PATRIZIA
IMMOBILIEN AG

Q1

FISCAL YEAR 2009

KEY FIGURES

	1st quarter 2009 01.01. – 31.03.2009	1st quarter 2008 01.01. – 31.03.2008
REVENUES AND EARNINGS	EUR'000	EUR'000
Revenues	45,060	46,598
Total operating performance	34,990	31,639
EBITDA	10,561	6,967
EBIT	10,354	6,788
EBIT (adjusted)	10,354	7,264
EBT	– 16,028	– 18,644
EBT (adjusted)	– 4,711	– 7,855
Net loss	– 14,900	– 18,102

	31.03.2009	31.12.2008
STRUCTURE OF ASSETS AND CAPITAL	EUR'000	EUR'000
Non-current assets	683,621	683,180
Current assets	791,898	833,973
Equity	275,833	291,472
Equity ratio (in %)	18.7 %	19.2 %
Non-current liabilities	39,432	29,685
Current liabilities	1,160,254	1,195,996
Total assets	1,475,519	1,517,153

SHARE	
ISIN	DE000PAT1AG3
SIN (Security Identification Number)	PAT1AG
Code	P1Z
Share capital as at March 31, 2009	EUR 52,130,000
No. of shares in issue as at March 31, 2009	52,130,000
First quarter 2009 high*	EUR 1.86
First quarter 2009 low*	EUR 1.29
Closing price as at March 31, 2009*	EUR 1.38
Market capitalization as at March 31, 2009	EUR 71.9 million
Indices	SDAX, EPRA, GEX, DIMAX

*Closing price at Frankfurt Stock Exchange Xetra trading

LETTER TO OUR SHAREHOLDERS

Dear Ladies and Gentlemen,
Dear Shareholders and Business Partners,

The first quarter of 2009 was characterized by discussions concerning the effects of the crisis in the financial markets on the goods and services industry. The various economic institutes' forecasts for growth and change in GDP compared with the previous year range from –2.3% to –5.3%. However, companies, central banks and governments of individual states have initiated extensive countermeasures to contain the economic crisis. For example, the German Federal Government has resolved various economic programs designed to counteract the economic downturn in Germany, including guarantees and loans, construction projects and direct government investments. In addition, the base rate of interest has been reduced to 1.25% with the aim not only of reducing the cost of granting loans, but primarily of boosting the granting of loans again. Based on these measures, the Deutsche Institut für Wirtschaftsforschung (DIW – German Institute for Economic Research) is forecasting a slight recovery in the German economy by the end of 2009.

But how do these developments impact PATRIZIA Immobilien AG's operations? We will certainly not be able to escape the general economic downturn either. We too are feeling the effects of the wait-and-see attitude and uncertainty on the part of German and international investors toward all types of investment. Nevertheless, we are confident that investments in tangible assets such as real estate will prevail, particularly in the current market environment. High-quality real estate in attractive locations in Germany is a stable form of investment that holds its value while protecting against inflation and providing regular income for owners. Furthermore, interest rates are low, which makes it possible to take out loans under favorable conditions.

With regard to our own financing situation, in mid-March 2009 we extended loans amounting to around EUR 530 million for a further 24 months. This is a clear indication of the good quality of our real estate and the willingness of German banks to continue to grant loans to or extend the loans of borrowers with strong credit ratings.

Our Residential Property Resale figures show that we are continuing to sell apartments despite the uncertain market environment and economic climate. In the first quarter of 2009, a total of 110 residential units were sold to tenants, owner-occupiers and private investors. Revenues in the first three months of 2009 totaled EUR 45.1 million, of which EUR 17.2 million was generated through the sales mentioned above and EUR 17.6 million through rental income. We are observing a rather reserved approach among institutional investors, who are currently still exercising restraint despite signaling interest in the German residential real estate market. For this reason, we did not conclude any block sales in the first quarter of 2009. We are also only expecting the transaction market in this area to pick up in the second half of 2009.

Our expense items are subject to strict controls, which led to a reduction in operating expenses compared with the previous year. Other operating expenses fell by 16.3% to EUR 4.1 million. EBIT calculated in accordance with IFRSs amounted to EUR 10.4 million in the period under review and was thus up EUR 3.6 million (52.5%) year on year.

In the first three months of 2009, financial expenses amounted to EUR 26.7 million. As in the previous quarters, financial expenses were negatively impacted by the results of the fair value measurement of interest rate hedges. In line with IFRS accounting standards, our interest rate hedges must be measured at the end of every quarter and totaled EUR –11.3 million as at March 31, 2009. Overall, we are benefiting from the current low interest rates. The interest cost of servicing our loans with variable interest rates has therefore fallen. EBT calculated in accordance with IFRSs totaled EUR –16.0 million in the reporting period, corresponding to an improvement of 14.0% compared with the same period of the previous year. Taking only PATRIZIA's operating results into account, excluding effects not impacting liquidity from the fair value measurement of interest rate hedges, adjusted EBT amounted to EUR –4.7 million. Adjusted EBT in the first quarter of 2008 totaled EUR –7.8 million. Adjusted earnings before tax improved despite the lack of block sales by 40.0%.

