
ANNUAL FINANCIAL REPORT 2011
IN ACCORDANCE WITH THE § 82 (4) OF THE
AUSTRIAN STOCK EXCHANGE ACT

11

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INVESTMENTS AND FUNDS

The listed company CA Immobilien Anlagen Aktiengesellschaft, based in Vienna, is the parent company of the CA Immo Group. The Group's activities are focused on Austria, Germany and Eastern Europe. The Group has 263 subsidiaries, of which

- 42 are in Austria (including 8 joint ventures),
- 103 are in Germany (including 20 joint ventures) and
- 118 other companies (including 24 joint ventures) were created in connection with investment in Eastern Europe.

All tasks are performed through a network of branch offices in Austria, Germany, Hungary, the Czech Republic, Romania, Poland and Serbia; there are also offices in Russia, Ukraine and Cyprus employing a total of 390 staff members. Every site functions as a profit centre. Construction management – which encompasses project monitoring, tendering, contract awarding, construction supervision and general planning – is carried out by **omniCon**, the subsidiary of CA Immo Deutschland acquired in July 2008. omniCon also performs these services for third parties. In addition, DRG was founded in 2011 as a joint venture with the estate agent and property management firm ÖRAG. **DRG** undertakes tenant management, service charge accounting, rental revenue enhancement, cost reduction, maintenance tasks and letting for CA Immo's office investment properties in Germany. Throughout the group, external service providers are brought in to carry out certain other activities. This enables the cost structure to be adapted flexibly to varying workloads. All activity in Germany is processed via CA Immo Deutschland; business in Eastern Europe is bundled in CA Immo as well as in Europolis AG, which was acquired early in 2011. Since 2006, project development in Eastern Europe has been managed largely through the CA Immo New Europe (CAINE) special fund.

CA IMMO DEUTSCHLAND

CA Immo entered the German market in the autumn of 2006. Since 2008, **CA Immo Deutschland GmbH** (formerly Vivico Real Estate GmbH, a collecting society for railway properties owned by the German state) has provided the operational platform. CA Immo Deutschland has extensive expertise in developing inner city properties. Projects on these development sites are at various stages of preparation and will be rapidly progressed to construction readiness over the coming years. On completion, development projects are either sold, transferred to the company's asset portfolio or sold to property develop-

ers as construction-ready real estate. With branch offices in Frankfurt, Berlin and Munich, the organisation of CA Immo Deutschland meets the requirements of local presence. CA Immo Deutschland GmbH is fully consolidated in the consolidated financial statements of CA Immo. The company's property assets mainly comprise properties under construction and undeveloped plots alongside a portfolio of properties intended for trading or sale. As at key date 31 December 2011, the market value of this real estate portfolio was € 1,343 m (€ 1,157 m on 31.12.2010). Most of the investment properties in Germany, including the package of properties acquired from the state of Hesse in 2006, are maintained by Frankfurt-based **CA Immo AG**, in which CA Immobilien Anlagen Aktiengesellschaft of Vienna has direct and indirect holdings amounting to 100 %. CA Immo AG of Frankfurt is also fully consolidated in the consolidated financial statements. The market value of the property assets was € 1,019 m as at 31 December 2011 (against € 1,006 m in the previous year).

EUROPOLIS AG

Europolis AG, which was acquired from the Volksbank Group at the start of January, is also a wholly owned subsidiary of CA Immo. The Europolis Group, which has been in existence since 1990, focuses on class A office, logistical and retail buildings in Eastern Europe. The Europolis AG portfolio also includes a small number of development projects and undeveloped plots in Poland, Hungary and the Ukraine. The overall portfolio is divided into six smaller portfolios in which reputable partners such as the EBRD, AXA and Union Invest hold shares of between 25 % and 49 %. The portfolios are managed by **Europolis Real Estate Asset Management GmbH** of Vienna (EREAM), a wholly owned subsidiary of Europolis AG, alongside a group of regional companies in Prague, Budapest, Warsaw, Bucharest and Belgrade trading as "CA Immo Real Estate Management". As at 31 December 2011, the property assets of the Europolis Group had an approximate market value of € 1,408 m (€ 1,517 m in the previous year).

CA IMMO NEW EUROPE PROPERTY FUND

The **CA Immo New Europe property fund** is a project development fund structured under Luxembourg law as a SICAR (société d'investissement en capital à risque). The fund has drawn together CA Immo's development projects in Eastern Europe since early 2007. CA Immo raised

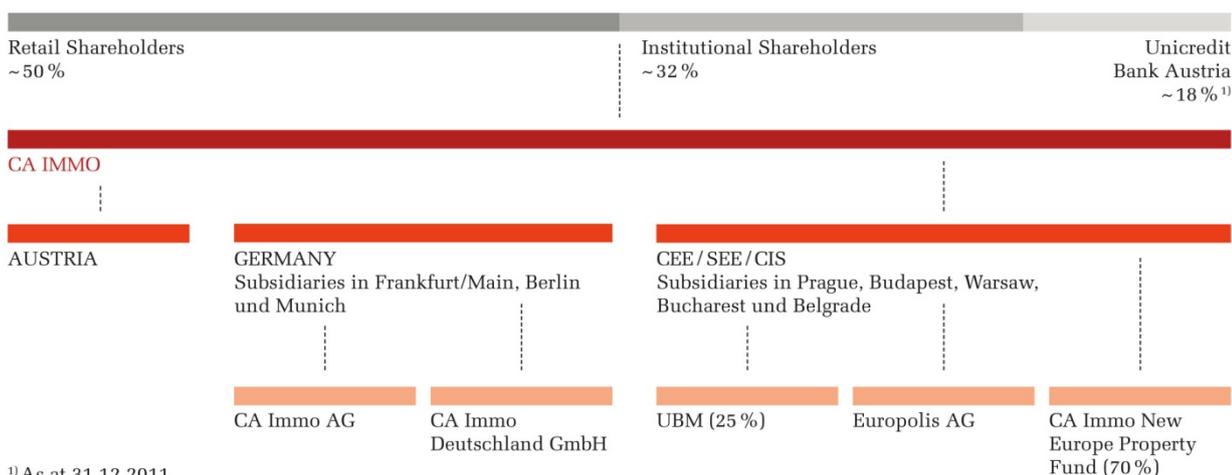
its stake by a further 10 % in the fourth quarter and now holds 70 % of the shares in the fund. The remaining 30 % is held by three institutional investors. The planned life-span of the fund, which is managed by a CA Immo subsidiary, is seven years in total (with the option to extend). The commitment period (in which new projects can be initiated) ended on 31 December 2009. In view of changed market conditions, investment activity fell far short of the levels originally intended; agreement was reached with the co-partners only to proceed with development projects that were already in progress. In future, new projects will be realised by CA Immo itself where the fund partner decides against individual involvement in the implementation. As at the balance sheet date, the fund portfolio had a book value of around € 142 m (compared to € 134 m in the previous year). Three projects are in progress at the present time; another three have been finalised since the fund was set up and will henceforth be held directly by the fund as investment properties.

INVESTMENT IN UBM

CA Immo holds a stake of 25 % plus four shares (voting minority holding) in the listed Vienna-based real estate developer **UBM Realitätenentwicklung AG** through a subsidiary company. The main shareholder in UBM is the PORR Group with a holding of approximately 41 %. With its track record of development expertise in the CEE region, UBM is an ideal partner to the CA Immo Group. Projects realised with UBM include the Polecki Business Park in Warsaw and the Airport City St. Petersburg project. The investment in UBM contributed a total of € 1,640 K to the earnings of CA Immo in 2011 (previous year: € 2,751 K). CA Immo thus received a dividend for business year 2010 of € 825 K (€ 750 K in the previous year), corresponding to a return on invested capital of around 5 % or a dividend yield of approximately 4 %.

For more information, please refer to the Property Assets section and the notes.

GROUP STRUCTURE



¹⁾ As at 31.12.2011

ECONOMIC ENVIRONMENT

THE CYCLICAL TREND

Economic growth is the main factor that drives demand for office space in the real estate sector; similarly, liquidity and interest rates are the key criteria in operational business developments. The continuing debt crisis is therefore impacting on general economic stability and feeding insecurity on markets and amongst investors.

With average GDP growth of 1.6 % (compared to 1.7 % in 2010), the dynamism witnessed on most EU markets early in the year had tailed off dramatically by the end of 2011. Against this background of tension, economic data shows that the core markets of CA Immo performed above the EU average in 2011. Compared to most eurozone nations, economic output on the majority of CA Immo's core markets in Eastern Europe is more stable, with higher growth rates and far lower levels of debt. Poland and Germany were at the forefront of economic expansion with impressive GDP growth of 4 % and 3 % respectively, whilst the Hungarian economy (1.4 % GDP growth) was adversely affected by the uncertain political climate.

THE MONEY MARKET AND INTEREST RATE ENVIRONMENT ¹

The average inflation rate for 2011 in the eurozone was 2.7 %, well above the two percent target level specified by the European Central Bank (ECB). Once again, prices were driven by energy and other commodities. The ECB responded to the rising inflation in the first six months by raising the base rate from 1.0 % to 1.5 %. During the fourth quarter, the bank then cut back the base rate by 50 base points to its original level of 1.0 %.

Money market rates were significantly more volatile, especially in the final quarter of 2011, with major differences between the secured and unsecured markets. At the end of the year, the average monthly interest rate for term deposits in interbank transactions (3 month Euribor), which is used as the basis for variable financing, stood at 1.35 %; since then it has fallen closer to 1.0 %. Despite the low interest level, total financing costs are the same or higher than in previous years owing to higher bank margins. The main cause of this is restraint in interbank transactions and a greater capital requirement on the part of banks.

¹ Sources: Eurostat 2012, European Central Bank, Monthly Bulletin January 2012

ECONOMIC DATA OF CA IMMO CORE MARKETS

| | Growth rate of the real GDP ¹ | | Annual inflation rates ² in % | Rate of unemployment ³ in % | Gross public debt in % | Public deficit/ -surplus in % of the GDP 2010 | Balance of trade in € bn |
|----------------|--|------|---|---|---------------------------|--|-----------------------------|
| | 2011 | 2012 | | | | | |
| EU (27) | 1.6 | 0.6 | 3.1 | 9.8 | 80.1 | -6.6 | -7.2 |
| Euro zone (17) | 1.5 | 0.5 | 2.7 | 10.0 | 85.3 | -6.2 | 6.9 |
| AT | 2.9 | 0.9 | 3.4 | 4.0 | 71.8 | -4.4 | -7.3 |
| D | 3 | 0.8 | 3.2 | 5.5 | 83.2 | -4.3 | 129.2 |
| PL | 4 | 2.5 | 4.5 | 10.0 | 54.9 | -7.8 | -12.0 |
| CZ | 1.8 | 0.7 | 2.8 | 6.7 | 37.6 | -4.8 | 6.5 |
| BG | 2.2 | 2.3 | 2.0 | 10.9 | 16.3 | -3.1 | -2.1 |
| HU | 1.4 | 0.5 | 4.1 | 10.7 | 81.3 | -4.2 | 6.0 |
| RO | 1.7 | 2.1 | 3.2 | 7.3 | 31 | -6.9 | -7.7 |

¹ Change from previous year (%)

² December 2011,

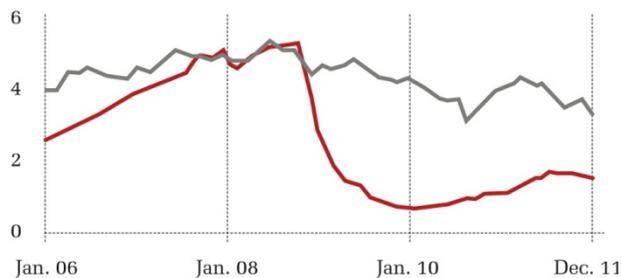
³ November 2011 (seasonally adjusted)

INTEREST RATE DEVELOPMENT

■ 3M-EURIBOR ■ 10-year-Pfandbrief-curve

Source: Deutsche Bundesbank

Interest rate in % p.a.

CURRENCIES ¹

The exchange rate for the euro remained volatile as the sovereign debt crisis in peripheral European nations unfolded. The value of the euro has been falling sharply against the currencies of the 20 main trading partners since the end of August. By the end of the year, the exchange rate against the US dollar had fallen by 1.9% on the previous year's value to US\$ 1.3920 on average. However, given that CA Immo's lease contracts are all concluded in euros, this did not impact directly on rental revenue.

OUTLOOK

In 2012, economic development in Europe will be governed by the sovereign debt crisis on the continent, a weakening macro-economic environment and diminishing consumer confidence as a result. The economic stability of Europe will depend heavily on the savings and reform measures enacted by the debt-ridden member states of Greece, Italy, Spain and Portugal.

¹ Sources: European Central Bank, Monthly Bulletin January 2012, www.finanzen.net; closing rate on 30.12.2011

As the year progresses, the slowdown in the global economy will mean companies investing less and export ratios falling in most countries – a scenario that could seriously affect the commercial property market as demand for office premises negatively. Only core properties let for the long term are likely to benefit from the increasing reluctance of investors to take risks.

Stability in the banking sector will spur economic activity

The lowering of the credit quality threshold for certain asset-backed securities (ABS) confirmed by the ECB in December entails credit default risk; moreover, this will not solve the problem of declining interbank transactions owing to mistrust between banks. Radical reforms on the money and capital markets are thus inevitable.

The tightening of financing conditions in particular is sure to hinder economic dynamism, at least temporarily. By the middle of the year, European banks will have to comply with the requirements of the European Banking Authority and raise their core capital stock by a minimum of 9%. The stance taken by individual banks – and the effect this will have on bank lending to the real economy – remain unclear. Guaranteeing the medium-term resilience of banks within the eurozone on the one hand whilst sustaining economic development through lending to the real economy on the other will constitute a balancing act.

The limits of financing with outside capital

Since the availability of loan capital will also be limited in the real estate sector over the years ahead, the financing of development projects and other transactions will be a major challenge. In the medium term, identifying alternative forms of finance and financing partners (such as capital market financing in the form of bonds) will be critical. The extent to which insurance companies and pension funds play a greater role will surely also depend on the future patterns of savings by private households and financial asset acquisition by institutional investors.

PROPERTY MARKETS

The core markets of CA Immo held their ground in 2011, producing not only above average economic data but also stable or improving performance indicators on the property investment and rental markets. With steady growth and large, liquid real estate markets, Germany proved a particularly safe haven in 2011, developing more strongly than many other major international markets. Generally speaking, performance on the company's main markets in Eastern Europe was also stable to above average in 2011, although investment and lettings activity slowed somewhat in the second half of the year.

Once again, security and core were central factors in the purchase decisions of investors. As a result, the gap has widened between high quality real estate in capital cities and older properties in B-class locations that fall short of modern technical standards. This trend is expected to continue in 2012.

THE REAL ESTATE MARKET IN AUSTRIA ¹

The investment market

Around € 1.7 bn was invested in Austrian real estate in 2011, an increase of 7.0 % on the transaction volume for 2010. Investors were strongly attracted to high quality office properties (27 %) and hotels (24 %). In year-on-year comparison, peak yields fell by five base points to stand at 5.20 % at the turn of the year. Yields are expected to stagnate in 2012.

The office property market

During 2011, 260,000 sqm of office space was let in Vienna, around 5.4 % down on the previous year and the lowest figure since the crisis began in 2008. Market activity in Vienna will continue to be characterised by small-scale new lettings in 2012. Although demand stagnated in 2011, the production of (office) premises rose by 14 %. Another 178,000 sqm of office space is expected to be produced in 2012 as various projects are completed (not including general restorations). Moreover, owing to the fact that older properties are required to undergo full re-development prior to re-utilisation in order to attain certain rent levels, more and more fully restored properties are coming onto the market – a trend that is sure to intensify. During 2012, CA Immo will also market a restoration project comprising some 18,800 sqm of re-conditioned office premises at the Lände 3 site. As a result, both competition for tenants and vacancy (espe-

cially in previously occupied properties not conforming to the latest standards) will increase this year.

Peak rent levels were hovering around € 23.75/sqm at the end of 2011. Rental rates are expected to rise marginally this year in prime locations; stagnation is likely in other locations owing to excess supply.

OFFICE MARKET DEVELOPMENT IN VIENNA

| | 2011 | 2010 | Change in % |
|----------------------------------|---------|---------|-------------|
| Take up in sqm | 260,000 | 275,000 | -5 |
| Vacancy rate in % | 6.1 | 5.5 | 11 |
| Peak rent in €/sqm net exclusive | 23.8 | 23.0 | 3 |
| Prime yield in % | 5.2 | 5.3 | -1 |

Sources: BNP Paribas Real Estate 2012; CBRE, Vienna Office MarketView, Q4 2011, EMEA Rents and Yields Q4 2011

THE REAL ESTATE MARKET IN GERMANY ²

The investment market

Economic stability, a polycentric structure and large, liquid real estate markets are making Germany a magnet for investors. Some € 23.5 bn was invested in real estate purchases in 2011, up nearly 20 % on the previous year's figure. Peak yield values were stable throughout the year in most locations. With real estate in Germany retaining its popularity despite the financial market crisis, the transaction volume for 2012 is likely to be similarly high. Demand also remained strong for high quality properties with good letting levels (core segment), especially in the usage categories of retail properties (46 % of the total investment volume) and office premises (30 %). At present, we expect this demand to be maintained in 2012, leading to further increases in value in this segment.

With a transaction volume of € 2.96 bn (up 58 %), Frankfurt once again led the German investment market in terms of sales; it was followed by Munich (€ 2.88 bn), which experienced a boom as the investment volume exceeded the previous year's value by 70 %. The transaction volume in Berlin fell 26 % to € 2.34 bn; the reason for this was not a lack of demand from investors, however, but a shortage of suitable supply.

¹ Sources: CBRE, Vienna Office MarketView Q4 2011; EHL Market Research 2012

² Sources: BNP Paribas Real Estate 2012; CBRE EMEA Rents and Yields Q4 2011; CBRE MarketView, Office Market Frankfurt/Munich Q4 2011

The office property market

As regards the office rental market in Germany, office space totalling 1.75 mn sqm was let on the core CA Immo markets of Munich, Berlin and Frankfurt in 2011 (compared to 1.52 mn sqm in 2010). Strong demand for high quality premises coupled with falling construction levels will reduce vacancy further in the quality segment during 2012. At the same time, vacancy in class B real estate that does not conform to the latest standards will continue to rise.

Owing to the fact that construction has only been carried out as required in recent years (and subject to appropriate levels of pre-letting), the supply of new premises in **Berlin** is moderate. Demand for modern properties in central locations is rising steadily, which in turn is pushing up office rents – a trend expected to continue in 2012.

In **Frankfurt** a divide opened up in 2011: while the investment market flourished, the result for the office rental market was rather average. The supply of modern premises available at short notice is limited while outside of the prime segment structural vacancy has risen markedly, producing strong competition for space. There were only few rentals in the prime segment, the peak rent declined by 16 % from 38.5 €/sqm (2010) to 32.3 €/sqm (2011). In the medium term, therefore, refurbishment will form the focus of development activity in Frankfurt.

In terms of floor space, **Munich** has by far the highest turnover of the office centres in Germany (755,000 sqm, up 49.5 % on the previous year). Rent levels have also risen in response to high demand. Vacancy has declined by around 14 % compared to 2010, not least because of the diminishing completion volume.

OFFICE MARKET DEVELOPMENT IN CA IMMO CORE MARKETS IN GERMANY

| | 2011 | 2010 | Change in % |
|----------------------------------|---------|---------|-------------|
| Berlin | | | |
| Take up in sqm ¹ | 568,000 | 541,000 | 5 |
| Vacancy rate in % | 7.7 | 8.3 | -7 |
| Peak rent in €/sqm net exclusive | 21.6 | 20.9 | 3 |
| Prime yield in % | 5.1 | 5.3 | -4 |
| Frankfurt am Main | | | |
| Take up in sqm ¹ | 423,500 | 470,000 | -10 |
| Vacancy rate in % | 13.8 | 14.6 | -6 |
| Peak rent in €/sqm net exclusive | 32.3 | 38.5 | -16 |
| Prime yield in % | 5.0 | 5.1 | -2 |
| Munich | | | |
| Take up in sqm ¹ | 755,000 | 504,877 | 50 |
| Vacancy rate in % | 7.3 | 8.5 | -14 |
| Peak rent in €/sqm net exclusive | 34.8 | 33.9 | 3 |
| Prime yield in % | 4.8 | 4.8 | 0 |

¹ Including surrounding area and owner-occupier transactions

Sources: BNP Paribas Real Estate 2012; CBRE 2012 EMEA Rents and Yields Q4 2011; gif e.V. (German Society of Property Researchers), Annual Survey of Office Markets 2010 and 2011, Research working group; correct as of January 2012. All floor space data is rentable space (gif e.V.), conversion factor = gross floor space x 0.85.

THE REAL ESTATE MARKET IN EASTERN EUROPE ¹

The investment market

In 2011, investment activity in Eastern Europe was characterised by a search for secure asset classes (especially in capital cities). Taking account of the acquisition of the Europolis portfolio by CA Immo, the total office transaction volume exceeded € 4 bn (up 60 % on the prior year). The markets of Russia (42 %), Poland (29 %) and the Czech Republic (14 %) generated the highest shares of the total volume. By contrast, very little investment activity was reported in the smaller nations of South Eastern Europe in particular owing to worsening economic conditions and the lack of financing.

A strong phase of recovery was followed by a slump in the investment volume in the fourth quarter of 2011; this

was mainly due to the limited availability of core properties, for which demand was high, and constraints on financing – issues likely to remain prominent in 2012. With little construction activity on most markets, investors are falling back on investment properties. Moreover, only a few banks are prepared to provide finance in Eastern Europe. Poland and the Czech Republic have emerged as the only relatively liquid markets (unlike Hungary, the Balkan states and the Ukraine, where investment activity is likely to remain at very low levels for some time to come).

Peak yields did not vary greatly in 2011, although there was a slight trend towards compression in the second half of the year. For class A office properties in Poland and the Czech Republic, peak yields were 6.25 % and 6.75 % respectively. Given the limited supply of high quality prime real estate on these markets, a further fall in yields is expected for this product class.

¹ Sources: CBRE Market View, CEE Offices February 2012; CBRE EMEA Rents and Yields Q4 2011

OFFICE MARKET DEVELOPMENT IN CA IMMO CORE MARKETS IN CEE/SEE

| | 2011 | 2010 | Change in % |
|----------------------------------|---------|---------|-------------|
| Budapest | | | |
| Take up in sqm | 394,655 | 312,200 | 26 |
| Vacancy rate in % | 19.2 | 20.6 | -7 |
| Peak rent in €/sqm net exclusive | 20.0 | 20.0 | 0 |
| Prime yield in % | 7.3 | 7.5 | -3 |
| Bukarest | | | |
| Take up in sqm | 262,000 | 190,000 | 38 |
| Vacancy rate in % | 14.1 | 17.5 | -19 |
| Peak rent in €/sqm net exclusive | 19.5 | 19.5 | 0 |
| Prime yield in % | 8.3 | 9 | -8 |
| Prague | | | |
| Take up in sqm | 325,564 | 215,700 | 51 |
| Vacancy rate in % | 12.0 | 13.2 | -9 |
| Peak rent in €/sqm net exclusive | 21.0 | 21.0 | 0 |
| Prime yield in % | 6.5 | 6.8 | -4 |
| Warsaw | | | |
| Take up in sqm | 573,000 | 356,500 | 61 |
| Vacancy rate in % | 6.7 | 7.0 | -4 |
| Peak rent in €/sqm net exclusive | 27.0 | 25.0 | 8 |
| Prime yield in % | 6.3 | 6.3 | 0 |

Sources: CBRE 2011/2012; Jones Lang Lasalle 2011/2012

Note: floor space turnover includes owner-occupier transactions

The office market in Eastern Europe ¹

Like the investment market, the office rental market also slowed down in the second six months. Compared to the first half of 2011, market absorption in Warsaw, Bucharest and Prague fell by 20-40 %. Despite this, overall lettings performance in Warsaw reached a record level. Minimal levels of building activity have reduced vacancy, although the influx of new tenants has been generally low. There is a clear focus on extending and expanding existing lease contracts on portfolio buildings. For countries with strong links to Western Europe in particular, the development of the demand situation will depend largely on the economic trend in this region. However, the stable performance of the German economy gives rise to hopes of a further boost to the Czech and Slovakian markets especially.

With the exception of Warsaw, vacancy rates on most markets remain above 10 % (although the trend is downward). Owing to the limited availability of financing, high levels of pre-letting on new development projects are required, and this should continue to suppress vacancy. Some cities in the SEE region in particular (including Sofia and Belgrade) are still struggling with high (22 %) rates of vacancy, and this in turn is forcing down rental rates. By contrast, rent levels are stable or rising modestly on core CA Immo markets such as Warsaw.

¹ Sources: CBRE Market View, CEE Offices February 2012; CBRE EMEA Rents and Yields Q4 2011

Logistics ²

The logistics segment – a sector that traditionally has shorter lease agreement terms, higher volumes of floor space and direct links to the business environment – generally responds more quickly to international trends than the office sector. Despite the volatile climate, development for the logistics area in Eastern Europe was largely stable in the first six months of the year. Poland, the Czech Republic and Russia achieved the strongest growth on the European logistics market in terms of both transaction volumes and lettings performance.

General conditions in the second half of 2011 mirrored those for the office markets: limited supply and minimal construction in the core segment coupled with an increasingly uncertain economic outlook suppressed activity on the investment as well as the lettings markets.

Thanks to the country's strong domestic market and stable economic growth, demand expanded steadily in the logistics segment in Poland. Floor space turnover in the commercial sector increased by over 30 % during 2011, driven mainly by the logistics area. The logistics vacancy rate fell marginally to around 9-15 % (depending on location), with rent levels stabilising in the range of 2.8 €/sqm to 5.0 €/sqm. Peak yields were also stable at 7.75 %. Rents and yields are not expected to change significantly in 2012.

² Sources: Jones Lang LaSalle, European Industrial Bulletin, September 2011; CBRE Big Box Poland Industrial Market View, Q4 2011



BUCHAREST, Europolis Park

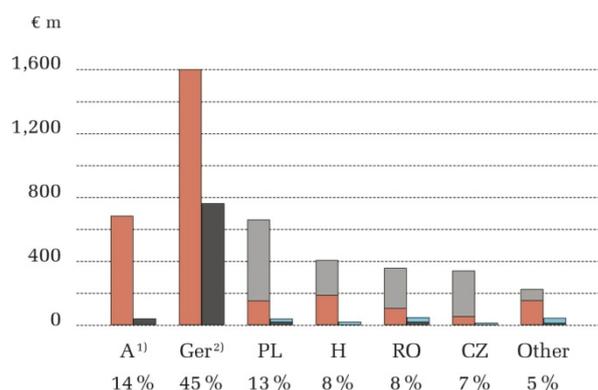
PROPERTY ASSETS

The CA Immo Group divides its core activity into two business areas: letting investment properties and developing real estate. In both of these business areas, CA Immo specialises in commercial real estate with a clear focus on office properties in the center of Europe. The objective is to build up a focused portfolio of high quality and sustainable investment properties within the core markets of Germany, Austria, the Czech Republic, Poland, Hungary, Romania and Slovakia. The company generates additional revenue through the utilisation of developed real estate reserves.

DISTRIBUTION OF PROPERTY ASSETS

BY COUNTRY AND TYPE

■ Investment properties ■ Investment properties Europolis
■ Assets under development ■ A. under development Europolis



¹⁾ including 0.1 € m properties held as current assets

²⁾ including 91.6 € m properties held as current assets

Expansion through acquisition of Europolis AG

Early in 2011, CA Immo acquired properties with an approximate value of € 1.5 bn in Eastern and South Eastern Europe through the takeover of Europolis AG. Investment properties on the core markets of Poland, the Czech Republic and Hungary comprise the greater part (75 %) of the portfolio. With 21 % of property assets, Romania is the most important market in South Eastern Europe. Undeveloped land reserves for potential development projects make up some 7 % of the Europolis portfolio.

Property assets of € 5.2 bn

As a result of the integration of Europolis, the property assets of the CA Immo Group in the consolidated statement of financial position for 2011 rose from approximately € 3.6 bn (as at 31 December 2010) to € 5.2 bn as at 31 December 2011. Of this figure € 4.2 bn (82 % of the total portfolio) are investment properties¹, and € 0.9 bn (18 % of the total portfolio) represent property assets under development. The proportion of the Eastern and South Eastern European segment expanded from around 20 % to over 41 % of the company's overall property assets, bringing it onto a par with the German segment.

¹ including own use properties and properties intended for trading or sale

PROPERTY ASSETS OF CA IMMO GROUP AS OF 31.12.2011 (BOOK VALUES)

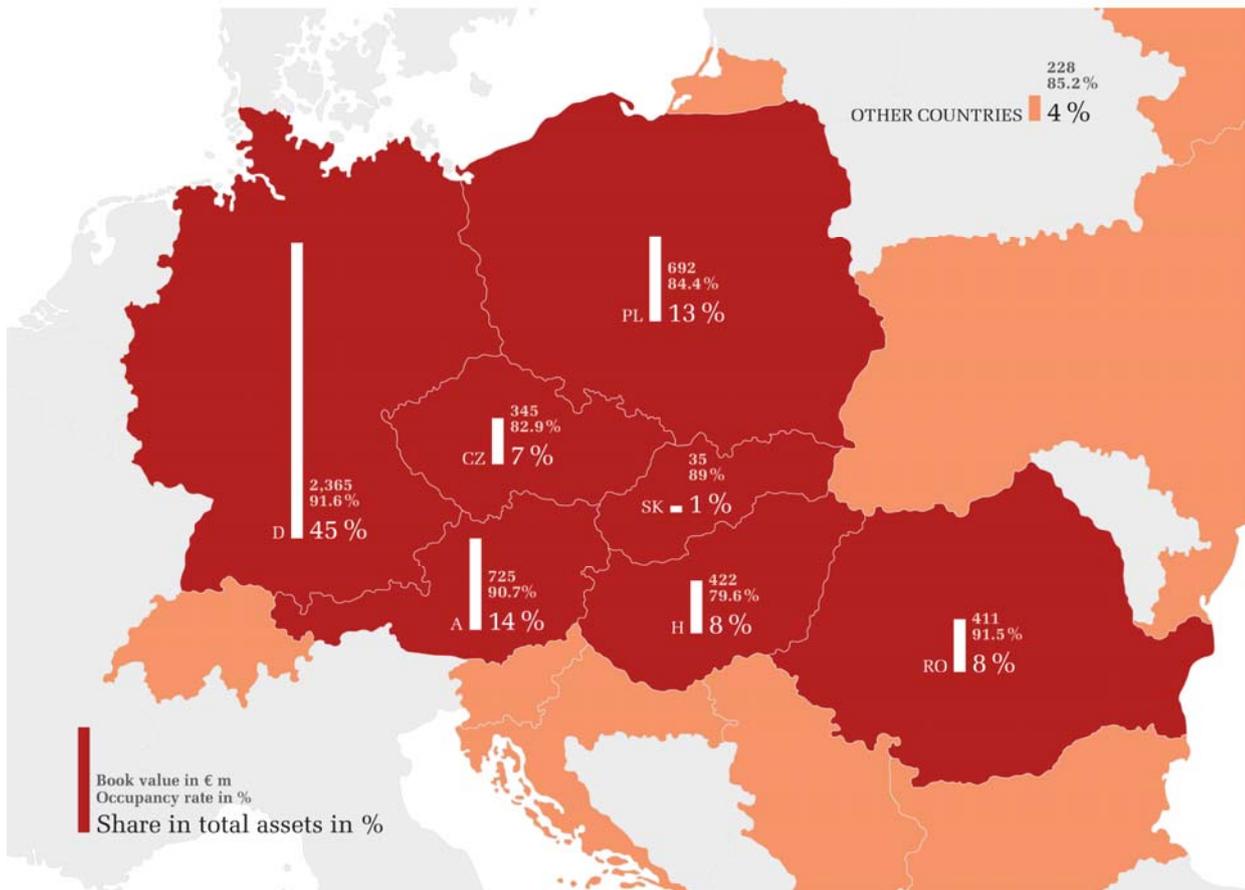
| in € m | Investment properties ¹ | Investment properties under development | Properties held as current assets ² | Property assets | Property assets in % |
|---------------------------|------------------------------------|---|--|-----------------|----------------------|
| Austria | 692 | 33 | 0 | 725 | 14% |
| Germany | 1,502 | 771 | 92 | 2,365 | 45% |
| Czech Republic | 337 | 8 | 0 | 345 | 7% |
| Hungary | 409 | 12 | 0 | 422 | 8% |
| Poland | 660 | 32 | 0 | 692 | 13% |
| Romania | 369 | 41 | 0 | 411 | 8% |
| Others | 227 | 37 | 0 | 263 | 5% |
| CA IMMO | 4,196 | 934 | 92 | 5,222 | 100.0% |
| Share in portfolio | 80% | 18% | 2% | 100% | |

¹ Incl. own use properties

² Incl. properties intended for trading or sale

CA IMMO PROPERTY ASSETS

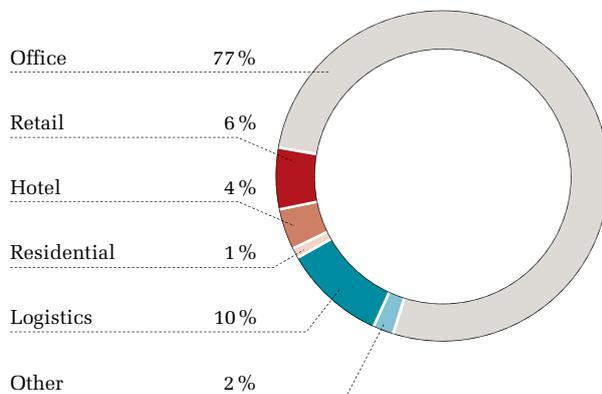
Core region Other countries



Conserving the environment and resources

Around 40 % of all carbon emissions in industrialised nations come from buildings¹– a finding that inspired CA Immo to focus on energy efficiency, product configuration and the environmental impact of its portfolio buildings and development projects. More and more investors and capital contributors are attracted by the lasting value offered by sustainable buildings. For end customers (i.e. the tenants), this approach pays dividends in terms of lower operating expenses and better living conditions, to give two examples.

DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY MAIN USAGE (Basis: € 4.2 bn)



¹ Source: Study by the Royal Institution of Chartered Surveyors (RICS)

Sales

In 2011 building sales with an extent of € 324.7 m were completed. **Building plots** connected with urban district development activities (mainly in inner city areas of Germany) accounted for 56 % of sales; suitably value-enhancing property use approvals had previously been obtained. Since this real estate had not been generating any rental income, the sales will not lead to falls in cash flow over the long term.

During 2011, the year under review, CA Immo also sold **two shopping centres in the Czech Republic** with a combined asset value of approximately € 100 m. Since 2003, both malls had been part of the C1 fund portfolio, in which the CA Immo subsidiary Europolis holds a 51 % stake. The rentable floor space amounted to 21,884 sqm in the Mladá Boleslav shopping centre and 32,157 sqm in the Teplice mall. In Austria's capital cities and in the federal capital city Vienna above all small and medium apartment buildings were market placed gainfully.

Total income of € 52.8 m was generated from sales in 2011 (compared to € 44.4 m in 2010).

Forward sales

The sale to Allianz of 80 % of the **Skyline Plaza shopping centre** in Frankfurt's Europaviertel was agreed as a forward sale in mid-September. As joint venture partners, CA Immo and ECE will each retain 10 % of the property following completion. The total investment volume for this development project stands at € 360 m; ground-breaking took place early in June 2011. When completed in the autumn of 2013, the Skyline Plaza will provide some 38,000 sqm of retail space for around 180 shops.

Investment

CA Immo invested approximately € 241.6 m (2010: € 284.3 m) in its real estate portfolio in 2011. Of this figure, € 37.9 m was earmarked for modernisation and optimisation measures in the asset portfolio and € 203.7 m was devoted to the furtherance of development projects. Real estate with a value of € 1,557.7 m (incl. Europolis) was acquired. Amongst other things, CA Immo procured the 50 percent share of OFB Projektentwicklung in the **SKYGARDEN office building** in Munich's Arnulfpark. This property, constructed through a joint venture with OFB, was completed in August 2011. The proportionate value of real estate acquired amounts to around € 61 m.

PROPERTY ASSETS BRIDGE 2010 TO 2011

| | | Austria | Germany | Eastern Europe | Total |
|---|-----|--------------|----------------|----------------|----------------|
| Property assets 31.12.2010 | € m | 736.0 | 2,165.9 | 710.3 | 3,612.2 |
| Acquisition of new properties | € m | 0.0 | 61.4 | 1,496.3 | 1,557.7 |
| Investments in current projects | € m | 13.6 | 173.5 | 16.6 | 203.7 |
| Investments in the portfolio stock | € m | 14.1 | 8.3 | 15.4 | 37.9 |
| Change from revaluation/impairment/depreciation | € m | (4.1) | 67.8 | (16.7) | 47.0 |
| Capitalised rent incentive | € m | 0.5 | (0.3) | 12.5 | 12.6 |
| Disposals | € m | (35.3) | (111.7) | (101.9) | (248.9) |
| Property assets 31.12.2011 | € m | 724.8 | 2,364.9 | 2,132.4 | 5,222.2 |
| Annual rental income ¹⁾ | € m | 37.1 | 90.1 | 138.3 | 265.5 |
| Annualised rental income | € m | 38.4 | 84.6 | 148.9 | 271.9 |
| Economic vacancy rate for investment properties | % | 9.3 | 8.4 | 15.4 | 12.6 |
| Yield (investment properties) | % | 5.6 | 5.2 | 7.4 | 6.3 |

¹⁾Incl. annual rental income of sold properties in 2011 (€ 5.5 m)

THE INVESTMENT PROPERTY AREA

Contributing around 73 % of EBIT and 82 % of the company's total property assets, the investment property area is CA Immo's core business and main source of income. The principle objective of the company is thus the continual quality optimisation of its portfolio and the retention and acquisition of tenants with a view to securing stable and regular rental revenue.

Assets rise to € 4.2 bn

As at key date 31 December 2011, the Group's asset portfolio incorporated a total rentable effective area of 2.5 mn sqm with an approximate book value of € 4.2 bn (compared to € 2.7 bn in 2010). Having integrated the asset portfolio of Europol AG, which was acquired early in 2011, the Eastern Europe segment accounts for the greater part (48 %) of book value, generating around 53 % of rental revenue in 2011. CA Immo generated total rental income of € 265.6 m in 2011 (€ 164.4 m in 2010). On the

basis of annualised rental revenue, the asset portfolio produced a yield of 6.3 % (5.8 % in 2010).

Stable utilisation rate in core office segment

The utilisation rate in the core office segment was 87.4 % on the key date (compared to 86.5 % on 31 December 2010). Despite the drop in the overall utilisation rate of logistic premises (76.2 % as at 31 December 2011) in Eastern Europe acquired along with Europolis and the take over of the two finished German buildings Skygarden and Ambigon into the investment property portfolio, the economic occupancy rate for the portfolio as a whole as at 31 December 2011 with 87.4 % was similar to the rate in the year before (88.2 % on 31 December 2010). In like-for-like comparisons of real estate forming part of the portfolio as at 31 December 2010, the economic occupancy rate increased from 88.2 % on that date to 93.1 % on the balance sheet date for 2011.

INVESTMENT PROPERTIES: KEY FIGURES BY COUNTRY¹

| | in € m | Book value in % | Rentable area in sqm | Rented area in sqm | Occupancy rate in % | Rental income in € m | Yield in % |
|----------------|----------------|--------------------|-------------------------|-----------------------|------------------------|-------------------------|---------------|
| Austria | 682.2 | 16.3% | 336,815 | 307,054 | 90.7% | 35.9 | 5.6% |
| Germany | 1,499.4 | 35.8% | 788,740 | 733,867 | 91.6% | 82.9 | 5.2% |
| Czech Republic | 336.8 | 8.1% | 173,594 | 140,930 | 82.9% | 25.0 | 8.0% |
| Hungary | 409.2 | 9.8% | 305,078 | 243,223 | 79.6% | 27.2 | 7.3% |
| Poland | 659.9 | 15.8% | 429,383 | 312,424 | 84.4% | 37.8 | 6.5% |
| Romania | 369.3 | 8.8% | 327,533 | 282,906 | 91.5% | 28.5 | 8.6% |
| Others | 226.5 | 5.4% | 120,825 | 99,076 | 85.2% | 15.5 | 7.6% |
| Total | 4,183.2 | 100.0% | 2,481,967 | 2,119,481 | 87.4% | 252.8 | 6.3% |

¹ Excl. own use properties

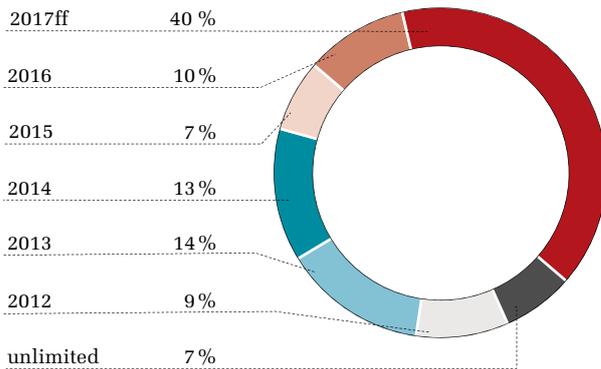
LIKE-FOR-LIKE-ANALYSIS OF PROPERTIES THAT WERE ALREADY CORE AS OF 31 DECEMBER 2010

| m | Book values | | Annualised rental income | | Gross yield | | Occupancy rate | |
|----------------|----------------|----------------|--------------------------|--------------|-------------|-------------|----------------|------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Austria | 680.6 | 702.1 | 38.3 | 36.0 | 5.6% | 5.1% | 91% | 82% |
| Germany | 1,315.0 | 1,334.9 | 72.5 | 70.8 | 5.5% | 5.3% | 99% | 98% |
| Eastern Europe | 687.8 | 677.6 | 54.1 | 50.2 | 7.9% | 7.4% | 88% | 81% |
| Total | 2,683.4 | 2,714.7 | 164.8 | 157.0 | 6.1% | 5.8% | 93% | 88% |

Lettings performance of over 540.000 sqm

During 2011, the CA Immo Group as a whole let effective area of approximately 541,000 sqm. Lettings performance was thus equivalent to around 22 % of the Group’s asset portfolio, which amounts to 2.5 mn sqm. Of this total figure, new lettings were responsible for around 37 % and 63 % was accounted for by existing tenants extending contracts and expanding their floor space. The main impetus came from large-scale lettings in Eastern European investment properties together with various new contracts linked to recently completed development projects in Germany. As at 31 December 2011 47 % of lease contracts have a term in excess of five years (including leases with unlimited duration).

