties	7.1	–33,540	–101,443
Proceeds from sale of investment properties		27,563	8,440
Payment of transaction cost in relation to the sale of investment properties		–242	–145
Acquisition of other property, plant and equipment		–123	–179
Proceeds from the equity release of interests in joint ventures		826	23,276
Proceeds from the repayment of loans granted to joint ventures		0	1,771
Cash flows used in investing activities		**–5,516**	**–68,280**

in EUR k	Notes	January 1 – June 30, 2013	January 1 – June 30, 2012
3. Financing activities			
Cash received from equity contributions	8.1	0	61,066
Payment of transaction costs of issue of shares	8.1	0	–1,310
Proceeds from the issue of bonds and borrowings		79,400	0
Payments of dividends		–39,467	–34,705
Payments for the acquisition and termination of financial derivatives		0	–8,104
Payments of the redemption of bonds and borrowings		–21,292	–6,233
Payments of transaction costs for the issue of bonds and borrowings		–993	0
Cash flows used in / generated from financing activities		**17,648**	**10,714**
4. Cash and cash equivalents at the end of the period			
Change in cash and cash equivalents (subtotal of 1 to 3)		38,272	–34,530
Cash and cash equivalents at the beginning of the period		118,548	96,009
Cash and cash equivalents at the end of the period *thereof restricted: EUR 251 k; previous year: EUR 274 k*	7.3	**156,820**	**61,479**

Notes to the Condensed Interim Consolidated Financial Statements as at June 30, 2013

1 Corporate information

alstria office REIT-AG, Hamburg, (hereinafter referred to as the 'Company' or 'alstria office REIT-AG' and, together with its subsidiaries, as 'alstria' or the 'Group'), is a German stock corporation registered in Hamburg. The Group's principal activities are described in detail in section 1 of the Notes to the consolidated financial statements for the financial year ended December 31, 2012.

The condensed interim consolidated financial statements for the period from January 1, 2013 to June 30, 2013 (hereinafter referred to as the 'consolidated interim financial statements') were authorised for issue by resolution of the Company's Management Board on August 5, 2013.

2 Basic of preparation

These consolidated interim financial statements were prepared in accordance with IAS 34 'Interim Financial Reporting'. They do not contain all of the disclosures and explanations required in the annual financial statements and should therefore be read in conjunction with the consolidated financial statements as at December 31, 2012.

These condensed interim consolidated financial statements have not been audited. They have been reviewed by Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Hamburg.

3 Significant accounting policies

The accounting policies applied are consistent with those policies applied in the Group's annual financial statements for the year ended December 31, 2012, as outlined in those annual financial statements.

The following new interpretations and amendments to standards and interpretations are mandatory for the first time for the financial reporting period beginning January 1, 2013:

› IFRS 13 'Fair value measurement'; new standard issued on May 12, 2011. IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring and requires disclosures about fair value measurements. The scope of IFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements or disclosures about fair value measurements, except for share-based payment transactions within the scope of IFRS 2 'Share-based Payment', leasing transactions within the scope of IAS 17 'Leases', measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 'Inventories', or value in use in IAS 36 'Impairment of Assets'. IFRS 13 is applicable to annual reporting periods beginning on or after January 1, 2013.

› Amendments to IFRS 1 'Severe hyperinflation and removal of fixed dates for first-time adopters', issued on December 20, 2010. The amendment is generally applicable for financial years starting on July 1, 2011 or later but was allowed to be applied not before January 1, 2013 on as a result of the European Union endorsement process. Since alstria has no exposure to hyperinflation markets, the amendments have no effect on alstria's financial reporting.

› Amendment to IFRS 1 with regard to government grants with interest rates not in line with market level. The amendment was published on March 13, 2012 and will give first-time adopters the same relief to recognition and measurement of government grants as existing preparers. The amendment applies to annual periods beginning on or after January 1, 2013 and has no effect on the Group's financial reporting.