Although we are not satisfied with the earnings ratios for the first quarter of 2009, we could not have expected anything different in view of current market conditions. The three remaining quarters of the fiscal year will be challenging months for PATRIZIA. However, as already mentioned, we see good opportunities for maintaining our position, even in this unfavorable market environment. We thus continue to anticipate an operating profit for the 2009 fiscal year as a whole.

The Managing Board

Wolfgang Egger	Arwed Fischer	Klaus Schmitt
Chairman of the Board	Member of the Board	Member of the Board

INTERIM REPORT – FIRST QUARTER 2009

1. BUSINESS DEVELOPMENT AND SIGNIFICANT TRANSACTIONS IN THE FIRST QUARTER OF 2009

KEY EVENTS IN THE INVESTMENTS SEGMENT

In the current fiscal year, PATRIZIA will chiefly operate as a seller on the market, at least with respect to our own portfolios. In contrast, our subsidiary PATRIZIA Immobilien Kapitalanlagegesellschaft mbH will continue to focus on identifying suitable properties for the fund products in order to invest the existing share capital profitably. Usually, few transactions are concluded in the real estate sector in the first quarter of the year. At 110 individually sold units, the Residential Property Resale figures were below the level of the same quarter of the previous year (144 units), with most apartments sold in Munich, Cologne and Hamburg. Although the number of units sold to private investors was lower than in the previous quarter, interest in acquiring residential real estate has risen slightly in the last few weeks. In view of the volatility on the capital markets, lower interest rates and the stable value of residential real estate of the quality we offer, interest in the residential real estate investment category has shown another slight increase. The next few weeks and months will reveal whether this trend will continue or whether the uncertainty among investors will increase again.

A somewhat different picture is emerging in the area of block sales to institutional investors. Many institutional investors are still displaying a more wait-and-see attitude toward investments of any type. For this reason, no block sales were concluded in the first quarter of 2009. In the same period of the previous year, 85 units with a sales volume of EUR 14.85 million were sold by way of block sales.

A significant development affecting PATRIZIA's financing structure was the renewal of loans of around EUR 530 million. In mid-March 2009, these loans were extended for a further 24 months until March 31, 2011 under approximately the same terms.

Overview of PATRIZIA's Premium Portfolio

Region/city	Number of units (March 31, 2009)	in % of the portfolio	Area in sqm (March 31, 2009)	in % of the portfolio
Munich	5,074	42.4 %	349,954	41.9 %
Cologne/Dusseldorf	1,552	13.0 %	134,945	16.2 %
Hamburg	1,337	11.2 %	88,624	10.6 %
Leipzig	981	8.2 %	64,391	7.7 %
Berlin	956	8.0 %	61,467	7.4 %
Frankfurt am Main	943	7.9 %	59,390	7.1 %
Regensburg	447	3.7 %	30,651	3.7 %
Hanover	434	3.6 %	29,968	3.6 %
Dresden	152	1.3 %	10,284	1.2 %
Friedrichshafen	80	0.7 %	5,195	0.6 %
TOTAL	**11,956**	**100 %**	**834,868**	**100 %**

KEY EVENTS IN THE SERVICES SEGMENT

The uncertainty of institutional market participants and their reserved attitude toward investing became apparent particularly in the Services segment. Despite the weakened transaction market, in 2009 we intend to increase our acquisitions in this area for our fund products. In fulfilling this aim, we will focus not only on the German residential real estate market, but also primarily on attractive markets in Europe where we have identified high-return portfolios. The first purchase of 1,018 units for our Euro City Residential Funds I in the greater Stockholm area in December 2008 demonstrates PATRIZIA's purchasing power throughout Europe.

2. OUR EMPLOYEES

The PATRIZIA Group had 371 permanent employees as of March 31, 2009, including 20 trainees. In comparison with December 31, 2008 (381 employees), the number of employees decreased by 10, or 2.6%.

3. NET ASSET, FINANCIAL AND EARNINGS SITUATION

Earnings Situation of the PATRIZIA Group

In the first three months of 2009, PATRIZIA generated consolidated revenues of EUR 45.1 million, of which EUR 17.2 million (38.1%) resulted from the resale of individual residential units to private investors, EUR 17.6 million (39.2%) from rented property and EUR 2.9 million (6.4%) from the Services segment.