EXPIRY PROFILE OF LEASE AGREEMENTS BASED ON EFFECTIVE RENTAL INCOME (€ 271.9 m)



CAST: the quality assurance tool for portfolio buildings

CA Immo holds investment properties of many different kinds in many different countries. In response to the lack of a certification scheme on the market for portfolio buildings which would adequately clarify and facilitate comparison of the sustainability of portfolio buildings across various countries, CA Immo developed its own recording system for office buildings in its portfolio in 2010. The tool was named CAST (CA Immo Sustainability Tool).

CAST not only records economic and social criteria, but also (and especially) the technical quality of installations and facilities across the Group; build quality is also recorded. This process creates transparency within the asset portfolio – a sound basis for purchase decisions and portfolio strategies.

In accordance with declared corporate strategy, 85 % of office investment properties were entered into the CAST tool during 2011. By resolution of the Supervisory Board, acquisitions of office properties will in future depend on a minimum points score in the CAST system. The aim is for all office investment properties (including acquisitions) to be recorded by 2012. This database will then be used to enact specific measures designed to optimise energy efficiency.

MAJOR TENANTS

| | Sector | Region | Share ¹ |
|--|--------------------------------|---------|--------------------|
| Hesse (state of Germany) | Public administration | Germany | 16% |
| Pekao S.A | banks | CEE | 3% |
| PWC | Auditor | Germany | 3% |
| Hennes & Mauritz GmbH | Fashion retail | Germany | 3% |
| BIM Berliner Immobilienmanagement GmbH | Real estate and administration | Germany | 2% |
| Verkehrsbüro Hotellerie GmbH | Hotel sector | Austria | 1% |
| IBM | IT | CEE | 1% |
| Österreichische Post AG | Postal services | Austria | 1% |
| ECM Hotel Operations Europort s.r.o. (final user Marriott) | Hotel sector | CEE | 1% |
| Carrefour Romania SA | Retail | CEE | 1% |

¹ by annualised rental income

THE AUSTRIA SEGMENT

The asset portfolio in Austria comprises rentable effective area of some 336,815 sqm with a market value of around € 682 m according to current valuations. Taking account of properties sold in 2011, this portfolio generated rental income of € 37.0 m last year (€ 38.9 m in 2010), which is equivalent to an average yield of 5.6 % (2010: 5.1 %).

The economic occupancy rate in the asset portfolio (measured on the basis of expected annual rental income) stood at 90.7 % in 2011 (81.8 % in 2010). The rise in the occupancy rate compared to the previous year was mainly the result of Post AG, the principal tenant taking up residence at the Erdberger Lände site in Vienna in autumn 2011 as planned.

CA Immo invested approximately € 14.1 m in its Austrian asset portfolio in 2011 (compared to € 14.4 m in 2010). Refurbishment of the portfolio building at the Lände 3 site accounted for € 9.8 m of this figure. An additional € 2.0 m or so (€ 2.4 m in 2010) was devoted to maintenance costs with a view to upholding the fabric of buildings and the quality of rental units.

INVESTMENT PROPERTIES AUSTRIA: KEY FIGURES¹

| in € m | 31.12.2011 | 31.12.2010 | Change |
|--------------------------|------------|------------|---------|
| book value | 682.2 | 703.7 | -3.1% |
| Annualised rental income | 38.3 | 36.1 | +6.2% |
| Gross initial yield | 5.6% | 5.1% | +0.5 pp |
| Economic vacancy rate | 9.3% | 18.2% | -9.0 pp |

¹ Excl. own use properties

THE GERMANY SEGMENT

The asset portfolio in Germany comprises rentable effective area of some 788,740 sqm with a market value of around € 1,499 m according to current valuations (€ 1,335 m in 2010). Alongside landmark buildings such as the Königliche Direktion in Berlin, the company's investment property assets in Germany include a package of properties in Hesse with a value of € 806.2 m. These properties are leased to the state of Hesse on a long-term

basis, with average remaining terms of 25 years still to run on contracts.

Two finished projects became investment properties

Rental income of € 82.9 m was generated in 2011 (including properties sold in 2011); the figure for 2010 was € 63.2 m. The occupancy rate for the properties averaged 91.6 % in 2011 (98.2 % in 2010). This decline is caused by the transfer of two finished projects in Munich, the Skygarden building (book value of € 135.6 m) and the Ambigon building (€48.8 m; see 'The project development area' for details) to the asset portfolio upon their completion in the final quarter of 2011. As at 31 December 2011, the yield on the portfolio stood at 5.2 % (5.3 % in 2010). CA Immo invested approximately € 2.7 m in maintaining its German investment properties in 2011.

By contrast the Tower 185 high-rise, which was completed at the end of the year, will only be incorporated in the portfolio (and reflected on the balance sheet) in the first quarter of 2012; the property is not therefore included in the key figures below.

Lettings

Significant new lettings were concluded in relation to recently completed development projects in Germany (and in other areas). Lease contracts were finalised on around 5,000 sqm of the Skygarden office building in Munich, which was completed in autumn 2011. Large-scale contract extensions have also been agreed, including a 10-year lease extension on around 30,000 sqm of the Spreebogen office building by the state of Berlin. In total, new lease contracts and extensions to existing agreements accounted for almost 70,000 sqm of floor space in 2011.

INVESTMENT PROPERTIES GERMANY: KEY FIGURES¹

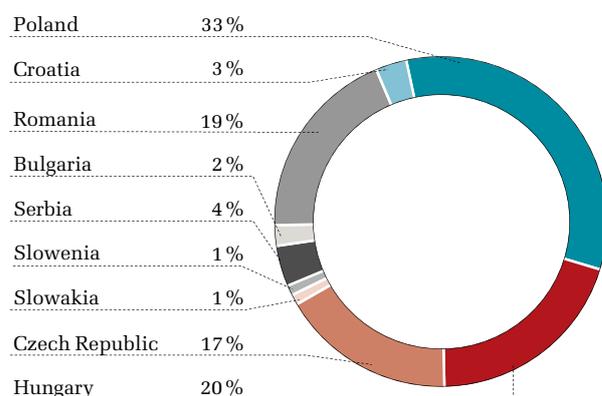
| in € m | 31.12.2011 | 31.12.2010 | Change |
|--------------------------|------------|------------|---------|
| book value | 1,499.4 | 1,334.9 | +12.3% |
| Annualised rental income | 77.9 | 70.8 | +10.1% |
| Gross initial yield | 5.2% | 5.3% | +0.1 pp |
| Economic vacancy rate | 8.4% | 1.8% | +6.6 pp |

¹ Excl. own use properties

THE EASTERN EUROPE SEGMENT

CA Immo has been investing in Eastern Europe since 1999. The company now maintains investment properties in 9 countries of Central and Eastern Europe (CEE, 71 %) and South Eastern Europe (SEE, 29 %). The acquisition on 1 January 2011 of the Europolis AG portfolio, which is focused on (South) Eastern Europe and valued at € 1.5 bn, increased the share of Eastern Europe in the asset portfolio as a whole from 25 % to around 48 %. In this region, CA Immo concentrates on high quality office properties in capital cities of Eastern and South Eastern Europe; these make up 79 % of the overall Eastern European portfolio.

DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES EASTERN EUROPE BY COUNTRIES (Basis: € 2 bn)



53 % of rental revenue from Eastern Europe

As at the balance sheet date 31 December 2011, investment properties had an approximate market value of € 2,001.7 m (€ 678 m on 31 December 2010). The company's Eastern European asset portfolio comprises 1,356,412 sqm of rentable effective area which generated rental income of € 134.0 m in 2011 (compared to € 45.5 m in 2010). This represents 53 % of CA Immo's total rental revenue.

Quality: the basis for stable, long-term revenue

The high quality of the portfolio is expressed in landmark buildings such as the Warsaw Financial Center, Capital Square in Budapest, the three office blocks making up the River City complex in Prague and many more. By placing its faith in top quality locations and properties, CA Immo has been able to increase the utilisation rate of its office portfolio even in the time of crisis (see next page). The general overview of properties included in this report has full details on the various properties in the Eastern European asset portfolio.

Utilisation rate in core office segment rises to 86 %

As at 31 December 2011, the economic occupancy rate for the asset portfolio (measured on the basis of expected annual rental income) was 85 % (against 81 % in 2010). The utilisation rate in the core office segment stood at 86 % (79 % in 2010). The overall portfolio produced an initial yield of 7.4 % (7.4 % in 2010), with the yield for properties in the SEE region standing at 8.2 % (7.6 % in 2010) and 7.1 % (7.3 % in 2010) for those in the CEE region. Full details of the valuation results are contained in the 'Property valuation' section.

ASSET PROPERTIES EASTERN EUROPE: KEY FIGURES

| in € m | Book value | Annualised rents | Occupancy rate | Gross yield | Equivalent Yield |
|----------------|---------------|------------------|----------------|-------------|------------------|
| Poland | 659.9 | 43.2 | 84% | 6.5% | 7.7% |
| Hungary | 409.2 | 29.8 | 80% | 7.3% | 9.0% |
| Romania | 369.3 | 31.7 | 92% | 8.6% | 9.4% |
| Czech Republic | 336.8 | 27.0 | 83% | 8.0% | 8.0% |
| Serbia | 89.0 | 6.9 | 93% | 7.7% | 9.0% |
| Croatia | 62.4 | 5.0 | 91% | 8.0% | 9.0% |
| Bulgaria | 45.3 | 2.8 | 63% | 6.3% | 9.5% |
| Slovenia | 17.6 | 1.5 | 89% | 8.7% | 9.3% |
| Slovakia | 12.2 | 0.9 | 89% | 7.7% | 8.0% |
| Total | 2001,7 | 148,9 | 85% | 7,4% | 8,5% |

Large-scale lettings to creditworthy tenants

Lettings performance in 2011 totalled 422,600 sqm of rentable effective area, of which 133,100 sqm was re-let or newly let; contract extensions were responsible for 52.900 sqm and expansions of premises by existing tenants accounted for 236.600 sqm (mainly in the logistics sector). Significant new and extended contracts included Puma and Deloitte (1,000 sqm in Danube House and 8,900 sqm in Nile House respectively, both office properties being located in Prague), Nokia Siemens Network (13,000 sqm of office space in City Gate, Budapest), Tetra Pak (2,160 sqm in the Poleczki Business Park, Warsaw) and IBM (3,800 sqm in the Blonie logistics park in Poland).

Investment properties are managed on site by local teams. The regional companies of CA Immo and Europolis in Prague, Budapest, Warsaw, Bucharest and Belgrade have been amalgamated into CA Immo Real Estate Management, and all activity in Eastern Europe is now carried out under the CA Immo brand.

Logistics: Europolis acquisition creates new asset class

Integration of the investment properties of Europolis introduced logistics as a new asset class in the Eastern Europe segment; logistics made up 15 % of the portfolio as at 31 December 2011. In terms of lettings activity, this asset class is relatively volatile; owing to lease contract terms that are shorter on average, it is particularly exposed to the tough global economic situation. As a

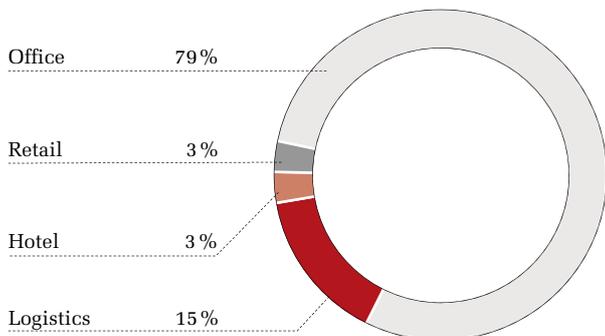
result, the vacancy rate in the portfolio is deteriorating. In the medium term, the objective will be to reduce the proportion of logistics as soon as the market allows.

MARKET ASSESSMENT

Given CA Immo's relatively high profile in Eastern Europe, investors and other capital contributors often ask whether the markets of the region represent a stable place to do business despite the current political and economic instability across Europe. In the estimation of CA Immo, the following facts make the case for our commitment to Eastern Europe:

- Compared to most Western European nations, economic output on the majority of the Eastern European markets is more stable, with higher growth rates and far lower levels of debt.
- Given the prospect of minimal new construction and consistently high levels of demand, quality real estate will remain sought after in Eastern European cities.
- Poland and the Czech Republic in particular represent established markets with growth potential, in contrast to the saturated and strongly competitive markets of Western Europe.

DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES EASTERN EUROPE BY MAIN USAGE (Basis: € 2 bn)



DISTRIBUTION OF BOOK VALUE LOGISTICS PROPERTIES EASTERN EUROPE BY COUNTRIES (Basis: € 301.5 m)



THE INVESTMENT PROPERTIES UNDER DEVELOPMENT AREA

Alongside its core business of portfolio management, CA Immo acts as a project developer on its markets. CA Immo acquired the project development company Vivico Real Estate GmbH, which changed its name to CA Immo Deutschland GmbH on 1 July 2011, early in 2008; since then, the company has significantly expanded its project development activity in Germany. Vivico was formed in 2001, having previously been a collecting society for railway properties in Germany. The acquisition provided CA Immo with extensive land reserves in central locations (especially in Frankfurt, Berlin and Munich) along with a strong platform for developing these sites. All activity in Germany has been carried out under the CA Immo brand since July 2011.

82% of development activity in Germany

As at 31 December 2011, the development division represented around 18% (equivalent to approximately € 934 m) of CA Immo's total property assets. Germany is clearly the focus of project development activity, accounting for 82.5%; the remaining property assets under development are distributed between developments and land reserves in Austria and Eastern Europe (3.5% and

14.0% respectively). Of the development projects in Germany with a total market value of € 770.9 m, projects under construction account for around € 345.6 m, with plots subject to property use approval and long-term real estate reserves making up € 425.3 m.

Project development sustains portfolio quality over the long term

One objective of development activity is to raise the quality of the company's portfolio by absorbing projects as they are completed; another is to generate profit by selling dedicated building plots. To this end, the value of land reserves in Germany in particular is increased by acquiring building rights in connection with urban district development activity before they are utilised through sales to partners or the company's own development projects. CA Immo either transfers completed projects to its portfolio or sells them (through forward sales or to investors upon completion). In the course of its development activity, CA Immo covers the entire value chain through its subsidiaries: from site development and property use approval to project management and the letting or sale of completed properties.

INVESTMENT PROPERTIES UNDER DEVELOPMENT BY COUNTRY

| in € m | In Zoning | | Landbank | | Projects under construction | | Total | |
|-----------------------|--------------|-----------------|--------------|-----------------|-----------------------------|-----------------|--------------|-----------------|
| | Book value | Book value in % | Book value | Book value in % | Book value | Book value in % | Book value | Book value in % |
| Austria | 0.0 | 0.0% | 14.4 | 4.1% | 18.4 | 4.8% | 32.8 | 3.5% |
| Frankfurt | 0.0 | 0.0% | 141.6 | 39.9% | 273.5 | 70.7% | 415.1 | 44.4% |
| Berlin | 68.7 | 35.7% | 81.7 | 23.0% | 72.1 | 18.6% | 222.5 | 23.8% |
| Munich | 104.1 | 54.1% | 6.1 | 1.7% | 0.0 | 0.0% | 110.1 | 11.8% |
| Rest of Germany | 13.8 | 7.2% | 9.3 | 2.6% | 0.0 | 0.0% | 23.1 | 2.5% |
| Germany | 186.6 | 97.0% | 238.7 | 67.2% | 345.6 | 89.3% | 770.9 | 82.5% |
| Czech Republic | 0.0 | 0.0% | 8.1 | 2.3% | 0.0 | 0.0% | 8.1 | 0.9% |
| Hungary | 0.0 | 0.0% | 12.4 | 3.5% | 0.0 | 0.0% | 12.4 | 1.3% |
| Poland | 0.0 | 0.0% | 17.7 | 5.0% | 14.4 | 3.7% | 32.1 | 3.4% |
| Romania | 0.0 | 0.0% | 41.3 | 11.6% | 0.0 | 0.0% | 41.3 | 4.4% |
| Serbia | 0.0 | 0.0% | 1.4 | 0.4% | 0.0 | 0.0% | 1.4 | 0.1% |
| Ukraine | 0.0 | 0.0% | 12.3 | 3.5% | 0.0 | 0.0% | 12.3 | 1.3% |
| Slovakia | 5.7 | 3.0% | 8.9 | 2.5% | 8.6 | 2.2% | 23.2 | 2.5% |
| Eastern Europe | 5.7 | 3.0% | 102.1 | 28.7% | 23.0 | 5.9% | 130.8 | 14.0% |
| CA IMMO | 192.3 | 100.0% | 355.2 | 100.0% | 387.0 | 100.0% | 934.4 | 100.0% |

PROJECTS UNDER CONSTRUCTION

| in € m | Book value | Book value in % | Outstanding construction costs | Planned rentable effective area in sqm | Expected value ¹ | Yield | City | Main usage | Share | pre-letting rate | scheduled completion |
|-------------------------------------|--------------|-----------------|--------------------------------|--|-----------------------------|-------------|------------|--------------|-------|------------------|----------------------|
| Silbermöwe | 18.4 | 11% | 22.3 | 18,860 | 47.6 | 5.7% | Vienna | Office | 100% | 0% | 12/2012 |
| Austria | 18.4 | 11% | 22.3 | 18,860 | 47.6 | 5.7% | | | | | |
| Poleczki Business Park ² | 14.4 | 9% | 6.2 | 10,418 | 22.5 | 7.7% | Warsaw | Office | 50% | 41% | 5/2012 |
| BBC 1 Plus | 8.6 | 5% | 23.0 | 15,847 | 33.5 | 7.5% | Bratislava | Office | 100% | 25% | 9/2012 |
| Eastern Europe | 23.0 | 14% | 29.2 | 26,265 | 56.0 | 7.6% | | | | | |
| Mercedes Benz VD | 12.4 | 8% | 57.7 | 26,380 | 76.9 | 5.3% | Berlin | Office | 100% | 100% | 4/2013 |
| TOUR TOTAL | 42.3 | 26% | 45.2 | 24,737 | 91.9 | 5.3% | Berlin | Office | 100% | 100% | 7/2012 |
| InterCity Hotel | 17.4 | 11% | 34.8 | 20,445 | 59.0 | 5.8% | Berlin | Hotel | 100% | 100% | 9/2013 |
| Skyline Plaza ^{2, 3.} | 47.6 | 30% | 130.4 | 36,154 | 182.7 | 5.5% | Frankfurt | Retail, div. | 50% | 46% | 8/2013 |
| Germany ⁴ | 119.7 | 74% | 268.1 | 107,716 | 410.5 | 5.4% | | | | | |
| CA IMMO | 161.1 | 100% | 319.6 | 152,841 | 514.1 | 6.1% | | | | | |

¹ Upon completion

² All statements refer to the 50 % share

³ Incl. Congress Center

⁴ Excl. Tower 185 (project), which was handed over to the tenant in January 2012

Sustainability: an element in competitiveness and our responsibility to society

Through its real estate and urban district development activities, CA Immo is helping to shape the skylines of major cities like Vienna, Berlin and Munich – by collaborating on master plans and creating associated infrastructure such as public roads, cycle paths, parks, water features, cultural facilities, daycare centres and other utilities.

CA Immo only constructs energy-efficient office buildings. For over three years, the company's development projects (except hotels) in Germany have qualified for certification – an obligation extended across the Group since the end of 2011. By complying with various certification requirements (LEED, DGNB), the company makes allowance for the conservation of resources such as energy and water as well as emissions, wastewater, refuse and the transporting thereof. So the Mercedes Benz sales office in Berlin falls below the common primary energy consumption for more than 25 % (calculated according to DGNB method).

Within the scope of **land development**, CA Immo meets its obligation to furnish proof of biodiversity etc. and aims to establish dialogue with various interest groups at an early stage. For example, contact options are provided

where residents have concerns in connection with development projects.¹

THE AUSTRIA SEGMENT

CA Immo's development activities in Austria are centred on Vienna and span investment assets under development with a total book value of around € 32.8 m. As at 31 December 2011, the company was realising one development project in Vienna.

Early in 2010, CA Immo launched a large-scale inner city development and restoration project known as **Lände 3** on the Erdberger Lände site in the capital. The site, which currently offers some 80,000 sqm of rentable area, comprises a number of sections. Following a phase of restoration, the tenant Post AG started to occupy 31,000 sqm of office space in August 2011; by December, all of the organisation's office-based operations in Vienna had been amalgamated on the site. Sim & More GmbH also signed up as a tenant and operator of a self-service restaurant with usable space of 2,500 sqm.

¹ For details on the stakeholder-dialogue see GRI Annex

Meanwhile, full-scale revitalisation work on the Silbermöwe office property began in March: by the autumn of 2012, modern and sustainable office space with rental effective area of approximately 18,800 sqm will be created within the nine-storey building, which is just under 40 metres high. An application will be made for ÖGNI sustainability certification for the building.

Project completions

Two budget **MEININGER hotels** were completed in 2011: on Fürbergstrasse in Salzburg (attached to the Zentrum im Berg shopping centre) and on Vienna's Rembrandtstrasse, adjacent to the Augarten park. The Salzburg hotel has 101 rooms while its Viennese counterpart has 131 rooms. MEININGER will lease both properties for a term of 20 years. The total investment volume for the two hotels was € 16 m.

gross floor space above ground; as at the balance sheet date, it was 71 % pre-let. The book value is € 135.6 m. PwC, the principal tenant, has established its new Munich headquarters across some 17,500 sqm of floor space. The finalisation of this project virtually completes the development of the 18-hectare urban area close to Munich's main rail station.

At the end of the year, the **AMBIGON** office, commercial and medical centre was completed in the **Schlossviertel Nymphenburg**, a district of quality residential and office units. With a gross floor area of approximately 16,400 sqm, the complex combines a range of usage types under one roof: offices, retail outlets, a medical centre and a rehabilitation/fitness zone. Prior to completion, CA Immo was able to conclude contracts on around 45 % of the rentable space, the book value is € 48 m.

THE GERMANY SEGMENT

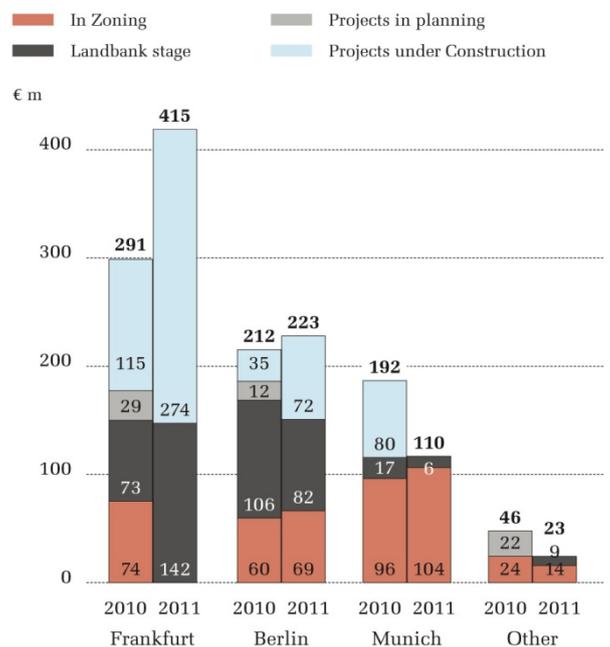
CA Immo is focusing its development activity on the cities of Munich, Frankfurt and Berlin, aiming in particular to make progress on large-scale, mixed use urban development projects.

As at 31 December 2011, CA Immo held rentable effective area of approximately 107,716 sqm in Germany along with a total budgeted project volume of around € 410.5 m for construction (excl. Tower 185). Around 31 % of the investment costs have been recovered; outstanding construction costs of around € 268.1 m, split between 2012 (€ 135.1 m) and 2013 (€ 133.0 m), are covered by loan commitments and capital resources. This extensive project pipeline together with additional land reserves and land development projects with an approximate value of € 425.3 m confirm Germany as the main driver behind the organic asset accumulation envisaged for the years ahead and CA Immo as the biggest project developer in the country¹.

Project completions

After the completion of the **SKYGARDEN** office building in the Munich **Arnulfpark®** urban district in August 2011, CA Immo took over the proprietor parts of the joint partner OFB project developer by 100 %. The building realised as a green building, offers around 33,000 sqm of

GERMANY: BREAKDOWN OF ASSETS UNDER DEVELOPMENT



¹ Source: BulwienGesa AG analysis institute



The Europacity district close to the main station in Berlin

Key development activities in Germany include:

Berlin

CA Immo is implementing a number of highly significant urban planning projects in the German capital. These include the **Europacity district** in the vicinity of the city's main station. At 40 hectares in total, CA Immo is developing approximately half of the site.

The foundation stone for the 17-storey **TOUR TOTAL** office high-rise on Europaplatz – the future German headquarters of oil company TOTAL – was laid during the year under review. Occupying around 14,000 sqm of floor space, TOTAL is renting the entire tower, which was designed as a green building. The company will take up residence in the structure, which is approximately 69 metres tall, in the second half of 2012.

A 20-year lease agreement for an **InterCityHotel**, south of Berlin's main rail station, has been concluded with Steigenberger Hotels AG. The eight-storey building will have gross floor space of 19,800 sqm, making it the largest InterCityHotel in Germany; it is scheduled for completion in the second half of 2013. CA Immo is acting as constructor and investor.

CA Immo is also developing the new company headquarters of **Mercedes-Benz sales department Germany (MBVD)** in the Berlin borough of Friedrichshain-Kreuzberg. As many as 1,200 Mercedes employees will occupy around 26,000 sqm of floor space.

SUSTAINABILITY CERTIFICATIONS OF GERMAN DEVELOPMENT PROJECTS

| City | project | status | certification |
|-----------|------------------|--------------------|--|
| Munich | Ambigon | completed | DGNB silver aspired |
| Munich | Skygarden | completed | LEED gold aspired |
| Frankfurt | Tower 185 | completed | precertificate DGNB, LEED gold aspired |
| Frankfurt | Skyline Plaza | under construction | precertificate DGNB gold |
| Berlin | Tour TOTAL | under construction | DGNB silver aspired |
| Berlin | Intercity Hotel | under construction | DGNB silver aspired |
| Berlin | MBVD Headquarter | under construction | DGNB silver aspired |

DEVELOPMENT OF URBAN DISTRICT EUROPAVIERTEL IN FRANKFURT

1

MÖVENPICK HOTEL FRANKFURT



- Ground floor area: 16,100 sqm
- Main usage: Hotel
- Opened: 2006
- Status: **sold**

2

EUROVENIA

- Ground floor area: 17,200 sqm
- Main usage: Residential
- Opened: 2009
- Status: **sold**

3

MEININGER HOTEL FRANKFURT



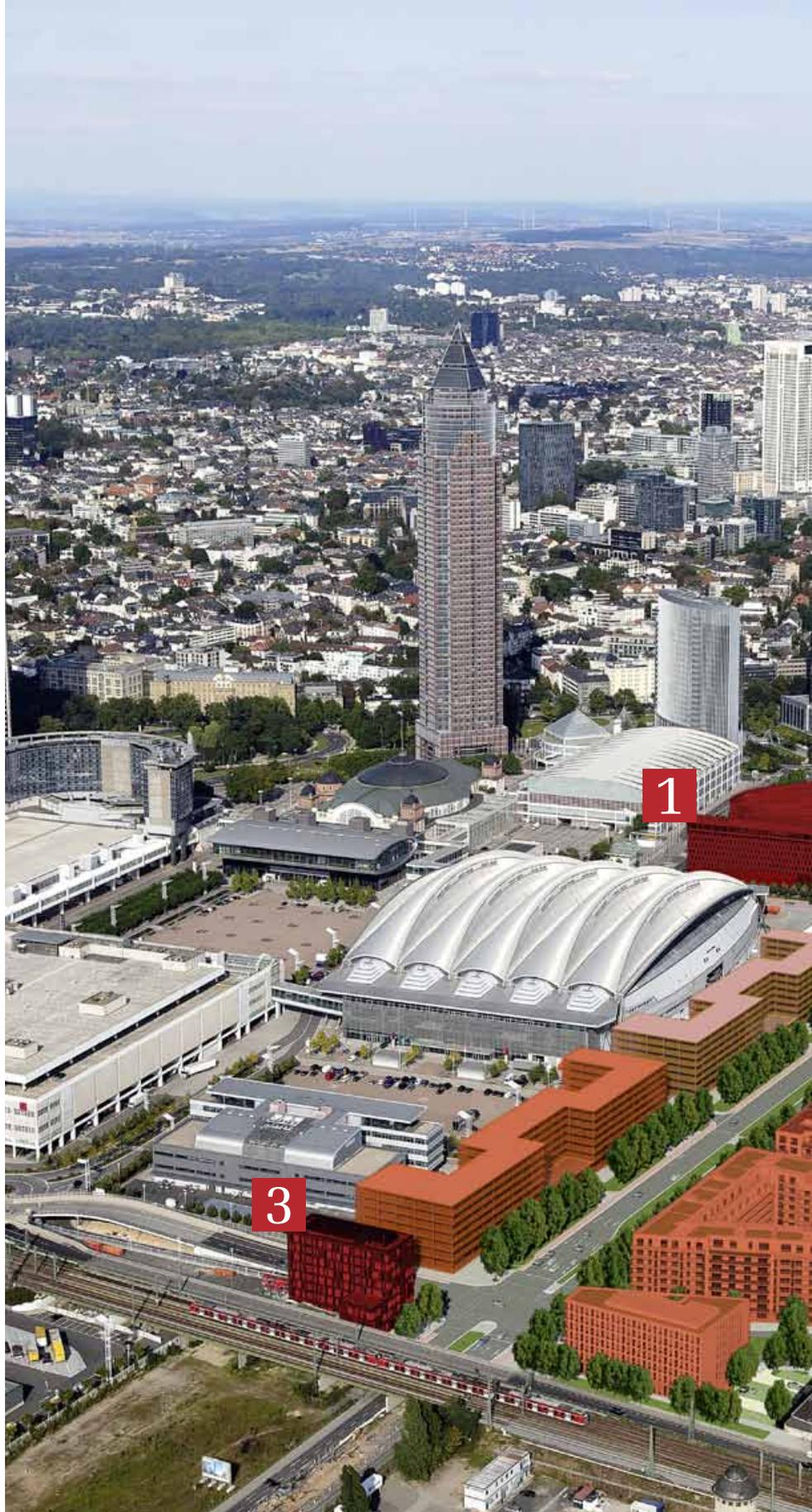
- Ground floor area: 4,300 sqm
- Main usage: Hotel
- Opened: 2010
- Status: **rented**

4

CITY COLOURS



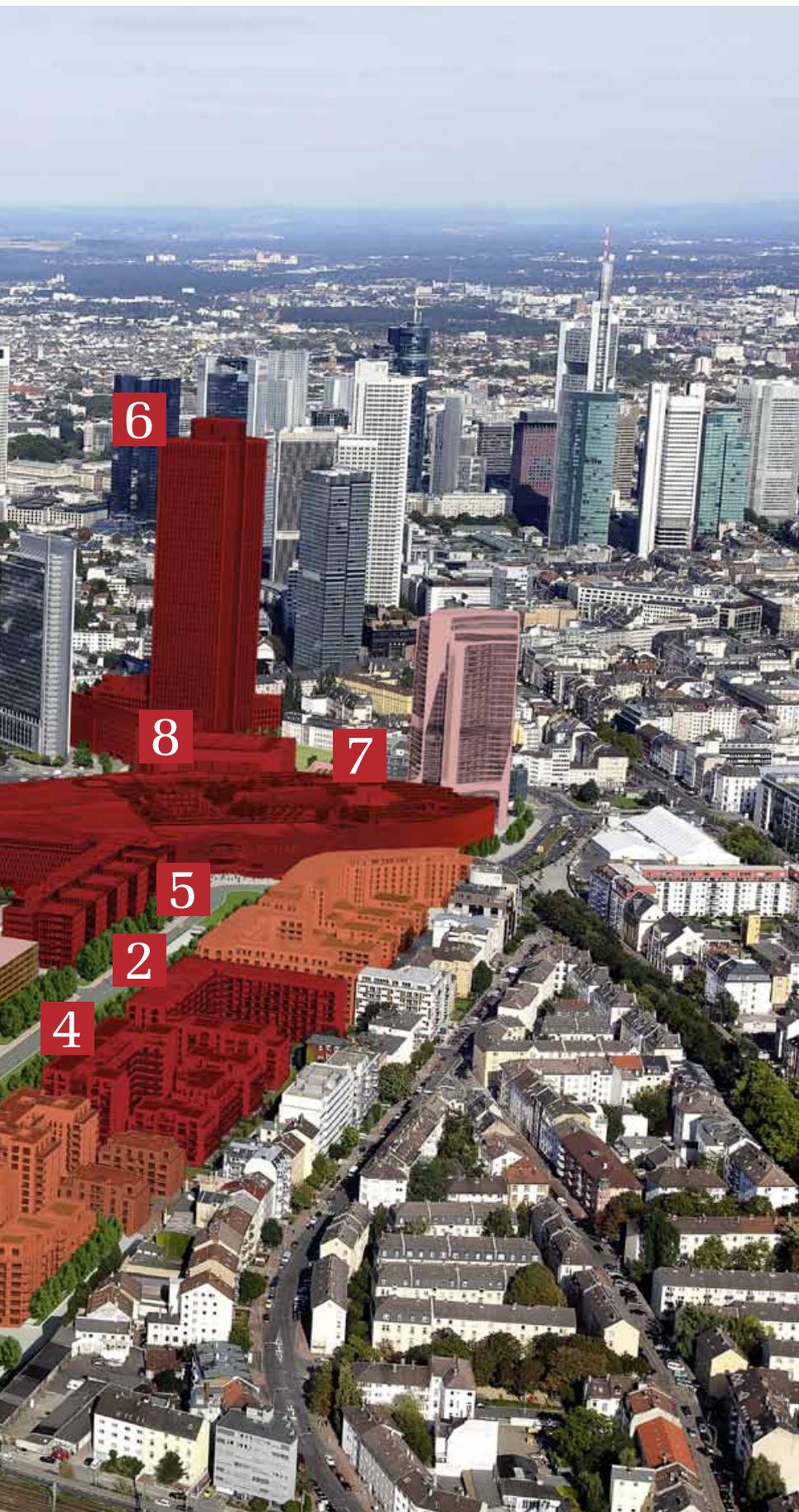
- Ground floor area: 17,200 sqm
- Main usage: Residential
- Opened: 2010
- Status: **sold**
- Joint Venture with Realgrund



 developed by CA Immo

 Property sold, developed by partners

 Property owned by CA Immo



5

EUROPA ALLEE 12-22



- Ground floor area: 25,500 sqm
- Main usage: Office, Retail, Gastronomy
- Opened: 2010
- Status: **sold**

6

TOWER 185



- Ground floor area: 130,000 sqm
- Main usage: Office
- Opened: 2010 plinth building, 2012 tower
- Status: **rented/for rent**

7

SKYLINE PLAZA



- Ground floor area: 180,000 sqm
- Main usage: Shopping, Congress, Fitness/Wellness, Gastronomy, Parking
- Planned completion: 2013
- Status: **under construction, 90% sold (forward sale)**

8

KONGRESSZENTRUM

- Ground floor area: 17,000 sqm
- Main usage: Congress
- Planned completion: 2013
- Status: **sold**

GERMANY: FOCUS ON CITY QUARTER DEVELOPMENTS

VALUE CREATION CHAIN



CREATION OF CITY QUARTERS

- Define intended usage-mix
- Obtain zoning and development rights
- Final product: Zoned land ready to be sold or used for own project-developments



PROJECT-DEVELOPMENT

- Building, letting and selling of properties
- Significant in-house expertise in construction management
- After completion: either take over of properties in the standing-portfolio or prepare for sale

- CA Immo covers full development-value chain
- Existing on-balance sheet land bank is basis for further profitable growth

Europaviertel, Frankfurt

The Europaviertel is one of CA Immo's biggest urban district development projects. The new city quarter spans around 90 hectares, of which CA Immo is developing 18 hectares. This modern area of residential units, offices, restaurants, retail outlets and a conference centre is directly adjacent to the Frankfurt Exhibition Centre and the banking district. Reputable companies such as BNP Paribas, PricewaterhouseCoopers (PwC), Allianz and MEININGER have signed up as tenants or investors.

Following a construction period of 33 months, CA Immo completed **Tower 185** on schedule at the end of the reporting year. The 200-metre structure in Frankfurt's Europaviertel is the fourth highest building in Germany. PwC, the auditing and consulting firm, is the biggest tenant with around 68,000 sqm of office space. Another 4,500 sqm is let to the international law firm Mayer Brown LLP. As at 31 December 2011, Tower 185 had an approximate market value of € 391.7 m; it will be incorporated in the portfolio (and reflected on the balance sheet) in the first quarter of 2012.

CA Immo started constructing the **SKYLINE PLAZA** shopping centre in Frankfurt in a joint venture with ECE Projektentwicklung in June 2011. The shopping mall will accommodate around 180 shops across floor space of some 38,000 sqm; it will also feature a health and fitness zone of around 8,500 sqm, a restaurant area of approximately 4,500 sqm and a roof garden spanning around 10,000 sqm. The total investment volume for the project (including the conference centre) is € 360 m. Allianz Real Estate acquired 80% of the shares in Skyline Plaza in September under the terms of a forward sale; ECE and CA Immo will each continue to hold a 10% stake in the property after completion.

Messe Frankfurt will operate the **conference centre** being built in parallel with the Skyline Plaza. Construction of the conference facility was a precondition of the city of Frankfurt for approval of the shopping centre; it will include halls of varying capacity on three levels plus one mezzanine.

THE EASTERN EUROPE SEGMENT

The debt crisis in Europe is having a major bearing on project development activity across Eastern Europe. In particular, restrictions on financing and protracted contract negotiations with international tenants have led to delays and even cancellations of building projects. Despite this climate, CA Immo made progress on selected development projects in the region during 2011. The total market value of land reserves and projects under construction in the Eastern Europe segment is approximately € 130.8 m.

Slovakia

Ground-breaking at the **Bratislava Business Center 1 Plus** took place in January 2011. The structure was designed as an extension to the present Bratislava Business Center 1; a direct link to the original building will be established. Capital resources will be used to finance the project. The new building will have 13 floors providing rentable effective area of around 15,900 sqm plus a car park with 313 spaces. BBC 1 Plus is being constructed as a sustainable building with the environmental standards that implies. An application will be made for LEED certification. Pre-letting on the project (mainly to international tenants) was around 30 % (incl. LOI) as at 31 December 2012.

Poland

The **Poleczki Business Park** is being realised under the terms of a 50:50 joint venture between the CA Immo New Europe project development fund and UBM Realitätenentwicklung AG. The state-of-the-art office district is emerging on a site spanning some 140,000 sqm close to Warsaw Airport. The project – the largest of its kind in Poland – provides for the construction of 16 buildings in several construction phases. Construction phase one was concluded in the second quarter of 2010. Phase two, which started in December 2010, comprises two four-storey buildings with a rentable effective area of around 21,000 sqm; this phase is scheduled for completion in quarter two of 2012. By the end of 2011, pre-letting stood at 40 %.

In September, the two structures making up the current construction phase won the International Property Award (Highly Commended Best Mixed Use Development category). The International Property Award is a globally

recognised award for residential and commercial properties. Construction phase two was also awarded gold LEED for Core & Shell pre-certification by the Green Building Certification Institute (GBCI) in August.

Russia

Located adjacent to St. Petersburg's Pulkovo 2 international airport, **Airport City St. Petersburg** is being realised by the project development company OAO Avielen AG in a joint venture with Warimpex and UBM. The first premium class business centre for the region represents a major infrastructure project for the expanding economic area of St. Petersburg. CA Immo holds a 35 % stake in the venture through the CA Immo New Europe project development fund.