› The IASB has revised the requirements for offsetting financial assets and financial liabilities and as a result, published amendments to IAS 32 'Financial instruments: presentation' and IFRS 7 'financial instruments: disclosure'. The current offsetting model in IAS 32 has been basically maintained and was solely substantiated by additional application guidance, which applies to annual periods beginning on or after January 1, 2014.

A new feature is the IFRS 7 disclosure requirements inserted in connection with certain settlement agreements. The amendments to IFRS 7 are to apply retrospectively for annual periods beginning on or after January 1, 2013. Impact from these changes may result in terms of reporting in the event that there is a netting agreement.

› Amendments to IAS 1 'Presentation of financial statements'. On June 16, 2011, the International Accounting Standards Board (IASB) published amendments to IAS 1. The amendments to IAS 1 retain the 'one or two statement' approach at the option of the entity and only revise the way other comprehensive income is presented, requiring se-

parate subtotals for those elements which may be 'recycled', and those elements that will not. The amendments are applicable to annual periods beginning on or after July 1, 2012, with early adoption permitted. The amendments do not affect the presentation of the Group's financial statements.
- Amendment to IAS 12 'Deferred tax: Recovery of underlying assets', issued on December 20, 2010. This amendment, which will have no impact on the financial reporting of alstria is generally to apply from January 1, 2012 but was allowed to be applied not before January 1, 2013 on as a result of the European Union endorsement process.
- Amendments to IAS 19 'Employee benefits'. On June 16, 2011, the IASB published amendments to IAS 19, implementing new reporting procedures on employee benefits. The amendments are applicable to annual periods beginning on or after January 1, 2013, with early adoption permitted. The amendments are not affecting the presentation of the Group's financial reporting.
- IFRIC 20 'Stripping costs in the production phase of a surface mine': IFRIC 20 considers when and how to account separately for benefits arising from the stripping activities in surface mining operations. IFRIC 20 applies to annual periods beginning on or after January 1, 2013. The interpretation has no relevance for the Group.
- The International Accounting Standards Board (IASB) issued 'Annual Improvements 2009–2011', a collection of amendments to IFRSs, in response to issues addressed during the 2009–2011 cycle. Five standards (IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34) are primarily affected by the amendments, with consequential amendments to numerous others. The improvements apply to annual periods beginning on or after January 1, 2013 and will be of only minor, if any, relevance for the Group.

The initial application of the newly applied IFRS had no material effect on the presentation of the consolidated interim financial statements.
The following new standards, interpretations and amendments to published standards have been issued but are not effective for the financial year 2013 and have not been applied by the Group before they are mandatory:

- IFRS 9 'Financial instruments'; new standard issued November 12, 2009. The standard addresses the classification and measurement of financial assets and is likely to affect the Group's accounting of financial assets. Application of the standard is not mandatory until January 1, 2015. But subject to EU endorsement, the standard is available for early adoption. The Group has not yet assessed the full impact of IFRS 9.
- IFRS 10 'Consolidated financial statements'; new standard issued on May 12, 2011. The objective of IFRS 10 is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. The standard supersedes the guidelines on consolidation as outlined in the present IAS 27 'Consolidated and Separate Financial Statements' and SIC-12 'Consolidation – Special Purpose Entities'. IFRS 10 is applicable to annual reporting periods beginning on or after January 1, 2014*. It is not expected that the application of the new standard will lead to a change in the basis of consolidation of the Group.
- IFRS 11 'Joint arrangements'; new standard issued on May 12, 2011. The core principle of IFRS 11 is that a party to a joint arrangement determines the type of joint arrangement in which it is involved by assessing its rights and obligations, and accounts for those rights and obligations, in accordance with that type of joint arrangement. The standard supersedes IAS 31 'Interests in Joint Ventures' and SIC-13 'Jointly Controlled Entities – Non-Monetary Contributions by Venturers'. IFRS 11 is applicable to annual reporting periods beginning on or after January 1, 2014*. It is not expected that the application of the new standard will lead to a change in the accounting for joint ventures.
- IFRS 12 'Disclosures of interests in other entities'; new standard issued on May 12, 2011. The objective of IFRS 12 is to require the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, the interests in other entities and the effects of those interests on their financial position, financial performance and cash flows. IFRS 12 is applicable to annual reporting periods beginning on or after January 1, 2014*. The Group has not yet assessed the full impact of IFRS 12.
- IAS 27 'Separate financial statements'; new revised standard issued on May 12, 2011. IAS 27 (revised 2011) has the objective of setting standards to be applied in accounting for investments in subsidiaries, joint ventures, and associates when an entity elects, or is required by local regulations, to present separate (non-consolidated) financial statements. IAS 27 (2011) together with IFRS 10 'Consolidated Financial Statements' supersedes the previous version of IAS 27 (2008) 'Consolida-