The structure of revenues in the first quarter of 2009 is set out below:

	1st quarter 2009 01.01. – 31.03.2009	1st quarter 2008 01.01. – 31.03.2008	Change	2008 01.01. – 31.12.2008
	EUR MILLION	EUR MILLION	IN %	EUR MILLION
Purchase price revenues from Residential Property Resale	17.2	21.4	– 19.6 %	73.9
Purchase price revenues from Asset Repositioning	0	14.8	– 100 %	40.6
Purchase price revenues from Project Development	0	0	0 %	0
Rental revenues	17.6	19.1	– 7.8 %	73.0
Revenues from the Services segment	2.9	1.1	179.2 %	6.2
Other	7.4	7.2	2.8 %	27.6
Adjustments	0	– 17.1	–	0
CONSOLIDATED REVENUES	**45.1**	**46.6**	**–3.3 %**	**221.3**

In Residential Property Resale, the sale of 110 units (first quarter of 2008: 144 units) to tenants, owner-occupiers and private investors led to revenues of EUR 17.2 million, which, although 19.6% lower than in the comparable quarter of the previous year, is a respectable result given the market conditions. Calculated on a square meter basis, this corresponds to an average sale price of EUR 2,276 per sqm.

No block sales were concluded in the area of Asset Repositioning. In the comparable period of the previous year, 85 units were sold for EUR 14.85 million as part of a global sale.

Changes in inventories amounted to EUR –11.1 million and chiefly resulted from decreases in inventories and recognition of renovation and modernization expenses.

By strictly monitoring our costs, we were able to reduce our expenses and in particular our operating expenses. Cost of materials remained almost unchanged at EUR 14.2 million (previous year: EUR 14.3 million). Although the number of our employees fell to 371, a decrease of 10 compared with the end of 2008, compared with the first quarter of 2008 the number of permanent employees rose by 12. As a result, in comparison with the first quarter of 2008 staff costs climbed from EUR 5.4 million to EUR 6.1 million. Other operating expenses showed an encouraging trend, declining by EUR 0.8 million from EUR 4.9 million to EUR 4.1 million. In the period under review, EBIT calculated in accordance with IFRSs amounted to EUR 10.4 million and was thus EUR 3.6 million (52.5%) higher than in the same period of the previous year. In the reporting period it was not necessary to adjust EBIT in order to calculate adjusted operating EBIT, as no one-time items not impacting liquidity had an effect. Thus, in the first quarter of 2009 EBIT calculated in accordance with IFRSs also corresponded to adjusted EBIT. The Investments segment's contribution to EBIT amounted to EUR 12.5 million, while that of the Services segment totaled EUR 0.6 million. The Corporates segment, which includes our administrative division, reduced EBIT by EUR 2.7 million.

In the first quarter of 2009, financial expenses amounted to EUR 26.7 million. As in the previous quarters, financial expenses were negatively impacted by the results of the fair value measurement of interest rate hedges. In line with IFRS accounting standards, our interest rate hedges must be measured at the end of every quarter. The result from the fair value measurement of interest rate hedges totaled EUR –11.3 million as of March 31, 2009. Furthermore, the one-time effect from the termination of existing interest rate hedges impacted financial expenses by an additional EUR 3.9 million. The terminated interest rate hedging instruments were originally concluded to hedge the interest rate prevailing at the time of concluding loans over the period required to market the real estate portfolio. According to the business plan, the marketing period for the real estate portfolio on which the instruments were based will run until approximately 2014. The interest rate hedging instruments were therefore terminated to enable us to benefit from the current low interest rates. This termination led, as mentioned, to a one-off charge of EUR 3.9 million. We expect to amortize this one-time payment as soon as within the next two years due to the lower interest burden. Net interest expenses thus decreased to EUR 11.5 million in the first quarter of 2009. At present, around 70% of our loans payable are hedged by way of interest rate hedging instruments. If interest rates rise again, we will conclude new interest rate hedging instruments for the variable portion of our loans at the appropriate time.

EBT calculated in accordance with IFRSs totaled EUR -16.0 million in the reporting period, corresponding to an improvement of 14.0% compared with the same period of the previous year. Taking only PATRIZIA's operating results into account, excluding effects not impacting liquidity from the fair value measurement of interest rate hedges, adjusted EBT amounted to EUR –4.7 million. Adjusted EBT in the first quarter of the previous year totaled EUR –7.8 million. Operating earnings before tax (EBT adjusted) increased by 40.0% despite of the lack of block sales.

After taking taxes into account, this results in a net loss for the period in accordance with IFRSs of EUR 14.9 million in the first quarter of 2009, which is partly attributable to the non cash losses from the fair value measurement of interest rate hedges. Earnings per share thus amounted to EUR –0.29 per share (first quarter of 2008: EUR –0.35 per share).