The first phase of the project was finalised in December with the completion and opening of a four-star hotel along with the Jupiter and Airport office towers, which together provide 17,000 sqm of office space. Run by the InterContinental Group, the four-star Crowne Plaza is the only hotel at the airport itself. With 294 rooms and large-scale conference facilities for up to 1,000 visitors, the hotel is geared to the needs of international business travellers.

In addition to the projects under construction described above, CA Immo holds real estate reserves with an approximate value of € 102.1 m in Eastern Europe. No specific construction projects are planned for these sites at present.

LAND BANK IN EASTERN EUROPE BY ZONING CLASSIFICATION

| in € m | Office | Logistics | Others | Total |
|----------------|-------------|-------------|-------------|--------------|
| Czech Republic | 0.0 | 0.0 | 8.1 | 8.1 |
| Hungary | 0.0 | 12.4 | 0.0 | 12.4 |
| Poland | 2.2 | 15.5 | 0.0 | 17.7 |
| Romania | 20.7 | 8.3 | 12.3 | 41.3 |
| Ukraine | 0.0 | 12.3 | 0.0 | 12.3 |
| Slovakia | 8.9 | 0.0 | 0.0 | 8.9 |
| Others | 0.0 | 1.4 | 0.0 | 1.4 |
| Total | 31.9 | 49.8 | 20.4 | 102.1 |

PROPERTY VALUATION

The valuation of the properties constitutes the fundamental basis on which a real estate company is assessed, and is thus the most important factor in determining the value of such a company's shares. The crisis afflicting the global financial system has caused real estate prices and values to fluctuate substantially over recent years, and the situation has also affected the CA Immo Group directly.

The fair value of real estate that is used for accounting purposes is generally determined by independent third party expert appraisers using recognised valuation methods. External valuations are carried out in line with standards defined by the Royal Institution of Chartered Surveyors (RICS). RICS defines fair value as the estimated value at which a property should be sold on the valuation date, after a reasonable marketing period, between a willing seller and a willing buyer in the usual course of business, whereby the parties each acted knowledgeably, prudently and without compulsion.

The valuation method applied by the expert appraiser in a particular case is mainly determined by the stage of development and usage type of a property.

Rented commercial real estate (which makes up the bulk of the CA Immo Group's portfolio) is generally valued according to the investment method; fair values are based on capitalised rental revenue or the discounted cash flow expected in future. In addition to current contractual rents and lease expiry profiles, the qualified assessment of the expert appraiser determines and takes account of other parameters such as, in particular, the long-term rental price achievable for a property (ERV, expected rental value) and the equivalent yield for a property.

The residual value method is applied to properties at the development and construction phase. In this case, fair values are determined following completion, taking account of outstanding expenses and imputing an appropriate developer profit of 5.0 % to 20.0 %. Possible risks are considered, amongst other things, in future attainable rents and the capitalisation and discounting rates. Cap rates were unchanged on the previous year in

the range of 5.0–8.5 %; they are influenced in particular by general market behaviour as well as locations and usage types. The closer a project comes to the point of completion, the larger the proportion of parameters derived from actual and contractually stipulated figures. Shortly before completion and after completion, properties are valued according to the investment method (see above), taking outstanding residual work into consideration.

In the case of land reserves where no active development is planned for the near future, the comparable value method (or the liquidation, costing or residual value method) is used, depending on the property and the status of development.

In Austria, external valuations had been carried out on the key date 31.12.2011 for 99.5 % of the property assets (compared to 99.4 % on 31.12.2010); in Germany the figure was approximately 96.5 % (around 96.0 % on 31.12.2010) and in (South) Eastern Europe it was 99.9 % (99.0 % on 31.12.2010). The values for the remaining property assets were updated internally on the basis of previous year valuations and binding sale agreements.

The valuations as at 31 December 2011 were compiled by the following companies:

- CB Richard Ellis (Austria, Germany, Eastern Europe)
- Cushman & Wakefield (Eastern Europe)
- Valeuro Kleiber und Partner (Germany)
- Ö.b.u.v.SV Dipl.-Ing. Eberhard Stoehr (Germany)
- MRG Metzger Realitäten Beratungs- und Bewertungsgesellschaft (Austria)

Stable environment in 2011

As in 2010, real estate values remained stable in 2011. Significant changes in value (both positive and negative) were due mainly to property-specific events such as completions of development projects and changes to occupancy rates.

For 2011 as a whole, these events produced a positive revaluation result of € 49.143 K (€ 32.052 K in 2010).

ÖSTERREICH

Für den Großteil des Portfolios in Österreich waren nur geringe Wertänderungen festzustellen. Den wesentlichsten Anteil am Neubewertungsergebnis hatte die Liegenschaft Erdberger Lände (Lände 3), bei der es insgesamt zu einer Abwertung um -3.636 T€ aufgrund von nicht zur

Gänze in einer höheren Bewertung widergespiegelten unterjährig durchgeführten Investitionen kam.

Der dargestellte Anstieg der Bruttoanfangsrendite von 5,1% auf 5,6% hängt in erster Linie mit der im Vergleich zum Vorjahr deutlich erhöhten annualisierten Miete in Folge des Einzugs des neuen Hauptmieters der Liegenschaft Erdberger Lände (Lände 3) zusammen.

BEWERTUNGSERGEBNIS ÖSTERREICH

| Mio. € | Anschaffungskosten 31.12.2011 | Bilanzwert 31.12.2011 | Neubewertung / Wertminderung / Wertaufholung | Bruttoanfangsrendite | |
|--------------------------------------|----------------------------------|--------------------------|--|----------------------|------------|
| | | | | 31.12.2010 | 31.12.2011 |
| Bestandsimmobilien | 757,1 | 682,2 | - 5,5 | 5,1% | 5,6% |
| Immobilien in Entwicklung | 37,9 | 32,8 | 2,0 | | |
| Zur Veräußerung gehaltene Immobilien | 0,1 | 0,1 | 0,0 | | |
| Gesamt | 795,1 | 715,1 | - 3,4 | | |

¹ Exkl. selbst genutzte Immobilien

DEUTSCHLAND

Für 2011 konnte in Deutschland insbesondere aufgrund von Neubewertungen in Folge von Projektfertigstellungen ein deutlich positives Neubewertungsergebnis erzielt werden. Die betragsmäßig wesentlichste Aufwertung ergab sich dabei bei dem in 2011 fertiggestellten Objekt Skygarden in München (+ 10,8 Mio. €). Ebenfalls bedingt durch den Baufortschritt ergab sich weiters bei der aktuell größten Projektentwicklung, dem Tower 185 in Frankfurt, eine Aufwertung um 7,0 Mio. €.

Bei der dargestellten Brutto-Anfangsrendite von rd. 5,2% ist zu beachten, dass die 2010 und 2011 fertig gestellten Objekte (erster Bauteil des Tower 185, Skygarden sowie Ambigon) noch nicht ihre Ziel-Auslastung erreicht haben, bzw. aufgrund von Staffelmieten die annualisierte Miete zum Stichtag unter der kalkulatorischen Sollmiete liegt. Ohne diese Objekte würde die Brutto-Anfangsrendite bei rd. 5,7% liegen.

BEWERTUNGSERGEBNIS DEUTSCHLAND

| Mio. € | Anschaffungskosten 31.12.2011 | Bilanzwert 31.12.2011 | Neubewertung / Wertminderung / Wertaufholung | Bruttoanfangsrendite | |
|--------------------------------------|----------------------------------|--------------------------|--|----------------------|------------|
| | | | | 31.12.2010 | 31.12.2011 |
| Bestandsimmobilien ¹ | 1.498,4 | 1.499,4 | 25,3 | 5,3% | 5,2% |
| Immobilien in Entwicklung | 732,1 | 770,9 | 31,9 | | |
| Zur Veräußerung gehaltene Immobilien | 49,0 | 57,7 | 12,0 | | |
| Zum Handel bestimmte Immobilien | 42,0 | 33,9 | -1,2 | | |
| Gesamt | 2.321,5 | 2.361,9 | 68,0 | | |

¹ Exkl. selbst genutzte Immobilien

EASTERN AND SOUTH EASTERN EUROPE

Over the past few years, Eastern and South Eastern Europe has been affected much more severely by the turmoil of the financial crisis than other regions in our portfolio. Wide variations were reported in certain countries and asset classes. Yields fell in Poland but rose in Hungary and Romania, for example; yields on office properties in Hungary ranged from 7.5 % to 9.25 % (7.2–9.0 % on 31.12.2010); they ranged from 8.5 % to 10 % in Romania, 8.25 % to 11 % in Serbia and 6.8 % to 9.7 % in Poland. Yields on portfolio hotels in Slovenia and the Czech Republic expanded to the 8.8 % to 10 % range (9.0 % on 31.12.2010).

The valuation result for office properties – the most important asset class for CA Immo – was positive at € 8.3 m; this resulted from an upward valuation of € 17.3 m for investment properties together with a devaluation of € -9.0 m for development sites (especially in Romania). By contrast, the valuation result for logistical real estate was clearly negative; the overall devaluation for this asset class was around € -14.9 m, of which investment properties in Romania, Hungary and Poland accounted for € -11.6 m and land reserves represented € -3.2 m. Hotels in the portfolio in the Czech Republic and Slovenia were also subject to significant negative corrections of € -7.1 m.

VALUATION RESULT EASTERN AND SOUTH EASTERN EUROPE

| In € m | Acquisition costs | Book value | Revaluation/Impairment |
|---|-------------------|----------------|------------------------|
| | 31.12.2011 | 31.12.2011 | |
| Investment properties | 2,104.8 | 2,001.7 | - 3.1 |
| investment properties under development | 173.2 | 130.8 | - 13.6 |
| Total | 2,277.9 | 2,132.4 | - 16.7 |

FINANCING

As a real estate company, CA Immo operates in a capital-intensive sector that relies to a large extent on the availability of debt financing. It is critical to establish the most effective possible structuring of financing; alongside successful management of the real estate portfolio, this is one of the key factors in the overall result of the CA Immo Group. As at 31 December 2011, the financial liabilities of the CA Immo Group totalled € 3,264,014 K (compared to € 2,126,355 K on 31 December 2010); financing costs for 2011 stood at € – 161,009 K (€ – 117,202 K in 2010). The main reason for the increase was the initial consolidation of the Europolis Group in 2011. In addition to financing already secured which is thus reflected on the balance sheet, the CA Immo Group has unused credit lines totalling € 150 m that can be drawn to finance development projects under construction.

Debt Expiry profile

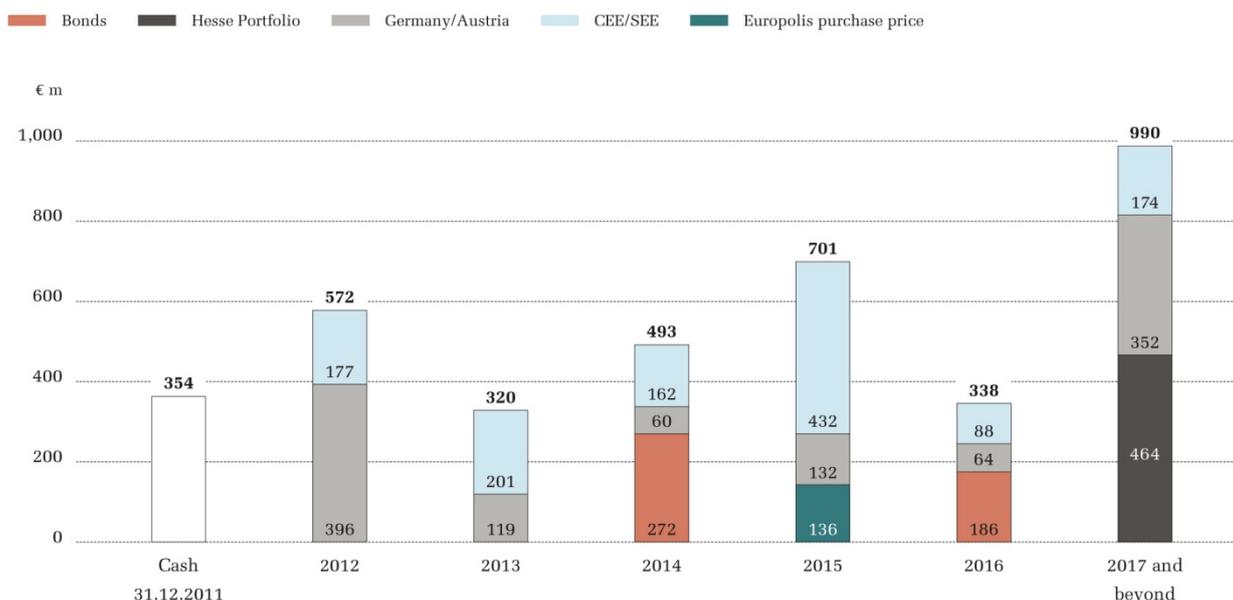
The diagram below shows the maturity profile of the financial liabilities of the CA Immo Group as at 31 December 2011 (assuming options to extend are exercised). The due amounts shown for 2012 total € 572 m.

This number includes in particular the following large-scale financings:

- Construction financing of € 265 m for Tower 185: the loan provided by a consortium of four banks to finance the construction of Tower 185 matures in the fourth quarter of 2012. The construction for which the loan was used was completed on time and on budget at the end of 2011, and the principal tenant has moved in. As at 31 December 2011, the LTV ratio was approximately 56 %.
- Financing of € 50 m for the Warsaw Financial Center: the term of the investment loan granted by a German bank in 2009 in relation to the Warsaw Financial Center expires in the second quarter of 2012. This office property, which commands a prime location in central Warsaw, is almost fully let; as at 31 December 2011, the LTV ratio was around 48 %.
- Construction financing of € 30 m for Ambigon in Munich: the loan provided by a German bank to finance construction of the Ambigon property in Munich matures in the fourth quarter of 2012. The building was completed in 2011; the LTV ratio as at 31 December 2011 was around 61 %.

The prolongation of these loans, respectively the transfer of the construction financings into longer term investment loans are generally routine transactions. For this reason, CA Immo is confident that discussions with banks will produce positive outcomes in good time.

DEPT EXPIRY PROFILE CA IMMO GROUP



FINANCING COSTS

| in € m | Book value | Book value in % | Occupan- cy rate | Annualised rents | Gross- yield in % | Outstanding financial liabilities | Financing costs in % | LTV in % |
|---|----------------|--------------------|---------------------|---------------------|-------------------------|---|-------------------------|-------------|
| Investment properties ¹ | | | | | | | | |
| Austria | 691.9 | 13.2% | 90.7% | 38.3 | 5.5% | 305.2 | 4.7% | 44% |
| Germany | 1,502.4 | 28.8% | 91.6% | 77.9 | 5.2% | 788.1 | 4.3% | 52% |
| Czech Republic | 336.8 | 6.4% | 82.9% | 27.0 | 8.0% | 244.0 | 4.0% | 72% |
| Hungary | 409.2 | 7.8% | 79.6% | 29.8 | 7.3% | 168.8 | 3.9% | 41% |
| Poland | 659.9 | 12.6% | 84.4% | 43.2 | 6.5% | 424.9 | 3.2% | 64% |
| Romania | 369.3 | 7.1% | 91.5% | 31.7 | 8.6% | 225.0 | 4.4% | 61% |
| Others | 226.5 | 4.3% | 85.2% | 17.2 | 7.6% | 117.9 | 6.5% | 52% |
| Total | 4,196.0 | 80.3% | 87.4% | 265.1 | 6.3% | 2,273.9 | 4.2% | 54% |
| Development projects | 934.4 | 18% | | 6.0 | | 410.7 | 4.2% | 44% |
| Properties held as current assets | 91.7 | 2% | | 0.8 | | 0.6 | 5.4% | 1% |
| Financing on parent company level | 0.0 | 0% | | 0.0 | | 578.9 | 4.6% | n.a. |
| CA IMMO | 5,222.2 | 100% | | 271.9 | | 3,264.0 | 4.3% | |

¹ Incl. self use properties

As the table above shows, the average cost of financing for the CA Immo Group amounts to 4.3 %. In this figure those interest rate derivatives that can be directly attributed to a specific loan are already reflected. The different levels of interest rate hedges between the individual regions also explain most of the variance in the financing costs between the countries. As the financings that were taken over with Europolis are in most instances not hedged or only hedged via out-of-the money Caps, the Eastern European countries show lower costs of financing than Austria or Germany. This is despite the fact that financing margins are in generally higher in those countries than in Western Europe. In Austria and Germany, the majority of the loans have been hedged against interest rate risk by long term swap contracts. Due to this the reduction in the base rate (Euribor) has not had an effect on the level of the financing costs.

If in addition to the interest rate hedges that are directly linked to a specific loan contract one also considers those derivatives that cannot be directly attributed, the financing costs increase to 4.7 %.

BASIC PARAMETERS OF THE FINANCING STRATEGY

Emphasis on secured financing

The backbone of the financing strategy are mortgage loans secured with property; the debt is taken up in the (subsidiary) companies in which the respective real estate is held. Unsecured financing at Group parent company level is limited to the three bonds placed on the capital markets. This structure offers the following key advantages:

- Loans secured by a mortgage on a property generally offer more favourable conditions than unsecured financings and longer terms are possible.
- Since financing is provided at subsidiary level, there is no recourse to the parent company or other parts of the Group.
- Covenants are only tested on the level of the individual asset and not on group wide ratios. This expands strategic flexibility considerably; moreover, any breaches of covenants at property level can be remedied much easier than it would be the case at overall Group level.

The outstanding volume of loans secured with property stood at € 2.7 bn as at 31 December 2011. The approximate book value of the properties serving as security on these loans was € 4.3 bn. The book value of CA Immo's unmortgaged properties as at 31 December 2011 was around € 0.8 bn, with undeveloped sites making up the majority of this. The volume of unsecured bond financing was € 0.4 bn.

Long-term interest rate hedging

Given that the interest paid makes up the biggest expense item in the income statement for most real estate companies, interest rate rises can have a serious impact – especially since the income side (rent) is usually based on long-term agreements, which means increases in financing costs cannot be counterbalanced by higher revenue. For this reason, CA Immo Group's financing policy involves hedging a substantial proportion of the debt against fluctuations over the long term. Interest rate swaps (and, to a lesser extent, interest rate caps) are used as hedging tools.

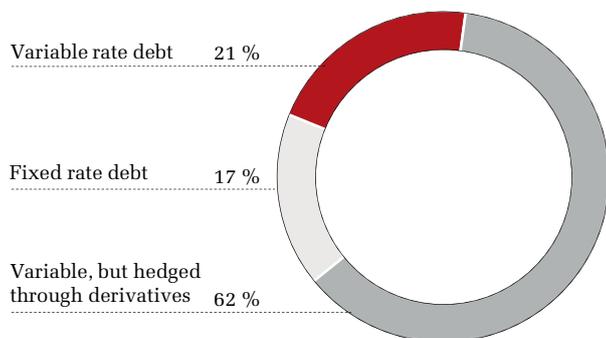
Of the derivatives deployed, swap contracts account for a nominal value of € 1,828.2 m and interest rate caps represent a nominal value of € 229.4 m. The weighted average interest rate fixed via swap contracts is 3.7 %, with the average rate ceiling for the interest rate caps at 4.4 %. The weighted average term remaining on deriva-

tives used for interest rate hedging is around 4.4 years, compared to a weighted remaining term of 4.2 years on variable interest-bearing liabilities.

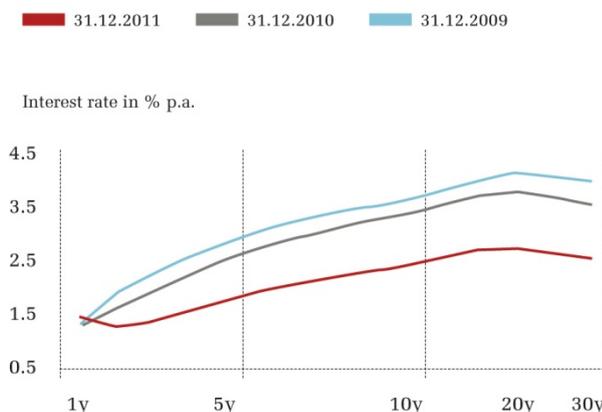
The fair value of the swap contracts is strongly negative on account of the sharp drop in the general interest level in recent years. The total fair value as at 31 December 2011 was € -184.1 m (for the entire nominal amount of € 1,828.2 m). In terms of the balance sheet, a distinction is drawn between those contracts directly attributable to a loan (thus meeting the criteria for hedge accounting as cash flow hedges) and those for which these preconditions are not met (fair value derivatives). For cash flow hedges, the change in the fair value on the relevant key date is recognised directly in equity; for fair value derivatives, by contrast, the change is recognised as expenditure in the income statement under 'Income/Expenses from derivative transactions'. As at key date 31 December 2011, contracts with a nominal value of € 1,366.6 m and a fair value of € -119.1 m fulfilled the preconditions for hedge accounting. The nominal value of swaps classified as fair value derivatives was € 461.5 m; the negative fair value was € -65.0 m as at 31 December 2011.

The following diagram shows the fall over recent years in the swap curve, which is critical to the valuation of swap contracts:

FINANCIAL DEBT AS OF 31.12.2011



SWAP CURVE 2009–2011



Bonds and other key sources of financing

CA Immo currently has three bonds outstanding, which are registered for trading on the unlisted securities market of the Vienna Stock Exchange:

| ISIN | Type | Outstanding volume | Maturity | Coupon |
|--------------|------------------|--------------------|-----------|--------|
| AT0000A0EXE6 | Corporate Bond | 150 Mio. € | 2009-2014 | 6,125% |
| AT0000A026P5 | Corporate Bond | 186 Mio. € | 2006-2016 | 5,125% |
| AT0000A0FS99 | Convertible Bond | 115 Mio. € | 2009-2014 | 4,125% |

The bonds provide unsecured financing at Group parent company level; they are pari passu to one another and to all other unsecured financing of CA Immobilien Anlagen AG. The conditions of the bonds do not provide for any relevant financial covenants.

Between September 2011 and the end of the reporting year, convertible bonds with a nominal value of € 20.5 m were repurchased from the market at an average price of 94.6 %; bonds from 2006 with a nominal value of € 14.0 m were bought back at a rate of 97.5 %.

Key features of the convertible bond:

The conversion price of the convertible bond is € 11.58; the planned payment of a dividend will result in adjustment of the conversion price and thus the maximum number of bearer shares issued where the right of conversion is exercised. The conversion price will thereby be reduced in the magnitude of the dividend yield at the time of the dividend payment.

Early repayment of the convertible bonds by CA Immo is possible as from the end of the final quarter of 2012 provided the price of the CA Immo share (in certain periods) amounts to at least 130 % of the applicable conversion price at that time.

In terms of amount, the largest financing aside from the bonds is the loan for the **Hesse portfolio** (real estate value of € 813.9 m as at 31 December 2011), which had an outstanding volume of € 512.2 m as at 31 December 2011.

The original loan was securitised by the arranging bank and placed on the capital market ('Opera Germany 3' transaction, ISIN XS0293598495 (tranche A) and XS0293599113 (tranche B)). The financing concluded at the end of 2006 runs until the first quarter of 2017. The margin on the loan is 0.5 % above the 3 month Euribor rate; the Euribor was secured through a swap with a rate of 3.94 %, resulting in effective interest costs of 4.44 %.

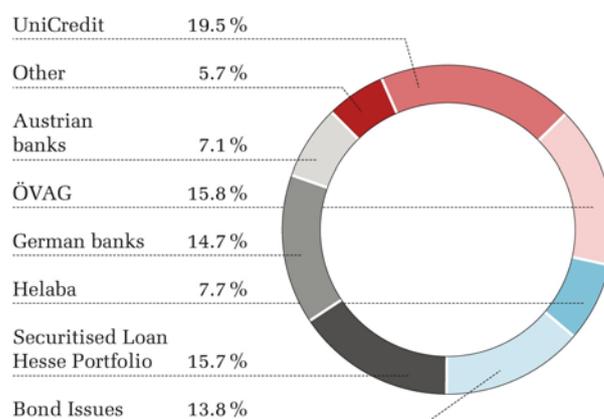
The main covenants for this financing are as follows:

| Ratio | Covenant | Current level |
|-------|----------|---------------|
| DSCR | 1.05x | >1.35x |
| ICR | 1.15x | >1.80x |
| LTV | <75% | ~64% |

Financing banks

CA Immo has business relations with a large number of banks. With around 19 % of outstanding financial liabilities, the main financing bank is the UniCredit Group. As the diagram below shows, the Österreichische Volksbanken-AG Group (ÖVAG) and Helaba in Germany also account for significant shares. Taken together, all of the other banks each provide less than 5 % of the credit volume.

FINANCING VOLUME BY BANKS



RESULTS

First-time recognition of Europolis Group

The Europolis Group has been included in the consolidated financial statements of CA Immo since the closing of the Europolis AG acquisition effective 1 January 2011. As explained below by referring to the key items, this consolidation has a significant impact on the financial and earnings position of the CA Immo Group. The insight provided by a comparison with the prior-year figures is therefore limited.

Gross revenues and net operating income

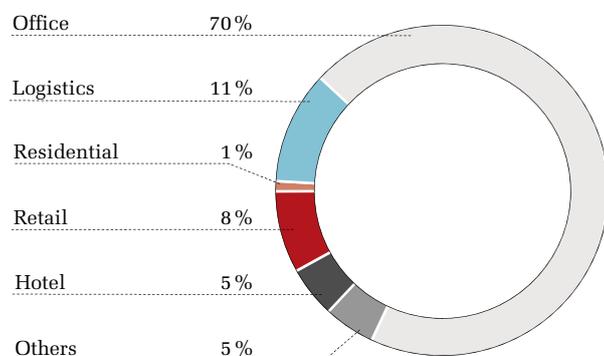
Measured against 2010, rental income increased by 61.5% to € 265,576 K. The advance was prompted chiefly by rental income from the Europolis Group. As illustrated by the table below, rental income advanced significantly in the Eastern/South Eastern Europe segment following the addition of the Europolis properties. The growth in rental income in Germany, in contrast, is chiefly attributable to the completion of development projects, which more than made good the reduction triggered by disposals. The rental income in the Germany segment also includes a one time amount of € 5.782 K arising from a supplementary rent charge. In Austria, sales prompted a year-on-year decrease in rental income.

Lease incentives, in particular rent-free periods, are linearised over the full term of the lease, so that the rental income reflects not the actual cash rent received in the period, but the economically effective rent. Of the rental income recognized in 2011, an amount of € 7,296 K is attributable to such linearisation.

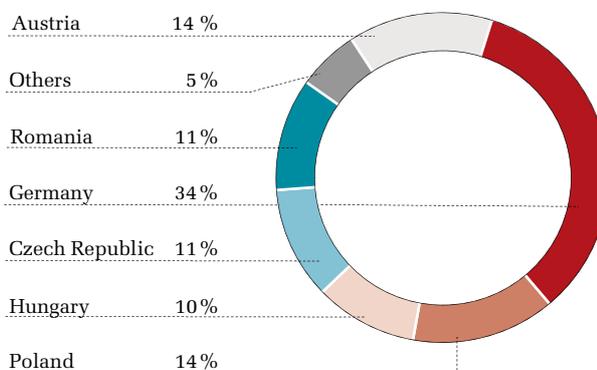
The 49.0% rise in direct management costs for the rented properties, from € -25,827 K to € -38,490 K was less pronounced than the increase in rental income. The principal direct costs are vacancy costs and operating costs that cannot be passed on to tenants (€ -11,087 K), maintenance costs (€ -6,005 K) and allowances for uncollectible accounts (€ -8,497 K). In 2011, such allowances contain value adjustments in connection with two hotels in the Czech Republic in particular.

Net operating income attributable to letting activities after the deduction of direct management costs increased from € 138,597 K to € 227,086 K. The margin (net operating income relative to rental income) edged up from 84.3% to 85.5%.

RENTAL INCOME
BY MAIN USAGE



RENTAL INCOME
BY COUNTRY



CHANGE IN RENTAL INCOME FROM 2010 TO 2011

| € m | Austria | Germany | Eastern/South East Europe | Total |
|--|-------------|-------------|------------------------------|--------------|
| 2010 | 39.0 | 79.8 | 45.6 | 164.4 |
| Change | | | | |
| Resulting from indexation | 0.7 | 1.0 | 1.7 | 3.4 |
| Resulting from change in vacancy rate or reduced rentals | -1.0 | 0.7 | -0.9 | -1.1 |
| Resulting from new acquisitions | 0.0 | 0.0 | 89.3 | 89.3 |
| Resulting from whole-year rental for the first time | 0.0 | 0.4 | 2.6 | 3.0 |
| Resulting from completed projects | 0.2 | 11.7 | 0.0 | 11.9 |
| Subsequent rent payment | 0.0 | 5.8 | 0.0 | 5.8 |
| Resulting from redevelopment | 0.0 | -2.1 | 0.0 | -2.1 |
| Resulting from sale of properties | -1.8 | -7.1 | 0.0 | -8.9 |
| Total change in rental income | -1.9 | 10.4 | 92.8 | 101.2 |
| 2011 | 37.1 | 90.2 | 138.3 | 265.6 |

In connection with the scheduled sale of trading properties (mainly Germany), trading income totalled € 28,049 K in 2011 (2010: € 115,657 K). These revenues stand alongside book value disposals in the amount of € -18,722 K and other development expenses/material costs in the amount of € -760 K. The earnings contribution of the trading portfolio therefore totalled € 7,791 K (2010: € 30,490 K). The year-on-year decrease in this item is primarily attributable to the sharp decline in the total volume of the trading portfolio in recent years. At the year-end, the remaining volume of properties intended for trading stood at € 33,904 K.

Gross revenue from development services for third parties (generally performed by the Group subsidiary omniCon) totalled € 2,320 K. The prior year figure was € 2,764 K. Income from development services for third parties totalled € 578 K (2010: € 564 K).

Direct property expenses attributable to investment properties under development increased from € -5,713 K to € -7,315 K.

These changes pushed up net operating income (NOI) year on year by 39.2% to € 228,139 K.

Result from the sale of long-term properties

Property sales contributed € 44,961 K to the result in 2011 (2010: € 13,936 K). Sales in Germany contributed around € 33,573 K, sales in Eastern/South Eastern Europe about € 9,972 K, and sales in Austria around € 1,416 K.

For accounting purposes, in the case of disposals that are structured as share deals, the proceeds and book values sold are derived not from the actual property values, but the pro rata equity of the company holding the property. In the event of the disposal of a previously fully consolidated company, therefore, only the pro rata gain is recognised, so that the gain on disposal does not require adjustment in the non-controlling interests. Following these principals, the proceeds from sales shown in the accounts were € 223,715 K and the corresponding profit was € 44,961 K.

If, however, the actual asset values behind the transactions are considered, the proceeds (for a 100%) were € 296,695 K and the profit (before non controlling interests) would have been € 51,191 K. The margin over the book value sold was therefore 21%.

The difference can mainly be attributed to the largest transaction of 2011, which was the sale of the 51% shares in the Olympia Shopping Centres in the Czech Republic, which had been fully consolidated prior to the sale.

Indirect expenditures

In compliance with customary international reporting practice, the previously separate items "indirect expendi-

tures" and "capitalised services" are now netted under a single item.

As a consequence of recognising the indirect expenditures of Europolis, this item increased by 29.8%, from € -33,923 K to € -44,045 K. The principal items included in this total are as follows:

| € 1,000 | 2011 | 2010 |
|---|----------------|----------------|
| Staff expenses | -32,220 | -23,728 |
| Office rent | -2,430 | -2,232 |
| Travel expenses and transportation costs | -1,347 | -956 |
| Others | -4,602 | -4,012 |
| Internal management | -40,599 | -30,928 |
| Legal, auditing and consultancy fees | -11,343 | -8,530 |
| Other indirect expenses | -4,907 | -6,322 |
| subtotal | -56,849 | -45,780 |
| Capitalised services on long-term property assets | 12,108 | 10,773 |
| Changes to stock properties intended for trading | 696 | 1,084 |
| Indirect expenditures | -44,045 | -33,923 |

Capitalised services, in the amount of € 12,804 K, is to be regarded as a contra item to indirect expenditures which counterbalances the portion of the internal Vivico expense that is directly attributable to individual development projects and thus qualifies for capitalisation.

Earnings before interest, tax, depreciation and amortisation (EBITDA)

EBITDA climbed sharply by 63.8%, in particular because of the consolidation of Europolis. The figure totalled € 246,423 K (€ 150,409 K in the previous year).

The first-time inclusion in the scope of consolidation of Europolis, which operates exclusively in Eastern and South Eastern Europe, also significantly shifted the relative contributions made by the individual regional segments.

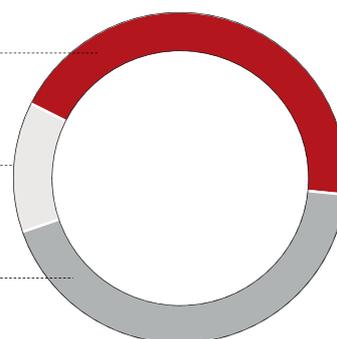
At € 111,230 K, the relative share of the Eastern and South Eastern Europe segment in consolidated EBITDA more than doubled to around 45%. The share of the Germany segment was 44%, and that of Austria 13%.

EBIT

Eastern Europe 45%

Austria 14%

Germany ¹⁾ 44%



¹⁾ A property in Switzerland is assigned to the Germany segment

Revaluation result

The revaluation result for 2011 was € 49,143 K (2010: € 32,052 K). From a regional perspective, the revaluation result arises from an appreciation of € 69,242 K in Germany, and negative revaluations in the Eastern and South Eastern Europe segment (€ -16,671 K) and Austria (€ -3,428 K).

For an explanation of the factors governing the valuation of properties, see also the "Property valuation" section.

Operating result (EBIT)

In combination, the forenamed factors raised EBIT substantially, from € 176,490 K in 2010 to € 285,045 K in 2011. A large portion of this turnaround is attributable to the Eastern and South Eastern Europe segment, where the EBIT increased from € 14,781 K to € 93,532 K. EBIT increased also in Germany € 173,506 K (2010: € 121,791 K), while Austria generated € 25,042 K compared to € 47,173 K in 2010.

The result consists of contributions made in Q1, of € 48,439 K; Q2, of € 63,998 K; Q3, of € 91,703 K; and Q4, of € 80,904 K. The variances between the quarters is primarily explained by the unequal distribution of the capital gains.

Financial result

The financial result for 2011 totalled € -177,945 K (2010: € -107,672 K). The changes in the constituents of the financial result are described in detail below.

The first-time recognition of Europolis pushed up financing costs by 37.4 % to € -161,009 K. Alongside the interest expenses recognised in the income statement, interest on development projects under construction, in the amount of € 9,934 K, was capitalised as well.

The year-on-year further increases valuation loss from interest-rate hedges (2011: € -22,456 K, 2010: € -4,446 K) also exerted a major influence. A large portion of this loss is a non-cash valuation result.

At the end of HY1 2011, the gain stood at € 3,604 K, but the yield curve that determines the valuation of interest-rate hedges retracted further in the second half-year, so that the present value of the swaps was steadily eroded. For further details, see also the "Financing" section.

The decrease in the result from financial investments, from € 14,418 K to € 11,557 K, stems chiefly from the year-on-year decline in interest rates.

Income from associated companies (2011: € -1,696 K, 2010: € -328 K) represents the net amount arising from a positive contribution from the investment in UBM, in the amount of € 1,640 K (including a cash dividend of € 825 K), and a devaluation of the shares in the company managing the project at Pulkovo Airport in St. Petersburg.

Taxes on income and earnings

The developments described above gave rise to earnings before taxes (EBT) for 2011 in the amount of € 107,100 K (2010: € 68,818 K). Of the taxes on income totalling € -39,429 K (2010: € -24,999 K), current taxes, mainly resulting from the sale of property in Germany, accounted for € -27,261 K. The remainder arose largely from the change in deferred taxes.

Result for the period

At € 67,671 K, the result for the period shows a profit (2010: € 43,819 K). The result attributable to non-controlling interests was € 5,042 K, as against € -1,596 K in 2010. In 2011, the non-controlling interests were chiefly the joint venture partners in the sub-portfolios of Europolis.

The share of the result attributable to owners of the parent closed 2011 at € 62,629 K. The figure for 2010 was € 45,415 K.

Cash flow

The cash flow from earnings for 2011 totalled € 191,861 K (2010: € 121,422 K). The difference largely reflects the change in EBITDA between the periods, arising from the acquisition of Europolis. The increase in cash flow from operating activities, from € 172,033 K to € 198,626 K, was less pronounced because the cash inflows from the disposal of properties intended for trading, which are recognised in this item, were much lower than in 2010.

Cash flow from investment activities in 2011 came to € -62,623 K (2010: € -251,532 K). The primary cause of the reduced cash outflow is the reflection in the cash flow of the stages of the Europolis acquisition process. An instalment in the amount of € 136,000 K triggered a cash outflow in 2010, but the first-time consolidation of the cash and cash equivalents of Europolis gave rise to a positive cash effect in the amount of € 71,880 K in 2011.

The cash flow from financing activities in 2011 totalled € -134,643 K (2010: € -63,092 K). Alongside the cash outflow for interest payments (2011: € -148,181 K, 2010: -107,131 € K), the change is attributable to the fact that, unlike in 2010, the amount of new loans was only marginally higher than the redemption of borrowings (2011: € 252,226 K and € -232,786 K; 2010: € 280,291 K and € -138,831 K). In 2010, this cash flow item also contained the outflows for the increase in the investment in the then subsidiary CA Immo International.

CASH FLOW STATEMENT – SHORT VERSION

| € m | 2011 | 2010 | Change |
|---|------------|---------------|-----------------|
| Cash flow from | | | |
| - business activities | 198.6 | 172.0 | 15% |
| - Investment activities | -62.6 | -251.5 | -75% |
| - financing activities | -134.6 | -63.1 | >100% |
| Changes in cash and cash equivalents | 1.4 | -142.6 | >100% |
| Cash and cash equivalents | | | |
| - beginning of the business year | 354.8 | 497.2 | -29% |
| - changes in the value of foreign currency | -2.3 | 0.2 | >100% |
| - the end of the business year | 353.8 | 354.8 | 0% |

FFO – funds from operations

Funds from operations before taxes (FFO) came to € 93,423.6 K in 2011. The doubling of the amount compared to 2010 is mainly attributable to the forenamed rise in EBITDA.

FUNDS FROM OPERATIONS (FFO)

| € m | 31.12.2011 | 31.12.2010 |
|---|-------------|-------------|
| Net income before taxes before minorities | 107.1 | 68.8 |
| Depreciation and amortisation | 10.6 | 6.0 |
| Revaluation results | -49.1 | -32.1 |
| Foreign currency gain/loss | -0.3 | -0.7 |
| Corr. At-Equity result | 2.6 | 1.2 |
| Valuation of financial instruments | 22.6 | 3.1 |
| Funds from Operations before taxes | 93.4 | 46.4 |
| Corporate income tax (actual tax) | -27.3 | -25.9 |
| Funds from Operations | 66.2 | 20.5 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – SHORT VERSION

| | 2011 | | 2010 | | Change |
|---|----------------|------------|----------------|------------|-----------|
| | € m | in % | € m | in % | in % |
| Properties | 5,130.4 | 87 | 3,520.4 | 80 | 46 |
| Prepayments made on investments in properties | 2.2 | 0 | 136.2 | 3 | -98 |
| Intangible assets | 39.1 | 1 | 31.5 | 1 | 24 |
| Financial and other assets | 119.6 | 2 | 79.8 | 2 | 50 |
| Deferred tax assets | 11.7 | 0 | 14.1 | 0 | -17 |
| Long-term assets | 5,303.0 | 90 | 3,782.0 | 86 | 40 |
| Receivables | 168.1 | 3 | 147.0 | 3 | 14 |
| Assets held for sale | 57.8 | 1 | 46.5 | 1 | 24 |
| Property intended for trading | 33.9 | 0 | 45.3 | 1 | -25 |
| Cash equivalents and securities | 353.8 | 6 | 358.6 | 8 | -1 |
| Short-term assets | 613.6 | 10 | 597.4 | 14 | 3 |
| Total assets | 5,916.6 | 100 | 4,379.4 | 100 | 35 |
| Shareholders' equity | 1,809.5 | 31 | 1,659.9 | 38 | 9 |
| <i>shareholders' equity as a % of statement of financial position total</i> | <i>31%</i> | | <i>38%</i> | | |
| Liabilities from bonds | 444.8 | 7 | 475.6 | 11 | -6 |
| Long-term interest-bearing liabilities | 2,042.1 | 35 | 1,412.7 | 32 | 45 |
| Short-term interest-bearing liabilities | 777.1 | 13 | 238.0 | 5 | >100 |
| Other liabilities | 651.3 | 11 | 477.0 | 11 | 37 |
| Deferred tax assets | 191.8 | 3 | 116.2 | 3 | 65 |
| Total liabilities and shareholders' equity | 5,916.6 | 100 | 4,379.4 | 100 | 35 |

Statement of financial position: assets

Measured against the situation as of 31 December 2010, significant changes occurred on the assets side in 2011 as a consequence of the consolidation of the Europolis Group. The greatest impact was on the "investment properties" item, which increased from € 2,716,211 K to € 4,183,202 K.