* Shift of the mandatory apllication date for EU companies to January 1, 2014.

ted and Separate Financial Statements' including the related interpretation SIC-12 'Consolidation – Special Purpose Entities'. IAS 27 (revised 2011) is applicable to annual reporting periods beginning on or after January 1, 2014*. Since none of alstria's Group companies prepares single entity financial statements in accordance with IFRS, no impact on accounting is expected as a result of the revised standard.

› IAS 28 'Investments in associates and joint ventures'; new standard issued May 12, 2011. The objective of IAS 28 (revised 2011) is to prescribe the accounting for investments in associates, and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. IAS 28 (2011), together with IFRS 12 'Disclosures of interests in other entities', supersedes the previous version of IAS 28 (2008) 'Investments in Associates'. IAS 28 (revised 2011) is applicable to financial years beginning on or after January 1, 2014*. It is not expected that the application of the new standard will lead to a change in the accounting for joint ventures.
› An entity may apply the aforementioned standards IFRS 10 'Consolidated Financial Statements', IFRS 11 'Joint Arrangements', IFRS 12 'Disclosure of Interests in Other Entities', IAS 27 'Separate Financial Statements (2011)' and IAS 28 'Investments in Associates and Joint Ventures 2011' to an earlier accounting period, but if it elects to do this prematurely, it must adopt all standards together.
› The IASB has revised the requirements for offsetting financial assets and financial liabilities and as a result, published amendments to IAS 32 'Financial instruments: presentation' and IFRS 7 'financial instruments: disclosure'. The current offsetting model in IAS 32 has been basically maintained and was solely substantiated by additional application guidance, which applies to annual periods beginning on or after January 1, 2014.
› Amendments to IFRS 10 'Consolidated financial statements', IFRS 11 'Joint arrangements', and IFRS 12 'Disclosures of interests in other entities' – Transition Guidance. The amendments will clarify the transition guidance in IFRS 10 and grants additional relief in all three standards. The amendments are applicable – similar to IFRS 10, IFRS 11 and IFRS 12 – to annual periods beginning on or after January 1, 2014*.

* Shift of the mandatory apllication date for EU companies to January 1, 2014.

4 Consolidated group

There have been no changes to the consolidated Group since the consolidated financial statements as of December 31, 2012.

5 Key judgements and estimates

Preparing the consolidated financial statements in accordance with IFRS requires assumptions and estimates to be made for various items that have an effect on the amount and disclosure of assets, liabilities, income and expenses. Actual amounts may vary from these estimates.

6 Notes to the Consolidated Income Statement

6.1 Personnel expenses

The personnel expenses shown in the profit and loss account totalling EUR 3,046 k (January 1 to June 30, 2012: EUR 3,032 k) include accrued bonuses in the amount of EUR 623 k (January 1 to June 30, 2012: EUR 580 k). Furthermore, income from the reversal of provision for personnel liabilities of EUR 93 k (January 1 to June 30, 2012: Expenses of EUR 113 k) relating to share-based compensation granted to the management are included (see note 11), as are expenses for share-based compensation resulting from the convertible profit participation rights granted to employees in an amount of EUR 253 k (January 1 to June 30, 2012: EUR 358 k).