The following table provides an overview of the key income statement items in accordance with IFRSs:

	1st quarter 2009 01.01. – 31.03.2009	1st quarter 2008 01.01. – 31.03.2008	Change	2008 01.01. – 31.12.2008
	EUR MILLION	EUR MILLION	IN %	EUR MILLION
Revenues	45.1	46.6	– 3.3 %	221.3
Total operating performance	35.0	31.6	10.6 %	171.6
EBITDA	10.6	7.0	51.6 %	64.9
EBIT	10.4	6.8	52.5 %	64.0
Earnings before income taxes (EBT)	– 16.0	– 18.6	14.0 %	– 32.4
Net profit/loss for the period	– 14.9	– 18.1	17.7 %	– 34.1

Taking into account all extraordinary effects and effects not impacting liquidity, the overview of the adjusted income statement items is as follows:

	1st quarter 2009 01.01. – 31.03.2009	1st quarter 2008 01.01. – 31.03.2008	Change	2008 01.01. – 31.12.2008
	EUR MILLION	EUR MILLION	IN %	EUR MILLION
Revenues	45.1	46.6	– 3.3 %	221.3
Total operating performance	35.0	31.6	10.6 %	171.6
EBITDA adjusted	10.6	7.4	41.9 %	65.4
EBIT adjusted	10.4	7.3	42.6 %	64.5
EBT adjusted	– 4.7	– 7.8	40.0 %	0.8

Net Assets and Financial Situation of the PATRIZIA Group

Due to sell-offs and repayments of bank loans, total assets as of March 31, 2009 decreased slightly to EUR 1,475.5 million (December 31, 2008: EUR 1,517.2 million). Owing to the sell-offs, our real estate assets, consisting of real estate from investment property and inventories, declined from EUR 1,388.9 million to EUR 1,378.0 million. The sell-offs related exclusively to inventories, which decreased to EUR 706.7 million as a result. The participations of the Company, which chiefly cover the 6.25% equity interest in the PATRoffice co-investment and our 50% interest in the Frankfurt Feuerbachstrasse development project, remained at the level of the end of the previous year at EUR 3.1 million and EUR 6.4 million respectively. As of March 31, 2009, PATRIZIA had cash and cash equivalents of EUR 66.1 million, which corresponded to a slight reduction of 2.7%.

On the **liabilities side** of the balance sheet, equity decreased from EUR 291.5 million as at the end of the last fiscal year to EUR 275.8 million. This is primarily due to measurement losses from cash flow hedges amounting to EUR 8.8 million and the net loss for the period of EUR 14.9 million. The equity ratio of 19.2% as at December 31, 2008 fell to 18.7% as at March 31, 2009.

Due to repayments from real estate sales, our bank loans decreased slightly by EUR 34.1 million to EUR 1,127.7 million. The structure of the residual terms of our bank loans has changed considerably compared with the end of fiscal year 2008. In mid-March 2009, loans due for renewal amounting to around EUR 530 million were extended for a further 24 months. The volume still due for renewal in this fiscal year thus decreased to EUR 70.2 million as at April 1, 2009. For 2009, we are estimating financing costs at the level of the previous year.

The terms of our bank loans were thus structured as follows as of April 1, 2009:

Residual term	Total floating-rate financial liabilities as of April 1, 2009		Total floating-rate financial liabilities as of December 31, 2008	
	EUR'000	%	EUR'000	%
Less than 1 year	70,164	6.2 %	597,884	51.5 %
1 to 2 years	99,559	8.8 %	117,673	10.1 %
2 to 5 years	784,302	69.6 %	269,753	23.2 %
More than 5 years	173,650	15.4 %	176,425	15.2 %
TOTAL	**1,127,675**	**100 %**	**1,161,735**	**100 %**

4. OPPORTUNITY AND RISK REPORT

Within the scope of its business activities, PATRIZIA Immobilien AG is exposed to both opportunities and risks. The necessary measures and installed processes have been taken within the Group for detecting risks and negative developments at an early stage and countering them. Since the annual financial statements for the 2008 fiscal year, there have been changes in PATRIZIA's opportunity and risk profile. In particular, the financial risk for the Group has declined considerably. Due to the renewal for a further 24 months of the loans that matured on March 31, 2008, PATRIZIA decreased its short-term refinancing volume (due within 12 months) from EUR 597.9 million as at December 31, 2008 to EUR 70.2 million as at April 1, 2009.

The remaining statements of the risk report in the 2008 Annual Report maintain their validity. For a detailed presentation of the opportunities and risks for the Group, see the Risk Report in the 2008 Annual Report of PATRIZIA Immobilien AG. The Management Board of PATRIZIA Immobilien AG is not currently aware of any additional risks.

5. SUPPLEMENTARY REPORT

No transactions or events occurred after the end of the reporting period with significant consequences for the course of the business.