Besides the addition of the Europolis properties, some properties were also reclassified from the "properties under development" item, because of completions. The principal reclassifications (additions) arose from two properties that were completed in 2011, namely Skygarden (book value as of 31 December 2011: € 135,600 K) and Ambigon (book value as of 31 December 2011 (€ 48,800 K) in Munich. As regards the largest individual property belonging to the Group, Tower 185, only the pedestal building that was completed in 2010 was

recognised as an investment property as of the reporting date. As of 31 December 2011, the tower itself remained part of the "properties under development" item, with a book value of € 225,900 K.

Total property assets – consisting of investment properties, properties under development, and properties forming part of current assets – closed the year at € 5,222,183.0 K, which reflects an increase of around 44.6%.

In 2011, an amount of € 203,654 K was invested in the properties under development.

Cash and cash equivalents as of 31 December 2011 stood at € 353,778 K, which was only marginally lower than the figure posted at the start of the year. Total assets increased by 35.1% to € 5,916,576 K.

Statement of financial position: liabilities and shareholders' equity

Shareholders' equity

The company's share capital stands at € 638,713.6 K, and the number of ordinary shares outstanding remains unchanged at 87,856,060.

As of the reporting date, 31 December 2011, according to the company, around 82 % of the shares were in free float, and the remaining 18 %, as well as the four registered shares that entitle each of the holders to nominate one member of the Supervisory Board, were held by UniCredit Bank Austria AG.

As of the reporting date, 31 December 2011, capital authorised but not issued (pursuant to Section 169 AktG (Austrian Stock Corporation Act)) existed in the amount of € 312.8 m (up to 43,031,840 no-par shares); the closing date for the issue of the capital against cash or non-cash contribution is 8 August 2012. Authority for a contingent capital increase (pursuant to Section 159 AktG) in the amount of € 317.2 m (up to 43,629,300 no-par shares) also existed. In 2011, the company did not hold any treasury shares.

Shareholders' equity (including non-controlling interests) increased by 9.0 %, from € 1,659,939 K to € 1,809,455 K, in 2011. Apart from the annual result, the other principal factor influencing this change was the recognition of the non-controlling interests in the sub-portfolios of the Europolis Group. This increase stood alongside a negative influence from the valuation of interest-rate hedges recognised as cash flow hedges. As of 31 December 2011, the negative valuation result of these cash flow hedges recognised in equity stood at € -93,022 K, which represented a year-on-year deterioration of € -20,306 K.

Financial liabilities

Financial liabilities rose by 53.5 % to € 3,264,014 K. Net debt (financial liabilities less cash and cash equivalents) increased year-on-year from € 1,724,166 K to € 2,854,171 K; gearing (ratio of net debt to shareholders' equity) rose from 104 % as of 31 December 2010 to 158 % as of 31 December 2011.

The Group also has access to credit facilities for the projects under development; amounts are made available by the banks as construction work progresses. The balance of

financial liabilities contains the amount currently drawn; joint ventures are recognised in the amount of the holding.

Around 99 % of the financial liabilities are denominated in euros. CA Immo operates a comprehensive hedging strategy against interest rate risk. For further details concerning the financial liabilities, see the "Financing" section.

KEY FINANCING FIGURES

| € m | 2011 | 2010 |
|--|----------------|----------------|
| Shareholders' equity | 1,809.5 | 1,659.9 |
| Short-term interest-bearing liabilities | 777.1 | 238.0 |
| Long-term interest-bearing liabilities | 2,486.9 | 1,888.3 |
| Cash equivalents (including short-term securities) | -353.8 | -358.6 |
| restricted cash | -56.1 | -43.6 |
| Net debt | 2,854.1 | 1,724.1 |
| Gearing | 158% | 104% |
| EBITDA / net interest (factor) | 1.6 | 1.4 |

Net asset value

NAV (shareholders' equity excluding non-controlling interests according to IFRS) closed 31 December 2011 at € 1,684.6 m (€ 19.2 per share), representing a rise of 2.6 %. This change reflects both the annual result and the forenamed other changes in shareholders' equity. The table below shows how the NNNAV is calculated from the NAV in compliance with the best practice policy recommendations of the European Public Real Estate Association (EPRA).

Given that the CA Immo share price on the reporting date was lower than the conversion price of the convertible bond, the EPRA NAV was calculated without giving consideration to a dilutive effect arising from a hypothetical exercise of the conversion option. As of 31 December 2011, the (diluted = undiluted) NNNAV per share stood at € 19.8 per share, representing a year-on-year increase of 4.6 %. This disproportionate increase, measured against the change in the NAV, is chiefly attributable to the rise in deferred tax liabilities following the Europolis acquisition, which are added to equity on a discounted basis to derive the NNNAV. The number of shares outstanding as of 31 December 2011 remained unchanged at 87,856,060.

ASSET VALUE (NAV AND NNNAV AS DEFINED BY EPRA)

| € m | 31.12.2011 | 31.12.2010 |
|--|----------------|----------------|
| | undiluted | undiluted |
| Equity (NAV) | 1,684.6 | 1,641.8 |
| NAV/share in € | 19.17 | 18.69 |
| Computation of NNNAV | | |
| NAV after exercise of options | 1,684.6 | 1,641.8 |
| Value adjustment for | | |
| - own use properties | 3.5 | 1.7 |
| - properties held as current assets | 7.6 | 8.6 |
| - Financial instruments | 93.0 | 72.7 |
| Deferred taxes | 141.0 | 70.6 |
| EPRA NAV after adjustments | 1,929.7 | 1,795.4 |
| Value adj. for financial instruments | (93.0) | (72.7) |
| Value adjustment for liabilities | (2.9) | (15.4) |
| Deferred taxes | (91.4) | (42.4) |
| EPRA NNNAV | 1,742.3 | 1,664.9 |
| EPRA NNNAV per share in € | 19.8 | 19.0 |
| Change of NNNAV against previous year | 4.6% | 2.6% |
| Price (31.12.) / NNNAV per share – 1 | (58.2) | (37.2) |
| Number of shares | 87,856,060 | 87,856,060 |

OUTLOOK

During the year 2011 the focus was on the integration of Europolis. Now the emphasis has switched to the careful implementation of our corporate strategy, stage by stage.

Our main expectations for 2012 are thus:

- Modest rise of around 2 % in rental income: additional rent from project completions in particular will more than compensate for losses of rental income due to sales
- Sales of approximately € 300 m - € 350 m, split more or less equally between Eastern Europe and Germany
- Start of preparations for the sale (or partial sale) of Tower 185
- Utilisation of released funds primarily for the purposes of debt reduction; in particular, opportunistic repurchasing of outstanding bonds
- Investment of around € 300 m, especially in current development projects

In general, conditions on the rental and transaction markets are not expected to change significantly compared with last year. Given the reduction in the credit volume proposed by the banks, however, the financing market is likely to pose challenges in 2012.

The main threats to our forecasts for 2012

Our predictions for 2012 are subject to certain assumptions on general conditions as well as parameters specific to the real estate sector. The economic picture remains unpredictable, which means more uncertainty as to whether we will meet our targets for investment volumes, realisation timeframes and revenue.

We believe the main factors influencing our business plans will be:

- Trends on international capital markets and the effects of these on economies in our active regions.
- The accessibility (and cost) of financing with outside capital.
- The extent of the impact of economic developments on demand for rental premises and rental prices across our various regions.
- Developments on the real estate investment market, the associated price trend and the resultant effects on the value of our portfolio.
- The speed at which planned development projects are realised (which will largely depend on the availability of necessary external loan capital and equity).
- Political, fiscal, legal and economic risks; the transparency and development level on our real estate markets.
- The general development of interest rates.

SUPPLEMENTARY REPORT

The following activities are reported for the opening months of business year 2012:

Frankfurt

PwC AG (PricewaterhouseCoopers) rented two additional office floors of **Tower 185** with total floor space of 2,800 sqm in February. The new lease contract means that PwC now rents an approximate total of 71,000 sqm of office space in the building. The occupancy rate for the high rise, which was completed at the turn of the year 2011/2012, has thereby risen to around 75 %.

Slovakia

Two international firms have signed up as tenants of the **Bratislava Business Center 1 (BBC 1)** investment property: Henkel is renting 1,500 sqm of floor space, with Kapsch renting 362 sqm. The occupancy rate for the building is now 85 % as a result.

Vienna

In Vienna, Update Training GmbH has rented the investment property on **Klosterneuburger Strasse 23-27**, occupying usable space of around 1,050 sqm.

RESEARCH AND DEVELOPMENT

To facilitate the ongoing redevelopment and modernisation of the real estate portfolio, staff qualification is an investment priority for CA Immo; the support of external experts is selectively enlisted as required.

During the winter semester of 2011, CA Immo supported a series of events entitled 'Future way of working' by futureLAB of the UCLA (University of California, Los Angeles). FutureLAB is concerned with the experimental testing and implementation of innovative solutions and new technologies in architecture. The events were conducted with the cooperation of the interior design programme at the Academy of Fine Arts in Munich (product design module).

Numerous architects, designers and real estate experts set out their views and visions to students in a series of lectures and workshops. It is hoped that the work of the students will provide food for thought and offer fresh perspectives on future development projects at CA Immo.



FRANKFURT, Tower 185: 75 % occupancy rate

EMPLOYEES

As at 31 December 2011, the CA Immo Group had a total of 390¹ employees at its headquarters in Vienna and its sites in Frankfurt, Berlin, Munich, Budapest, Warsaw, Prague, Belgrade and Bucharest; the comparable figure for 31 December 2010 was 318.

Integration of Europolis completed

The Europolis team has relocated to CA Immo headquarters in Vienna and local branch offices have been amalgamated in Eastern Europe. As a result of this, the staffing level has changed: a total of 64 new employees² joined the Group in 2011.

Shared corporate culture

Corporate acquisitions in recent years and the associated increase in employee numbers have given rise to the need for measures that will enable all staff to identify with the values and objectives of CA Immo. Accordingly, the Management Board of CA Immo have initiated a process aimed at raising awareness of a shared corporate culture. The aims of this process are as follows:

- To foster a shared identity across the Group by means of active team building
- To enhance the commitment of staff to the company
- To create an agreeable and productive working environment for all employees
- To improve internal information flows and communication channels with a view to making working practices more efficient

¹ Of these, 7 % were part-time staff members

² Excl. employees taken over with Europolis

In the autumn of 2011, a staff survey was conducted throughout the Group in partnership with Great Place To Work. Evaluation of this wide-ranging analysis of corporate culture, which included suggestions on the improvement of internal information flows as well as sustainable human resources development, will provide a basis for necessary change processes.

Uniform human resources management

Another project aimed at standardising principles and processes in the human resources area across the Group was initiated in 2011. At the end of the year, the Management Board approved a comprehensive staff concept with a view to guaranteeing equal treatment for all employees as regards opportunities for promotion and training, remuneration and other conditions. From 2012 onwards, structures in the personnel area – non-uniform in some instances owing to corporate acquisitions – will be gradually aligned across the Group on the basis of the new guidelines; the main emphasis in this process will be on transparency and clarity for employees.

Synergy between countries will be utilised and processes simplified in the following areas:

- Recruitment: requirements planning, acquisition and appointment processes
- Staff support and development: retaining and developing employees, remuneration, training and incentives
- Personnel management and organisation: processes, time management, payroll accounting, etc.

PERSONNEL DISTRIBUTION WITHIN THE CA IMMO GROUP

| | 31.12.2011 | | 31.12.2010 | | Change | | Fluctuation rate | |
|----------------|-----------------|--------------------|-----------------|-----------|-----------|-----------|------------------|--|
| | Total employees | thereof women in % | Total employees | Absolute | in % | in % | in % | |
| Austria | 86 | 53 | 64 | 22 | 34 | 24 | | |
| Germany | 176 | 44 | 175 | 1 | 1 | 17 | | |
| Eastern Europe | 128 | 62 | 79 | 49 | 62 | 9 | | |
| Total | 390 | 52 | 318 | 72 | 23 | 16 | | |

¹ Fluctuation rate: new personnel x 100 / average number of employees

Profit sharing scheme to encourage entrepreneurship

The commitment to sustainability at the heart of CA Immo strategy is mirrored in the company’s remuneration model. To promote strong identification with its objectives and ensure employees have a stake in the success of CA Immo, the company plans to introduce variable remuneration for all staff alongside fixed salaries. The precondition will be achievement of budgeted quantitative and qualitative annual targets, and in particular positive consolidated net income after minorities. Executive bonuses will also be linked to the attainment of specific operational annual targets.

Since business year 2010, Management Board members and other managerial employees have also been able to join the LTI (long term incentive) share scheme and thereby participate in the success of CA Immo over the medium to long term (subject to appropriate personal investment; see also ‘Remuneration report’).

Staff provisions and safety at work

CA Immo contributes to pension provision for its staff by paying voluntary contributions into a company pension fund. In addition, all employees are covered by col-

lective accident insurance that offers permanent coverage, both at work and outside of work.

No serious occupational work-related injuries¹, illness or absences from work were reported in the Group in 2011. On building sites, safety guidance is regularly communicated to CA Immo staff members and health and safety plans are drawn up. Commissioned companies are responsible for the safety of subcontractor employees.

AVERAGE ABSENCES FROM WORK BY REGIONS

| in days | | vacation | illness | training |
|----------------|-------|----------|---------|----------|
| Austria | Women | 21 | 8 | 0.8 |
| | Men | 21 | 5 | 0.4 |
| Germany | Women | 28 | 10 | 0.6 |
| | Men | 27 | 4 | 0.4 |
| Eastern Europe | Women | 23 | 5 | 0.1 |
| | Men | 25 | 3 | 0 |

¹ Occupational injuries: injuries which require medical attendance

PERSONNEL DISTRIBUTION BY AGE, GENDER AND CATEGORIES (Total: 390 employees)

White-collar employees¹⁾

| | | | |
|---------------|------|-------|------|
| 317 employees | <28 | 29–48 | 49 < |
| W | 13 % | 43 % | 5 % |
| M | 2 % | 26 % | 11 % |

Blue-collar staff

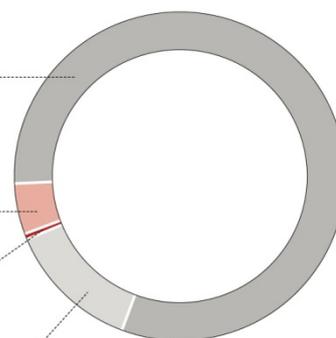
| | | | |
|--------------|-----|-------|------|
| 19 employees | <28 | 29–48 | 49 < |
| W | 0 % | 0 % | 5 % |
| M | 0 % | 42 % | 53 % |

Management Board

| | | | |
|-------------|-----|-------|-------|
| 3 employees | <28 | 29–48 | 49 < |
| W | 0 % | 0 % | 0 % |
| M | 0 % | 0 % | 100 % |

Executives^{2) 3)}

| | | | |
|--------------|-----|-------|------|
| 51 employees | <28 | 29–48 | 49 < |
| W | 0 % | 12 % | 4 % |
| M | 0 % | 65 % | 19 % |



¹⁾ thereof 1 % with handicap ²⁾ thereof 2 % with handicap

³⁾ thereof 16 % female executives

Employees with handicap are not subdivided for reasons of data protection.

FINANCIAL AND NON-FINANCIAL PERFORMANCE INDICATORS

In strategic terms, the business activity of CA Immo revolves around raising the value of the company over the long term. Central financial performance indicators are an important tool as regards identifying the main factors that contribute to the long-term increase in shareholder value and quantifying those factors for the purposes of value management.

The primary financial performance indicator in this context is the net income generated with the equity shareholders have invested (return on equity, RoE). The aim is to produce a ratio higher than the imputed cost of equity (we assume a medium-term rate of around 7.0%) and thereby generate shareholder value. The return on equity of around 3.8% was below the target value for 2011; despite a significant rise on the previous year, one main reason for the target not being reached was the negative contribution to earnings from the valuation of interest-rate hedges. Despite this, we remain confident that the measures defined under our strategy will enable us to return to an acceptable return on equity in the medium term.

The other quantitative factors used to measure and manage our shareholders' long-term yield are the change in NAV per share, the operating cash flow per share, return on capital employed (ROCE) and economic value added (EVA; see table).

Since the financial indicators ultimately demonstrate the operational success of our property business, they are preceded by a series of other non-financial performance indicators which are key to measuring and managing our operational business:

Vacancy rate and average rent

Sound economic data feeds the demand for commercial premises and invigorates both building activity and the property market. Cyclical discrepancies between supply and demand are reflected in the utilisation rate and attainable rents. Viewed over time, the vacancy rate and average rent are key indicators of a portfolio's quality and its successful management; they are also indicative of the asset managers' ability to respond in a timely fashion to economic influences.

Location quality

The quality of a site is a major criterion in property marketing; the accessibility of a location, determined by infrastructure, plays a particularly crucial role. Changes in the quality of a location take place gradually and are eventually reflected not only in price, but also in the difficulty of attracting new tenants.

Local presence

Local knowledge and familiarity with markets are key to the effective cultivation of highly diverse regional markets. For this reason, CA Immo maintains branch offices in the company's main markets of Germany and Eastern Europe (the latter have been consolidated by the recent influx of Europolis staff members).

Expertise and synergy

The competitive edge of CA Immo stems from the local knowledge of its employees and the utilisation of synergies in the Group, especially in the fields of project development and property marketing.

VALUE-INDICATORS

| | | 2011 | 2010 | 2009 | 2008 |
|------------------------------|-----|------|---------|---------|---------|
| Key figures per share | | | | | |
| NAV/share | € | 19.2 | 18.7 | 17.9 | 18.9 |
| Change in NAV/share | % | 2.7 | 4.5 | -5.3 | -14.1 |
| Operating cash flow / share | € | 2.18 | 1.38 | 1.40 | 1.32 |
| RoE ¹ in % | % | 3.8 | 2.8 | -4.8 | -13.4 |
| ROCE ² in % | % | 5.5 | 4.8 | 0.10 | Negativ |
| EVA ³ | € m | 44.0 | Negativ | Negativ | Negativ |

¹ Return on equity = consolidated net income after minorities/Ø shareholders' equity (excluding minority interests)

² Return on capital employed (ROCE) = net operating profit after tax (NOPAT)/capital employed

³ EVA (economic value added) is a registered trademark of Stern Stewart & Co; EVA = capital employed * (ROCE - WACC); WACC 2011 = 4.51%

Statement of Value Added

Having integrated GRI reporting (in line with the global reporting initiative) into the annual report in 2011, a value added statement must now be included. The aim of

the table below is to give the reader an overview of the sources of value generated in the company and the utilisation of that value according to recipients:

STATEMENT OF VALUE ADDED

| | in € 1,000 | in % |
|--|-----------------|-------------|
| Gross revenues | 332,222 | |
| Result from the sale of long-term properties | 251,764 | |
| Result from revaluation | 49,143 | |
| other income | 17,368 | |
| operating expenses | -308,070 | |
| Depreciation and impairment | -10,521 | |
| other expenses | -14,485 | |
| incurrence | 317,421 | |
| to non-controlling interest | -5,042 | 2% |
| to staff | -33,164 | 10% |
| to state ¹ | -43,797 | 14% |
| to non-profit organisations | -2 | 0% |
| to lender | -172,787 | 54% |
| to company/shareholders | -62,629 | 20% |
| allocation | -317,421 | 100% |

¹ thereof Germany (€ -34,671K), Austria (€ 1,737K), Eastern/South East Europe (€ -10.855K), others (€ -7K)

RISK MANAGEMENT REPORT

CA IMMO GROUP RISK MANAGEMENT

RISK MANAGEMENT AT CORPORATE LEVEL

| STRATEGIC RISKS | PROPERTY-SPECIFIC RISKS | GENERAL BUSINESS RISKS |
|---|---|---|
| <ul style="list-style-type: none"> - Capital market/financing risk - Expansion risk | <ul style="list-style-type: none"> - Market risk - Profit fluctuation risk - Asset management risk | <ul style="list-style-type: none"> - Financial risk - Legal risk - Tax change risk |

RISK MANAGEMENT AT REAL ESTATE LEVEL

| STRATEGIC RISKS | PROPERTY-SPECIFIC RISKS | GENERAL BUSINESS RISKS |
|--|--|---|
| <ul style="list-style-type: none"> - Concentration (cluster) risk - Country-specific/transfer risk | <ul style="list-style-type: none"> - Location risk - Letting risk (vacancy, property management, re-letting) - Profitability risk - Property valuation risk - Tenant risk (loss of rent) - Partner risk - Liquidation risk - Project development/ investment cost risk | <ul style="list-style-type: none"> - Environmental risk - Contract/documentation risk |

The persistently tough economic climate is posing significant risks to CA Immo and its business activities. The main risks to the Group derive from the market-linked danger of rising vacancy rates, tenant insolvency, the difficult environment for real estate transactions created by the restrictive lending policy of banks, associated increase in yields and the decline in property values. The risk categories outlined below were re-evaluated following a risk assessment carried out in 2011; the major risks facing the Group have not changed significantly from the previous year.

RISK MANAGEMENT

General

Systematic risk management is a key element of the CA Immo Group's internal controlling process with a direct bearing on strategic and operational decision-making within the company. Therefore, the objective of risk management is to identify at an early stage and con-

tinually monitor potentially hazardous developments as well as opportunities so that suitable measures can be implemented as necessary. To be able to evaluate the company's risk position at all times, CA Immo is constantly evaluating the level of risk by means of quarterly reporting that takes account of the current situation of the company and the market. In these reports, risks are documented in relation to specific properties and projects but also to (sub-)portfolio level. Other aspects of risk reporting involve simulations and depictions of scenarios as regards the value trend for the portfolio as well as exit strategies and liquidity planning. In addition, specific risk types are assessed at regular intervals, with external advisors consulted. CA Immo assesses risk according to substance, effect and the likelihood of occurrence. On that basis, risk management is implemented at every level of the company and is therefore binding on all organisational divisions. From a strategic viewpoint, risk management includes the compilation of compulsory guidelines on investment policy.

Operational risk management is concerned with countering property-specific and general business risks. The company circumvents unexpected risk by means of early warning indicators such as rent forecasts and vacancy analyses as well as the continual monitoring of lease agreement periods and the possibility of terminations. The Management Board is involved in all risk-relevant decisions and bears overall responsibility for such decisions. At all process levels, decisions are subject to the dual verification principle. Clear internal guidelines and strategies, business and investment plans and the continuous reporting systems have made it possible to monitor and control the economic risks associated with everyday business activity. Measures are applied to all Group subsidiaries. Investment plans are also subject to scrutiny by the Supervisory Board or its investment committee. The Controlling department supports the realisation of risk management by providing structured information and data; individual matters are also spot-checked by the Internal Auditing division.

THE INTERNAL MONITORING SYSTEM (IMS)

The accounting specific internal monitoring system (IMS) is a conglomeration of systematically structured measures designed to ensure compliance with guidelines and prevent errors; the guidelines include both specific company rules (Group manual, allocation of responsibilities, authority to sign, dual verification principle, regulations for release, etc.) as well as legal provisions. The objectives of the IMS are to preclude (preventive monitoring) and identify (detective monitoring) errors in accounting and financial reporting, thus enabling amendments or countermeasures to be introduced in good time. The operational divisions are involved to ensure a complete overview of the process of financial reporting. CA Immo defines preventive monitoring as those checks undertaken by responsible administrators as they carry out business processes prior to and/or within specific systems (e.g. accounting and consolidation software). Detective monitoring refers in particular to controls carried out by responsible heads of department or the head of finance and accounting on the basis of analyses derived from such systems. In accordance with the organisational structure of the CA Immo Group, responsibility for the implementation and supervision of the internal monitoring system lies with the appropriate local management teams, i.e. the managing directors of the various subsidiaries are required to perform self-checks in order to assess and document compliance with the monitoring measures

making up the IMS, which has been standardised across the Group. Alongside the Risk Management division, CA Immo has set up an Internal Auditing unit under the control of the full Management Board with a view to consolidating the internal monitoring system. Both units now oversee compliance across the Group with legal provisions, internal guidelines and rules of conduct on the basis of annually compiled auditing plans, or in response to ad-hoc assessments performed as needs dictate. On an operational level, the units review the functioning of (business) processes as regards possible risk and cost-effectiveness and assess the potential for efficiency improvements. The Internal Auditing unit also supervises the observance of checking procedures by local management teams and determines the dependability of operational information as well as the effectiveness of the internal monitoring system. Finally, the results of these assessments are reported to the responsible executive boards as well as the full CA Immo Management Board. The Supervisory Board is informed as to the auditing plan and the assessment results at least once a year. Furthermore, the proper functioning of the risk management system is evaluated annually by the Group auditor, with the findings presented to the Management Board and the Supervisory Board or its audit committee.

STRATEGIC RISKS

Capital market and financing risk

Refinancing on the financial market is one of the most important measures open to CA Immo. However, developments have shown that the erosion of trust in a functioning capital market can make the procurement of capital much more difficult. Due to the implementation of Basel III an increasing number of banks reconsider their mortgaging. Therefore, it is assumed that lending will be handled extremely restrictive in future. In addition, some banks currently make market stress test of scattered Eastern European countries or are preparing their exit from the region. Especially in Hungary and Romania refinancing could become more difficult in the upcoming months; however, in Poland and the Czech Republic willingness to finance is a little more stable. Above all, German banks have announced their plans to stop lending outside their home market temporarily, by implication, vice versa in the following years there will be sufficient liquidity in the German market. With the introduction of Solvency II it is assumed that insurance companies will occur increasingly in the financing business, which could provide a slight improvement on the financing sector. For this rea-

son, it is essential that the company has the ability to plan and secure liquidity. As an alternative and supplement to established means of (equity) capital procurement, the company enters into equity partnerships (joint ventures) at project level. Given that the risk of (re)financing may remain a latent factor, detailed liquidity planning has been drawn up for the years ahead. This planning takes particular account of the financial consequences of strategic targets (such as the steady depletion of the project pipeline and real estate sales). The expiry profile of financial liabilities for the CA Immo Group is reasonably stable until business year 2014; loans maturing by that date are linked solely to financing at property or project level. The refinancing of the 6.125 % CA Immo bond 09-14 (ISIN: AT0000A0EXE6) and the convertible bond are scheduled for 2014, provided conversion rights are not exerted.

Concentration (cluster) risk

A certain level of concentration (cluster) risk in the portfolio arises where a single investment exceeds a defined upper value in the total portfolio as regards location or investment volume. In such cases, the potential market risk is heightened significantly and the prospect of selling these properties can be diminished (especially where the market environment is constricted). On the other hand, exceptionally small properties raise the danger of excessive administration costs (in relation to rental revenue). For this reason, CA Immo seeks joint venture partners or an early (partial) exit for large-scale investment initiatives as this substantially lessens the burden of risk on the company. To bring about a suitable balance between expenditure and revenue, small properties (which are generally acquired through portfolio purchases) are regularly sold off and the composition of the portfolio is assessed on a quarterly basis. Concentration risk is also created where certain investments lead to over-representation of a particular region, country and specific usage type or tenant structure in the overall portfolio: this is because changes in the market can affect levels of demand which will impact negatively on the company's profitability. Concentration risk as regards tenants generally arises where individual tenants are over-represented in terms of rental revenue and rentable space and thus have a significant bearing on the earnings of the CA Immo Group. As a countermeasure, especially on the target markets of Eastern and South Eastern Europe, CA Immo applies regional investment limits according to the size of the overall portfolio and, in the case of individual properties, the size of the respective market. Aside from regional distribution, efforts are made to ensure diversification in

the tenant structure and usage types. In terms of tenants a concentration risk will only be accepted in case of long-term leases and an excellent credit rating.

If we define the limit value for concentration/cluster risk at 5 % of the total portfolio, only one investment (Tower 185) falls into this category. Given the current equity commitment of € 190 m on this project, an (partial) exit is planned following completion. Construction financing until is valid until the end of 2012. Due to the difficult market environment negotiation about the prolongation are already initiated. Although the package of investment properties acquired from the state of Hesse in 2006 makes up some 15 % of the overall portfolio, it comprises a total of 36 properties that the company could sell individually. In view of the long-term nature of existing lease contracts and the satisfactory creditworthiness of the tenant (the state of Hesse), this portfolio represents a calculated risk. Alongside Tower 185 and the Hesse portfolio, three more individual properties have an IFRS market value of over € 100 m. In terms of location, Prague (River City) and the logistics park in Bucharest have created concentration risk within the portfolio. As regards our land reserves and land development projects, risk arises from the high associated capital commitment; the prevailing market climate is also hampering development projects. For this reason, further property sales are in the pipeline for 2012, measures have been put in place to accelerate land development projects where possible and joint venture partners are being involved at an early stage with a view to cutting the capital commitment.

Country-specific risk and transfer risk

Country-specific and transfer risk incorporate the dangers of economic and political instability. Given the CA Immo Group's high level of investment activity abroad – and particularly in Eastern Europe – inflows of capital and liquidity to which the company is undoubtedly entitled can fail to materialise owing to a lack of foreign currency or transfer restrictions in other countries. There is no generally effective way to hedge against this kind of transfer risk. CA Immo counters country-specific risk by concentrating on a defined core region with local subsidiaries and on-site staff, and through appropriate regional allocation within that core market. The company ensures it is able to respond quickly to economic and political events through continual portfolio monitoring and specific portfolio management. CA Immo negates transfer risk by repatriating liquid assets from investment markets with a low credit standing.

PROPERTY-SPECIFIC RISKS**General**

The real estate sector is closely intertwined with the macroeconomic developments on its markets. Any worsening of the debt and financial crisis in Europe poses the greatest risk to the real estate area as such a scenario has the potential to make financing conditions significantly harder for businesses. It seems ever more probable that the European economy will shrink even further during 2012; most indicators point to a slowdown in growth rates across the continent. This would have a particularly serious effect on the commercial property market, depressing the demand for office space whilst rendering access to finance more restrictive and costly. Only core properties let for the long term look like benefiting from the increasing reluctance of investors to take risks.

Market and liquidation risk

From a financing point of view, the risk to property investment markets remains considerable as more and more banks become ever more reluctant to finance large-scale investment in real estate. A deceleration in the transaction rate in 2012, which cannot therefore be ruled out, could impact negatively on CA Immo's sales targets for the year. There is also a danger that owing to rising yields, CA Immo will either be unable to sell properties, or only able to sell them at a discount. This could adversely affect the company's liquidity. To prevent such risks arising, CA Immo performs its own exhaustive market analyses prior to any investment decision and as a regular part of portfolio management; the company also maintains constant contact with leading experts in the sector. To minimise regional risks, the ideal resale times for the largest properties in the portfolio are considered as part of regular discussions concerning location quality, property quality, market changes and emerging trends. Through this approach, key early indicators of market risk are systematically applied to evaluations of investment and project plans, and thus to medium-term liquidity and corporate planning.

Letting risk, loss of rent risk

The opportunities and risks posed by trends on the rental markets are closely linked to economic development, one of the factors that drive demand for commercial real estate. Given the economic outlook for the eurozone and the CEE/SEE markets in the medium term, the high degree of uncertainty will persist throughout 2012. Rental markets will remain at risk of a downturn despite low levels of building activity. We expect rent prices to

pick up slowly in the months ahead; in some sub-segments rent prices will decline, as potential tenants will be reserved in making their decision about investments or locations. Significant reduction in vacancy rates – particularly in Eastern Europe – is therefore not expected in 2012.

Within the CA Immo portfolio, vacancy increased particularly sharply in (South) Eastern Europe following the takeover of Europolis; the negative trend has been especially acute in the area of logistics. Although vacancy was reduced moderately in the office area, lettings activity in Hungary was persistently problematic. In Austria too, CA Immo still has high vacancy relative to total available rental space despite the handover of rental premises at the Lände 3 site to Österreichische Post AG. Reducing the vacancy level is likely to remain a challenge in 2012: on the office rental market in Vienna, office space (and rent prices) outside the prime segment are still coming under pressure owing to the rising production of new premises and the high availability of modern, energy-efficient office units. The lettings situation thus continues to be characterised by protracted decision-making on the part of potential tenants. By comparison, vacancy rates in the German asset portfolio are low; here, the only vacancy risk is linked to recently completed development projects Tower 185, Ambigon (both being in the stabilisation phase) and Skygarden. Nonetheless, office tenants continue to favour prime real estate in top locations, and are especially keen to secure first occupancy of new buildings. The fact that the supply of such properties remains limited is helping CA Immo to market its modern office premises in Germany.

Aside from greater vacancy risk, it is also possible that existing tenants will be unable to meet their rent payments given the economic circumstances (loss of rent risk). This risk is generally countered by demanding securities (bank guarantees). To keep vacancy and rent losses to an absolute minimum, CA Immo screens the creditworthiness and reputation of potential tenants. The budgeted and actual revenues generated by all properties are continually monitored, and structured quality checks are carried out. Properties with heightened risk potential are managed by a specially formed restructuring unit with a view to securing their sale at the earliest opportunity after restructuring. The only rental payments outstanding are in the Eastern Europe segment, particularly in relation to hotels, three logistics parks and a shopping centre. The value of all outstanding receivables has been adjusted, taking account of the risk of lost rent to a sufficient degree

in the valuation of properties. Reduced income following contract extensions remains a risk where rent levels have to be reduced or greater incentives are offered. Overall, however, the aforementioned problematic cases do not pose a noteworthy risk potential to the company.

Project development risks

The realisation of projects is associated with higher risk. Risks can arise from imponderables such as delays in the property use approval or planning permission processes, cost/deadline overruns, construction defects, low demand for rental premises and similar factors. Nonetheless, given the high value that can be created through development projects, this business area also offers the chance of generating additional revenue. For projects to be realised, it is essential that equity or additional loan capital (project financing) is available. Delays in credit lending can lead to delays in construction work, which has a negative knock-on effect on project valuation; where pre-letting has been secured, this can result in the imposition of contractual penalties. Loss of rental revenue can in turn have serious implications for the company's cash flow. Moreover, financing conditions can be tightened where construction costs increase. With all of this in mind, CA Immo takes various steps to control the risks associated with project development (cost monitoring, variance analyses, long-term liquidity planning and observance of minimum pre-letting quotas, and so on). In general, CA Immo is countering project development risk by choosing partners and service providers with care whilst maintaining stringent controlling, both internally and externally. Controlling involves regular cost monitoring, variance analyses and appropriate reporting. The start-up losses that typically arise in connection with project development also have a detrimental effect on earnings with the accrual of non-capitalisable costs. Over the project lifecycle, these losses are offset against revenue from lettings and sales; accordingly, projects are only launched after comprehensive and long-term liquidity planning. CA Immo invariably seeks to secure pre-letting (50–60% in Germany, for example) before actually commencing a project. In Eastern and South Eastern Europe in particular, however, this may not be achievable (or only possible to a limited degree) on account of the specific market situation. In this region, lease contracts tend to be signed as soon as there is a sufficient likelihood of project completion and projects are sometimes initiated even with low levels of pre-letting, but ever having a secured funding in place.

CA Immo also faces the risk of significant cost variation linked to price trends in the raw materials sector (steel, aluminium, copper, etc.). With this in mind, cost pools are formed for large-scale projects to pass on the risk of rising commodity prices or production costs to the contractor. All current projects are being implemented within their approved budgetary frameworks. Pressure on development earnings results primarily from the market-driven extension of the stabilisation phase (initial renting) and from the risk of rising yields due to restrictive lending.

Property valuation risk

Owing to changing framework conditions, property prices can fluctuate considerably. CA Immo subjects its properties to annual valuation by an outside party; value changes during the year are identified by internal specialists.

The rise in yields over recent years continues to be reflected in valuation reports owing to the discount and capitalisation rates assessed and directly influences consolidated net income through the changes in market value that must be recognised under IAS 40; shareholders' equity is also reduced. Developments in the second half of 2011 especially have shown that Eastern Europe, having been unable to evade the turbulence given the region's close economic ties with Western Europe (especially in the banking sector), is coming under renewed pressure. In core markets such as Poland and the Czech Republic, yields remained stable and sporadically even a decline in yields was observed. With banks significantly reducing their exposure in these markets, it is likely that the property investment market will bottom out partially in 2012, which could lead to a rise in yields. The demand for core properties in core markets, however, continues unabated. The diminishing prospect of rental growth also poses the danger that starting yields for commercial real estate will be adjusted upwards. Changes in value will continue to represent a significant risk in 2012 in view of the expected market trend. If yields fall by an average of 25 base points in the short term and rent levels remain the same, losses in the Eastern Europe portfolio alone could potentially amount to € 50-70 m (in the worst case scenario).

GENERAL BUSINESS RISKS

Legal risks

In addition to the usual legal disputes that arise in the sector (especially against tenants), CA Immo faces the risk of disputes with, for example, joint venture and project partners. There is also potential for disputes arising over past and future sales of real estate as well as annulment actions brought by shareholders in connection with resolutions of the Ordinary General Meeting or review of the exchange ratio applied in the 2010 merger of CA Immo International AG and CA Immo. Legal disputes are monitored and managed centrally by the legal department. At present, no lawsuits or arbitration proceedings that could threaten the company's survival are imminent or pending. Almost all pending actions relate to conventional operational business activity. Sufficient provisions are formed as necessary; as at 31 December 2011, these amounted to approximately € 7,726 K (CA Immo Group). In addition, the joint venture partner of the 'Maslov' project has filed an arbitration claim for € 48,097 K (including interest). CA Immo considers the chances of this action succeeding as minimal. For the expected cash outflow an adequate provision has been made.

Environmental risk

The CA Immo Group can incur significant costs from its responsibility to prevent certain kinds of damage to the environment (from toxic substances and materials in built structures and contamination); there is also a risk that the legal changes may require previously acceptable materials and substances to be eliminated. It is not possible to predict changes to legal provisions, case law or administrative practice, or the consequences that such changes will have on the earning power of real estate; changes could adversely affect real estate values and thus the company's assets, financial and revenue positions. To minimise the risk, CA Immo incorporates these considerations into its wide-ranging assessments prior to every purchase. Appropriate guarantees are also required from sellers. The CA Immo Group makes use of environmentally sustainable materials and energy-saving technologies wherever possible. Environmental risks associated with investment properties are assessed by the CA Immo Sustainability Tool (CAST).

Taxation risk

National taxation systems are subject to ongoing amendment on the target markets of the CA Immo Group. The company monitors all relevant debates and decisions taken by national legislators. Despite this, tax rises linked

to changing legal frameworks pose a constant risk to revenue. Sufficient financial provisions have been made for established risks.

FINANCIAL RISKS

Risks linked to liquidity, credit, interest rates and currencies make up the main financial risks.

Liquidity risk

Owing to a clear reluctance on the bank of banks to extend credit at present, short-term liquidity risks cannot be ruled out. Liquidity risk is potentially created where negative market trends prevent or lead to delays in planned sales activity. Other risks arise from unforeseen additional funding obligations in relation to project financing and breaches of covenant in the property financing area. CA Immo is highly skilled at planning and securing liquidity in order to counter these risks and ensure the Group can meet unexpected cash flow requirements as well as its financing commitments on projects and investments. To this end, various liquidity deployment measures have been identified; amongst other things, these provide for the early redemption of loans with very high margins. Loans are invariably agreed on a long-term basis in accordance with the investment horizon for real estate. Even with meticulous planning, however, liquidity risk cannot be eliminated, particularly where capital requests linked to joint venture partners and fund partners are not viable. Capital commitments are typical in the case of development projects; the Group company CA Immo Deutschland has a particularly high commitment in the case of the Tower 185 project. Financing has been secured for all projects under construction; additional financing is required for new project launches, however.

Given the refinancing scheduled for 2012/13, partner risks pose a particular threat; project-related and country-specific risks will also persist, especially with regard to further developments in Hungary. Additional reserves are needed to cover any breaches of covenant. The refinancing risk and the risk of a breach of contract terms are monitored continuously. The worst case resulting from the potential hazard is included in the current liquidity planning.

Interest rate risk

Interest rate risk stems from market-related fluctuations in the interest rate. This risk affects both the level of

financing costs and the fair value of interest hedging transactions concluded, which influences the company's earnings and equity. Moreover, where new loans are agreed or loans are extended in particular, there is a danger that credit margins will rise substantially. The base rate was cut from 1.5 % to 1.25 % early in November 2011 and again to 1 % at the start of December in a bid to combat the worsening recession. According to the latest interest rate forecasts, the base rate is likely to remain at its present level of 1 % until the end of 2012. Swap rates (which have stayed highly volatile as the critical situation persists) are also unlikely to rise significantly.

CA Immo generally opts for a mix of long-term fixed-rate and floating-rate loans; in some cases, the latter are secured by means of derivative financial instruments (interest rate caps/swaps), which without exception are used to hedge against the risk of interest rate changes arising from underlying transactions. With the incorporation of Europolis, the risk of rate changes is 60 % hedged on all variable-rate loans of the CA Immo Group. Continuous monitoring of the interest rate risk is imperative.

No risks constituting a serious and sustained threat to the company exist at the present time. Sufficient provisions have been formed for all risks identified.