6.2 Financial result

The following table shows a breakdown of the financial result.

in EUR k	Jan. 1 – June 30, 2013	Jan. 1 – June 30, 2012
Interest expense syndicated loan	–5,501	–8,109
Interest expense other loans	–4,581	–5,038
Interest result from derivatives	–7,000	–5,519
Interest expense convertible bond	–317	0
Other interest expenses	–123	–31
Financial expenses	**–17,522**	**–18,697**
Interest income	172	475
Other financial expenses	–440	–32
Net financing costs	**–17,790**	**–18,254**

In the second quarter of the financial year 2013 alstria office REIT-AG issued a convertible bond generating proceeds of EUR 79,400 k. The convertible bond has a maturity of five years. It will be redeemed at 100% of its principal amount and the coupon was set at 2.75% p. a., payable quarterly in arrears.
There were no further new loans taken out in the first half year of 2013. The syndicated loan was amortised in an amount of EUR 20,003 k.

6.3 Income taxes

As a consequence of its status as a G-REIT, alstria office REIT-AG is exempt from German corporation tax (Körperschaftsteuer – KSt) and German trade tax (Gewerbesteuer – GewSt).
Minor tax payment obligations may arise for affiliates serving as a general partner of a partnership or REIT Service Companies.
For a detailed description of the tax implications, please refer to section 9.10 of the consolidated financial statements as at December 31, 2012.

6.4 Earnings per share

The table below shows the income and share data used in the earnings per share computations:

	January 1 – June 30, 2013 (unaudited)	January 1 – June 30, 2012 (unaudited)
Profit attributable to the shareholders (in EUR k)	29,027	21,712
Average number of shares outstanding (in thousands)	78,933	76,750
Basic earnings per share (in EUR per share)	0.37	0.28

7 Notes to the Consolidated Balance Sheet – Assets

7.1 Investment property

alstria office REIT-AG uses the fair value model pursuant to IFRS 13 for revaluation. External appraisals were obtained for the determination of value as at December 31, 2012. A management review of fair values as at the date of the consolidated interim financial statements as at June 30, 2013 resulted in a fair value increase for investment properties held at December 31, 2012 totalling EUR 6,781 k. This amount mainly relates to capitalised expenditure invested in the first half year of 2013 for refurbishment and project development. For a detailed description of the asset value determination process, please refer to section 7 of the consolidated financial statements as at December 31, 2012.
In the first six month of 2013, the sales transfer of benefits and burden took place for six properties, two of which were classified as "asset held for sale" as of December 31, 2012. The transaction volume amounted to EUR 35,840 k.
In addition alstria signed binding and notarised agreements for the sale of two further properties during the second and third quarter of 2013. The transfer of benefits and burden for one of the properties took place on August 1, 2013. For the other property the transfer of benefits and burden is expected to take place during the fourth quarter of 2013. The two assets are classified as "assets held for sale" as of June 30, 2013.
The acquisition of one land asset in Düsseldorf (owned through leasehold before) was closed in the second quarter of 2013.
Furthermore an agreement for the acquisition of one investment property has been signed in the second quarter. The transfer of benefits and burden is expected to take place in the third quarter, the transaction volume for the property amounts to EUR 19,655 k.

7.2 Cash and cash equivalents

As of June 30, 2013, EUR 251 k of total cash and cash equivalents (EUR 156,820 k) is subject to restrictions. The amount corresponds to accrued interest obligations and other amounts over which the Company may not freely dispose.

8 Notes to the Consolidated Balance Sheet – Equity and Liabilities

8.1 Equity

Please refer to the consolidated statement of changes in equity for details.

Share capital

On June 30, 2013 alstria office REIT-AG's share capital amounted to EUR 78,933,487, represented by 78,933,487 non-par value bearer shares.
The majority of the shares in the Company are in free float.

Treasury shares

On June 30, 2013, the Company held no treasury shares. By resolution of the Annual General Meeting held on June 8, 2011, the Company's authorisation to acquire treasury shares was renewed. According to the resolution, alstria office REIT-AG is authorised to acquire up to 10% of the capital stock until June 8, 2016. There is no intention to make use of this authorisation at present.