6. REPORT ON EXPECTED DEVELOPMENTS

Despite the negative earnings before income taxes (EBT) in the first quarter of 2009, we expect to generate an operating profit over the 2009 fiscal year as a whole. As experience shows that revenues in the real estate industry are lowest in the first quarter of the year, we expect the transaction market to pick up in the coming months. In the last few weeks, we have also identified increased interest from private investors in investing in the high-quality residential real estate we are able to offer on the market. Our target for Residential Property Resale is to stabilize sales figures at a higher level. We are only expecting the transaction market for block sales to institutional investors to pick up in the second half of the year.

In the Investments segment, PATRIZIA will chiefly be operating as a seller on the market in the remaining months of the fiscal year, unlike in the Services segment, where we intend to increase acquisitions for our two fund vehicles and thus to benefit from the opportunities that arise in Germany and abroad by purchasing high-return portfolios.

This report contains specific forward-looking statements that relate in particular to the business development of PATRIZIA and the general economic and regulatory environment and other factors to which PATRIZIA is exposed. These forward-looking statements are based on current estimates and assumptions by the Company made in good faith, and are subject to various risks and uncertainties that could render a forward-looking estimate or statement inaccurate or cause actual results to differ from the results currently expected.

CONSOLIDATED BALANCE SHEET IN ACCORDANCE WITH IFRS AS OF MARCH 31, 2009

ASSETS

	31.03.2009	31.12.2008
A. NON-CURRENT ASSETS	EUR'000	EUR'000
Software	614	579
Investment property	660,000	660,000
Investment property under construction	11,257	11,162
Equipment	1,983	2,005
Investments in joint ventures	6,403	6,033
Participations	3,090	3,090
Long-term financial derivatives	0	0
Long-term tax assets	274	311
Deferred tax assets	0	0
Total non-current assets	**683,621**	**683,180**
B. CURRENT ASSETS		
Inventories	706,731	717,772
Short-term financial derivatives	0	0
Short-term tax assets	1,206	6,685
Current receivables and other current assets	17,892	41,611
Bank balances and cash	66,069	67,905
Total current assets	**791,898**	**833,973**
TOTAL ASSETS	**1,475,519**	**1,517,153**

EQUITY AND LIABILITIES

	31.03.2009	31.12.2008
A. EQUITY	EUR'000	EUR'000
Share capital	52,130	52,130
Capital reserves	215,862	215,862
Retained earnings		
- legal reserves	505	505
Valuation results from cash flow hedges	– 8,793	– 8,054
Consolidated net profit	16,129	31,029
Total equity	**275,833**	**291,472**
B. LIABILITIES		
NON-CURRENT LIABILITIES		
Deferred tax liabilities	3,168	4,769
Long-term financial derivatives	35,899	24,551
Retirement benefit obligations	365	365
Total non-current liabilities	**39,432**	**29,685**
CURRENT LIABILITIES		
Short-term bank loans	1,127,675	1,161,735
Short-term financial derivatives	11,194	10,238
Other provisions	604	616
Current liabilities	11,304	12,556
Tax liabilities	9,423	9,847
Other current liabilities	54	1,004
Total current liabilities	**1,160,254**	**1,195,996**
TOTAL EQUITY AND LIABILITIES	**1,475,519**	**1,517,153**

CONSOLIDATED PROFIT AND LOSS ACCOUNT IN ACCORDANCE WITH IFRS

for the period from January 1, 2009 to March 31, 2009

		1st quarter 2009 01.01. – 31.03.2009	1st quarter 2008 01.01. – 31.03.2008
		EUR'000	EUR'000
1.	Revenues	45,060	46,598
2.	Changes in inventories	–11,085	–15,964
3.	Other operating income	1,015	1,005
4.	**Total operating performance**	**34,990**	**31,639**
5.	Cost of materials	–14,158	–14,278
6.	Staff costs	–6,128	–5,444
7.	Amortization of software and depreciation on equipment	–207	–179
8.	Results from fair value adjustments to investment property	0	0
9.	Other operating expenses	–4,142	–4,950
10.	Earnings from companies accounted for using the equity method	0	0
11.	Finance income	329	2,376
12.	Finance cost	–26,712	–27,808
13.	**Loss before income taxes**	**–16,028**	**–18,644**
14.	Income tax	1,128	542
15.	**Net loss**	**–14,900**	**–18,102**
16.	Profit carried forward	31,029	65,167
17.	Allocation to retained earnings		
	- legal reserves	0	0
18.	**Consolidated net profit**	**16,129**	**47,065**