Currency risk

Since CA Immo invests in various currency areas, the company is exposed to certain currency risks. CA Immo counters currency risk from the inflow of rental income and rents receivable in BGN, CZK, HUF, PLN, RON and RSD by pegging rents to a hard currency (EUR or USD). No significant currency risk exists at present. Since incoming payments are mainly received in local currency, however, free liquidity is converted into euros upon receipt. The pegging of rents to the EUR/USD affects the creditworthiness of tenants and thus produces an indirect currency risk that can result in payment bottlenecks and loss of rent. Loans are taken out in the currency underlying the relevant lease (this mainly applies to financing in CZK and USD). Currency risks are hedged in connection with construction projects if possible.

FINANCIAL RISK MANAGEMENT

| RISK | EFFECT | COUNTERMEASURE |
|--|---|---|
| <p>UNFORESEEABLE LIQUIDITY REQUIREMENT</p> <ul style="list-style-type: none"> - Lack of liquidity - Capital requests linked to joint venture partners not viable | <ul style="list-style-type: none"> - Non-utilisation of opportunities - Distress sales - Insolvency | <ul style="list-style-type: none"> - Continual analysis, planning and monitoring of liquidity - Optimisation of investment - Cash pooling |
| <p>FINANCING</p> <ul style="list-style-type: none"> - Breach of covenants - Non-extension of expiring credit - Follow-up financing not secured after project phase | <ul style="list-style-type: none"> - Cost disadvantages during credit term - Additional requirement for equity or liquidity | <ul style="list-style-type: none"> - Continual monitoring of the viability of real estate and the fulfilment of covenants from loan agreements - Conclusion of project-related loan agreements, ideally for the long term - Establishment of a liquidity reserve |
| <p>DEVELOPMENT OF EXCHANGE RATES</p> <ul style="list-style-type: none"> - Evaluation of EUR/foreign currency relations | <ul style="list-style-type: none"> - Significant fluctuation in earnings owing to exchange rate gains/losses | <ul style="list-style-type: none"> - Harmonising of loan and rental agreements - Rapid conversion of free liquidity into EUR - Forward cover, especially for construction contracts - Restrictive approach to foreign currency loans |
| <p>INTEREST RATE CHANGES/ EVALUATION OF INTEREST RATE HEDGING</p> <ul style="list-style-type: none"> - Evaluation of interest rate developments | <ul style="list-style-type: none"> - Significant fluctuation in earnings and change in equity ratio due to changing interest level (financing costs, evaluation of interest-rate hedges) | <ul style="list-style-type: none"> - Mix of long-term fixed-rate and floating-rate loans - On-schedule use of derivatives (swaps/caps) - Continuous monitoring of interest rate forecasts |

CA IMMO

CONSOLIDATED FINANCIAL STATEMENTS

CONTENT

CONSOLIDATED FINANCIAL STATEMENTS

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A. CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31.12.2011

| € 1,000 | Notes | 2011 | 2010 |
|--|-----------|------------------|------------------|
| Rental income | 2 | 265,576 | 164,424 |
| Operating costs passed on to tenants | 3 | 64,326 | 30,204 |
| Operating expenses | 3 | - 75,413 | - 35,547 |
| Other expenses directly related to property rented | 3 | - 27,403 | - 20,484 |
| Net rental income | | 227,086 | 138,597 |
| Income from the sale of properties intended for trading | 4 | 28,049 | 115,657 |
| Book value of properties intended for trading | 4 | - 20,259 | - 85,167 |
| Result from property transactions | | 7,790 | 30,490 |
| Gross revenues from development services | 5 | 2,320 | 2,764 |
| Expenditures on development services | 5 | - 1,742 | - 2,200 |
| Result from development services | | 578 | 564 |
| Other expenses directly related to investment properties under development | 6 | - 7,315 | - 5,713 |
| Net operating income | | 228,139 | 163,938 |
| Result from the sale of long-term properties | 7 | 44,961 | 13,936 |
| Indirect expenditures | 8 | - 44,045 | - 33,923 |
| Other operating income | 9 | 17,368 | 6,458 |
| EBITDA | | 246,423 | 150,409 |
| Depreciation and amortisation of long-term properties | | - 9,282 | - 4,268 |
| Change in value of properties intended for trading | | - 1,239 | - 1,703 |
| Depreciation and impairment/reversal | 10 | - 10,521 | - 5,971 |
| Revaluation gain | | 133,509 | 101,631 |
| Revaluation loss | | - 84,366 | - 69,579 |
| Result from revaluation | | 49,143 | 32,052 |
| Operating result (EBIT) | | 285,045 | 176,490 |
| Financing costs | 11 | - 161,009 | - 117,202 |
| Foreign currency gain/loss | 16 | 334 | 652 |
| Result from interest derivative transactions | 12 | - 22,456 | - 4,446 |
| Result from financial investments | 13 | 11,557 | 14,418 |
| Result from other financial assets | 14 | - 4,675 | - 766 |
| Result from associated companies | 15 | - 1,696 | - 328 |
| Financial result | 16 | - 177,945 | - 107,672 |
| Net result before taxes (EBT) | | 107,100 | 68,818 |
| Income tax | 17 | - 39,429 | - 24,999 |
| Consolidated net income | 1 | 67,671 | 43,819 |
| thereof attributable to non-controlling interests | | 5,042 | - 1,596 |
| thereof attributable to the owners of the parent | | 62,629 | 45,415 |
| Earnings per share in € (undiluted equals diluted) | 42 | € 0.71 | € 0.52 |

B. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31.12.2011

| € 1,000 | Notes | 2011 | 2010 |
|---|-----------|-----------------|-----------------|
| Consolidated net income | | 67,671 | 43,819 |
| Other comprehensive income | | | |
| Valuation cash flow hedges | | – 30,209 | – 18,008 |
| Raclassification cash flow hedges | | 4,892 | 378 |
| Other comprehensive result of associated companies | | 194 | – 110 |
| Exchange rate differences | | – 391 | – 36 |
| Income tax related to other comprehensive income | | 5,151 | 2,532 |
| Other comprehensive income for the year | 18 | – 20,363 | – 15,244 |
| Comprehensive income for the year | | 47,308 | 28,575 |
| thereof attributable to non-controlling interests | | 5,232 | – 2,368 |
| thereof attributable to the owners of the parent | | 42,076 | 30,943 |

C. CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31.12.2011

| € 1,000 | Notes | 31.12.2011 | 31.12.2010 | 1.1.2010 |
|--|-----------|------------------|------------------|------------------|
| ASSETS | | | | |
| Investment properties | 19 | 4,183,202 | 2,716,211 | 2,409,589 |
| Investment properties under development | 19 | 934,482 | 790,582 | 962,459 |
| Own used properties | 19 | 12,760 | 13,575 | 14,248 |
| Prepayments made on properties | 19 | 0 | 0 | 544 |
| Office furniture, equipment and other assets | 19 | 10,470 | 1,638 | 1,939 |
| Intangible assets | 20 | 39,103 | 31,468 | 39,529 |
| Prepayments made on investments in properties | 21 | 2,217 | 136,200 | 200 |
| Investments in associated companies | 22 | 34,719 | 37,096 | 38,242 |
| Financial assets | 23 | 74,308 | 41,075 | 36,899 |
| Deferred tax assets | 24 | 11,739 | 14,133 | 24,606 |
| Long-term assets | | 5,303,000 | 3,781,978 | 3,528,255 |
| Long-term assets as a % of statement of financial position total | | 89.6% | 86.4% | 81.8% |
| Assets held for sale | 25 | 57,835 | 46,509 | 6,020 |
| Property intended for trading | 26 | 33,904 | 45,339 | 122,902 |
| Receivables and other assets | 27 | 168,059 | 147,019 | 149,325 |
| Securities | 28 | 0 | 3,854 | 6,949 |
| Cash and cash equivalents | 29 | 353,778 | 354,764 | 497,199 |
| Short-term assets | | 613,576 | 597,485 | 782,395 |
| Total assets | | 5,916,576 | 4,379,463 | 4,310,650 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | |
| Share capital | | 638,714 | 638,714 | 634,370 |
| Capital reserves | | 1,062,184 | 1,061,464 | 1,013,988 |
| Other reserves | | - 93,288 | - 72,735 | - 58,262 |
| Retained earnings | | 76,954 | 14,325 | - 31,091 |
| Attributable to the owners of the parent | | 1,684,564 | 1,641,768 | 1,559,005 |
| Non-controlling interests | | 124,891 | 18,171 | 170,155 |
| Shareholders' equity | 30 | 1,809,455 | 1,659,939 | 1,729,160 |
| Shareholders' equity as a % of statement of financial position total | | 30.6% | 37.9% | 40.1% |
| Provisions | 31 | 9,182 | 6,239 | 522 |
| Interest-bearing liabilities | 32 | 2,486,925 | 1,888,306 | 1,852,194 |
| Other liabilities | 33 | 373,489 | 230,402 | 217,077 |
| Deferred tax liabilities | 24 | 191,813 | 116,157 | 129,788 |
| Long-term liabilities | | 3,061,409 | 2,241,104 | 2,199,581 |
| Income tax liabilities | 34 | 36,839 | 59,894 | 82,292 |
| Provisions | 31 | 79,292 | 58,809 | 57,083 |
| Interest-bearing liabilities | 32 | 777,089 | 238,049 | 124,902 |
| Other liabilities | 33 | 152,492 | 115,814 | 117,632 |
| Liabilities relating to disposal groups | 25 | 0 | 5,854 | 0 |
| Short-term liabilities | | 1,045,712 | 478,420 | 381,909 |
| Total liabilities and shareholders' equity | | 5,916,576 | 4,379,463 | 4,310,650 |

D. CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2011

| € 1,000 | Notes | 2011 | 2010 |
|--|-----------|------------------|------------------|
| Operating activities | | | |
| Net result before taxes | 1 | 107,100 | 68,818 |
| Revaluation loss | | - 49,143 | - 32,052 |
| Depreciation and impairment/reversal | 10 | 10,521 | 5,971 |
| Result from the sale of long-term properties and office equipment | 7 | - 44,866 | - 13,945 |
| Taxes paid excl. taxes for the sale of properties | 35 | - 9,696 | - 15,042 |
| Interest income/expense | 11, 13 | 149,452 | 102,784 |
| Foreign currency gain/loss | 16 | - 334 | - 652 |
| Result from interest derivative transactions | 12 | 22,456 | 4,446 |
| Result from other financial assets and from investments in associated companies | 15, 11 | 6,371 | 1,094 |
| Operating cash flow | | 191,861 | 121,422 |
| Property intended for trading | 26 | 10,250 | 77,200 |
| Receivables and other assets | 23, 27 | - 4,732 | - 19,881 |
| Provisions | 31 | 717 | - 347 |
| Other liabilities | 33 | 530 | - 6,361 |
| Cash flow from change in net current assets | | 6,765 | 50,611 |
| Cash flow from operating activities | | 198,626 | 172,033 |
| Investment activities | | | |
| Acquisition of and investment in properties | | - 243,618 | - 300,440 |
| Acquisition of property companies, less incl. cash and cash equivalents in the amount of € 128,308 K (2010: € 2,206 K) incl. Prepayments | 35 | 71,880 | - 137,317 |
| Acquisition of office equipment and intangible assets | | - 1,382 | - 670 |
| Acquisition of financial assets | | - 12,926 | - 7,062 |
| Disposal of short term securities | 28 | 4,653 | 6,014 |
| Financing of joint ventures | 41 | 9,929 | 0 |
| Disposal of long-term properties and other assets | 7 | 131,459 | 216,199 |
| Disposal of companies with long-term properties, less incl. cash and cash equivalents in the amount of € 2,696 K (2010: € 366 K) | | 29,998 | - 362 |
| Taxes paid relating to the sale of long-term properties | | - 49,291 | - 29,563 |
| Dividend payments of associated companies and securities | | 891 | 857 |
| Interest paid capitalised on properties under development | 19 | - 9,934 | - 6,851 |
| Interest received from financial investments | 13 | 5,718 | 7,663 |
| Cash flow from investment activities | | - 62,623 | - 251,532 |
| Financing activities | | | |
| Cash inflow from financing | 32 | 252,226 | 280,291 |
| Cash inflow from related companies and from non-controlling interests | 41 | 4,861 | 1,788 |
| Payments of subsidiaries to and purchase of non-controlling interests | | - 10,763 | - 99,209 |
| Repayment of loans | | - 232,786 | - 138,831 |
| Interest paid | 11 | - 148,181 | - 107,131 |
| Cash flow from financing activities | | - 134,643 | - 63,092 |
| Net change in cash and cash equivalents | | 1,360 | - 142,591 |
| Cash and cash equivalents as at 1.1. | | 354,764 | 497,199 |
| Changes in the value of foreign currency | | - 2,346 | 156 |
| Cash and cash equivalents as at 31.12. | 29 | 353,778 | 354,764 |

E. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.12.2011

| € 1,000 | Notes | Share capital | Capital reserves | Retained earnings |
|--|-----------|----------------|------------------|-------------------|
| As at 1.1.2010 | | 634,370 | 1,013,988 | - 31,091 |
| Valuation cash flow hedge | 18 | 0 | 0 | 0 |
| Income recognised directly in the associates' equity | 18 | 0 | 0 | 0 |
| Reserves from foreign currency translation | 18 | 0 | 0 | 0 |
| Consolidated net income | 1 | 0 | 0 | 45,415 |
| Comprehensive income for 2010 | | 0 | 0 | 45,415 |
| Purchase of shares in CAIAG | | 0 | 41,429 | 0 |
| Capital increase as the result of the merger of CA Immo International AG | | 4,344 | 6,047 | 0 |
| Payments from and purchase of non-controlling companies | | 0 | 0 | 0 |
| As at 31.12.2010 | 30 | 638,714 | 1,061,464 | 14,325 |
| As at 1.1.2011 | | 638,714 | 1,061,464 | 14,325 |
| Valuation cash flow hedge | 18 | 0 | 0 | 0 |
| Income recognised directly in the associates' equity | 18 | 0 | 0 | 0 |
| Reserves from foreign currency translation | 18 | 0 | 0 | 0 |
| Consolidated net income | 1 | 0 | 0 | 62,629 |
| Comprehensive income for 2011 | | 0 | 0 | 62,629 |
| Acquisition of Europolis AG | 35 | 0 | 0 | 0 |
| Disposal due to sale of companies | | 0 | 0 | 0 |
| Dividend payments of subsidiaries to non-controlling interests | | 0 | 0 | 0 |
| Capital payments to non controlling interest | | 0 | 0 | 0 |
| Payments from non-controlling companies | | 0 | 0 | 0 |
| Purchase of non-controlling interest | | 0 | 1,301 | 0 |
| Repurchase convertible bond | | 0 | - 581 | 0 |
| As at 31.12.2011 | 30 | 638,714 | 1,062,184 | 76,954 |

| Valuation result (hedging) | Other reserves | | Shares held by the shareholders of the parent company | Non-controlling interests | Shareholders' equity (total) |
|-------------------------------|-----------------------------|---|---|------------------------------|---------------------------------|
| | Reserves from associates | Reserves from foreign currency translation | | | |
| - 58,291 | 27 | 2 | 1,559,005 | 170,155 | 1,729,160 |
| - 14,425 | 0 | 0 | - 14,425 | - 715 | - 15,140 |
| 0 | - 11 | 0 | - 11 | - 57 | - 68 |
| 0 | 0 | - 36 | - 36 | 0 | - 36 |
| 0 | 0 | 0 | 45,415 | - 1,596 | 43,819 |
| - 14,425 | - 11 | - 36 | 30,943 | - 2,368 | 28,575 |
| 0 | 0 | 0 | 41,429 | - 140,463 | - 99,034 |
| 0 | 0 | 0 | 10,391 | - 10,401 | - 10 |
| 0 | 0 | 0 | 0 | 1,248 | 1,248 |
| - 72,716 | 15 | - 34 | 1,641,768 | 18,171 | 1,659,939 |
| - 72,716 | 15 | - 34 | 1,641,768 | 18,171 | 1,659,939 |
| - 20,306 | 0 | 0 | - 20,306 | 190 | - 20,116 |
| 0 | 144 | 0 | 144 | 0 | 144 |
| 0 | 0 | - 391 | - 391 | 0 | - 391 |
| 0 | 0 | 0 | 62,629 | 5,042 | 67,671 |
| - 20,306 | 144 | - 391 | 42,076 | 5,232 | 47,308 |
| 0 | 0 | 0 | 0 | 131,866 | 131,866 |
| 0 | 0 | 0 | 0 | - 24,179 | - 24,179 |
| 0 | 0 | 0 | 0 | - 1,225 | - 1,225 |
| 0 | 0 | 0 | 0 | - 4,098 | - 4,098 |
| 0 | 0 | 0 | 0 | 4,564 | 4,564 |
| 0 | 0 | 0 | 1,301 | - 5,440 | - 4,139 |
| 0 | 0 | 0 | - 581 | 0 | - 581 |
| - 93,022 | 159 | - 425 | 1,684,564 | 124,891 | 1,809,455 |

F. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31.12.2011

GENERAL NOTES

1. Information concerning the company

CA Immobilien Anlagen Aktiengesellschaft, together with its subsidiaries (the "CA Immo Group"), is an international-ly active property group. The parent company is CA Immobilien Anlagen Aktiengesellschaft ("CA Immo AG"), which has its head office at Mechelgasse 1, 1030 Vienna. As of 31.12.2011, the CA Immo Group owned office, hotel, commercial and residential properties in Austria and Germany, and in Eastern and South East Europe. CA Immo AG is listed in the prime market segment of the Vienna Stock Exchange and belongs to the ATX (Austrian Traded Index of leading companies).

2. Accounting principles

The consolidated financial statements of CA Immo AG were prepared in accordance with the provisions of the International Financial Reporting Standards (IFRS), to the extent that these standards are applicable to companies within the European Union. When the consolidated financial statements are prepared, the acquisition cost principle is applied as a general rule. Excepted from this rule are the investment properties (including properties under development), properties held for sale, securities, derivative financial instruments and provisions for cash-settled share-based payment plans, which are measured at fair value. The net item for plan assets arising from pension obligations recognises the fair value of the plan assets less the present value of the obligations.

The consolidated financial statements are presented in one thousand euros ("€K", rounded according to the commercial rounding method). The use of automatic data processing equipment may lead to rounding differences in the addition of rounded amounts and percentage rates.

3. Scope of consolidation

The consolidated financial statements include the supreme parent company CA Immo AG and the companies listed in Annex I.

Changes in scope of consolidation

| | Companies under full consolidation | Companies under proportional consolidation | Companies consolidated at equity |
|--|---------------------------------------|--|--|
| As at 1.1.2011 | 121 | 27 | 4 |
| Acquisitions | 101 | 2 | 0 |
| Share deals | - 2 | - 3 | - 1 |
| New establishments | 13 | 8 | 0 |
| Company disposal from liquidation or restructuring | - 8 | 0 | 0 |
| Reclassification within basis of consolidation | 2 | - 2 | 0 |
| As at 31.12.2011 | 227 | 32 | 3 |
| thereof foreign companies | 187 | 29 | 2 |

Acquisition an disposals

The closing date of the transaction to acquire all the shares in Europolis AG, Vienna, was 1.1.2011. This acquisition gave the CA Immo Group interests in 100 companies in 11 countries (see Annex I). Payment of a portion of the cash purchase price of € 283,614 K, a part in the amount of € 136,000 K, has been deferred until 2015. The shares in Europolis AG, Vienna, have been pledged in favour of the seller as security. The acquisition of the Europolis Group has significantly reinforced the presence of the CA Immo Group in the key market of Eastern and South East Europe. Another major outcome of the transaction is the rise in the share of investment properties in the portfolio as a whole.

In business year 2011, the CA Immo Group also acquired the following companies:

| Company name/domicile | Purpose | Interest in % | Purchase price in € 1,000 | First-time consolidation date |
|--|---|---------------|------------------------------|-------------------------------------|
| CA Immo Berling MBVD Verwaltungs GmbH, Frankfurt | Project company for distribution centre Mercedes Benz | 100 | 27 | 25.1.2011 |
| Mahler Property Services Sp.z.o.o., Warschau (in prior years interest of 50%) | Property management company | 50 | 50 | 1.4.2011 |
| Flottwellpromenade Verwaltungs GmbH, Berlin | Property company | 50 | 14 | 24.5.2011 |
| SKYGARDEN Arnulfpark GmbH & Co. KG, Grünwald (in prior years interest of 50%) | Project company | 50 | 22,660 | 1.10.2011 |
| CA Immo Berlin Stadthafenquartier Europacity Verwaltungs GmbH, Frankfurt | General partner company for project company | 50 | 28 | 9.11.2011 |
| Pannonia Shopping Center Kft., Győr (in prior years interest of 50%) | Property company | 50 | 425 | 31.12.2011 |
| | | | 23,204 | |

These purchase prices were paid in full in cash.

In the business year, the company acquisitions gave rise to legal consulting and company valuation expenses in the amount of € 39 K (2010: € 546 K). These were recognised in the consolidated income statement under the indirect expenditures.

The CA Immo Group disposed of the following companies in business year 2011:

| Company name/domicile | Interest in % | Sales price € 1,000 | Deconsolidatio n date |
|--|------------------|------------------------|--------------------------|
| Log Center d.o.o., Belgrade | 50 | 2,100 | 1.1.2011 |
| Starohorska Development s.r.o., Bratislava | 50 | 0 | 1.1.2011 |
| Einkaufszentrum Erlenmatt AG, Basel | 50 | 42 | 1.4.2011 |
| OLYMPIA Mladá Boleslav s.r.o., Prague | 51 | 14,697 | 1.7.2011 |
| OLYMPIA Teplice s.r.o., Prague | 51 | 15,855 | 1.7.2011 |
| SOFTWARE PARK KRAKÓW Sp.z.o.o., Warschau | 50 | 0 | 30.9.2011 |
| Soravia Center OÜ, Tallinn | 40 | 0 | 31.12.2011 |
| Total sales price | | 32,694 | |

The disposal prices were paid in full in cash.

The forenamed acquisitions and disposals (measured as of the initial group consolidation or deconsolidation date, as appropriate) affected the composition of the consolidated financial statements as follows:

| € 1,000 | Acquisition of Europolis Group at market values | Other acquisitions at market values | Sales at book values |
|--|---|---|-------------------------|
| Properties | 1,507,051 | 69,377 | - 104,682 |
| Cash and cash equivalents | 127,300 | 1,008 | - 2,696 |
| Other assets | 41,012 | 187 | - 2,256 |
| Deferred taxes | - 80,857 | 2 | 9,716 |
| Financial liabilities | - 1,118,981 | - 35,334 | 40,351 |
| Provisions | - 13,914 | - 573 | 1,305 |
| Other liabilities | - 196,356 | - 604 | 31,617 |
| Receivables/payables of affiliated companies | 0 | - 10,929 | - 141 |
| Net assets | 265,255 | 23,134 | - 26,786 |
| Goodwill | 18,359 | 0 | 0 |

The recognised goodwill (non tax deductible) represents the benefit resulting from the later maturity of the acquired and undiscounted deferred tax liabilities.

The acquired other assets contain receivables and other assets with a fair value of € 26,972 K (nominal amount of € 31,991 K less impairments of € 5,019 K).

Rental income of the acquired companies totalled € 121,991 K from the time of acquisition (from 1.1.2011: € 122,952 K), and the result for the period came to € 23,548 K (from 1.1.2011: € 25,321 K). Thereof € 121,633 K gross revenue and € 23,675 K net income result from acquisition of Europolis Group.

Joint ventures

The proportional values for the companies that are consolidated proportionally are as follows:

| € 1,000 | 31.12.2011 | 31.12.2010 |
|-------------------------------|----------------|----------------|
| Properties as per IAS 40 | 247,212 | 264,733 |
| Other long-term assets | 38 | 0 |
| Property intended for trading | 11,887 | 17,983 |
| Other short-term assets | 32,977 | 29,106 |
| Deferred tax assets | 1,272 | 645 |
| Total assets | 293,386 | 312,467 |
| Long-term liabilities | 103,769 | 97,071 |
| Short-term liabilities | 104,579 | 103,214 |
| Deferred tax liabilities | 15,495 | 21,902 |
| Liabilities | 223,843 | 222,187 |

| € 1,000 | 2011 | 2,010 |
|---|---------------|---------------|
| Rental income | 11,520 | 8,189 |
| Income from the sale of properties intended for trading | 18,852 | 19,021 |
| Result from revaluation | 3,265 | 6,475 |
| Other income | 1,622 | 1,100 |
| Other expenses incl. book value of assets disposed | - 23,629 | - 19,294 |
| Operating result (EBIT) | 11,630 | 15,491 |
| Financial result | - 5,769 | - 4,472 |
| Net result before taxes (EBT) | 5,861 | 11,019 |
| Income tax | - 3,052 | - 4,357 |
| Consolidated net income | 2,809 | 6,662 |

Associated companies

The following information concerning assets, liabilities, rental income and results for the period is available for the companies included in the consolidated financial statements by way of at-equity consolidation:

| € 1,000 | 31.12.2011 | 31.12.2010 |
|------------------------------------|---------------|---------------|
| Properties as per IAS 40 | 456,603 | 356,146 |
| Other long-term assets | 123,357 | 120,443 |
| Short-term assets | 194,134 | 166,359 |
| Long-term liabilities | 451,584 | 429,447 |
| Short-term liabilities | 182,509 | 72,659 |
| Group's share in net assets | 35,008 | 34,754 |
| | 2011 | 2010 |
| Gross revenues | 92,252 | 162,237 |
| Net income | 3,325 | 16,746 |
| Group's share in net income | 832 | 4,187 |

As of 31.12.2011, the accumulated total amount of unrecognised losses from associated companies is € 0 K (31.12.2011: € 196 K).

4. Accounting methods

a) Changes in presentation and classification

In order further to improve the clarity of the consolidated financial statements, their presentation was thoroughly revised in the business year. The format of the annual financial statements and the recognition of individual items were also adjusted. To enhance comparability, the prior-year figures were restated as well for the items affected by changes.

Changes to the consolidated income statement

The CA Immo Group generates gross revenues from renting, trading and development services. Since various direct expenses arise in connection with the income streams, the net operating income from the relevant revenue category is now recognised directly in the consolidated income statement.

Tenants who wish to dissolve their leases before a contractually agreed termination date are required to pay settlements. Since these amounts represent anticipated rental income, they are now recognised under the gross revenues from renting. For the reference period, namely business year 2010, an amount of € 90 K was therefore reclassified from other operating income to rental income.

The CA Immo Group measures the property assets as of each quarterly reporting date. The market values are determined values recognised in the consolidated income statement as the result from revaluation (revaluation gain/loss), or as an impairment/reversal. When property assets are sold during the business year, the valuation gain/loss recognised in the business year is reclassified as a gain/loss on disposal. This applies to both the result from the sale of long-term properties and the result from property transactions (under book value of properties intended for trading). For the reference period, namely business year 2010, the impairments and impairment reversals for properties intended for trading that were sold in the business year were reclassified, so that an impairment in the amount of € -393 K and a reversal in the amount of € 866 K are recognised under book value of properties intended for trading in the total amount of € 473 K. An amount of € 14,664 K was likewise reclassified from the result from revaluation to the item for revaluation of properties sold in the current business year.

In view of their direct apportionability, the staff expenses for development services are disclosed as expenditures on development services. The amount for 2010, namely € 1,575 K, was reclassified from the indirect expenses to the result from development services.

The CA Immo Group has amended the disclosure of own work capitalised in the present consolidated financial statements. Since this item refers exclusively to indirect expenditures that are capitalised as the acquisition, construction or production cost of properties, it is no longer recognised separately. For the reference period, business year 2010, the amount of € 11,857 K was therefore netted against the indirect expenditures item.

Goodwill impairment is now recognised in the consolidated income statement under depreciation and amortisation (impairments), if the goodwill impairment concerns the current year. Goodwill of disposals of investment property is also recognised as disposal under result from the sale of properties. Prior year income tax, in the amount of € 6,844 K, was reclassified to depreciation and amortisation (impairments) in the amount of € 2,701 K and to the result from the sale of long-term properties in the amount of € 4,143 K.

The change in deferred taxes arising from exchange rate differences is no longer recognised under the foreign currency gain/loss item, but in the income tax expense. An amount of € 97 K was accordingly reclassified from taxes on income to foreign currency gain/loss for the reference period 2010.

The net income attributable to as liabilities recognised non-controlling interests is now recognised under the financing costs. The prior-year item, in the amount of € 244 K, was reclassified to the financing costs.

Changes to the consolidated statement of financial position

The classification of individual items in the statement of financial position has been fundamentally revised. In the long-term assets, loans are now grouped together with the other financial assets. In the short-term assets, receivables from joint ventures are reported together with the receivables and other assets in a single sum. On the liabilities side, the interest-bearing liabilities now encompass bonds, financial liabilities, loans to joint ventures and subordinated liabilities. In addition, the non-controlling interests classified as loan capital, trade creditors, non-interest-bearing liabilities to joint ventures, and other liabilities are recognised under the other liabilities item. The previous year's figures have been adjusted accordingly.

Changes to the consolidated cash flow statement

The presentation of the consolidated cash flow statement has been revised to reflect the amended recognition of items in the consolidated income statement.

Pre tax income of 2010 has been decreased in the amount of € 6,491 K, as in consolidated income statement for the year ended 31.12.2010 reclassifications of income tax, depreciation and amortisation in the amount of € 2,701 K, to profit from the sale of long-term properties in the amount of € 4,143 K and foreign currency gain/loss in the amount of € 97 K have been made.

Realised impairments/reversals have been reclassified from depreciation and amortisation (impairments), and reversal of impairments, to changes in properties intended for trading. The prior-year figure, in the amount of € -473 K, has been reclassified from the cash flow from change in net current assets to the operating cash flow.

The acquisition of non-controlling interests was reclassified from the cash flow from investment activities to the cash flow from financing activities. The previous year's figure, in the amount of € 99,045 K, concerning the acquisition of the shares in CA Immo International AG, including the cost of the capital increase, has been reclassified.

Interest paid that is recognised under properties under development is now reported in the cash flow from investment activities. The prior-year figure, in the amount of € 6,851 K, has been reclassified from cash flow from financing activities.

Changes to segment reporting

In view of a change in the internal reporting to the Management Board of the CA Immo Group in business year 2011, the segment reporting has been modified. To enhance comparability, the prior-year figures were restated as well.

The issues addressed under the segmentation by regions are treated likewise under the segmentation by sectors. Changes in structure of the consolidated income statement have been also made in segment reporting.

For 2010, rental income attributable to other segments, in the amount of € 889 K are now disclosed in the net rental income and eliminated by way of the "consolidation" column.

The general activities of CA Immo that are not directly related to the property portfolio are now disclosed in the Holding segment.

Intra-Group revenues and settlements with other segments are now being disclosed separately, so that the figures are brought into line with the consolidated income statement by way of a "consolidation" column.

In addition, in 2010, management fees paid by the holding company to the property company, in the amount of € 3,392 K, and € 937 K of other companies in Germany and South and South East Europe were passed on to other segments. Management fees were disclosed in the individual segments as indirect expenses. Furthermore rent of property companies in other segments have been recognised as indirect expense of the Holding in amount of € 671 K and € 218 K was recognized in the segment development Germany (indirect expense in total € 5,218 K).

Because of internal financing among the segments, financing costs and the result from financial investments are shown separately for each segment in 2010. An amount of € 19,025 K is eliminated by way of the "consolidation" column.

The underlying financing is similarly assigned to the relevant segment as other assets or interest-bearing liabilities, and then consolidated in the Group.

The holding company posts deferred tax assets in the amount of € 38,563 K. In view of the group of companies in Austria and the existence of a common taxable entity, however, the amount is disclosed as a decrease in deferred tax liabilities in the Group.

b) Consolidation methods

All companies under the controlling influence of the parent company are fully consolidated in the consolidated financial statements. A company is first consolidated as of the time at which the controlling influence passes to the parent. It is deconsolidated when the control lapses. All Group-internal transactions between companies belonging to the scope of full and proportional consolidation, and the relevant income and expenses, receivables and payables, as well as unrealised interim profits, are eliminated in full (or pro rata in the case of proportional consolidation).

The CA Immo Group acquires companies that hold property assets. At the time of acquisition, it must be determined whether only assets are being purchased or an entire business operation is being acquired. If an entire business operation is purchased, the acquisition encompasses not only properties and other assets and liabilities, but also an integrated company. In detail, the assessment is performed according to the following criteria:

- Number of properties and sites belonging to the subsidiary
- Purchase of other major areas of activity by way of the acquisition, such as property or asset management, accounting etc.
- Existence of own employees for managing the properties

If the transaction bringing about the acquisition of a property company is not classified as a "business combination", the purchase encompasses only assets and liabilities. The acquired company's identifiable assets and liabilities are recognised at fair value. This takes place by allocating the acquisition costs to the revalued assets (especially properties) and liabilities of the subsidiary. Goodwill is not recognised.

If an acquired company is a business operation, the acquisition is classified as a business combination. In this event, the subsidiary is consolidated for the first time by the purchase method, by recognising its identifiable assets and liabilities at fair value.

Non-controlling interests are recognised according to the categorisation of the capital interest as either shareholders' equity or loan capital, namely under the non-controlling interests in shareholders' equity or under the other liabilities in loan capital. The interests of non-controlling shareholders are measured upon recognition at the relevant portion of the acquired company's identifiable net assets. When subsequently measured, the book value of the non-controlling interests is amortised according to the changes in shareholders' equity attributable to the non-controlling interests. The total comprehensive income is attributed to the non-controlling interests even if such interests then have a negative balance.

Changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The book values of the controlling and non-controlling interests are adjusted to reflect the changes in the relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the company.

If a business operation is acquired, goodwill arises from a comparison of the fair value of the consideration and the amount recognised for the non-controlling interests on the one hand, and the fair value of the acquired company's identifiable assets and liabilities (net assets) on the other. The amount exceeding the net assets is recognised as goodwill.

Joint ventures

In the context of property rental and project development partnerships, the CA Immo Group forms joint ventures with one or several partner companies. Joint management of these ventures is established by contract. Interests in such jointly managed ventures are included proportionally in the consolidated financial statements of the CA Immo Group. The Group's interests in the assets, liabilities, income and expenses of jointly managed ventures are assigned to the relevant items of the consolidated financial statements.

Associated companies

An associated company is one on which the Group exerts a significant influence and is neither a subsidiary nor an interest in a joint venture.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting (AE – at equity). Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost, including directly apportionable ancillary costs, as adjusted for post-acquisition changes in the Group’s share of the net assets of the associate, giving due consideration to the pro rata income as per the income statement, the pro rata other comprehensive income as per the statement of comprehensive income, and dividend payouts and contributions, and less any impairment in the value of individual investments.

Once the book value of the holder's interests in an associated company has decreased to zero, additional losses are recognised as a liability only to the extent that the holder has incurred legal or constructive obligations or made payments on behalf of the associate.

c) Foreign currency translation

Business operations in foreign currency

The individual Group companies record foreign currency transactions at the rate of exchange ruling on the day of the relevant transaction. Monetary assets and liabilities in foreign currency existing on the reporting date are translated into euros, the Group currency, at the rate of exchange ruling on that date. Any resulting foreign currency gains or losses are recognised in the income statement of the relevant business year.

The foreign currency translation of business operations (transactions) was based on the following rates of exchange:

| | | Acquisition 31.12.2011 | Sale 31.12.2011 | Acquisition 31.12.2010 | Sale 31.12.2010 |
|-------------|-----|---------------------------|--------------------|---------------------------|--------------------|
| Switzerland | CHF | 1.2090 | 1.2218 | 1.2428 | 1.2556 |
| USA | USD | 1.2905 | 1.3005 | 1.3341 | 1.3441 |

Translation of individual financial statements denominated in foreign currency

The Group currency is the euro (EUR). Since the euro is also the functional currency of the companies in Eastern and South Eastern Europe outside the European Monetary Union that are included in the consolidated financial statements, the financial statements prepared in foreign currency are translated in accordance with the temporal method. Under this method, investment property (including properties under development) as well as monetary assets and liabilities are translated at closing rates, whereas other non-monetary assets are translated at historical exchange rates. Items of the income statement are translated at the average exchange rates of the relevant reporting period. Any gains and losses resulting from foreign currency translation are recognised in the income statement.

For the subsidiaries in Ukraine, the management companies in Eastern and South East Europe, and the subsidiary in Switzerland that was sold in 2011, the functional currency is the relevant local currency. The figures in the statement of financial position are translated at the exchange rate applying on the reporting date. Only the shareholders' equity is translated at historical rates. Items of the income statement are translated at the average exchange rates of the relevant reporting period. Gains and losses arising from application of the closing rate method are included in the comprehensive other income in the statement of comprehensive income, and recognised under the reserves from foreign currency translation.

Individual financial statements were translated on the basis of the following rates of exchange:

| | | Closing rate | Closing rate | Average exchange | Average exchange |
|------------------------------|-----|---------------------|---------------------|-------------------------|-------------------------|
| | | 31.12.2011 | 31.12.2010 | rate | rate |
| | | | | 2011 | 2010 |
| Bulgaria | BGN | 1.9558 | 1.9558 | 1.9558 | 1.9558 |
| Croatia | HRK | 7.5250 | 7.3800 | 7.3209 | 7.2985 |
| Poland | PLN | 4.4168 | 3.9670 | 4.1457 | 4.0041 |
| Romania | RON | 4.3197 | 4.2890 | 4.2313 | 4.2248 |
| Russia | RUB | 41.7000 | 40.9000 | 41.0177 | 40.2238 |
| Switzerland (until 1.4.2011) | CHF | n/a | 1.2492 | 1.2910 | 1.3694 |
| Serbia | RSD | 106.0000 | 105.5000 | 101.9208 | 103.5958 |
| Czech Republic | CZK | 25.8000 | 25.0800 | 24.5788 | 25.2633 |
| Ukraine | UAH | 10.3624 | n/a | 11.1648 | n/a |
| Hungary | HUF | 311.1300 | 278.0000 | 280.6958 | 276.7133 |

d) Properties

Classification

The "investment properties" item consists of investment properties and properties under development that are held neither for own use, nor for sale in the ordinary course of business, but to generate rental income and appreciate in value.

Properties under development are reclassified as investment properties once the main construction services are completed.

Properties are recognised as held or intended for trading if the property concerned is intended for sale in the ordinary course of business or under construction for subsequent sale in the ordinary course of business. Properties held for administration purposes are allocated to the own used properties item.

Some properties are mixed-use – they are used to generate rental income and appreciate in value on the one hand, and for administration purposes on the other. If the relevant portions can be sold separately, the CA Immo Group also recognises them separately. If the portions cannot be separated, the entire property is classified as an investment property only if the own use occupies less than 5.0 % of the total useful area. Otherwise, the entire property is classified as for own use.

Valuation

All investment properties are measured according to the fair value model specified as an option under IAS 40. Under this model, the property assets are measured at the fair value prevailing on the relevant reporting date. Differences compared with the current book value prior to revaluation (fair value of previous year plus subsequent/additional acquisition or production cost less subsequent acquisition cost reductions, paying due regard to the change in agreed incentives) are recognised in the income statement under "Result from revaluation".

The properties held for trading are measured at the lower of cost and net realisable value as of the relevant reporting date.

The own used properties and the office furniture, equipment and other assets items are measured in accordance with the cost method; in other words, at acquisition or production cost less regular depreciation and impairments. Investment grants are recognised as reductions of acquisition costs from the time a binding agreement exists.

Regular depreciation of office furniture, equipment and other assets is done on a straight-line basis over the estimated useful life, which is generally 3 to 40 years. The estimated useful life of the own used properties, applying the principle that each part of an item with a significant cost shall be depreciated separately, is 70 to 75 years for the carcass, 15 to 50 years for the façade, 20 years for the building services, 15 to 20 years for the roof, and 10 to 20 years for the tenant's finishing works.

Financing (borrowing) costs arising during property construction are allocated to the production costs if they can be directly attributed to a qualifying asset. In this context, a qualifying asset is an asset that takes a substantial period of time to get ready for its intended use or sale. In cases in which loan capital was obtained not directly for the procurement of an individual qualifying asset, the pro rata amount of the capitalisable general borrowing costs is attributed to the qualifying assets. All other financing costs are recognised in profit or loss in the period in which they arise.

Determination of fair value

The relevant fair value of properties is established, if a value is not indicated by binding purchase agreements, largely by external independent experts applying recognised valuation methods. The external valuations are carried out in accordance with the standards defined by the Royal Institution of Chartered Surveyors (RICS). The RICS defines the fair value as the estimated amount for which a property could be exchanged on the valuation date, after a reasonable period

on the market, between willing parties in an arm's length transaction in the normal course of business in which both the buyer and the seller act knowledgeably, prudently and without compulsion.

The valuation method applied by the expert in an individual case depends, in particular, on the property's stage of development and type of use.