Cash flow hedging reserve

in EUR k	January 1 – June 30, 2013 (unaudited)	2012 (audited)
As at January 1	–22,137	–17,760
Net changes in cash flow hedges	9,760	–4,377
As at June 30 / Dec. 31	**–12,377**	**–22,137**

This reserve includes the portion of the gain or loss on hedging instruments in cash flow hedge that is determined to be an effective hedge. The net changes for the increased valuation of derivative financial instrument amount to EUR 9,264 k. An amount of EUR 496 k relates to reclassifications of cumulated devaluations of cash flow hedges, for which the forecast hedged transactions are no longer expected to occur due to the redemption of loans before maturity.

8.2 Financial liabilities

As at June 30, 2013, alstria's total interest bearing debt, mainly consisting of outstanding loan balance and the convertible bond, amounted to EUR 955,093 k (December 31, 2012: EUR 896,984 k). The lower carrying amount of EUR 938,292 k (EUR 902,590 k non-current and EUR 35,702 k current) takes into account interest liabilities and transaction costs to be allocated under the effective interest method upon the raising of liabilities. Financial liabilities with a maturity of up to one year are recognised as current loans.
The issuing volume resulting from the convertible bond loan amounted to EUR 79,400 k and is totally included in the financial liabilities.
In relation to the disposal of office buildings alstria repaid EUR 20,003 k on its syndicated loan in the reporting period 2013. Furthermore a reduction of the financial liabilities in the amount of EUR 6,746 k resulted from the acquisition of a leasehold liability.
For a detailed description of the loans, loan terms and loan securities, please refer to section 11.2 of the consolidated financial statements as at December 31, 2012.

8.3 Derivative financial instruments

Derivative financial instruments include interest swaps and caps. The purpose of these financial derivatives is to hedge against interest risks arising from the Company's business activities and its sources of financing. In addition an embedded derivative resulting from the issue of the convertible bond is included.

The fair value of the derivative financial instruments was determined by an independent expert by discounting the expected future cash flows at prevailing market interest rates.
For a more detailed description of the Group's derivative financial instruments and the presentation of their fair values please refer to page 6 of the consolidated interim management report.
All of the Group's financial instruments which are measured in the balance sheet at fair value are valued using the level 2 valuation measurement approach. This only applies to the Group's financial derivatives, as there are no other financial instruments that are measured in the balance sheet at fair value. The fair value determination of the Group's financial derivatives is based on forward interest rates extracted from observable yield curves.

9 Dividend paid

	Jan. 1 – June 30, 2013 (unaudited)	Jan. 1 – June 30, 2012 (audited)
Dividends on ordinary shares[1] in EUR k (not recognised as a liability as at June 30):	39,467	34,705
Dividend per share in EUR	**0.50**	**0.44**

[1] Refers to all shares at the dividend payment date.

The Annual General Meeting of alstria office REIT-AG held on May 29, 2013 resolved to distribute dividends totalling EUR 39,467 k (EUR 0.50 per outstanding share). The dividend was distributed on May 30, 2013.

10 Employees

In the period from January 1 to June 30, 2013, the Company had an average of 59 employees (January 1 to June 30, 2012: average 53 people). The average number of employees was calculated on the basis of the total of employees at the end of each month. On June 30, 2013, 59 people (December 31, 2012: 59 people) were employed at alstria office REIT-AG, excluding the Management Board.

11 Share-based remuneration

As part of the success based remuneration for members of the Management Board a share-based remuneration system was implemented. The share-based remuneration is made up of a long-term component, the Long-Term Incentive Plan (LTI), and a short-term component, the Short-Term Incentive Plan (STI). The remuneration type is a cash-settled and share-based payment transaction respectively. The development of the virtual shares until June 30, 2013 is shown in the following table:

Number of virtual shares	January 1 – June 30, 2013 (unaudited)		2012 (audited)	
	LTI	STI	LTI	STI
January 1	267,665	24,629	175,711	11,718
Granted in the reporting period	86,114	13,078	91,954	12,911
Terminated in the reporting period	0	–11,718	0	0
June 30/ Dec. 31	**353,779**	**25,989**	**267,665**	**24,629**

In the first six month of 2013, the LTI and the STI generated income amounting to EUR 93 k (H1 2012: expenses of EUR 113 k) and, at the end of the reporting period, provisions amounting to EUR 1,258 k (December 31, 2012: EUR 1,472 k). The income generated in the first half year resulted from the reversal of provision for share based remuneration based on market data. The Group recognises the liabilities arising from the vested virtual shares under other provisions. Please refer to section 18 of the consolidated financial statements as of December 31, 2012 for a detailed description of the employee profit participation rights programme.