CONSOLIDATED CASH FLOW STATEMENT

for the period from January 1, 2009 to March 31, 2009

	1st quarter 2009 01.01. – 31.03.2009	1st quarter 2008 01.01. – 31.03.2008
	EUR'000	EUR'000
Consolidated profit / loss after taxes	–14,900	–18,102
Amortization of intangible assets and depreciation on property, plant and equipment	207	179
Results from fair value adjustments to investment property	0	0
Loss from / gain on disposal of fixed assets	–2	0
Change in deferred taxes	–1,601	–1,145
Change in retirement benefit obligations	0	0
Non-cash item income and expenses that are not attributable to financing activities	11,388	11,033
Changes in inventories, receivables and other assets that are not attributable to investing activities	40,607	40,985
Changes in liabilities that are not attributable to financing activities	–31,851	–31,065
Cash inflow from operating activities	**3,848**	**1,885**
Capital investments in intangible assets and property, plant and equipment	–221	–422
Cash receipts from disposal of intangible assets and property, plant and equipment	3	0
Cash receipts from disposal of investment property	0	–428
Payments for development or acquisition of investment property	–95	0
Investments	–370	–250
Cash receipts from disposal of financial assets	0	0
Cash outflow from investing activities	**–683**	**–1,100**
Dividend of PATRIZIA Immobilien AG	0	0
Borrowing of loans	0	0
Repayment of loans	–5,000	0
Other cash inflows or outflows from financing activities	0	0
Cash outflow from financing activities	**–5,000**	**0**
Changes in cash	**–1,836**	**784**
Cash January 1	67,905	54,013
Cash March 31	66,069	54,797

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY IN ACCORDANCE WITH IFRS
for the period from January 1, 2009 to March 31, 2009

	Share capital	Capital reserves	Retained earnings (legal reserve)	Valuation results from cash flow hedges	Consoli-dated net profit	Total
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Balance January 1, 2009	**52,130**	**215,862**	**505**	**–8,054**	**31,029**	**291,472**
Results from fair valuation adjustments cash flow hedges				–739		**–739**
Net loss of 1st quarter 2009					–14,900	**–14,900**
BALANCE MARCH 31, 2009	**52,130**	**215,862**	**505**	**–8,793**	**16,129**	**275,833**

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY IN ACCORDANCE WITH IFRS
for the period from January 1, 2008 to March 31, 2008

	Share capital	Capital reserves	Retained earnings (legal reserve)	Valuation results from cash flow hedges	Consoli-dated net profit	Total
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Balance January 1, 2008	**52,130**	**215,862**	**505**	**2,941**	**65,167**	**336,605**
Results from fair valuation adjustments cash flow hedges				–3,272		**–3,272**
Net loss of 1st quarter 2008					–18,102	**–18,102**
BALANCE MARCH 31, 2008	**52,130**	**215,862**	**505**	**–331**	**47,065**	**315,231**

INTERIM FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS FOR THE FIRST QUARTER OF 2009

1. GENERAL DISCLOSURES

PATRIZIA Immobilien AG is a listed German stock corporation based in Augsburg. The Company's headquarters are located at Fuggerstrasse 26, 86150 Augsburg. The Company operates on the German real estate market. PATRIZIA Immobilien AG, along with its subsidiaries, is a real estate agent and investment house. It specializes in buying high-quality residential and commercial real estate at commercially attractive locations in Germany with the aim of increasing their value and subsequent reselling of the real estate. Therefore, the PATRIZIA Group performs all services along the value-added chain in the real estate sector.

2. PRINCIPLES APPLIED IN PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS

These unaudited consolidated interim financial statements of PATRIZIA Immobilien AG for the first quarter of 2009 (January 1 through March 31, 2009) were prepared in accordance with Article 37x (3) of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) in conjunction with Article 37w (2) WpHG in line with IFRSs and in compliance with the provisions of German commercial law additionally applicable as per Article 315a (1) of the German Commercial Code. All compulsory official announcements of the International Accounting Standards Board (IASB) have been applied, i.e. those adopted by the EU in the context of the endorsement process and published in the Official Journal of the EU.

From the perspective of the Company's management, the present unaudited consolidated interim financial statements for the period ended March 31, 2009 contain all of the information necessary to provide a true and fair view of the course of business and the earnings situation in the period under review. Earnings generated in the first quarter of 2009 are not necessarily an indication of future earnings or of the expected total earnings for fiscal year 2009.

When preparing the consolidated financial statements for the interim report in line with IAS 34 Interim Financial Reporting, the management of PATRIZIA Immobilien AG must make assessments and estimates as well as assumptions that affect the application of accounting standards in the Group and the reporting of assets and liabilities as well as income and expenses. Actual amounts may differ from these estimates.

These consolidated interim financial statements have been prepared in accordance with the same accounting policies as the last consolidated financial statements for fiscal year 2008. A detailed description of the principles applied in preparing the consolidated financial statements and the accounting methods used can be found in the notes to the IFRS consolidated financial statements for the year ended December 31, 2008, which are contained in the Company's 2008 Annual Report.

The unaudited interim financial statements were prepared in euro. The amounts, including the previous year's figures, are stated in EUR thousand (TEUR).