Rented commercial properties, which constitute the largest portion of the CA Immo Group's portfolio, are valued largely by the investment method. In such cases, the fair values are based on capitalised rental income and discounted, expected future cash flows. Alongside the current contractual rents and lease expiration profile, the value appraiser in this context establishes and gives consideration to further parameters on the basis of a professional assessment including, in particular, the long-term expected rental value (ERV), and equivalent yields. The equivalent yields fell slightly in Austria and Germany, which are regarded as exceptionally stable markets. In Germany the capitalisation/discount interest rates range from 4.0 % to 8.25 % as at 31.12.2011 (31.12.2010: 4.0 % to 7.75 %), in Austria they range from 4.25 % to 10.7 % and the same as in the previous year. The trends in Eastern/South Eastern Europe differ greatly. While the equivalent yields continue to decline in Poland, increases are being posted in Hungary and Romania. Enormous variances in development potential exist in Romania and Ukraine. The yields for office properties, for example, range from 7.5 % to 9.25 % (31.12.2010: 7.2 % to 9.0 %) in Hungary, 8.5 % to 10.0 % in Romania, 8.25 % to 11.0 % in Serbia and 6.8 % to 9.7 % in Poland. For the hotel properties in the portfolio in Slovenia and the Czech Republic, the yields climbed above 8.8 % to 10.0 % (31.12.2010: 9.0 %).

For properties under development and construction, the residual value method is applied. In this case, the fair value is based on the established market value upon completion, giving due consideration to the outstanding expenditure and the application of an imputed reasonable, not changed compared to the previous year, profit for the developer in the range of 5.0 % to 20.0 %. Due regard is given to any risks, including in the future expected rents and/or the capitalisation/discount rates. The interest rates range from 5.0 % to 8.5 %, the same as in the previous year. They vary in particular according to the general market climate, location and type of use. The nearer a project is to completion, the greater the portion of parameters that are based on actual or contractually fixed figures. Either after or just before completion, the properties are valued by applying the investment method (see above), paying due regard to the outstanding works.

Land banks, consisting of land that is not earmarked for active development in the near future, are valued, depending on the property and the stage of development, on the basis of comparable transactions or by the liquidation value, cost or residual value method.

Around 99.5 % (31.12.2010: 99.4 %) of the properties in Austria, about 96.5 % (31.12.2010: around 96.0 %) of the properties in Germany, and about 99.9 % (31.12.2010: 99.0 %) of the properties in Eastern/South Eastern Europe were subject to an external valuation as of the reporting date 31.12.2011. The values for the other properties were established internally on the basis of the previous year's valuations or binding purchase agreements.

e) Intangible assets

In the case of business combinations pursuant to IFRS 3, the goodwill item mainly corresponds to the difference arising from the allocation of acquisition cost to the fair values of the acquired properties and the relevant deferred tax liabilities not discounted in line with IAS 12. It represents the benefit resulting from the later maturity of the acquired deferred tax liabilities. The goodwill is not amortised regularly, but tested for impairment at least annually. The impairment test focuses on the discounted cash flows arising from the properties as of the relevant reporting date, paying due regard to the change in expected tax payments. An impairment is recognised if the book value of the cash generating unit exceeds the present value of the related cash flows. It is reported in the consolidated income statement under depreciation and impairment/reversal.

Other intangible assets chiefly comprise software and are recognised at acquisition cost less straight-line amortisation and impairments. For the amortisation of computer software, a useful life of 3 to 5 years was assumed.

f) Impairments

If signs of a value impairment are evident, the CA Immo Group determines the recoverable amount for the own used properties; office furniture, equipment and other assets; and intangible assets. The recoverable amount is the higher of the fair value less the cost of selling (net realisable value) and the utility value or value in use. The value in use is the present value of the expected future cash flows that are likely to be generated by the continued use of an asset and its retirement at the end of its useful life.

If this recoverable amount is lower than the carrying value of the asset, the asset is written down to the lower value.

If at a later date an impairment ceases to exist, the impairment loss is reversed to profit or loss – except in the case of goodwill – up to the carrying amount of the amortised original acquisition or production cost.

Goodwill is tested for impairment annually, with the cash generating unit representing individual properties. Since the recoverable amount for the cash generating unit cannot be determined without taking account of the expected tax effects directly attributable to individual properties owing to the specific nature of the recognised goodwill, in addition to the allocatable goodwill the book value of the cash generating unit includes the directly attributable deferred tax liability of the property at the time of the company's acquisition. The recoverable amount is determined on the basis of fair value. The fair value for a property is determined on the basis of external valuation reports as well as the underlying property yields and expected rental revenue. The cash value of cash flows in relation to tax effects was determined with due regard to post-tax interest rates, i.e. the respective yield less the effect of the tax rate in a particular country. The impairment test assumes a retention period for properties in the CA Immo Group of 15 or 25 years for land/land reserves from the time of acquisition. Since the end of the retention period is approaching under this assessment model and the discounting period is thus shortening, further value decreases in the amount of the lower cash value benefit are likely in the years ahead.

g) Financial instruments**Securities**

Securities are attributed to the category "at fair value through profit and loss" (FV/PL) because the securities are controlled on the basis of the fair values. The securities are measured as of the acquisition date at fair value excluding transaction costs directly attributable to the securities' acquisition. In subsequent periods they are measured at the fair value as of the reporting date, as indicated by stock market prices. Gains or losses are recognised in profit or loss. The result of the market valuation and realisation is recognised under the result from financial investments. Securities purchases and sales are recognised at the trading date.

Other interests in companies

Interests in companies which, owing to a lack of control, are not consolidated, and upon which a material influence is not exerted, are assigned to the category "available for sale/at cost" (AFS/AC). Since a listed price on an active market is not available and the fair value cannot be reliably established, the interests are measured at acquisition cost.

Loans and prepayments made on investments

Loans granted by the company and prepayments made on property investments are assigned to the category "loans and receivables" (L&R). They are measured at fair value upon recognition, and subsequently at amortised cost, applying the effective interest-rate method.

Receivables and other financial assets

Trade receivables from the provision of services, other receivables and other financial assets are primary financial instruments that are not listed on active markets and not intended for sale. They are assigned to the measurement category "loans and receivables" (L&R). They are measured initially at fair value, and thereafter at amortised cost, applying the effective interest-rate method and allowing for impairments.

An impairment for receivables and other assets is formed depending on the status of the dunning procedure, the past due date, and the individual credit rating of the relevant debtor, paying due regard to the security received, and is recognised if there is an objective indication that the receivables cannot be collected in full. Uncollectible receivables are derecognised. Subsequent payments in respect of receivables for which impairment losses have been recognised are recognised in profit and loss under the other operating income.

Receivables from the sale of properties having a period for payment of greater than one year are recognised as non-current receivables at present value as of the relevant reporting date.

Cash and cash equivalents

Cash and cash equivalents include cash, sight deposits with banks, as well as fixed-term deposits with an original term of up to three months. This item also encompasses bank balances subject to drawing restrictions of not more than 3 months. Bank balances subject to drawing restrictions with a longer time limit are recognised under the receivables and other assets.

Interest-bearing liabilities

Interest-bearing liabilities are assigned to the category "financial liabilities at amortised cost" (FLAC) and recognised upon disbursement at the amount actually received, less transaction costs. Any difference between the amount received and the repayment amount is allocated over the term of the financing according to the effective interest-rate method and recognised under financing costs or, if the conditions set forth in IAS 23 are met, capitalised as part of the acquisition, construction or production cost.

Other financial liabilities

Other financial liabilities, such as trade creditors, are assigned to the category "financial liabilities at amortised cost" (FLAC) and measured upon receipt at fair value, and thereafter at amortised acquisition cost.

For current other liabilities, the fair value generally corresponds to the estimated sum of all future payments. For non-current other liabilities, the acquisition cost of the liabilities corresponds to their present value, determined by discounting the future payments with a reasonable market interest rate giving due consideration to the maturity and risk. Interest rates with matching maturities for bearer debt securities or government bonds, plus a premium, are used as the discount rates.

Derivative financial instruments

The CA Immo Group uses derivative financial instruments, such as interest rate caps, floors and swaps, and forward exchange transactions, in order to hedge against interest and currency risks. These derivative financial instruments are recognised at fair value at the time the contract is concluded and remeasured at fair value in the following periods. Derivative financial instruments are recognised as financial assets if their fair value is positive, and as financial liabilities if their fair value is negative. The fair value of the derivative financial instruments corresponds to the amount that would be payable by or to the CA Immo Group if the position were closed on the balance sheet date.

Derivative financial instruments are recognised as non-current assets or liabilities if the remaining term of the instrument is more than twelve months and realisation or settlement within twelve months is not expected. The other derivative financial instruments are recognised as current assets or liabilities.

The method applied by the CA Immo Group when recognising gains and losses from derivative financial instruments depends on whether or not the criteria for cash-flow hedge accounting (hedging of future cash flows) are met.

In the case of derivative financial instruments serving the purpose of hedging future cash flows and thus qualifying as cash flow hedges, the effective portion of the change in fair value is recognised in the other comprehensive income; in other words, directly in equity. The ineffective portion is immediately recognised as an expense under the item "Result from interest derivative transactions". The measurement gains or losses from cash flow hedges recognised in equity are

reclassified into profit or loss in the period in which the hedged underlying is recognised in profit or loss and/or the conditions for (cash flow) hedge accounting are no longer satisfied. The hedging relationship between the instrument and the hedged item is documented when the hedge is undertaken and afterwards on an ongoing basis.

In order to make a clear distinction from cash flow hedges, the CA Immo Group describes derivative financial instruments that do not satisfy or no longer satisfy the criteria for cash flow hedge accounting as "fair value derivatives". This applies, for example, to interest rate caps, floors and swaps without a concurrent credit agreement. Pursuant to IAS 39, derivatives not qualifying for hedge accounting are assigned to the category "held for trading" (HFT). The change in the fair value is therefore recognised in the full amount in profit or loss under the item "Result from interest derivative transactions".

The fair values of the interest rate swaps, caps and floors are calculated by discounting the future cash flows from variable payments on the basis of generally recognised models of financial mathematics.

h) Construction contracts

Pursuant to the applicable percentage of completion method, the contract revenue and contract costs associated with construction contracts and arising from the performance of services (such as project management, building works, interior works, site development, decontamination) are recognised as receivables by reference to the stage of completion of the contract activity at the end of the reporting period. The stage of completion is established according to the ratio of contract costs incurred as of the reporting date to the estimated total contract costs as of the reporting date (cost-to-cost method). An expected loss from a construction contract is immediately recognised as an expense.

i) Other non-financial instruments

Other non-financial instruments largely consist of prepayments made on properties, receivables from fiscal authorities, and prepaid expenses. They are measured at cost less impairments.

Other non-financial liabilities refer to liabilities to fiscal authorities and prepaid rents. These are measured on initial recognition at the amount corresponding to the likely outflow of funds. When measured subsequently, value changes arising from new information are recognised in profit or loss.

j) Assets held for sale and disposal groups

Non-current assets and disposal groups are classified as held for sale if the relevant book value is expected to be realised from a disposal and not from continued use. This case applies if the relevant non-current assets and disposal groups are available for immediate sale in their current condition and a disposal is very probable. Furthermore, the sale must be highly probable within one year of the classification as held for sale. Disposal groups consist of assets that are to be sold together in a single transaction and the associated liabilities that are also to be transferred by way of the transaction.

Non-current assets and disposal groups that are classified as held for sale are recognised at the lower of book and fair value less disposal costs as a general rule. Excepted from this policy are investment properties, which continue to be measured according to the fair value model.

k) Payment obligations to employees

Variable remuneration

In business year 2010, the members of the Management Board were for the first time invited to take part in an LTI (long-term incentive) programme with a term of three years. Participants are required to invest funds of their own, subject to a ceiling of 50 % of their annual basic salary. This first investment was measured at the closing rate on 31.12.2009, and the number of underlying shares was calculated accordingly. Performance is measured according to several indicators, namely NAV growth, ISCR (interest coverage ratio) and TSR (total shareholder return). Employees belonging to the first tier of management were also invited to join the LTI scheme. Their own investment is restricted to 35 % of their basic salary. In business year 2011, the LTI programme was continued. The members of the Management

Board and employees belonging to the first management tier were again invited to take part. In keeping with the 2010 LTI programme, the key indicators were NAV growth, ISCR and TSR, but the weighting of these factors was revised and the target values were raised.

For such cash-settled share-based payments, the incurred liability is recognised as provisions during a qualifying period of 3 years in the amount of the fair value. Until the liability is settled, the fair value is remeasured on each annual reporting date and on the settlement date. All changes are recognised in profit and loss in the relevant business year.

Defined benefit plans upon termination of employment

The CA Immo Group has the legal obligation to make a one-off severance payment to staff employed in Austria before 1.1.2003 in the event of dismissal or retirement. The amount of this payment depends on the number of years of service and the relevant salary at the time the settlement is payable. It varies between two and twelve monthly salary payments. A provision is formed for this defined benefit obligation.

In addition, obligations arising from defined benefit pension plans exist for four persons in the CA Immo Germany Group. The commitments concern four pension expectancies, three thereof are for managing directors who have already retired. In respect of the reinsurance cover obtained in previous years for defined benefit pension obligations, plan assets are recognised according to IAS 19.59 under the non-current receivables and other assets to the extent that the plan assets exceed the present value of the future obligations and the claims are due to the CA Immo Group.

External actuarial opinions are obtained annually for the defined benefit pension obligations. The projected cover funds (liability) are calculated according to IAS 19 by the projected unit credit method based on the following parameters:

| | 31.12.2011 | 31.12.2010 |
|---|------------|------------|
| Interest rate | 4.75% | 4.5% |
| Salary increases expected in the future | 2.0% | 2.0% |
| Accumulation period | 25 years | 25 years |
| Forecast income from plan asset | 3.0% | 6.0% |

The actual return on the plan assets for 2011 is 3.2 % (2010: 2.4 %).

The expected return on the plan assets is established on the basis of the actuarial calculations performed by a major insurer. As at 31.12.2011, the expected return on the plan assets was recognised at the mean of 3.0 % observed in recent years.

The entire service cost and amount of actuarial gains and losses in connection with the obligation is recognised in profit and loss in the staff expenses – and therefore in the indirect expenditures – in the year in which they arise. The interest expenses are recognised in the financing costs. Both actuarial gains and losses in connection with the plan assets and the expected return on the plan assets are fully recognised in profit and loss under the result from financial investments in the year in which they arise.

Defined contribution plans

The CA Immo Group has the legal obligation to pay 1.53 % of the monthly salary of all staff joining companies in Austria after 31.12.2002 into a staff pension fund. No other obligations exist. The payments are considered as staff expenses and are included in the indirect expenditures.

Based on agreements with two different pension funds in Austria and a benevolent fund for small and medium-sized enterprises in Germany, a defined contribution pension commitment exists for employees in Austria and Germany after

a certain number of years of service (Austria: 1 or 3 years, depending on age; Germany: immediately upon reaching the age of 27). The amount of the contribution is a percentage of the relevant monthly gross salary, namely 2.5 % or 2.7 % in Austria, and 2.0 % in Germany. After a certain period (Austria: 5 or 7 years; Germany: 3 years) the contributions paid accrue as a vested pension right, and the entitlement is paid out as a monthly pension upon retirement.

l) Other provisions and contingent liabilities

Other provisions are recognised if the CA Immo Group has legal or actual obligations towards a third party due to a past event and the obligation is likely to lead to an outflow of funds. Such provisions are stated at the value which can be determined by the best possible estimate at the time the consolidated financial statements are prepared. If the cash value of the provision determined on the basis of prevailing market interest rates differs substantially from the nominal value, the cash value of the obligation is stated.

If the amount of an obligation cannot be established reliably, it is classified as a contingent liability. These are possible obligations arising from past events, whose existence depends on the occurrence or non-occurrence of one or several future events that are not entirely within the Group's control. In such cases, a provision is not formed and an explanation of the facts is given in the Notes. Contingent liabilities are also recognised if a future outflow of funds is not probable and a provision is not formed for that reason, but is likewise not improbable. The recognised amounts are measured at the present value of the best estimate.

m) Taxes

The income tax expense reported for the business year contains the income tax of the individual subsidiaries, calculated from their taxable income and the tax rate applicable in the relevant country ("current tax"), and the change in deferred taxes recognised in profit and loss ("deferred tax"), as well as the tax effect arising from equity capital postings not giving rise to temporary differences and recognised in equity (e.g. taxes concerning issuing costs of capital increases and subscription rights to convertible bonds, the measurement and sale of treasury shares, and – in some cases – the measurement of derivative transactions).

In line with IAS 12, all temporary differences between the statement of financial position for tax purposes and the consolidated statement of financial position are given consideration in the calculation of deferred taxes. Deferred taxes on losses carried forward are capitalised paying due regard to their restricted or unrestricted eligibility for carrying forward and their future usability. The recognition of the deferred tax claim arises first from existing projections for the next 5 to 7 years that show a utilisation in the foreseeable future of the tax losses carried forward, and second from the existence of adequate taxable temporary differences, arising chiefly from property assets.

The deferred taxes are measured according to the following tax rates, being those expected to apply at the time the differences are reversed:

| Country | 2011 | Tax rate 2010 | Country | 2011 | Tax rate 2010 |
|-------------|----------------|------------------|----------------|---------------|------------------|
| Bulgaria | 10.0% | 10.0% | Switzerland | 31.9% | 31.9% |
| Germany | 15.8% to 31.9% | 15.8% to 31.9% | Serbia | 10.0% | 10.0% |
| Croatia | 20.0% | 20.0% | Slovakia | 19.0% | 19.0% |
| Luxembourg | 28.6% | 28.6% | Slovenia | 20.0% | 20.0% |
| Netherlands | 20.0% | 20.0% | Czech Republic | 19.0% | 19.0% |
| Austria | 25.0% | 25.0% | Ukraine | 21.0% | 25.0% |
| Poland | 19.0% | 19.0% | Hungary | 10.0% / 19.0% | 10.0% / 19.0% |
| Romania | 16.0% | 16.0% | Cyprus | 10.0% | 10.0% |
| Russia | 20.0% | 20.0% | | | |

A group and tax compensation agreement for the formation of a group of companies as defined by Section 9 of the Austrian Corporation Tax Act (KStG) exists in Austria for selected companies of the CA Immo Group. The head of the group is CA Immobilien Anlagen Aktiengesellschaft, Vienna. All of the Austrian companies belonging to the Europolis Group are included in the group of companies.

A tax consolidation arrangement for income taxes exists under the law of each country for some companies in the Europolis Group and CA Immo Germany Group. The controlling enterprise is Europolis AG, Vienna, or CA Immo Deutschland GmbH, Frankfurt. Profit and loss transfer agreements oblige the controlled companies to transfer to the controlling enterprise their entire profit (the annual surplus before the profit transfer, less any loss carried forward from the previous year – giving due consideration to the formation or reversal of reserves). The controlling enterprise is obliged to make good any annual deficit arising for the duration of the agreement to the extent that such deficits are not equalised by drawings on amounts allocated to the retained earnings during the term of the agreement.

n) Segment reporting

The business segments subject to mandatory reporting were identified on the basis of the information regularly used by the company's principal decision maker when deliberating on the allocation of resources and assessing earning power. The principal decision-making body of the CA Immo Group is the full Management Board. It controls the individual properties that are combined in business segments. The presentation of business segments is done by region and division, and corresponds to the CA Immo Group's internal reporting system.

The segments are formed according to property category and the main activities of the management/holding companies. Items that cannot be directly attributed to a property or segment management structure are disclosed in the Holding business segment. The following segments have been established:

- Properties: Let investment properties, own used properties and investment properties pursuant to IFRS 5
- Development: Properties under development and land banks, completed development properties (investment properties) until the second annual reporting date after completion (depending on the tenancy rate), development services for third parties, properties under development pursuant to IFRS 5, and properties intended for trading
- Holding: General management and financing activities of CA Immo AG, Vienna

o) Recognition of revenues

Rental income is recognised on a straight-line basis over the term of the lease unless a different method is more appropriate to the circumstances. Agreed incentives, such as rent-free periods, reduced rents for a certain period, or one-off payments, form part of the rental income. In this respect as well, therefore, the amounts are recognised on a straight-line basis over the entire term.

For leases envisaging a regular rent adjustment over the term (graduated rents), such adjustments are likewise recognised on a straight-line basis over the term of the lease. Any adjustments attributable to inflation, in contrast, are not distributed over the term.

Conditional rent payments, such as those depending on the sales of business premises, are recognised in profit or loss at the time of accrual.

The full term of a lease over which the entire rental income is apportioned on a straight-line basis encompasses the non-terminable period, as well as further periods for which the tenant can exercise an option, with or without making additional payments, provided that the exercise of the option is sufficiently likely upon the inception of the lease.

Rental income is measured at the market value of the consideration received or outstanding, less direct sales allowances.

Payments on account received from tenants for the premature termination of a lease and payments for damage to rented premises are recognised in profit or loss at the time of accrual.

Operating costs incurred by the CA Immo Group for properties rented to third parties and which are charged to tenants and recognised in profit and loss under the operating costs passed on to tenants.

Income from service contracts is recognised in proportion to the services performed as of the reporting date.

Income from the sale of properties is recognised if

- all the material economic opportunities and risks associated with ownership have passed to the buyer,
- the CA Immo Group does not retain any rights of disposal or effective power of disposition in respect of the object sold,
- the amount of the revenues and the costs incurred or to be incurred in connection with the sale can be reliably determined, and
- it is sufficiently likely that the economic benefit from the sale will accrue to the CA Immo Group.

Non-current, deferred payments received in advance (prepayments received) are discounted at the time of receipt with a reasonable market interest rate giving due consideration to the maturity and risk, and marked up when subsequently measured. The accrued interest is recognised in profit and loss under the financial result.

Income from the sale of properties under construction is to be assessed according to IFRIC 15 in order to establish whether IAS 11 or IAS 18 applies and thus to determine when, during the construction period, the income from the sale is to be recognised. This investigation is subject to the condition that the disposing enterprise neither retains rights of disposal, as are usually associated with ownership, nor holds effective power of disposition in respect of the constructed property. This would be the case, for example, if the CA Immo Group were to retain the right to rental or disposal income, or could influence the design of the property. If this does not apply, the facts are to be investigated to establish whether they fall within the scope of IAS 11 or IAS 18.

If a contract for the construction of a property is recognised as a construction contract, the income arising therefrom is recognised – in compliance with IAS 11 – in proportion to the services performed according to the stage of completion as of the reporting date. The stage of completion of an individual construction contract is established according to the ratio of contract costs incurred for work performed as of the reporting date to the estimated total contract costs as of the reporting date.

A key criterion for accounting in compliance with IAS 11 is the customer's influence on the design. The criterion is met if the buyer is able to specify the major structural elements of the design before construction begins and once construction is in progress. If, in contrast, an agreement for the construction of real estate gives buyers only limited ability to influence the design of the real estate, for example to select a design from a range of specified options, or to specify only minor variations to the basic design, it is an agreement for the sale of goods within the scope of IAS 18.

When revenues from property transactions are being realised, IAS 18 requires that contracts are separated into individual services if material different services are combined in a single contract. Such multiple element transactions are deemed to exist if a contract contains several complementary but different elements, such as a service provided alongside a sale of real estate. These different elements give rise to the separate realisation of revenues. The purchase price of the property is recognised according to the criteria for realising revenues from sales. The revenues arising from the service are realised according to the stage of completion.

p) Result from the sale of long-term properties

In compliance with IAS 40, investment properties are measured as of each quarterly reporting date and, as a general rule, changes in market values are recognised in the consolidated income statement as the result from revaluation (re-

valuation gain/loss). When property assets are sold during the business year, the valuation gain/loss realised in the business year to date is reclassified and recognised as a gain/loss on disposal together with the other gain/loss on disposal. The economic annual gain/loss arising from a property sold in the business year is thus recognised in the full amount in the result from the sale of long-term properties.

q) Financial result

Financing costs comprise interest payable for external funds (if not eligible for capitalisation according to IAS 23), interest recognised by the effective interest-rate method, interest for committed external funds not yet received, current interest on hedging transactions, the interest costs arising from the calculation of retirement benefits, the net income attributable to non-controlling interests in limited partnerships and expenses similar to interest. Interest is deferred over time. The share of net income attributable to non-controlling interests in limited partnerships contains the pro rata net income of non-controlling partners in German limited partnerships, whose capital contribution is recognised as loan capital in the statement of financial position under other liabilities.

The foreign currency gains and losses arising chiefly in connection with financing and investment transactions, and the changes in measurement and the result arising from the realisation of forward exchange transactions are recognised in the exchange rate differences.

The income from derivative transactions consists of gains and losses from the sale or measurement of interest rate swaps, caps and floors unless same are recognised in equity as cash flow hedges. The non-effective portion of the cash flow hedge relationships is also recognised in the result from derivative transactions.

The result from financial investments includes interest, dividends and other income from the investment of funds and investments in financial assets, gains and losses from the measurement and sale of securities, actuarial gains and losses in connection with plan assets, and the expected return on plan assets.

The expenses from financial investments chiefly refer to the valuation of loans and prepayments on investments in properties.

r) Material discretionary decisions, assumptions and estimates

When preparing the consolidated financial statements, senior management is required to make discretionary decisions, assumptions and estimates that affect both the recognition and measurement of the assets, liabilities, income and expenses, and the information contained in the Notes. Future actual values can be at variance with the original assumptions.

Property valuation

The crisis in the global financial system in recent years has triggered considerable uncertainty in the commercial property markets. Therefore, prices and values are subject to significant fluctuation. In particular, restricted liquidity in the capital markets can make it more difficult to sell the properties in the short term.

All valuations represent an estimate of the price that could be obtained in a transaction taking place on the valuation date. Valuations are based on assumptions, such as the existence of a regulated market in the region concerned. Unforeseen macroeconomic or political crises can exert a main influence on the market. Such events can trigger panic buying or selling, or a general reluctance to conclude business transactions. If a valuation date immediately follows an event of this kind, the data underlying the valuation may be questionable, incomplete or inconsistent, which affect inevitably the reliability of the estimate.

For properties that currently have a high vacancy rate or short-term leases, the influence of the valuer's assumptions on the property value is greater than it is in the case of properties with cash flows that are secured by long-term contracts. It is likewise true that the influence exerted by the valuer's assumptions on the established property value is greater, the more distant the scheduled completion date.

The property values established by external valuers depend on an abundance of parameters, some thereof influence each other in a complex way. For the purposes of analysing the sensitivity of entire sub-portfolios to the effect of changes in a parameter on the valuation, simplified assumptions are made below in order to reveal possible changes.

The table below illustrates the sensitivity of the fair value to a change in rental income (for the purposes of this model, defined as sustainable (reversionary) rent) and yield. It is based on a representative section of the Group portfolio of investment properties that contains the 10 highest-value investment properties of Germany as well as of Eastern/South East Europe and the 5 highest-value investment properties of Austria. In total the market value of these 25 investment properties amounts to € 1,852m and represents 44.3 % of the investment property portfolio.

| Change of Yield (in % point) | Change of sustainable rent | | | | |
|---------------------------------|----------------------------|-------|-------|-------|--------|
| | 10.0% | 5.0% | 0,0% | -5,0% | 10,0% |
| -0.55% | 14.0% | 10.4% | 6.8% | 3.2% | -0.4% |
| -0.25% | 10.2% | 6.7% | 3.3% | -0.2% | -3.6% |
| 0.00% | 6,6% | 3.3% | 0.0% | -3.3% | -6.6% |
| 0.25% | 3.3% | 0.2% | -3.0% | -6.2% | -9.4% |
| 0.50% | 0.3% | -2.8% | -5.9% | -8.9% | -12.0% |

The scenarios show that a change in the gross rental income has a disproportionate effect on the fair values while a change of yield has an important effect on fair values. The table below, for the development projects, illustrates the sensitivity of the fair value to an increase or decrease in the calculated outstanding development and construction costs. It is based on the development projects under construction in Germany. The portion of CA Immo Group of the total calculated investment costs for these projects is estimated at around € 370 m.

| in € m | Still outstanding capital expenditures | | | | |
|----------------------------------|--|------|---------------|--------|---------|
| | - 10% | - 5% | Initial value | 5% | 10% |
| Outstanding capital expenditures | 210 | 222 | 233 | 245 | 257 |
| Fair values | 142 | 130 | 118 | 106 | 95 |
| Changes to initial value | 19.7% | 9.9% | 0.0% | - 9.9% | - 19.7% |

The calculated scenarios indicate that a clear disproportionate relationship exists at present between a change in the outstanding investment costs and the fair values. This relationship represents only a snapshot, however, because the book values as of the reporting date are clearly lower to the expected outstanding investment costs as the relevant development projects are still at the beginning of construction. As the stage of completion advances, the relationship will become more disproportionate because the ratio of the outstanding investment costs to the invested capital will gradually diminish.

Taxes

All companies with property holdings are, as a general rule, liable in the country concerned for income tax on both rental income and capital gains. Material discretionary decisions must be made concerning the amount of tax provisions that are to be formed. An examination must also be performed to establish the extent to which deferred tax assets are to be recognised.

Income from the disposal of investments in companies in Germany, Switzerland and Eastern/South Eastern Europe is wholly or partially exempt from income tax subject to compliance with certain conditions. Even if it is intended to comply with the conditions, the full amount of deferred tax liabilities is recognised for the properties.

The probability that deferred tax assets arising from temporal differences and losses carried forward can be offset against taxable profits is to be assessed. In this connection, uncertainties exist concerning the interpretation of complex tax regulations and as regards the amount and effective date of future taxable income. The impairment test applied to deferred tax assets depends on enterprise-specific forecasts concerning, among other things, the future earnings situation in the relevant Group company. In particular against the background of an existing web of diverse international alliances, differences between the actual results and the assumptions on the one hand, and future changes to these assumptions on the other, can influence future tax expenses and refunds. The CA Immo Group forms appropriate provisions for probable charges arising from current tax audits by the relevant national revenue authorities.

Measurement of interest rate derivatives

The CA Immo Group uses interest rate swaps, caps and floors in order to counter the risk of interest rate fluctuations. These Interest rate derivatives are recognised at fair value. The fair value is the value which the CA Immo Group would receive or pay upon liquidation of the deal on the reporting date. This value was determined by the bank with which the transaction was concluded.

The fair values are calculated by discounting the future cash flows from variable payments on the basis of generally recognised models of financial mathematics. The interest rates for discounting the future cash flows are estimated by referencing an observable market yield curve. The calculation is based on interbank middle rates.

s) New and revised standards and interpretations

First-time application of new and revised standards and interpretations not materially influencing the consolidated financial statements

The following standards and interpretations, already an integral part of EU law, were to be applied for the first time in business year 2011:

| Standard / interpretation | Content | Entry into force ¹⁾ |
|---------------------------|---|--------------------------------|
| IAS 24 | Revised IAS 24: Related Party Disclosures | 1.1.2011 |
| IAS 32 | Amended IAS 32: Classification of Rights Issues | 1.2.2010 |
| IFRS 1 | Amended IFRS 1: Limited Exemption from Comparative IFRS 7 Disclosures | 1.7.2010 |
| IFRIC 14 | Amended IFRIC 14: Prepayments of a Minimum Funding Requirement | 1.1.2011 |
| IFRIC 19 | New Interpretation: Extinguishing Financial Liabilities with Equity Instruments | 1.7.2010 |
| Various | Improvements to IFRS 2010 | Various |

¹⁾ The standards and interpretations are to be applied to business years commencing on or after the effective date.

New and revised standards and interpretations that are not yet compulsory

The following amendments and new versions of standards and interpretations have been issued, but are not yet applicable as of the reporting date:

| Standard / interpretation | Content | Entry into force ¹⁾ |
|---------------------------|--|--------------------------------|
| IAS 1 | Amended IAS 1: Presentation of Items of Other Comprehensive Income | 1.7.2012 ²⁾ |
| IAS 12 | Amended IAS 12: Deferred Tax: Recovery of Underlying Assets | 1.1.2012 ²⁾ |
| IAS 19 | Amended IAS 19: Employee Benefits | 1.1.2013 ²⁾ |
| IAS 27 | Revised IAS 27: Separate Financial Statements | 1.1.2013 ²⁾ |
| IAS 28 | Revised IAS 28: Investments in Associates and Joint Ventures | 1.1.2013 ²⁾ |
| IAS 32 | Amended IAS 32: Offsetting Financial Assets and Financial Liabilities | 1.1.2014 ²⁾ |
| IFRS 1 | Amended IFRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters | 1.7.2011 ²⁾ |
| IFRS 7 | Amended IFRS 7: Disclosures - Transfers of Financial Assets | 1.7.2011 |
| IFRS 7 | Amended IFRS 7: Offsetting Financial Assets and Financial Liabilities | 1.1.2013 ²⁾ |
| IFRS 9 | New Standard: Financial Instruments | 1.1.2015 ²⁾ |
| IFRS 10 | New Standard: Consolidated Financial Statements | 1.1.2013 ²⁾ |
| IFRS 11 | New Standard: Joint Arrangements | 1.1.2013 ²⁾ |
| IFRS 12 | New Standard: Disclosures of Interests in Other Entities | 1.1.2013 ²⁾ |
| IFRS 13 | New Standard: Fair Value Measurement | 1.1.2013 ²⁾ |
| IFRIC 20 | New Interpretation: Stripping Costs in the Production Phase of a Surface Mine | 1.1.2013 ²⁾ |

¹⁾ The standards and interpretations are to be applied to business years commencing on or after the effective date.

²⁾ Not yet adopted by the EU as of the reporting date. The effective date envisaged by an EU Regulation may differ from the date indicated by the IASB.

The forenamed new versions and interpretations are not being applied prematurely by the CA Immo Group. The expected changes arising from IAS 19 and IFRS 9 to IFRS 13 will have a material influence on the presentation of the CA Immo Group's financial and earnings position. The new IFRSs will require the CA Immo Group in future, from the date the new standards take effect, to include jointly managed ventures in the consolidated financial statements at equity, rather than by the proportional method applied thus far. As of the reporting date, these standards had not been adopted by the EU and were therefore not (prematurely) applicable. The other anticipated changes are not expected to have any material effects.

NOTES TO THE CONSOLIDATED INCOME STATEMENT, CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND CONSOLIDATED CASH FLOW STATEMENT

1. Segment reporting

| € 1,000 2011 | Income producing | Development | Austria Total | Income producing |
|--|---------------------|----------------|------------------|---------------------|
| Rental income | 36,918 | 197 | 37,115 | 71,229 |
| Revenues with other operating segments | 622 | 0 | 622 | 312 |
| Operating costs passed on to tenants | 7,947 | 43 | 7,990 | 6,104 |
| Operating expenses | - 9,650 | - 49 | - 9,699 | - 6,870 |
| Other expenses directly related to property rented | - 3,314 | 0 | - 3,314 | - 4,346 |
| Net rental income | 32,523 | 191 | 32,714 | 66,429 |
| Result from property transactions | 0 | 0 | 0 | 0 |
| Result from development services | 0 | 0 | 0 | 0 |
| Other expenses directly related to investment properties under development | 0 | - 515 | - 515 | 0 |
| Net operating income | 32,523 | - 324 | 32,199 | 66,429 |
| Result from the sale of long-term properties | 3,619 | - 2,203 | 1,416 | - 818 |
| Indirect expenditures | - 935 | - 709 | - 1,644 | - 3,914 |
| Other operating income | 421 | 11 | 432 | 4,874 |
| EBITDA | 35,628 | - 3,225 | 32,403 | 66,571 |
| Depreciation and impairment/reversal | - 3,873 | - 60 | - 3,933 | - 74 |
| Result from revaluation | - 6,713 | 3,285 | - 3,428 | 13,606 |
| Operating result (EBIT) | 25,042 | 0 | 25,042 | 80,103 |
| Financing costs | - 18,361 | - 1,194 | - 19,555 | - 37,095 |
| Foreign currency gain/loss | 0 | 0 | 0 | 0 |
| Result from interest derivative transactions | - 2,849 | 0 | - 2,849 | - 2,347 |
| Result from financial investments | 2,138 | 15 | 2,153 | 1,600 |
| Result from other financial assets | 0 | 0 | 0 | 0 |
| Result from associated companies | 0 | 0 | 0 | 0 |
| Net result before taxes (EBT) | 5,970 | - 1,179 | 4,791 | 42,261 |
| 31.12.2011 | | | | |
| Properties ²⁾ | 680,938 | 43,900 | 724,838 | 1,152,014 |
| Other assets | 23,644 | 5,569 | 29,213 | 152,778 |
| Deferred tax assets | 0 | 0 | 0 | 2,444 |
| Total assets | 704,582 | 49,469 | 754,051 | 1,307,236 |
| Interest-bearing liabilities | 383,135 | 33,934 | 417,069 | 709,253 |
| Other liabilities | 8,483 | 1,024 | 9,507 | 102,635 |
| Deferred tax liabilities incl. income tax liabilities | 52,008 | 523 | 52,531 | 9,941 |
| Liabilities | 443,626 | 35,481 | 479,107 | 821,829 |
| Shareholders' equity | 260,956 | 13,988 | 274,944 | 485,407 |
| Capital expenditures ³⁾ | 18,157 | 9,617 | 27,774 | 1,373 |

| Development ¹⁾ | Germany ¹⁾ Total | Income producing | Development | Eastern/South East Europe Total | Holding | Total segments | Consolidation | Total |
|---------------------------|--------------------------------|---------------------|-----------------|---------------------------------------|----------------|-------------------|------------------|------------------|
| 18,922 | 90,151 | 132,282 | 6,028 | 138,310 | 0 | 265,576 | 0 | 265,576 |
| 0 | 312 | 0 | 0 | 0 | 0 | 934 | - 934 | 0 |
| 4,738 | 10,842 | 43,226 | 2,268 | 45,494 | 0 | 64,326 | 0 | 64,326 |
| - 3,896 | - 10,766 | - 50,897 | - 4,051 | - 54,948 | 0 | - 75,413 | 0 | - 75,413 |
| - 4,458 | - 8,804 | - 14,021 | - 1,264 | - 15,285 | 0 | - 27,403 | 0 | - 27,403 |
| 15,306 | 81,735 | 110,590 | 2,981 | 113,571 | 0 | 228,020 | - 934 | 227,086 |
| 7,790 | 7,790 | 0 | 0 | 0 | 0 | 7,790 | 0 | 7,790 |
| 578 | 578 | 0 | 0 | 0 | 0 | 578 | 0 | 578 |
| - 5,970 | - 5,970 | 0 | - 830 | - 830 | 0 | - 7,315 | 0 | - 7,315 |
| 17,704 | 84,133 | 110,590 | 2,151 | 112,741 | 0 | 229,073 | - 934 | 228,139 |
| 34,391 | 33,573 | 9,044 | 928 | 9,972 | 0 | 44,961 | 0 | 44,961 |
| - 11,991 | - 15,905 | - 16,777 | - 4,480 | - 21,257 | - 11,714 | - 50,520 | 6,475 | - 44,045 |
| 2,887 | 7,761 | 7,720 | 2,053 | 9,773 | 4,943 | 22,909 | - 5,541 | 17,368 |
| 42,991 | 109,562 | 110,577 | 652 | 111,229 | - 6,771 | 246,423 | 0 | 246,423 |
| - 5,224 | - 5,298 | - 704 | - 322 | - 1,026 | - 264 | - 10,521 | 0 | - 10,521 |
| 55,636 | 69,242 | - 342 | - 16,329 | - 16,671 | 0 | 49,143 | 0 | 49,143 |
| 93,403 | 173,506 | 109,531 | - 15,999 | 93,532 | - 7,035 | 285,045 | 0 | 285,045 |
| - 29,700 | - 66,795 | - 73,895 | - 8,645 | - 82,540 | - 17,852 | - 186,742 | 25,733 | - 161,009 |
| 515 | 515 | 246 | - 427 | - 181 | 0 | 334 | 0 | 334 |
| - 13,728 | - 16,075 | - 2,307 | - 12 | - 2,319 | - 1,213 | - 22,456 | 0 | - 22,456 |
| 3,607 | 5,207 | 8,390 | 1,351 | 9,741 | 20,189 | 37,290 | - 25,733 | 11,557 |
| 0 | 0 | 0 | - 4,675 | - 4,675 | 0 | - 4,675 | 0 | - 4,675 |
| - 2 | - 2 | 0 | - 1,694 | - 1,694 | 0 | - 1,696 | 0 | - 1,696 |
| 54,095 | 96,356 | 41,965 | - 30,101 | 11,864 | - 5,911 | 107,100 | 0 | 107,100 |
| 1,212,884 | 2,364,898 | 1,900,229 | 232,218 | 2,132,447 | 0 | 5,222,183 | 0 | 5,222,183 |
| 286,751 | 439,529 | 231,172 | 103,838 | 335,010 | 303,445 | 1,107,197 | - 424,543 | 682,654 |
| 6,518 | 8,962 | 2,316 | 461 | 2,777 | 39,083 | 50,822 | - 39,083 | 11,739 |
| 1,506,153 | 2,813,389 | 2,133,717 | 336,517 | 2,470,234 | 342,528 | 6,380,202 | - 463,626 | 5,916,576 |
| 739,562 | 1,448,815 | 1,521,031 | 232,756 | 1,753,787 | 67,933 | 3,687,604 | - 423,590 | 3,264,014 |
| 228,570 | 331,205 | 199,428 | 10,324 | 209,752 | 64,944 | 615,408 | - 953 | 614,455 |
| 90,394 | 100,335 | 111,988 | 2,881 | 114,869 | 0 | 267,735 | - 39,083 | 228,652 |
| 1,058,526 | 1,880,355 | 1,832,447 | 245,961 | 2,078,408 | 132,877 | 4,570,747 | - 463,626 | 4,107,121 |
| 447,627 | 933,034 | 301,270 | 90,556 | 391,826 | 209,651 | 1,809,455 | 0 | 1,809,455 |
| 242,886 | 244,259 | 1,379,253 | 176,626 | 1,555,879 | 157 | 1,828,069 | 0 | 1,828,069 |

| € 1,000 | | | Austria | |
|--|------------------|----------------|---------------|------------------|
| 2010 | Income producing | Development | Total | Income producing |
| Rental income | 39,000 | 50 | 39,050 | 62,544 |
| Revenues with other operating segments | 671 | 0 | 671 | 218 |
| Operating costs passed on to tenants | 7,990 | 6 | 7,996 | 7,314 |
| Operating expenses | - 10,107 | - 7 | - 10,114 | - 7,312 |
| Other expenses directly related to property rented | - 4,093 | - 71 | - 4,164 | - 7,822 |
| Net rental income | 33,461 | - 22 | 33,439 | 54,942 |
| Result from property transactions | 0 | 0 | 0 | 0 |
| Result from development services | 0 | 0 | 0 | 0 |
| Other expenses directly related to investment properties under development | 0 | - 101 | - 101 | 0 |
| Net operating income | 33,461 | - 123 | 33,338 | 54,942 |
| Result from the sale of long-term properties | 5,769 | - 5 | 5,764 | 100 |
| Indirect expenditures | - 1,020 | - 683 | - 1,703 | - 4,491 |
| Other operating income | - 38 | 0 | - 38 | 417 |
| EBITDA | 38,172 | - 811 | 37,361 | 50,968 |
| Depreciation and impairment/reversal | - 1,708 | 0 | - 1,708 | - 80 |
| Result from revaluation | 13,350 | - 1,830 | 11,520 | - 2,276 |
| Operating result (EBIT) | 49,814 | - 2,641 | 47,173 | 48,612 |
| Financing costs | - 18,918 | - 769 | - 19,687 | - 37,479 |
| Foreign currency gain/loss | 0 | 0 | 0 | 0 |
| Result from interest derivative transactions | - 766 | 0 | - 766 | - 1,337 |
| Result from financial investments | 2,769 | 14 | 2,783 | 958 |
| Result from other financial assets | 0 | 0 | 0 | 0 |
| Result from associated companies | 0 | 0 | 0 | 0 |
| Net result before taxes (EBT) | 32,899 | - 3,396 | 29,503 | 10,754 |