12 Convertible profit participation rights programme

Under the convertible profit participation rights scheme established by the Supervisory Board of alstria office REIT-AG, 158,000 convertible profit participation certificates ('certificates') existed as of June 30, 2013, 36,500 certificates have been terminated in the course of the first half year 2013.
For a detailed description of the employee profit participation rights programme, please refer to section 19 of the consolidated financial statements as of December 31, 2012.

13 Related parties

Except for the granting of virtual shares to the members of the Company's Management Board as detailed in note 11, no significant legal transactions were executed with related parties during the reporting period.

14 Significant events after the end of the reporting period

One of the two properties accounted for as 'held for sale' as at June 30, 2013 was transferred to the buyer on August 1, 2013.
In the third quarter of 2013, alstria office REIT-AG signed binding and notarised agreements for the sale of one assets, classified as "asset held for sale" as per June 30, 2013.
Furthermore a sale agreement for the acquisition of one investment property in Düsseldorf has been signed in July 2013. The transfer of benefits and burden is expected to take place in the third quarter, the transaction volume for the property amounts to EUR 16,841 k.
On July 22, 2013, alstria redeemed a non-recourse financing with a total amount of EUR 30,359 k.

15 Management Board

As of June 30, 2013, the members of the Company's Management Board are:

Mr Olivier Elamine (Chief Executive Officer)

Mr Alexander Dexne (Chief Financial Officer)

16 Supervisory Board

Pursuant to section 9 of the Company's Articles of Association, the Supervisory Board consists of six members, all of whom are elected by the Annual General Meeting of shareholders. The term of office for all members expires at the close of the Annual General Meeting of shareholders in 2016.

As at June 30, 2013, the members of the Supervisory Board are:

Mr Alexander Stuhlmann (Chairman)
Dr Johannes Conradi (Vice-Chairman)
Mr Benoît Hérault
Mr Roger Lee
Mr Richard Mully
Ms Marianne Voigt

Hamburg, Germany, August 5, 2013

Olivier Elamine
CEO

Alexander Dexne
CFO

Managment compliance statement

"We confirm that, to the best of our knowledge, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group and the group management report gives a true and fair view of business performance including the results of operations and the situation of the Group, and describes the main opportunities and risks and anticipated development of the Group in accordance with the applicable financial reporting framework."

Hamburg, Germany, August 5, 2013

Olivier Elamine
CEO

Alexander Dexne
CFO

Review Report

To the alstria office REIT-AG, Hamburg

We have reviewed the condensed interim consolidated financial statements of the alstria office REIT-AG, Hamburg, comprising the income statement, the statement of comprehensive income, the balance sheet, statement of changes in equity, cash flow statement and selected explanatory notes, together with the interim group management report of the alstria office REIT-AG, Hamburg, for the period from 1 January to 30 June 2013, that are part of the semi annual financial report pursuant to § 37w Abs. 2 WpHG [Wertpapierhandelsgesetz: German Securities Trading Act]. The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and of the interim group management report in accordance with the 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 such that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments 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 issue an auditor's report.

Based on our review no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Hamburg, 5 August 2013

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

Signed: (Reiher)	Signed:(p.p. Deutsch)
[German Public Auditor]	[German Public Auditor]


Immermannstrasse 40, Düsseldorf
51° 13' 23" N; 6° 47' 23" E

Events 2013/2014

Special dates you should note …

November 5, 2013

Publication of Q3 report
Interim report (Hamburg)
Publication of the sustainability report 2013

February 28, 2014

Annual Press Conference
Financial Results 2013 (Frankfurt)

May 6, 2014

Publication of Q1 report
Interim report (Hamburg)

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