3. SCOPE OF CONSOLIDATION

All of the Company's subsidiaries are consolidated in the consolidated financial statements of PATRIZIA Immobilien AG. The Group includes all companies controlled by PATRIZIA Immobilien AG. In addition to the parent company, the scope of consolidation comprises 70 subsidiaries. They are recognized in the consolidated financial statements in line with the rules of full consolidation. In addition, one joint venture is accounted for at equity in the consolidated financial statements.

Joint ventures are companies that do not meet the criteria to be classified as subsidiaries since with regard to their business and financial policies two or more partner companies are bound to common management via contractual agreement. Joint ventures are accounted for at equity within the Group.

4. INVESTMENT PROPERTY

Investment property is property that is held for generating rental income and/or for capital appreciation. The share of owner-occupier use does not exceed 10 % of the rental space. Investment property is carried at fair value, with changes in value recognized in income.

Investment property is measured at fair value on the basis of external appraisals carried out by independent experts using current market prices or customary valuation methods with the aid of the current and long-term rental situation. The fair value is equivalent to the market value. According to IAS 40, this is defined as the value which can be reasonably generated subject to a hypothetical buyer-purchaser situation. It is reported at this fictitious market value without deduction of transaction costs. All investment property held by PATRIZIA is let. As of the reporting date of March 31, 2009, the investment property totaled EUR 660.0 million.

5. INVESTMENT PROPERTY UNDER CONSTRUCTION

Real estate that is being built or developed for future investment use is reported under Investment property under construction and recognized at amortized cost in accordance with IAS 16. This item contains the Munich-Ludwigsfeld asset repositioning project.

6. INVESTMENTS IN JOINT VENTURES

The Group has a 50 % stake in a joint venture, F 40 GmbH, in the form of a jointly managed company. Accordingly, there is a contractual agreement between the partner companies on the joint control over the economic activities of the entity. Our share of the Frankfurt Feuerbachstrasse project development is reported under this item. The Group accounts for its share in the joint venture at equity. The carrying value of our participation amounted to EUR 6.4 million as of March 31, 2009.

7. PARTICIPATIONS

PATRIZIA Immobilien AG's interest of 6.25 % in PATRoffice Real Estate GmbH & Co. KG, our co-investment with both pension funds ABP and ABG, is also accounted for under this item. Participations amounted to EUR 3.1 million which is due to the acquisitions made by PATRoffice.

8. INVENTORIES

The Inventories item contains real estate that is intended for sale in the context of ordinary activities or is intended for such sale in the context of the construction or development process, especially real estate that has been solely acquired for the purpose of resale in the near future. Development also covers modernization and renovation activities. Inventories are carried at cost. As in the 2008 financial year, no value adjustments were to be carried out on inventories in the reporting period. In comparison to December 31, 2008, inventories decreased from EUR 717.8 million to EUR 706.7 million due to sales by the end of the reporting period.

9. EQUITY

As at the reporting date, the share capital of PATRIZIA Immobilien AG remained at 52,130 TEUR and was divided into 52,130,000 no-par value shares. For the development of equity, please see the statement of changes in equity. In particular, the valuation results from existing cash flow hedges of EUR –8.8 million to hedge interest rates negatively impacted equity, which fell to EUR 275.8 million as of March 31, 2009.

10. BANK LOANS

All loans are in euro. In the event of real estate sales, financial liabilities are redeemed through repayment of a specific share of the sale proceeds.

Such loans are posted as bank loans due in less than one year, whose term ends within the 12 months following the reporting date as well as revolving lines of credit taken out. Regardless of the terms presented in the table below, loans which serve to finance inventories are reported as current bank loans in the balance sheet in accordance with IFRSs.

The residual terms of the bank loans are as follows:

	Bank loans as of April 1, 2009	Bank loans as of Dec. 31, 2008
	EUR'000	EUR'000
‹ 1 year	70,164	597,884
1 – 2 years	99,559	117,673
2 – 5 years	784,302	269,753
› 5 years	173,650	176,425
TOTAL	**1,127,675**	**1,161,735**

11. REVENUES

Revenues comprise purchase price receipts from the sale of real estate held in inventories, ongoing rental revenues and other revenues. Additional revenues are attributable to invoices issued by the Services segment.

12. INCOME FROM THE SALE OF INVESTMENT PROPERTY

Gains on the sale of investment property are determined as the difference between the net sales proceeds and the book value of the asset and are to be reported as income from the sale of investment property during the period of the disposal. No real estate classified as investment property was sold in the first quarter of 2009.