31.12.2010

| | | | | |
|---|----------------|---------------|----------------|------------------|
| Properties ²⁾ | 714,442 | 21,640 | 736,082 | 1,137,916 |
| Other assets | 91,729 | 391 | 92,120 | 163,843 |
| Deferred tax assets | 0 | 0 | 0 | 2,129 |
| Total assets | 806,171 | 22,031 | 828,202 | 1,303,888 |
| Interest-bearing liabilities | 387,005 | 19,765 | 406,770 | 764,124 |
| Other liabilities | 6,936 | 277 | 7,213 | 79,571 |
| Deferred tax liabilities incl. income tax liabilities | 58,015 | - 433 | 57,582 | 5,473 |
| Liabilities | 451,956 | 19,609 | 471,565 | 849,168 |
| Shareholders' equity | 354,215 | 2,422 | 356,637 | 454,720 |
| Capital expenditures ³⁾ | 14,401 | 640 | 15,042 | 14,405 |

| Development ¹⁾ | Germany ¹⁾ Total | Income producing | Development | Eastern/South East Europe Total | Holding | Total segments | Consolidation | Total |
|---------------------------|--------------------------------|---------------------|----------------|---------------------------------------|----------------|-------------------|------------------|------------------|
| 17,215 | 79,759 | 45,150 | 465 | 45,615 | 0 | 164,424 | 0 | 164,424 |
| 0 | 218 | 0 | 0 | 0 | 0 | 889 | - 889 | 0 |
| 2,056 | 9,370 | 12,646 | 192 | 12,838 | 0 | 30,204 | 0 | 30,204 |
| - 2,396 | - 9,708 | - 15,297 | - 428 | - 15,725 | 0 | - 35,547 | 0 | - 35,547 |
| - 2,492 | - 10,314 | - 5,672 | - 334 | - 6,006 | 0 | - 20,484 | 0 | - 20,484 |
| 14,383 | 69,325 | 36,827 | - 105 | 36,722 | 0 | 139,486 | - 889 | 138,597 |
| 30,490 | 30,490 | 0 | 0 | 0 | 0 | 30,490 | 0 | 30,490 |
| 564 | 564 | 0 | 0 | 0 | 0 | 564 | 0 | 564 |
| - 5,291 | - 5,291 | 0 | - 321 | - 321 | 0 | - 5,713 | 0 | - 5,713 |
| 40,146 | 95,088 | 36,827 | - 426 | 36,401 | 0 | 164,827 | - 889 | 163,938 |
| 8,072 | 8,172 | 0 | 0 | 0 | 0 | 13,936 | 0 | 13,936 |
| - 10,507 | - 14,998 | - 8,198 | - 3,298 | - 11,496 | - 10,944 | - 39,141 | 5,218 | - 33,923 |
| 3,937 | 4,354 | 2,044 | 413 | 2,457 | 4,014 | 10,787 | - 4,329 | 6,458 |
| 41,648 | 92,616 | 30,673 | - 3,311 | 27,362 | - 6,930 | 150,409 | 0 | 150,409 |
| - 3,654 | - 3,734 | - 204 | 0 | - 204 | - 325 | - 5,971 | 0 | - 5,971 |
| 35,185 | 32,909 | - 15,988 | 3,611 | - 12,377 | 0 | 32,052 | 0 | 32,052 |
| 73,179 | 121,791 | 14,481 | 300 | 14,781 | - 7,255 | 176,490 | 0 | 176,490 |
| - 25,108 | - 62,587 | - 31,696 | - 4,324 | - 36,020 | - 17,933 | - 136,227 | 19,025 | - 117,202 |
| 1,247 | 1,247 | - 949 | 356 | - 593 | - 2 | 652 | 0 | 652 |
| - 2,010 | - 3,347 | - 111 | - 58 | - 169 | - 164 | - 4,446 | 0 | - 4,446 |
| 2,324 | 3,282 | 4,388 | 2,249 | 6,637 | 20,741 | 33,443 | - 19,025 | 14,418 |
| 0 | 0 | 0 | - 766 | - 766 | 0 | - 766 | 0 | - 766 |
| 0 | 0 | 0 | - 328 | - 328 | 0 | - 328 | 0 | - 328 |
| 49,632 | 60,386 | - 13,887 | - 2,571 | - 16,458 | - 4,613 | 68,818 | 0 | 68,818 |
| 1,027,938 | 2,165,854 | 623,575 | 86,705 | 710,280 | 0 | 3,612,216 | 0 | 3,612,216 |
| 305,167 | 469,010 | 240,403 | 95,158 | 335,561 | 247,437 | 1,144,128 | - 391,014 | 753,114 |
| 12,003 | 14,132 | 1 | 0 | 1 | 38,563 | 52,696 | - 38,563 | 14,133 |
| 1,345,108 | 2,648,996 | 863,979 | 181,863 | 1,045,842 | 286,000 | 4,809,040 | - 429,577 | 4,379,463 |
| 515,898 | 1,280,022 | 618,488 | 81,466 | 699,954 | 125,318 | 2,512,064 | - 385,709 | 2,126,355 |
| 239,946 | 319,517 | 25,471 | 13,638 | 39,109 | 56,584 | 422,423 | - 5,305 | 417,118 |
| 118,299 | 123,772 | 31,306 | 1,954 | 33,260 | 0 | 214,614 | - 38,563 | 176,051 |
| 874,143 | 1,723,311 | 675,265 | 97,058 | 772,323 | 181,902 | 3,149,101 | - 429,577 | 2,719,524 |
| 470,965 | 925,685 | 188,714 | 84,805 | 273,519 | 104,098 | 1,659,939 | 0 | 1,659,939 |
| 239,528 | 253,933 | 38,640 | 18,702 | 57,342 | 352 | 326,668 | 0 | 326,668 |

¹⁾ Incl. a property in Switzerland

²⁾ Properties include investment properties, investment properties under development, own used properties, properties intended for trading and prepayments made on properties.

³⁾ Capital expenditures include all acquisitions of properties (long-term and short-term) including from first-time consolidation, office furniture, equipment, other assets and intangible assets; thereof € 7,514K (31.12.2010: € 7,383K) in properties intended for trading.

Business relationships within a business segment are consolidated within the segment. Business relationships with other business segments are shown, and the figures are brought into line with the consolidated income statement and consolidated statement of financial position by way of the "consolidation" column.

The accounting principles of the reporting business segments correspond to those described under "Accounting methods".

Transactions between business segments are attributed as follows:

- The staff costs that are directly attributable to a business segment are recognised in the relevant segment.
- Management fees for services performed by the holding segment (e.g. accounting, controlling, general expenses) correspond to the actual costs and are assigned to the individual business segments on the basis of the invoiced services. They are recognised in the Holding segment as other operating income.
- The segments are formed according to the main activities of management companies. Management fees of these companies are attributed based on the invoiced services to the individual business segments of the applicable region and are recognised in the management company' segments as other operating income.
- Interest expenses and income are attributed based on the corresponding financing agreements.
- Additionally, financial liabilities in the amount of € 265,699 K (31.12.2010: € 265,090 K) and the related interest expenses and derivative transactions resulting from the acquisition of CA Immo Deutschland Group are attributed to the German development segment. The Holding segment is credited in the same amount.
- Furthermore, financial liabilities in the amount of € 218,640 K (31.12.2010: € 216,030 K) and the related interest expenses/income relating to the acquisition of Europolis AG, Vienna, and the acquisition of shares in CA Immo International AG, Vienna, are attributed to the Eastern/South East Europe income producing segment. The Holding segment is credited in the same amount.

The segments generate gross revenues from letting activities, the sale of properties intended for trading as well as from development services. The gross revenues are attributed to the country in which the investment properties are situated. Most of the revenues are generated in Germany so that they are presented as a separate segment. A material portion of the total rental income is generated in the four core regions of the Eastern/South East Europe segment, and a material portion of the investment properties of the CA Immo Group is situated in this segment:

| | € 1,000 | 2011 Share in % | € 1,000 | 2010 Share in % |
|-----------------------------------|---------|--------------------|---------|--------------------|
| Rental income | | | | |
| Poland | 37,846 | 14.3 | 7,330 | 4.5 |
| Romania | 28,494 | 10.7 | 9,443 | 5.7 |
| Czech Republic | 29,313 | 11.0 | 6,755 | 4.1 |
| Hungary | 27,163 | 10.2 | 11,321 | 6.9 |
| Market value of properties | | | | |
| Poland | 628,997 | 12.0 | 171,357 | 4.7 |
| Romania | 410,581 | 7.9 | 114,941 | 3.2 |
| Czech Republic | 344,920 | 6.6 | 57,920 | 1.6 |
| Hungary | 421,570 | 8.1 | 192,140 | 5.3 |

2. Rental income

| € 1,000 | 2011 | 2010 |
|---|----------------|----------------|
| Continuous rental income | 254,126 | 160,499 |
| Conditional rental income | 3,006 | 3,835 |
| Amendments of the rental income of incentive agreements | 7,296 | 0 |
| Income from cancellation of rent agreements | 1,148 | 90 |
| Rental income | 265,576 | 164,424 |

In 2010, the amount of rental income of incentive contracts was immaterial and therefore not considered.

The CA Immo Group generates the rental income through the following types of property:

| 2011 | Austria | | Deutschland | | Ost-/Südosteuropa | | Gesamt | |
|----------------------|---------------|------------|---------------|-------------|-------------------|-------------|----------------|-------------|
| | € 1,000 | Share in % | Tsd. € | Anteil in % | Tsd. € | Anteil in % | Tsd. € | Anteil in % |
| Offices | 14,233 | 39 | 73,228 | 82 | 99,568 | 72 | 187,029 | 70 |
| Hotel properties | 4,910 | 13 | 882 | 1 | 7,022 | 5 | 12,814 | 5 |
| Retail | 10,836 | 29 | 365 | 0 | 9,172 | 6 | 20,373 | 8 |
| Logistic | 143 | 0 | 7,273 | 8 | 21,686 | 16 | 29,102 | 11 |
| Residential | 4,023 | 11 | 45 | 0 | 0 | 0 | 4,068 | 1 |
| Other properties | 2,970 | 8 | 8,358 | 9 | 862 | 1 | 12,190 | 5 |
| Rental income | 37,115 | 100 | 90,151 | 100 | 138,310 | 100 | 265,576 | 100 |

| 2010 | Austria | | Deutschland | | Ost-/Südosteuropa | | Gesamt | |
|----------------------|---------------|------------|---------------|-------------|-------------------|-------------|----------------|-------------|
| | € 1,000 | Share in % | Tsd. € | Anteil in % | Tsd. € | Anteil in % | Tsd. € | Anteil in % |
| Offices | 17,095 | 44 | 59,053 | 74 | 35,941 | 79 | 112,089 | 68 |
| Hotel properties | 4,031 | 10 | 152 | 0 | 8,158 | 18 | 12,341 | 8 |
| Retail | 9,273 | 24 | 412 | 1 | 689 | 1 | 10,374 | 6 |
| Logistic | 139 | 0 | 7,275 | 9 | 0 | 0 | 7,414 | 5 |
| Residential | 5,489 | 14 | 64 | 0 | 0 | 0 | 5,553 | 3 |
| Other properties | 3,023 | 8 | 12,803 | 16 | 827 | 2 | 16,653 | 10 |
| Rental income | 39,050 | 100 | 79,759 | 100 | 45,615 | 100 | 164,424 | 100 |

The CA Immo Group generates rental income from a number of investment property lessees: There is one tenant in Germany (Fed. State Hessen) from which the CA Immo Group generates a material portion of the total rental income. The portion of this tenant in Hessen in the total rental income is as follows:

| € 1,000 | 2011 | 2010 |
|--|---------|---------|
| Rental income Fed. State Hessen | 43,297 | 42,553 |
| Principal tenant as a % of the rental income total | 16.3% | 25.9% |
| Market value properties leased to Fed. State Hessen | 813,850 | 787,600 |
| Principal tenant as a % of the investment properties | 19.5% | 29.0% |

3. Operating result and other expenses directly related to let properties

| € 1,000 | 2011 | 2010 |
|---|-----------------|-----------------|
| Operating costs passed on to tenants | 64,326 | 30,204 |
| Operating expenses | - 75,413 | - 35,547 |
| Own operating costs | - 11,087 | - 5,343 |
| Maintenance costs | - 6,005 | - 8,245 |
| Bad debt losses and reserves for bad debts | - 8,497 | - 4,464 |
| Agency fees | - 2,369 | - 1,736 |
| Other directly related expenses | - 10,532 | - 6,039 |
| Other expenses directly related to property rented | - 27,403 | - 20,484 |
| Total | - 38,490 | - 25,827 |

4. Result from property transactions

| € 1,000 | 2011 | 2010 |
|---|-----------------|-----------------|
| Income from sales | 28,049 | 115,657 |
| Book value of properties intended for trading | - 18,722 | - 84,767 |
| Reversal of impairment of properties intended for trading sold within the business year | 20 | 866 |
| Impairment of properties intended for trading sold within the business year | - 121 | - 393 |
| Other development expenses/materials expenses | - 760 | - 310 |
| Own operating costs (vacancy costs) | - 675 | - 564 |
| Book value of properties intended for trading | - 20,258 | - 85,168 |
| Result from property transactions | 7,791 | 30,490 |
| Result from property transactions as a % of the income from sales | 27.8% | 26.4% |

The other development expenses/materials expenses include non-capitalisable project costs at the CA Immo Germany Group, in particular advertising and public relations expenses.

5. Result from development services

| € 1,000 | 2011 | 2010 |
|---|------------|------------|
| Gross revenues from commissioned work as per IAS 11 | 702 | 1,609 |
| Gross revenues from service contracts | 1,618 | 1,155 |
| Other material costs | - 798 | - 625 |
| Staff expenses | - 944 | - 1,575 |
| Result from development services | 578 | 564 |
| Result from services as a % of the development revenues | 24.9% | 20.4% |

The costs incurred for commissioned work as defined in IAS 11 in projects in process at the balance sheet date total € 602 K (2010: € 1,172 K). The prepayments received total € 742 K (31.12.2010: € 3,029 K). Profits registered according to progress of performance in the 2011 financial year amount to € 197 K (2010: € 142 K).

6. Other expenses directly related to investment properties under development

| € 1,000 | 2011 | 2010 |
|---|----------------|----------------|
| Operating expenses related to investment properties under development | - 4,466 | - 3,715 |
| Property advertising costs | - 1,427 | - 1,469 |
| Project development and project execution | - 1,422 | - 529 |
| | - 7,315 | - 5,713 |

7. Result from the sale of long-term properties

| € 1,000 | Austria | Germany | Eastern/ South East Europe | 2011 | Austria | Germany | 2010 |
|---|--------------|---------------|----------------------------------|---------------|--------------|--------------|---------------|
| Purchase prices for interests | 0 | 42 | 32,958 | 33,000 | 0 | 0 | 0 |
| Book value of sold net assets | 0 | 530 | - 26,474 | - 25,944 | 0 | 0 | 0 |
| Goodwill of disposed property | 0 | 0 | - 1,472 | - 1,472 | 0 | 0 | 0 |
| Revaluation result | 0 | 226 | 5,183 | 5,409 | 0 | 0 | 0 |
| Subsequent costs and additional costs | 0 | - 111 | - 307 | - 418 | 0 | 0 | 0 |
| Results from share deals | 0 | 687 | 9,888 | 10,575 | 0 | 0 | 0 |
| Profit from the sale of long-term properties | 38,259 | 152,032 | 424 | 190,715 | 37,536 | 169,210 | 206,746 |
| Book value of properties | - 37,334 | - 114,008 | - 340 | - 151,682 | - 36,006 | - 147,853 | - 183,859 |
| Goodwill of disposed property | - 709 | - 1,401 | 0 | - 2,110 | - 2,150 | - 1,993 | - 4,143 |
| Revaluation result | 1,917 | 19,561 | 0 | 21,478 | 6,900 | 7,764 | 14,664 |
| Subsequent costs and additional costs | - 717 | - 23,298 | 0 | - 24,015 | - 516 | - 18,956 | - 19,472 |
| Results from asset deals | 1,416 | 32,886 | 84 | 34,386 | 5,764 | 8,172 | 13,936 |
| Result from the sale of long-term properties | 1,416 | 33,573 | 9,972 | 44,961 | 5,764 | 8,172 | 13,936 |

The book value of the sold net assets (= equity) includes investment properties in the amount of € 3,270 K (2010: € 0 K) in Germany and € 33,573 K (2010: € 0 K) in Eastern/South East Europe, wherefore purchase prices in the amount of total € 105,980 K (2010: € 0 K) were agreed.

8. Indirect expenditures

| € 1,000 | 2011 | 2010 |
|---|-----------------|-----------------|
| Staff expenses | - 32,220 | - 23,728 |
| Office rent | - 2,430 | - 2,232 |
| Travel expenses and transportation costs | - 1,347 | - 956 |
| Others | - 4,602 | - 4,012 |
| Internal management | - 40,599 | - 30,928 |
| Legal, auditing and consultancy fees | - 11,343 | - 8,530 |
| Other indirect expenses | - 4,907 | - 6,322 |
| subtotal | - 56,849 | - 45,780 |
| Capitalised services on long-term property assets | 12,108 | 10,773 |
| Changes to stock properties intended for trading | 696 | 1,084 |
| Indirect expenditures | - 44,045 | - 33,923 |

The staff expenses comprise payments to the staff provision fund in the amount of € 114 K (2010: € 99 K) and payments to pension and relief funds in the amount of € 373 K (2010: € 254 K) .

9. Other operating income

| € 1,000 | 2011 | 2010 |
|------------------------------|---------------|--------------|
| Management fees | 3,966 | 893 |
| Payment of compensation | 3,380 | 0 |
| Release of provisions | 2,901 | 1,280 |
| Release of value adjustments | 2,220 | 522 |
| Others | 4,901 | 3,763 |
| | 17,368 | 6,458 |

10. Depreciation and impairment/reversal

| € 1,000 | 2011 | 2010 |
|---|-----------------|----------------|
| Scheduled depreciation | - 2,381 | - 1,566 |
| Goodwill | - 6,901 | - 2,701 |
| Impairment loss of properties intended for trading | - 1,284 | - 1,705 |
| Reversal of impairment of properties intended for trading | 44 | 0 |
| Depreciation and impairment/reversal | - 10,521 | - 5,971 |

11. Financing costs

| € 1,000 | 2011 | 2010 |
|--|------------------|------------------|
| Interest expenses banks | - 120,766 | - 80,778 |
| Bond interest | - 19,871 | - 20,242 |
| Interest on non-current liabilities | - 8,235 | - 7,321 |
| Convertible bonds interest | - 6,582 | - 7,803 |
| Interest expenses of joint venture partners | - 511 | - 823 |
| Interest expenses of joint ventures | - 146 | - 24 |
| Non-controlling interests held by limited partners | - 164 | 244 |
| Other interest and financing costs | - 4,734 | - 455 |
| Financing costs | - 161,009 | - 117,202 |

12. Result from interest derivative transactions

| € 1,000 | 2011 | 2010 |
|---|-----------------|----------------|
| Valuation interest rate derivative transactions (not realised) | - 17,645 | - 3,963 |
| Reclassification from prior years valuations recorded in equity | - 4,892 | - 378 |
| Ineffectiveness of interest rate swaps | - 111 | - 105 |
| Realised result from interest derivative transactions | 192 | 0 |
| Result from interest derivative transactions | - 22,456 | - 4,446 |

The item "Valuation derivative transactions (not realised)" breaks down as follows:

| € 1,000 | 2011 | 2010 |
|--|-----------------|----------------|
| Valuation cash flow hedges on account of premature termination of cash flow hedge relation | 1,558 | 350 |
| Valuation of interest rate swaps without cash flow hedge relation | - 16,436 | - 6,704 |
| Valuation result from counter-swaps | - 1,874 | 2,479 |
| Valuation of interest rate caps and interest rate floors | - 893 | - 88 |
| Valuation interest rate derivative transactions (not realised) | - 17,645 | - 3,963 |

13. Result from financial investments

| € 1,000 | 2011 | 2010 |
|---|---------------|---------------|
| Realised income from securities | 815 | 1,722 |
| Valuation securities (not realised) | 0 | 1,304 |
| Income from bank interest | 3,896 | 6,255 |
| Interest income from loans to associated companies and joint ventures | 3,480 | 3,276 |
| Income from investments | 35 | 0 |
| Other interest income | 3,331 | 1,861 |
| Result from financial investments | 11,557 | 14,418 |

14. Impairment of financial investments

The impairment of financial investments amounts to € 4,675 K in 2011 (2010: € 766 K). It relates to a reversal of impairment for prepayments made on investment in properties in the amount of € 325 K (2010: € 0 K) and a value adjustment of loans for business operations in Eastern and South East Europe in the amount of € 5,000 K (2010: € 766 K).

15. Income from associated companies

| € 1,000 | 2011 | 2010 |
|--|----------------|--------------|
| UBM Realitätenentwicklung AG, Vienna | 1,640 | 2,751 |
| OAO Avielen AG, St. Petersburg | - 3,334 | - 3,079 |
| Isargärten Thalkirchen GmbH & Co. KG, Grünwald | - 2 | 0 |
| | - 1,696 | - 328 |

16. Net results from categories of financial instruments

| € 1,000 | | Category ¹⁾ | 2011 | 2010 |
|---|-------------|------------------------|------------------|------------------|
| Interest expenses | | FLAC | - 134,556 | - 92,196 |
| | | L&R | - 26,453 | - 25,006 |
| Foreign currency gain/loss | Valuation | HFT | 5,100 | 916 |
| | Realisation | HFT | - 3,267 | 329 |
| Forward foreign exchange transactions | Valuation | HFT | - 1,432 | - 910 |
| | Realisation | HFT | - 67 | 317 |
| Interest rate swaps | Valuation | HFT | - 21,644 | - 4,253 |
| | | CFH | - 111 | - 105 |
| | Realisation | HFT | 192 | 0 |
| Interest rate cap and interest rate floor | Valuation | HFT | - 893 | - 88 |
| Securities | Valuation | FV/PL | 0 | 1,304 |
| | Realisation | FV/PL | 815 | 1,722 |
| Interest income | | L&R | 10,707 | 11,392 |
| | | AFS/AC | 35 | 0 |
| Result from other financial assets | | L&R | - 4,673 | - 766 |
| Result from associated companies | | AE | - 1,696 | - 328 |
| Financial result | | | - 177,945 | - 107,672 |

¹⁾ FLAC – financial liabilities at amortised cost, L&R – loans and receivables, HFT – held for trading, CFH – cash-flow hedge, FV/PL – at fair value through profit or loss, AFS/AC - available for sale/at cost, AE – at equity

17. Taxes on income and earnings

| € 1,000 | 2011 | 2010 |
|--|-----------------|-----------------|
| Income tax (current year) | - 27,619 | - 28,496 |
| Income tax (previous years) | 358 | 2,600 |
| Corporate income tax (actual tax) | - 27,261 | - 25,896 |
| Tax quota (actual tax) | 25.5% | 37.6% |
| Change in deferred tax liabilities (deferred tax) | - 17,645 | 757 |
| Tax income on valuation of derivative transactions | 5,477 | 140 |
| Tax expenses | - 39,429 | - 24,999 |
| Tax quota (total) | 36.8% | 36.3% |

The reasons for the difference between the expected tax expenditure and the effective tax expenditure can be derived from the following table:

| € 1,000 | 2011 | 2010 |
|--|-----------------|-----------------|
| Net result before taxes | 107,100 | 68,818 |
| Expected tax expenses (tax rate Austria 25.0% / prior year 25.0%) | - 26,775 | - 17,205 |
| Non-usable losses carried forward | - 17,221 | - 17,652 |
| Amortisation of investment affecting tax | 5,493 | 9,911 |
| Impairment goodwill | - 2,940 | - 1,917 |
| Non-tax deductible expense and permanent differences | - 977 | - 2,839 |
| Utilisation of in prior years unrecorded losses carried forward | 6,988 | 2,500 |
| Differing tax rates abroad | 5,039 | 1,749 |
| Adjustment of preceeding periods | - 7,797 | 1,697 |
| Exchange rate differences not affecting tax | - 2,817 | - 1,127 |
| Tax-exempt income | 3,019 | 975 |
| Change in tax rate | - 1,748 | 71 |
| Trade tax effects | 881 | 55 |
| Others | - 574 | - 1,217 |
| Effective tax expense | - 39,429 | - 24,999 |

18. Other income

2011

| € 1,000 | Valuation result (hedging) | Reserves from associates | Reserves from foreign currency translation | Total |
|--|-------------------------------|-----------------------------|---|-----------------|
| Other income before taxes | - 25,317 | 194 | - 391 | - 25,514 |
| Income tax related to other comprehensive income | 5,201 | - 50 | 0 | 5,151 |
| Other comprehensive income for the year | - 20,116 | 144 | - 391 | - 20,363 |
| thereof: attributable to the owners of the parent | - 20,306 | 144 | - 391 | - 20,553 |
| thereof: attributable to non-controlling interests | 190 | 0 | 0 | 190 |

2010

| € 1,000 | Valuation result (hedging) | Reserves from associates | Reserves from foreign currency translation | Total |
|--|-------------------------------|-----------------------------|---|-----------------|
| Other income before taxes | - 17,630 | - 110 | - 36 | - 17,776 |
| Income tax related to other comprehensive income | 2,490 | 42 | 0 | 2,532 |
| Other comprehensive income for the year | - 15,140 | - 68 | - 36 | - 15,244 |
| thereof: attributable to the owners of the parent | - 14,425 | - 11 | - 36 | - 14,472 |
| thereof: attributable to non-controlling interests | - 715 | - 57 | 0 | - 772 |

The reserves from associates comprise currency translation effects and cash flow hedge valuations.

The reclassifications in the amount of € 4,892 K (2010: € – 378 K) relate to the fair values for cash flow hedges recorded in equity at the balance sheet date of the previous year where the loans on which they are based were repaid prematurely during the 2011 financial year.

The reasons for the difference between the expected tax expenditure/tax income and the disclosed effective tax expenditure/tax income on the valuation result (hedging) are outlined in the following table:

| € 1,000 | 2011 | 2010 |
|--|-----------------|-----------------|
| Valuation of cash flow hedges | – 30,209 | – 18,008 |
| Reclassification swaps | 4,892 | 378 |
| Valuation results (hedging) | – 25,317 | – 17,630 |
| Expected tax income (tax rate Austria: 25.0 % / prior year 25.0 %) | 6,329 | 4,408 |
| Not considered tax expense on the valuation of negative interest derivative transactions | – 959 | – 1,011 |
| Utilisation of in prior years unrecorded losses carried forward | 1,172 | 0 |
| Differing tax rates abroad | – 1,211 | – 740 |
| Tax rate changes | – 130 | – 167 |
| Effective tax income | 5,201 | 2,490 |

19. Long-term investment properties and office furniture, equipment and other assets

| € 1,000 | Investment properties | Properties under development | Own used properties | Prepayments for properties | Office furniture and equipment | Total |
|--|-----------------------|------------------------------|---------------------|----------------------------|--------------------------------|------------------|
| Book values | | | | | | |
| As at 1.1.2010 | 2,409,589 | 962,459 | 14,248 | 544 | 1,939 | 3,388,779 |
| Addition company acquisitions | 34,430 | 0 | 0 | 0 | 0 | 34,430 |
| Addition property acquisitions | 7,046 | 0 | 0 | 0 | 0 | 7,046 |
| Current investments/productions | 20,724 | 250,974 | 17 | 5,210 | 457 | 277,382 |
| Disposals | -37,900 | -148,552 | 0 | -7 | -16 | -186,476 |
| Depreciation and amortisation | 0 | 0 | -690 | 0 | -669 | -1,359 |
| Transfers | 281,884 | -276,048 | 0 | -5,746 | -73 | 17 |
| Transfers to assets held for sale | -336 | -44,462 | 0 | 0 | 0 | -44,798 |
| Revaluation | 774 | 45,942 | 0 | 0 | 0 | 46,716 |
| Currency conversion | 0 | 269 | 0 | 0 | 0 | 269 |
| As at 31.12.2010 = 1.1.2011 | 2,716,211 | 790,582 | 13,575 | 0 | 1,638 | 3,522,006 |
| Addition company acquisitions | 1,455,909 | 111,212 | 40 | 0 | 9,268 | 1,576,428 |
| Current investments/productions | 32,403 | 191,545 | 0 | 0 | 1,078 | 225,028 |
| Disposals | -132,682 | -73,772 | 0 | 0 | -180 | -206,634 |
| Depreciation and amortisation | 0 | 0 | -762 | 0 | -1,370 | -2,132 |
| Transfers | 65,558 | -65,006 | -93 | 0 | -443 | 15 |
| Transfers to assets held for sale | 0 | -49,124 | 0 | 0 | 0 | -49,124 |
| Revaluation | 33,171 | 29,135 | 0 | 0 | 479 | 62,785 |
| Currency conversion | 0 | -90 | 0 | 0 | 0 | -90 |
| Addition of incentives agreements company acquisitions | 8,939 | 0 | 0 | 0 | 0 | 8,939 |
| Modification of incentives agreement | 3,693 | 0 | 0 | 0 | 0 | 3,693 |
| As at 31.12.2011 | 4,183,202 | 934,482 | 12,760 | 0 | 10,470 | 5,140,914 |

The below table gives an overview of the composition of the book values at the respective balance sheet date:

| € 1,000 | Investment properties | Properties under development | Own used properties | Prepayments for properties | Office furniture and equipment | Total |
|---|-----------------------|------------------------------|---------------------|----------------------------|--------------------------------|------------------|
| As at 1.1.2010 | | | | | | |
| Acquisition costs incl. valuation of properties | 2,409,589 | 962,459 | 16,672 | 544 | 3,564 | 3,392,828 |
| Accumulated depreciation | 0 | 0 | -2,424 | 0 | -1,625 | -4,049 |
| Market value/book value | 2,409,589 | 962,459 | 14,248 | 544 | 1,939 | 3,388,779 |
| As at 31.12.2010 = 1.1.2011 | | | | | | |
| Acquisition costs incl. valuation of properties | 2,716,211 | 790,582 | 16,689 | 0 | 3,845 | 3,527,328 |
| Accumulated depreciation | 0 | 0 | -3,115 | 0 | -2,207 | -5,322 |
| Market value/book value | 2,716,211 | 790,582 | 13,575 | 0 | 1,638 | 3,522,006 |
| As at 31.12.2011 | | | | | | |
| Acquisition costs incl. valuation of properties | 4,170,570 | 934,482 | 16,637 | 0 | 13,895 | 5,135,583 |
| Accumulated depreciation | 0 | 0 | -3,877 | 0 | -3,425 | -7,301 |
| Net book value | 4,170,570 | 934,482 | 12,760 | 0 | 10,470 | 5,128,282 |
| Incentives agreements | 12,633 | 0 | 0 | 0 | 0 | 12,633 |
| Market value/book value | 4,183,202 | 934,482 | 12,760 | 0 | 10,470 | 5,140,914 |

The additions from company acquisitions mainly relate to the acquisition of the Europolis Group as well as the acquisition of the SKYGARDEN Arnulfpark GmbH & Co KG in Munich.

The current capital expenditure for existing investment properties under development mainly relates to the "Tower 185" project (€ 66,899 K), "Ambigon", Munich (€ 19,751 K), "Europaplatz", Berlin (€ 18,809 K), as well as further projects in Vienna, Berlin, Frankfurt, Bratislava and Warsaw. The capital expenditure for existing properties mainly relates to the project "Lände 3" in Vienna as well from the completion of the object SKYGARDEN in Munich.

The disposals mainly relate to the projects "Flottwellpromenade, Berlin" (€ 12,819 K), "Europaallee Nord 3, Frankfurt" (€ 11,180 K), the disposal of the two Czech companies "Olympia Teplice s.r.o." and "Olympia Mladà Bolslav s.r.o." and various sales transactions in Vienna, Basel, Berlin, Munich and Düsseldorf.

The market value of the properties assigned as collateral for external financings totals € 4,315,776 K (31.12.2010: € 2,850,722 K) thereof € 176,181 K (31.12.2010: € 180,854 K) relate to joint ventures.

In the 2011 financial year, a total of € 9,934 K (2010: € 6,851 K) in borrowing costs were recognised at a weighted average interest rate of 2.8 % (2010: 4.1 %) on the acquisition cost for the construction of properties.

20. Intangible assets

| € 1,000 | Goodwill | Software | Total |
|------------------------------------|---------------|------------|---------------|
| Book values | | | |
| As at 1.1.2010 | 39,181 | 348 | 39,529 |
| Current additions | 237 | 233 | 470 |
| Disposals | -5,623 | 0 | -5,623 |
| Depreciation and amortisation | 0 | -208 | -208 |
| Impairment | -2,701 | 0 | -2,701 |
| As at 31.12.2010 = 1.1.2011 | 31,094 | 373 | 31,468 |
| Addition company acquisitions | 18,019 | 76 | 18,094 |
| Current additions | 0 | 334 | 334 |
| Disposals | -3,581 | -28 | -3,610 |
| Depreciation and amortisation | 0 | -268 | -268 |
| Impairment | -6,901 | 0 | -6,901 |
| Transfers | 0 | -14 | -14 |
| As at 31.12.2011 | 38,631 | 473 | 39,103 |

The below table gives an overview of the composition of the book values at the respective balance sheet date:

| € 1,000 | Goodwill | Software | Total |
|------------------------------------|---------------|------------|---------------|
| As at 1.1.2010 | | | |
| Acquisition costs | 68,364 | 846 | 69,210 |
| Accumulated depreciation | -29,182 | -498 | -29,681 |
| Book values | 39,181 | 348 | 39,529 |
| As at 31.12.2010 = 1.1.2011 | | | |
| Acquisition costs | 62,960 | 1,079 | 64,039 |
| Accumulated depreciation | -31,866 | -706 | -32,572 |
| Book values | 31,094 | 373 | 31,468 |
| As at 31.12.2011 | | | |
| Acquisition costs | 64,464 | 1,377 | 65,841 |
| Accumulated depreciation | -25,834 | -905 | -26,738 |
| Book values | 38,631 | 473 | 39,103 |

21. Prepayments made on investments in properties

The item "Prepayments made on investments in properties" relates to contracts with the closing to be effected at a later point in time. The CA Immo Group has cancelled this contract. This item includes the prepayment made on a project company in Prague (forward purchase) in the amount of € 2,217 K (31.12.2010: € 200 K).

Moreover, as at 31.12.2010, a partial amount of € 136,000 K related to the prepayment made on the acquisition of the Europolis Group.

22. Investments in associated companies

| € 1,000 | Region ¹⁾ | 1.1.2011 | Capital contribution | Dividend distribution | Result from associated companies | Changes of associated companies reserve | 31.12.2011 |
|--|----------------------|---------------|----------------------|-----------------------|----------------------------------|---|---------------|
| UBM Realitätenentwicklung AG, Vienna | CEE | 33,739 | 0 | -825 | 1,641 | 143 | 34,698 |
| OAo Avielen AG, St. Petersburg | CEE | 3,335 | 0 | 0 | -3,335 | 0 | 0 |
| Isargärten Thalkirchen GmbH & Co. KG, Grünwald | Germany | 22 | 0 | 0 | -1 | 0 | 21 |
| | | 37,096 | 0 | -825 | -1,695 | 143 | 34,719 |

| € 1,000 | Region ¹⁾ | 1.1.2010 | Capital contribution | Dividend distribution | Result from associated companies | Changes of associated companies reserve | 31.12.2010 |
|--|----------------------|---------------|----------------------|-----------------------|----------------------------------|---|---------------|
| UBM Realitätenentwicklung AG, Vienna | CEE | 31,806 | 0 | -750 | 2,751 | -68 | 33,739 |
| OAo Avielen AG, St. Petersburg | CEE | 6,414 | 0 | 0 | -3,080 | 0 | 3,335 |
| Isargärten Thalkirchen GmbH & Co. KG, Grünwald | Germany | 22 | 0 | 0 | 0 | 0 | 22 |
| | | 38,242 | 0 | -750 | -329 | -68 | 37,096 |

1) CEE – Eastern and South East Europe

Associated companies relate entirely to development segment.

Reserves from associates comprise the changes in equity with no effect on the income statement of one company consolidated at equity, in which the valuation of cash flow hedges and the change in reserves from foreign exchange gains/losses are included.

The share price of UBM Realitätenentwicklung AG, Vienna, was at € 25,00 as at 31.12.2011 (31.12.2010: € 32,01). Hence, the stock market value of 750,004 shares held by CA Immobilien Anlagen AG amounted to € 18,750 K (31.12.2010: € 24,008 K).

23. Financial assets

| € 1,000 | 31.12.2011 | 31.12.2010 |
|--|---------------|---------------|
| Other financial assets | 39,684 | 25,702 |
| Long-term receivables and other assets | 32,751 | 13,435 |
| Net position plan assets from pensions obligations | 1,873 | 1,938 |
| | 74,308 | 41,075 |

Other financial assets

| € 1,000 | Acquisition costs 31.12.2011 | Changes in value recognised in profit or loss 2011 | Changes in the value accumulated 31.12.2011 | Book value 31.12.2011 |
|-------------------------------|---------------------------------|--|---|--------------------------|
| Loans to joint ventures | 8,710 | 1,048 | 1,048 | 9,758 |
| Loans to associated companies | 20,932 | -453 | -453 | 20,480 |
| Other loans | 32,076 | -3,979 | -23,018 | 9,058 |
| L&R | 61,719 | -3,384 | -22,423 | 39,296 |
| AFS/AC | 331 | -1 | -1 | 330 |
| Interest rate caps | 659 | -601 | -601 | 58 |
| Other financial assets | 62,709 | -3,985 | -23,025 | 39,684 |

| € 1,000 | Acquisition costs 31.12.2010 | Changes in value recognised in profit or loss 2010 | Changes in the value accumulated 31.12.2010 | Book value 31.12.2010 |
|-------------------------------|---------------------------------|--|---|--------------------------|
| Loans to joint ventures | 27,068 | -15,926 | -15,926 | 11,142 |
| Loans to associated companies | 18,296 | 1,183 | -3,746 | 14,551 |
| L&R | 45,365 | -14,742 | -19,671 | 25,693 |
| AFS/AC | 8 | -1 | -1 | 7 |
| Interest rate caps | 32 | -31 | -31 | 1 |
| Other financial assets | 45,405 | -14,774 | -19,703 | 25,702 |

¹⁾ L&R – loans and receivables, AFS/AC – available for sale/at cost

The disclosed interest rate caps relate to maximum interest contractually agreed-upon.

In 2011 a reclassification of loans to joint ventures and of short term receivables to the other loans was made.