13. FINANCIAL RESULT

	1st quarter 2009 01.01. – 31.03.2009	1st quarter 2008 01.01. – 31.03.2008
	EUR'000	EUR'000
Interest on bank deposits	261	328
Income from interest hedges	5	1,733
Changes in value of the derivatives	0	0
Income from securities	0	0
Other interests	63	315
	329	**2,376**
Interest on revolving lines of credit and loans	–8,600	–17,084
Expenses from interest hedges	–6,019	–150
Changes in value of the derivatives	–11,317	–10,313
Other finance cost	–776	–261
	–26,712	**–27,808**
Financial result	**–26,383**	**–25,432**

14. SEGMENT REPORTING

REVENUES	1st quarter 2009 01.01. – 31.03.2009 EUR'000	1st quarter 2008 01.01. – 31.03.2008 EUR'000
Investments	42,121	45,545
Services	2,937	1,052
Corporate	3	0
TOTAL	**45,060**	**46,598**

EBITDA	1st quarter 2009 01.01. – 31.03.2009 EUR'000	1st quarter 2008 01.01. – 31.03.2008 EUR'000
Investments	12,540	9,097
Services	584	85
Corporate	– 2,563	– 2,217
TOTAL	**10,561**	**6,967**

EBIT	1st quarter 2009 01.01. – 31.03.2009 EUR'000	1st quarter 2008 01.01. – 31.03.2008 EUR'000
Investments	12,518	9,037
Services	584	79
Corporate	– 2,747	– 2,329
TOTAL	**10,354**	**6,788**

In the first quarter of 2009, revenue from the Investments segment totaled EUR 42.1 million. This figure is primarily composed of purchase price revenues from the sale of real estate classified as current assets amounting to EUR 17.2 million, rental income of EUR 17.6 million and other revenue of EUR 7.4 million. Revenue was down by EUR 3.4 million year-on-year, which was above all due to the block sales carried out in the first quarter of the previous year. Owing to the reserved approach of institutional investors toward all types of investment due to current market and economic conditions, no block sales were concluded in the reporting period. Earnings figures of the Investments segment increased despite of lower revenues. EBIT calculated in accordance with IFRSs amounted to EUR 12.5 million (first quarter of 2008: EUR 9.0 million). After taking into account the financial result, EBT of the Investments segment calculated in accordance with IFRSs totaled EUR –14.0 million. Adjusted for financial result effects not impacting liquidity, adjusted operating EBT amounted to EUR –2.7 million. The effects not impacting liquidity related to the results of the market valuation of interest rate hedging transactions that negatively impacted financial expenses in the amount of EUR 11.3 million. Revenues in the Services segment rose slightly in the first quarter of 2009 with the result that revenues of EUR 2.9 million were generated in the first three months of 2009 (previous year: EUR 1.1 million). This segment was also unable to escape the impact of the financial market crisis and the more wait-and-see attitude adopted by investors toward new investments. EBIT thus remained at a low level of EUR 0.6 million.

15. EARNINGS PER SHARE

	1st quarter 2009 01.01. – 31.03.2009	1st quarter 2008 01.01. – 31.03.2008	2008 01.01. – 31.12.2008
EARNINGS PER SHARE			
Net loss for the period (in EUR thousands)	– 14,900	– 18,102	– 34,138
Number of shares issued	52,130,000	52,130,000	52,130,000
Weighted number of shares	52,130,000	52,130,000	52,130,000
EARNINGS PER SHARE (IN EURO)	**– 0.29**	**– 0.35**	**– 0.65**

Earnings per share are calculated by dividing the net profit or loss for the period by the weighted average number of shares. In the first quarter of 2009, earnings per share were EUR –0.29 (first quarter of 2008: EUR –0.35).

16. SIGNIFICANT TRANSACTIONS WITH RELATED COMPANIES AND INDIVIDUALS

At the reporting date, the Management Board of PATRIZIA Immobilien AG was not aware of any dealings, contracts or legal transactions with associated or related parties for which the Company does not receive appropriate consideration at arm's length conditions. All such transactions are conducted at arm's length, and hence do not differ substantially from transactions with other parties for the provision of goods and services.

The disclosures on related party transactions contained in section 9.3 of the notes to the consolidated financial statements in the 2008 Annual Report remain valid.

17. DECLARATION OF THE LEGAL REPRESENTATIVES OF PATRIZIA IMMOBILIEN AG IN LINE WITH ARTICLE 37y OF THE WERTPAPIERHANDELSGESETZ (WPHG – GERMAN SECURITIES ACT) IN CONJUNCTION WITH ARTICLE 37w (2) NO. 3 OF THE WPHG

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, we declare that the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Wolfgang Egger	Arwed Fischer	Klaus Schmitt
Chairman of the Board	Member of the Board	Member of the Board

FINANCIAL CALENDAR

Date	Events
May 7, 2009	Interim Report › 1st Quarter 2009
June 23, 2009	Annual General Meeting, Augsburg
August 11, 2009	Interim Report › 2nd Quarter 2009
October 20, 2009	Real Estate Share Initiative, Frankfurt/Main
November 10, 2009	Interim Report › 3rd Quarter 2009

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