Long-term receivables and other assets

| € 1,000 | Book value 31.12.2011 | Book value 31.12.2010 |
|--|--------------------------|--------------------------|
| Cash and cash equivalents with drawing restrictions | 32,171 | 7,260 |
| Receivables from property sales | 0 | 4,000 |
| Positive market value of derivative financial instruments (hedge accounting) | 0 | 2,175 |
| Other receivables and assets | 580 | 0 |
| | 32,751 | 13,435 |

Net item plan assets from pension obligations

The CA Immo Group obtained a reinsurance policy for pension obligations (= plan assets).

| € 1,000 | 31.12.2011 | 31.12.2010 | 31.12.2009 | 31.12.2008 |
|--|--------------|--------------|--------------|------------|
| Cash value of obligation | -4,269 | -4,084 | -3,033 | -2,343 |
| Fair value of plan asset | 6,141 | 6,022 | 5,966 | 2,343 |
| Net position recorded in consolidated statement of financial position | 1,873 | 1,938 | 2,933 | 0 |
| Experience adjustments of cash value of obligation | 63 | -815 | -138 | 583 |
| Experience adjustments of fair value of plan asset | -242 | -216 | 13 | -583 |

The pension obligations and plan assets developed as follows:

| € 1,000 | 2011 | 2010 |
|---|--------------|--------------|
| Scope of obligation as at 1.1. | 4,084 | 3,033 |
| Current service costs | 59 | 65 |
| Past service costs | 207 | 0 |
| Interest expenses | 184 | 171 |
| Actuarial gains/losses | -265 | 815 |
| Scope of obligation as at 31.12. | 4,269 | 4,084 |
| Plan asset as at 1.1. | 6,022 | 5,966 |
| Forecast income from plan asset | 361 | 358 |
| Actuarial losses | -242 | -216 |
| Outpayments | 0 | -86 |
| Plan asset as at 31.12. | 6,141 | 6,022 |

The following expense was recorded in profit and loss:

| € 1,000 | 2011 | 2010 |
|--|------------|-------------|
| Service costs | -59 | -65 |
| Interest expenses | -184 | -171 |
| Forecast income from plan asset | 361 | 358 |
| Actuarial gains/losses from pension obligation | 265 | -815 |
| Actuarial losses from plan asset | -242 | -216 |
| Pensions costs | 141 | -909 |

24. Deferred taxes

| € 1,000 | 31.12.2011 | 31.12.2010 |
|--|-----------------|-----------------|
| Long-term properties | 25,787 | 46,985 |
| Intangible assets | 1,550 | 1 |
| Office furniture, equipment and other assets | 2,126 | 772 |
| Financial assets | 0 | 5 |
| Receivables and other assets | 6,718 | 5,164 |
| Cash and cash equivalents | 170 | 72 |
| Property intended for trading | 0 | 808 |
| Trade creditors | 46,174 | 37,419 |
| Deferred tax assets | 82,525 | 91,226 |
| Long-term properties | 260,214 | 197,069 |
| Assets held for sale | 10,776 | 7,757 |
| Property intended for trading | 2,358 | 0 |
| Provisions | 22,854 | 27,342 |
| Deferred tax liabilities | 296,202 | 232,168 |
| Non-capitalised deferred tax assets | -25,594 | -9,529 |
| Deferred taxes on losses carried forward | 59,197 | 48,447 |
| Tax deferral (net) | -180,074 | -102,024 |
| thereof deferred tax assets in statement of financial position | 11,739 | 14,133 |
| thereof deferred tax liabilities in statement of financial position | 191,813 | 116,157 |

The deferred taxes developed as follows at the respective balance sheet date:

| € 1,000 | 2011 | 2010 |
|---|-----------------|-----------------|
| Deferred taxes as at 1 January (net) | -102,024 | -105,182 |
| Change due to company acquisitions/purchase price arrears | -80,857 | -237 |
| Change due to sale of companies | 9,716 | 0 |
| Change due to exchange rate fluctuations | 117 | 106 |
| Changes recognised in equity | 10,619 | 2,630 |
| Changes recognised in the income statement | -17,645 | 659 |
| Deferred taxes as at 31 December (net) | -180,074 | -102,024 |

The non-capitalised deferred taxes on losses carried forward amount to € 119,826 K (31.12.2010: € 81,345 K). The loss carryforwards for which no deferred taxes were recognised total € 522,719 K (31.12.2010: € 351,060 K); they are forfeited after the following periods:

| € 1,000 | 2011 | 2010 |
|--|----------------|----------------|
| In the following year | 4,784 | 1,119 |
| Thereafter 4 years | 87,913 | 24,044 |
| More than 5 years | 35,632 | 37,185 |
| Without limitation in time | 394,390 | 288,712 |
| Sum total unrecorded losses carried forward | 522,719 | 351,060 |
| thereof non-capitalised deferred taxes | 119,826 | 81,345 |

The temporary differences related to investments in affiliated companies, joint ventures and associated companies for which no deferred tax liabilities were recorded pursuant to IAS 12.39 are as follows:

The total temporary differences related to investments in Austrian affiliated companies, joint ventures and associated companies for which no deferred taxes were recorded pursuant to IAS 12.39 amount to € 38,596 K (31.12.2010: € 7,601 K). Loss carryforwards of the Austrian companies that were not recognised amount to € 219,845 K (31.12.2010: € 131,866 K) - including € 70,484 K (31.12.2010: € 36,364 K) of depreciation of the seventh part that has not yet been recognised at all or asserted for tax purposes.

The total temporary differences related to investments in foreign affiliated companies, joint ventures and associated companies for which no deferred taxes were recorded pursuant to IAS 12.39 amount to € 452 K (31.12.2010: € 1,253 K). Non-capitalised loss carryforwards of foreign entities amount to € 302,874 K (31.12.2010: € 219,194 K). When fulfilling special requirements, gains from the disposal of investments in a foreign company are partially or completely exempted from income taxes.

25. Assets held for sale and liabilities related thereto

As at 31.12.2011, assets at a fair value of € 57,835 K (31.12.2010: € 46,509 K) were classified as assets held for sale. For those assets the disposal has been agreed by the adequate management board of CA Immo Group as well as the contract of sale has been terminated until the preparation of the consolidated financial statements.

| € 1,000 | 31.12.2011 | 31.12.2010 |
|--|---------------|---------------|
| Austria - Investment properties | 100 | 336 |
| Germany - Properties under development | 57,735 | 41,160 |
| Properties held for sale | 57,835 | 41,496 |

The result from revaluation includes the amount of € 3,302 K (2010: € 0 K) related to investment properties after their reclassification as properties held for sale.

As at 31.12.2011, no assets and liabilities were reclassified and attributed to disposal groups. The major groups of assets and liabilities classified as held for sale are as follows:

| € 1,000 | 31.12.2011 | 31.12.2010 |
|---|------------|--------------|
| Investment properties under development | 0 | 3,302 |
| Property intended for trading | 0 | 1,250 |
| Receivables and other assets | 0 | 461 |
| Assets in disposal groups held for sale | 0 | 5,013 |
| Provisions | 0 | 55 |
| Interest-bearing liabilities | 0 | 5,611 |
| Other liabilities | 0 | 188 |
| Liabilities relating to disposal groups | 0 | 5,854 |
| Net-assets/liabilities included in disposal groups | 0 | -841 |

€ 100 K (31.12.2010: € 2,630 K) of the properties classified as IFRS 5 (individual assets and disposal groups) are mortgaged as a collateral for loan liabilities.

26. Properties intended for trading

| € 1,000 | Acquisition / production cost | Accumulated impairment | 31.12.2011 Book values | Acquisition / production cost | Accumulated impairment | 31.12.2010 Book values |
|--|-------------------------------------|---------------------------|---------------------------|-------------------------------------|---------------------------|---------------------------|
| At production costs | 25,276 | 0 | 25,276 | 30,048 | 0 | 30,048 |
| At realisable value | 16,715 | -8,087 | 8,628 | 22,644 | -7,353 | 15,291 |
| Total properties intended for trading | 41,990 | -8,087 | 33,904 | 52,692 | -7,353 | 45,339 |

The fair value of the properties intended for trading which are recorded at acquisition/production cost amounts to € 32,861 K (31.12.2010: € 38,673 K).

Properties intended for trading in the amount of € 20,159 K (31.12.2010: € 20,910 K) are expected to be realised within more than 12 months. This applies to 19 real estates (31.12.2010: 18 real estates) in Germany.

€ 397 K (31.12.2010: € 8,148 K) of the properties intended for trading are mortgaged as a collateral for loan liabilities.

In the 2011 financial year, a total of € 130 K (2010: € 90 K) in borrowing costs were recognised at a weighted average interest rate of 4% (2010: 3.5%) on the acquisition cost for properties intended for trading.

27. Receivables and other assets

| € 1,000 | Book value 31.12.2011 | Book value 31.12.2010 |
|--|--------------------------|--------------------------|
| Accounts receivable and other financial assets | 139,265 | 132,917 |
| Derivative financial instruments | 11 | 12 |
| Other non financial assets | 28,783 | 14,088 |
| | 168,059 | 147,017 |

The receivables and other financial assets contain receivables as per IAS 11 in the amount of € 45 K (31.12.2010: € 533 K).

Value adjustments were made for current receivables and other assets with a nominal value of € 19,301 K (31.12.2010: € 12,801 K) in the amount of € 17,466 (31.12.2010: € 11,083 K). The allowances in the amount of € 9,369 K (€ 6,228 K allocated in 2011, and € 2,950 K in 2010) posted against a tenant in the Czech Republic arise largely from the owed hotel rent, which is the subject of the pending insolvency proceedings against the tenant. A partial satisfaction of the registered claim is currently considered probable.

Change in value adjustments:

| € 1,000 | 2011 | 2010 |
|--|---------------|---------------|
| As at 1.1. | 11,083 | 5,833 |
| Appropriation (value adjustment expenses) | 11,762 | 6,470 |
| Disposal deconsolidation | - 177 | - 292 |
| Use | - 463 | - 433 |
| Release | - 2,129 | - 525 |
| Reclassification to long term financial assets | - 2,099 | 0 |
| Foreign currency gains/losses | - 511 | 31 |
| As at 31.12. | 17,466 | 11,083 |

The age structure of short-term receivables and other assets, whose value has not been adjusted, is as follows:

| | not due | < 30 days | 31 - 180 days | 181 - 360 days | overdue > 1 year | Total |
|-------------------|---------|-----------|---------------|----------------|---------------------|---------|
| 31.12.2011 | 152,601 | 6,639 | 3,010 | 790 | 3,184 | 166,224 |
| 31.12.2010 | 137,548 | 4,343 | 1,772 | 603 | 1,034 | 145,300 |

28. Securities

In the 2011 business year, all securities (book value as at 31.12.2010: € 3,854 K) were sold.

29. Cash and cash equivalents

| € 1,000 | 31.12.2011 | 31.12.2010 |
|---|----------------|----------------|
| Credit balances with banks | 337,493 | 344,035 |
| Bank balances subject to drawing restrictions | 16,261 | 10,708 |
| Cash on hand | 25 | 21 |
| | 353,778 | 354,764 |

Bank balances subject to drawing restrictions comprise bank balances to which the CA Immo Group has limited access only. The bank balances subject to drawing restrictions entirely include balances that serve the purpose of securing current loan liabilities (repayment and interest). The Group cannot access the funds any other way without the express approval of the lenders. The amounts fall due within less than three months.

30. Shareholders' equity

The share capital equals the fully paid in nominal capital of CA Immobilien Anlagen Aktiengesellschaft of € 638,713,556 (31.12.2010: € 638,713,556). It is divided into 87,856,056 (31.12.2010: 87,856,056) registered shares of no par value and 4 registered bearer shares of no par value. The registered shares are held by UniCredit Bank Austria AG, Vienna, and grant the right to nominate one member of the Supervisory Board each. This right has not been exercised. All members of the Supervisory Board were elected by the General Meeting.

In November 2009, a 5-year convertible bond with a volume of € 135,000 K was issued. The coupon of the convertible bond payable every six months was fixed at 4.125%, the initial conversion price at € 11.5802. On the basis of this initial conversion price, upon exercising of the conversion right, if any, no more than 11,657,829 registered shares of no par value may be issued. The planned distribution of a dividend will lead to an adjustment of the conversion price and, thus, the maximum number of registered shares of no par value that may be issued upon exercising of the conversion right. The amount of this adjustment depends on the share price directly before the ex-dividend date. According to the terms and conditions applicable to the issuance of the convertible bond, the creditors have the right to convert their bond at any time (i.e. also prior to the expiration date of the bond in 2014) into shares in CA Immobilien Anlagen Aktiengesellschaft at the conversion price. At the balance sheet date, the share price of the CA Immo share amounted to € 8.29 and was thus below the conversion price. No bond had been submitted for conversion by the balance sheet date. In 2011, the company redeemed convertible bonds with a nominal value of € 20,500 K from the market at an average redemption price of 94.6%. The convertible bond had led to an increase in the capital reserves of € 3,460 K in 2009. As at 31.12.2011, the repurchase of the convertible bond now leads to a reduction of the capital reserves of € 581 K (31.12.2010: € 0 K).

The tied capital reserves disclosed in the individual financial statements of CA Immobilien Anlagen Aktiengesellschaft total € 820,184 K (31.12.2010: € 820,184 K). As a rule, profits can only be distributed up to the amount of the net profit of the parent company disclosed in the individual financial statements in accordance with the Austrian Corporate Code (UGB). A partial amount € 18,431 K of the net profit of CA Immobilien Anlagen Aktiengesellschaft in the amount of € 98,748 K (31.12.2010: € 0 K) disclosed as at 31.12.2011 is blocked from distribution in 2011. The Management Board of CA Immo AG proposes to use part of the next retained earnings of € 98,748 K to pay a dividend of € 0,38 per share, i.e. a total of € 33,385 K to the shareholders. The rest of the net retained earnings in the amount of € 65,363 K is intended to be carried forward to new account.

As at the reporting date of 31.12.2011 there is an unused authorised capital in the amount of € 312,841,477 that can be utilised on or before 8.8.2012, as well as a conditional capital in the amount of € 317,185,011.

31. Provisions

| € 1,000 | Staff | Others | Total |
|--|--------------|---------------|---------------|
| As at 1.1.2011 | 5,292 | 59,756 | 65,048 |
| Use | - 4,104 | - 40,249 | - 44,353 |
| Release | - 420 | - 7,397 | - 7,817 |
| Allocation | 7,186 | 55,580 | 62,766 |
| Addition from first-time consolidation | 1,490 | 13,364 | 14,854 |
| Disposal from deconsolidation | - 194 | - 1,250 | - 1,444 |
| Foreign currency gains/losses | - 16 | - 564 | - 580 |
| As at 31.12.2011 | 9,234 | 79,240 | 88,474 |
| thereof: short-term | 7,000 | 72,292 | 79,292 |
| thereof: long-term | 2,234 | 6,948 | 9,182 |

Provision for staff

The provision for staff primarily comprises the cash value of the long-term obligations for settlement payments to employees in the amount of € 967 K (31.12.2010: € 642 K), premiums in the amount of € 6,808 K (31.12.2010: € 3,633 K), and unused holiday entitlements in the amount of € 1,080 K (31.12.2010: € 688 K). The provision for premiums comprises a long-term provision for the 2010 and 2011 LTI-(long-term incentive) programmes in the amount of € 1,266 K (31.12.2010: € 314 K) that were endowed from the 2010 business year on. Both LTI-programmes set forth a payment after the expiration of three years. In 2011 business year expenses in the amount of € 952 K (31.12.2010: € 314 K) were recognised.

The cash value of severance payment obligations developed as follows:

| € 1,000 | 2011 | 2010 | 2009 | 2008 | 2007 |
|--|------------|------------|------------|------------|------------|
| Cash value of defined benefit obligations as at 1.1 | 642 | 522 | 560 | 599 | 371 |
| Addition from company acquisitions | 458 | 0 | 0 | 0 | 0 |
| Use | - 45 | 0 | - 99 | - 325 | 0 |
| Service cost | - 171 | 184 | - 42 | 491 | 425 |
| Interest expenses | 52 | 24 | 22 | 24 | 15 |
| Actuarial losses/gains | 31 | - 88 | 81 | - 229 | - 212 |
| Cash value of defined benefit obligations as at 31.12 | 967 | 642 | 522 | 560 | 599 |

Experience adjustments of the present value of the obligation are negligible.

Furthermore, there are performance-based pension plans in Germany; a reinsurance policy was obtained for the pension obligations. Since the plan assets at the balance sheet date exceed the cash value of the pension obligations, the net item in the amount of € 1,873 K (31.12.2010: € 1,938 K) is disclosed under long-term receivables.

Other provisions

| € 1,000 | 31.12.2011 | 31.12.2010 |
|--|---------------|---------------|
| Construction services | 34,099 | 26,577 |
| Subsequent costs of sold properties | 17,674 | 14,460 |
| Warranty and technical risks from sales | 4,092 | 3,774 |
| Real estate transfer tax and registration fees | 3,681 | 4,522 |
| Other | 19,694 | 10,423 |
| Total | 79,240 | 59,756 |

32. Interest-bearing liabilities

| € 1,000 | Short-term | Long-term | 31.12.2011 Total | Short-term | Long-term | 31.12.2010 Total |
|---|----------------|------------------|---------------------|----------------|------------------|---------------------|
| Convertible bond | 488 | 112,724 | 113,212 | 793 | 130,538 | 131,331 |
| Other bonds | 4,516 | 332,106 | 336,622 | 4,711 | 345,027 | 349,738 |
| Bonds | 5,004 | 444,830 | 449,834 | 5,504 | 475,565 | 481,069 |
| Investment loan | 725,524 | 1,953,270 | 2,678,794 | 210,353 | 1,399,853 | 1,610,206 |
| Subordinated liabilities | 37,066 | 79,845 | 116,911 | 0 | 0 | 0 |
| Loans from joint venture partners | 8,059 | 8,980 | 17,039 | 21,053 | 12,888 | 33,941 |
| Liabilities to joint ventures | 1,436 | 0 | 1,436 | 1,139 | 0 | 1,139 |
| Other interest-bearing liabilities | 772,085 | 2,042,095 | 2,814,180 | 232,545 | 1,412,741 | 1,645,286 |
| | 777,089 | 2,486,925 | 3,264,014 | 238,049 | 1,888,306 | 2,126,355 |

The subordinate liabilities relate to liabilities of the Europolis Group towards Österreichische Volksbanken-Aktiengesellschaft, Vienna and the European Bank for Reconstruction and Development (EBRD), London.

99.2% (31.12.2010: 99.6%) of interest-bearing liabilities exist in EUR, 0.6% (31.12.2010: 0.0%) in USD, and 0.2% (31.12.2010: 0.4%) in CZK.

Bonds

| 31.12.2011 | Nominal value in € 1,000 | Book value Total € 1,000 | Deferred interest in € 1,000 | Nominal interest rate | Effective interest rate | Issue | Repayment |
|---------------------|-----------------------------|--------------------------------|------------------------------------|--------------------------|----------------------------|------------|------------|
| Convertible bond | 114,500 | 112,724 | 488 | 4.13% | 6.15% | 9.11.2009 | 9.11.2014 |
| Bonds 2006-2016 | 185,992 | 182,865 | 2,618 | 5.13% | 5.53% | 22.9.2006 | 22.9.2016 |
| Bonds 2009-2014 | 150,000 | 149,241 | 1,897 | 6.13% | 6.33% | 16.10.2009 | 16.10.2014 |
| Total | 450,492 | 444,830 | 5,004 | | | | |

Starting in September 2011, convertible bonds with a nominal value of € 20,500 K and bonds from 2006 with a nominal value of € 14,008 K were bought back from the market until the end of the year under review. The repurchase generated a profit in the total amount of € 1,481 K (2010: € 0 K), which was recognised as a reduction in the interest expenses for bonds. This capital reserves declined by € 581 K (2010: € 0 K).

| 31.12.2010 | Nominal value in € 1,000 | Book value Total € 1,000 | Deferred interest in € 1,000 | Nominal interest rate | Effective interest rate | Issue | Repayment |
|---------------------|-----------------------------|--------------------------------|------------------------------------|--------------------------|----------------------------|------------|------------|
| Convertible bond | 135,000 | 130,538 | 793 | 4.13% | 6.15% | 9.11.2009 | 9.11.2014 |
| Bonds 2006-2016 | 200,000 | 196,028 | 2,813 | 5.13% | 5.53% | 22.9.2006 | 22.9.2016 |
| Bonds 2009-2014 | 150,000 | 148,999 | 1,897 | 6.13% | 6.33% | 16.10.2009 | 16.10.2014 |
| Total | 485,000 | 475,565 | 5,504 | | | | |

Other interest-bearing liabilities

99.3% of other interest-bearing liabilities within the CA Immo Group are subject to financial covenants. These usually are particular LTV (loan to value) and DSCR (debt service coverage ratio) figures with investment properties and particular LTC (loan to cost) and ISCR (interest service coverage ratio) figures with project financings.

Other interest-bearing liabilities in relation to which financial covenants have not been met as at 31.12.2011 and such breach of financial covenants generally entitles the lender to early termination are recorded under the short-term financial liabilities regardless of the date on which they fall due. This applies irrespective of the state of negotiations with the banks regarding a continuation or amendment of the loan agreements. As at 31.12.2011, four loans in Eastern/South East Europe in a total amount of € 69,965 K (31.12.2010: two loans in Eastern and South East Europe in the total amount of € 33,457K) were affected by this. The CA Immo Group takes according action (e.g. partial repayment of the loans, increase in equity of the relevant companies) in order to remedy the breach of the financial covenants.

As at 31.12.2011 and 31.12.2010 the terms of other interest-bearing liabilities are as follows:

| Type of financing and currency | Effective interest rate as at 31.12.2011 in % | Interest variable/ fixed | Maturity | Nominal value in € 1,000 | Book value in € 1,000 | Fair value in € 1,000 |
|---|---|--------------------------------|--------------------------|--------------------------------|--------------------------|-----------------------------|
| Investment loan / EUR | 4.41% | variable | 01/2017 | 512,240 | 514,978 | 514,978 |
| Investment loan / EUR | 4.68% | variable | 12/2012 | 264,806 | 262,140 | 262,140 |
| Loans for investments (each below 100 m EUR) | 1.40% - 7.73% | variable | 01/2012 - 12/2030 | 1,783,970 | 1,780,189 | 1,780,189 |
| Investment loan / EUR | 3.90% - 7.58% | fixed | 06/2013 - 12/2013 | 93,739 | 94,171 | 96,940 |
| Investment loan / CZK | 5.72% | variable | 06/2013 | 7,211 | 7,211 | 7,211 |
| Investment loan / USD | 2.83% - 4.08% | variable | 12/2012 - 12/2017 | 19,463 | 20,105 | 20,105 |
| Investment loan (total) | | | | 2,681,429 | 2,678,794 | 2,681,563 |
| Subordinated liabilities | 2.30% - 2.90% | variable | 12/2012 - 09/2016 | 124,651 | 116,911 | 116,911 |
| Loans from joint venture partners / EUR | 1.10% - 5.37% | variable | 03/2012 - 12/2018 | 6,988 | 8,213 | 8,213 |
| Loan from joint venture partners / EUR | 0.00% - 7.00% | fixed | 12/2012 - 12/2020 | 7,420 | 8,178 | 8,510 |
| Loan from joint venture partners / HUF | 0.00% | fixed | 03/2012 | 648 | 648 | 646 |
| Loans of joint venture partners (total) | | | | 15,056 | 17,039 | 17,369 |
| Liabilities to joint ventures | 2.56% | variable | 12/2011 - 12/2012 | 1,413 | 1,436 | 1,436 |
| | | | | 2,822,549 | 2,814,180 | 2,817,279 |

| Type of financing and currency | Effective interest rate as at 31.12.2010 in % | Interest variable/ fixed | Maturity | Nominal value in € 1,000 | Book value in € 1,000 | Fair value in € 1,000 |
|--|---|--------------------------|--------------------------|--------------------------|-----------------------|-----------------------|
| Investment loan / EUR | 4.41% | variable | 01/2017 | 520,161 | 522,687 | 522,687 |
| Investment loan / EUR | 4.67% | variable | 12/2012 | 151,507 | 147,689 | 147,689 |
| Loans for investments (each below 100 m EUR) | 1.53% - 7.71% | variable | 02/2011 - 12/2032 | 923,129 | 919,327 | 919,327 |
| Investment loan / EUR | 4.25% - 5.16% | fixed | 05/2011 - 12/2013 | 12,444 | 12,497 | 13,562 |
| Investment loan / CZK | 5.72% | variable | 06/2013 | 7,675 | 7,675 | 7,675 |
| Investment loan / USD | 2.25% | variable | 07/2011 | 330 | 331 | 331 |
| Investment loan (total) | | | | 1,615,246 | 1,610,206 | 1,611,271 |
| Loans from joint venture partners / EUR | 1.53% - 5.12% | variable | 03/2011 - 12/2016 | 14,562 | 14,562 | 14,562 |
| Loan from joint venture partners / EUR | 0.00% - 8.50% | fixed | 12/2011 - 12/2013 | 19,379 | 19,379 | 20,384 |
| Loans of joint venture partners (total) | | | | 33,941 | 33,941 | 34,946 |
| Liabilities to joint ventures | 1.94% | variable | 12/2010 - 12/2011 | 1,125 | 1,139 | 1,139 |
| | | | | 1,650,312 | 1,645,286 | 1,647,356 |

Taking into account all interest hedging agreements, the average weighted interest rate stands at 4.1% (31.12.2010: 4.6%) for all EUR financial liabilities, 3.9% (31.12.2010: 2.3%) for all USD financial liabilities and 5.7% (31.12.2010: 5.7%) for the CZK financial liability.

33. Other liabilities

| € 1,000 | Short-term | Long-term | 31.12.2011 Total | Short-term | Long-term | 31.12.2010 Total |
|--|----------------|----------------|------------------|----------------|----------------|------------------|
| Fair value derivative transactions | 5,418 | 181,092 | 186,510 | 1,304 | 137,917 | 139,221 |
| Outstanding purchase invoices | 2,320 | 136,000 | 138,320 | 8,291 | 0 | 8,291 |
| Prepayments received | 36,222 | 31,717 | 67,939 | 32,311 | 43,360 | 75,671 |
| Trade creditors | 53,002 | 8,552 | 61,554 | 25,025 | 37,104 | 62,129 |
| Rent deposits | 2,173 | 13,162 | 15,335 | 685 | 4,462 | 5,147 |
| Non realized income from deconsolidation | 6,400 | 0 | 6,400 | 6,400 | 0 | 6,400 |
| Settlement of operating costs | 3,325 | 0 | 3,325 | 4,784 | 0 | 4,784 |
| Other | 7,722 | 2,182 | 9,904 | 3,785 | 2,009 | 5,794 |
| Primary financial instruments | 111,164 | 191,613 | 302,777 | 81,281 | 86,934 | 168,215 |
| Taxes | 30,733 | 0 | 30,733 | 29,618 | 0 | 29,618 |
| Prepaid rent | 5,177 | 784 | 5,961 | 3,611 | 5,551 | 9,162 |
| Non-financial financial instruments | 35,910 | 784 | 36,694 | 33,229 | 5,551 | 38,780 |
| | 152,492 | 373,489 | 525,981 | 115,814 | 230,402 | 346,216 |

34. Liabilities on taxes on income and earnings

This item includes the amount of € 35,921 K (31.12.2010: € 58,822 K) related to the CA Immo Deutschland Group and comprises corporate income tax and trade tax for the years 2008 to 2011 that have not been finally assessed, as well as potential risks from a current tax audit completed in Germany for the years 2001 to 2006.

35. Cash flow

The cash flow from the acquisition of real estate companies reduced by cash and cash equivalents is shown in detail below:

| € 1,000 | 2011 |
|--|---------------|
| Purchase prices for acquisitions (for Europolis AG stated provisionally) | – 306,818 |
| Less pre-payment in prior year | 136,000 |
| Less respite of purchase price | 136,000 |
| Dividend payment to previous shareholder of Europolis AG | – 21,610 |
| Acquired funds | 128,308 |
| Acquisition of property companies, less cash and cash equivalents | 71,880 |

36. Financial instruments

Financial instruments include both primary and derivative financial instruments. The CA Immo Group divides its financial assets and receivables into the following categories in accordance with IAS 39.9:

Financial assets

| Category | HFT | AFS/AC | L&R | IAS 39 category ¹⁾ Non-FI and FI beyond IAS 39 | Book value 31.12.2011 | Fair value 31.12.2011 |
|--|-----------|------------|----------------|--|--------------------------|--------------------------|
| € 1,000 | | | | | | |
| Prepayments made on investments in properties | 0 | 0 | 2,217 | 0 | 2,217 | 2,217 |
| Net position plan assets from pensions obligations | 0 | 0 | 0 | 1,873 | 1,873 | 1,873 |
| Cash and cash equivalents with drawing restrictions | 0 | 0 | 32,171 | 0 | 32,171 | 32,171 |
| Derivative financial instruments | 58 | 0 | 0 | 0 | 58 | 58 |
| Primary financial instruments | 0 | 330 | 39,876 | 0 | 40,206 | 40,206 |
| Financial assets | 58 | 330 | 72,047 | 1,873 | 74,308 | 74,308 |
| Cash and cash equivalents with drawing restrictions | 0 | 0 | 23,894 | 0 | 23,894 | 23,894 |
| Derivative financial instruments | 11 | 0 | 0 | 0 | 11 | 11 |
| Primary financial instruments | 0 | 0 | 115,326 | 28,828 | 144,154 | 144,154 |
| Receivables and other assets | 11 | 0 | 139,220 | 28,828 | 168,059 | 168,059 |
| Cash and cash equivalents | 0 | 0 | 353,778 | 0 | 353,778 | 353,778 |
| | 69 | 330 | 567,262 | 30,701 | 598,362 | 598,362 |

| Category € 1,000 | HFT | FV/PL | AFS/AC | IAS 39 category ¹⁾ | | Book value 31.12.2010 | Fair value 31.12.2010 |
|--|--------------|--------------|----------|-------------------------------|-----------------------------------|--------------------------|--------------------------|
| | | | | L&R | Non-FI and FI beyond IAS 39 | | |
| Prepayments made on investments in properties | 0 | 0 | 0 | 136,200 | 0 | 136,200 | 136,200 |
| Net position plan assets from pensions obligations | 0 | 0 | 0 | 0 | 1,938 | 1,938 | 1,938 |
| Cash and cash equivalents with drawing restrictions | 0 | 0 | 0 | 7,260 | 0 | 7,260 | 7,260 |
| Derivative financial instruments | 2,176 | 0 | 0 | 0 | 0 | 2,176 | 2,176 |
| Primary financial instruments | 0 | 0 | 7 | 29,693 | 0 | 29,701 | 29,701 |
| Financial assets | 2,176 | 0 | 7 | 36,953 | 1,938 | 41,075 | 41,075 |
| Cash and cash equivalents with drawing restrictions | 0 | 0 | 0 | 36,311 | 0 | 36,311 | 36,311 |
| Derivative financial instruments | 12 | 0 | 0 | 0 | 0 | 12 | 12 |
| Primary financial instruments | 0 | 0 | 0 | 96,075 | 14,621 | 110,696 | 110,696 |
| Receivables and other assets | 12 | 0 | 0 | 132,386 | 14,621 | 147,019 | 147,019 |
| Securities | 0 | 3,854 | 0 | 0 | 0 | 3,854 | 3,854 |
| Cash and cash equivalents | 0 | 0 | 0 | 354,764 | 0 | 354,764 | 354,764 |
| | 2,188 | 3,854 | 7 | 660,303 | 16,559 | 682,912 | 682,912 |

¹⁾ HFT – held for trading, FV/PL – at fair value through profit or loss, AFS/AC – available for sale/at cost, L&R – loans and receivables, FI – financial instruments

The fair value of the primary financial instruments essentially equates to the book value due to daily and/or short-term maturities. Since no price listed on active markets is available for the financial instruments of the AFS/AC category and the fair value cannot be calculated reliably, valuation has been carried out on the basis of their acquisition cost. Therefore, their book value is also indicated in the "Fair value" column.

Financial liabilities

| Category € 1,000 | HFT | CFH | FLAC | IAS 39 category ¹⁾ | | Book value 31.12.2011 | Fair value 31.12.2011 |
|-------------------------------------|---------------|----------------|------------------|-------------------------------|--|--------------------------|--------------------------|
| | | | | Non-FI | | | |
| Convertible bond | 0 | 0 | 113,212 | 0 | | 113,212 | 115,760 |
| Other bonds | 0 | 0 | 336,622 | 0 | | 336,622 | 337,492 |
| Other interest-bearing liabilities | 0 | 0 | 2,814,180 | 0 | | 2,814,180 | 2,822,283 |
| Interest-bearing liabilities | 0 | 0 | 3,264,014 | 0 | | 3,264,014 | 3,275,534 |
| Derivative financial instruments | 67,381 | 119,129 | 0 | 0 | | 186,510 | 186,510 |
| Primary financial instruments | 0 | 0 | 302,777 | 36,694 | | 339,471 | 339,471 |
| Other liabilities | 67,381 | 119,129 | 302,777 | 36,694 | | 525,981 | 525,981 |
| | 67,381 | 119,129 | 3,566,791 | 36,694 | | 3,789,995 | 3,801,515 |

| Category | IAS 39 category ¹⁾ | | | | Book value | Fair value |
|--|-------------------------------|---------------|------------------|---------------|------------------|------------------|
| | HFT | CFH | FLAC | Non-FI | 31.12.2010 | 31.12.2010 |
| € 1,000 | | | | | | |
| Convertible bond | 0 | 0 | 131,331 | 0 | 131,331 | 143,100 |
| Other bonds | 0 | 0 | 349,738 | 0 | 349,738 | 357,285 |
| Other interest-bearing liabilities | 0 | 0 | 1,645,286 | 0 | 1,645,286 | 1,652,860 |
| Interest-bearing liabilities | 0 | 0 | 2,126,355 | 0 | 2,126,355 | 2,153,245 |
| Derivative financial instruments | 45,459 | 93,761 | 0 | 0 | 139,220 | 139,220 |
| Primary financial instruments | 0 | 0 | 168,216 | 38,780 | 206,996 | 206,996 |
| Other liabilities | 45,459 | 93,761 | 168,216 | 38,780 | 346,216 | 346,216 |
| Liabilities relating to disposal groups | 0 | 0 | 5,854 | 0 | 5,854 | 5,854 |
| | 45,459 | 93,761 | 2,300,424 | 38,780 | 2,478,425 | 2,505,315 |

¹⁾ HFT – held for trading, CFH – cash flow hedge, FLAC – financial liabilities at amortised cost, FI – financial instruments

37. Derivative financial instruments

| € 1,000 | Nominal value | Fair value | 31.12.2011 | | 31.12.2010 | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| | | | Book value | Nominal value | Fair value | Book value |
| Interest rate swaps | 1,828,152 | - 184,121 | - 184,121 | 1,857,934 | - 136,942 | - 136,942 |
| - thereof cash flow hedges | 1,366,614 | - 119,129 | - 119,129 | 1,263,389 | - 93,761 | - 93,761 |
| - thereof fair value derivatives | 461,538 | - 64,992 | - 64,992 | 594,545 | - 43,181 | - 43,181 |
| Interest rate caps | 229,448 | 58 | 58 | 50,000 | 13 | 13 |
| Interest rate floors | 24,109 | - 1,188 | - 1,188 | 0 | 0 | 0 |
| Forward foreign exchange transactions | 11,289 | - 1,191 | - 1,191 | 1,383 | - 103 | - 103 |
| Total | 2,092,998 | - 186,442 | - 186,442 | 1,909,317 | - 137,032 | - 137,032 |
| - thereof cash flow hedges | 1,366,614 | - 119,129 | - 119,129 | 1,263,389 | - 93,761 | - 93,761 |
| - thereof fair value derivatives | 726,384 | - 67,313 | - 67,313 | 645,928 | - 43,271 | - 43,271 |

Overall, the nominal value for the cash flow hedges directly attributable to the respective credits and concluded as at the balance sheet date stood at 48.5% (31.12.2010: 76.3%) of the nominal value of all variable-interest EUR investment credits and 100.0% (31.12.2010: 100.0%) of the variable-interest CZK investment credit. No interest rate swap agreements have been concluded for the USD investment credits.

Interest rate swaps

Interest rate swaps were terminated to hedge future cash flows. The effectiveness of the hedge relationship between hedging and underlying transactions is regularly examined using effectiveness measurements.

| € 1,000 | Nominal value | Fair value | 31.12.2011 | Nominal value | Fair value | 31.12.2010 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| | | | Book value | | | Book value |
| - Cash flow hedges (effective) | 1,362,878 | - 119,018 | - 119,018 | 1,260,468 | - 93,655 | - 93,655 |
| - Cash flow hedges (ineffective) | 3,736 | - 111 | - 111 | 2,921 | - 106 | - 106 |
| - Fair value derivatives (HFT) without counter-swaps | 461,538 | - 64,992 | - 64,992 | 258,145 | - 43,181 | - 43,181 |
| - Fair value derivatives (HFT) with counter-swaps | 0 | 0 | 0 | 168,200 | - 1,874 | - 1,874 |
| - Counter-swaps (HFT) | 0 | 0 | 0 | 168,200 | 1,874 | 1,874 |
| Interest rate swaps | 1,828,152 | - 184,121 | - 184,121 | 1,857,934 | - 136,942 | - 136,942 |

The interest rate swaps have the following market values and conditions:

| Currency | Nominal value in € 1,000 | Start | End | Fixed interest rate as at 31.12.2011 | Reference interest rate | Fair value 31.12.2011 in € 1,000 | Category |
|--|--------------------------|-------------------|-------------------|--------------------------------------|-------------------------|----------------------------------|----------|
| EUR | 464,461 | 12/2006 | 01/2017 | 3.91% | 3M-Euribor | - 54,565 | CFH |
| EUR | 264,700 | 03/2010 | 12/2012 | 1.93% | 3M-Euribor | - 2,093 | CFH |
| EUR (nominal value each below 100 m EUR) | 609,364 | 03/2006 - 10/2011 | 06/2012 - 12/2022 | 1.30% - 4.79% | 3M-Euribor | - 60,472 | CFH |
| EUR (nominal value each below 100 m EUR) | 461,538 | 09/2002 - 12/2008 | 09/2012 - 12/2022 | 4.17% - 5.28% | 3M-Euribor | - 64,992 | HFT |
| EUR | 20,878 | 05/2006 | 12/2014 | 4.20% | 6M-Euribor | - 1,623 | CFH |
| CZK | 7,211 | 06/2008 | 06/2013 | 4.62% | 3M-Pribor | - 377 | CFH |
| Total = variable in fixed | 1,828,152 | | | | | - 184,121 | |

| Currency | Nominal value in € 1,000 | Start | End | Fixed interest rate as at 31.12.2010 | Reference interest rate | Fair value 31.12.2010 in € 1,000 | Category |
|--|-----------------------------|-------------------|-------------------|--|----------------------------|--|----------|
| EUR | 464,461 | 12/2006 | 01/2017 | 3.91% | 3M-Euribor | - 37,222 | CFH |
| EUR | 151,400 | 03/2010 | 12/2012 | 1.93% | 3M-Euribor | - 2,492 | CFH |
| EUR (nominal value each below 100 m EUR) | 617,947 | 09/2004 - 06/2009 | 07/2011 - 12/2022 | 1.93% - 4.79% | 3M-Euribor | - 51,953 | CFH |
| EUR (nominal value each below 100 m EUR) | 426,345 | 07/2007 - 12/2008 | 12/2012 - 12/2022 | 4.01% - 4.61% | 3M-Euribor | - 45,055 | HFT |
| EUR | 21,905 | 05/2006 | 12/2014 | 4.20% | 6M-Euribor | - 1,603 | CFH |
| CZK | 7,675 | 06/2008 | 06/2013 | 4.62% | 3M-Pribor | - 491 | CFH |
| variable in fixed | 1,689,734 | | | | | - 138,816 | |
| EUR | 168,200 | 10/2009 - 12/2010 | 12/2013 - 12/2020 | 1.53% - 3.29% | 3M-Euribor | 1,874 | HFT |
| fixed in variable | 168,200 | | | | | 1,874 | |
| Total | 1,857,934 | | | | | - 136,942 | |

Interest rate caps/interest rate floors

Interest rate caps and/or interest rate floors are exclusively used to hedge the risk of interest rate changes on existing loans:

| Currency | Nominal value in € 1,000 | Start | End | Fixed interest rate as at 31.12.2011 | Reference interest rate | Fair value 31.12.2011 in € 1,000 | Category |
|----------------------------|--------------------------------|-------------------|-------------------|--|----------------------------|--|----------|
| Interest rate caps EUR | 229,448 | 10/2006 - 03/2011 | 06/2012 - 12/2014 | 1.22% - 6.50% | 3M-Euribor | 58 | HFT |
| Interest rate floor EUR | 24,109 | 06/2008 | 12/2013 | 3.85% | 3M-Euribor | - 1,188 | HFT |
| Total | 253,557 | | | | | - 1,130 | |

| Currency | Nominal value in € 1,000 | Start | End | Fixed interest rate as at 31.12.2010 | Reference interest rate | Fair value 31.12.2010 in € 1,000 | Category |
|---------------------------|--------------------------------|-------------------|-------------------|--|----------------------------|--|----------|
| Interest rate caps EUR | 50,000 | 04/2010 - 07/2010 | 10/2011 - 12/2011 | 1.00% - 2.50% | 1M-Euribor | 13 | HFT |

Forward foreign exchange transactions

The forward foreign exchange transactions were concluded to hedge against future currency fluctuations for two long-term loans in Poland and for rental incomes in USD in Poland.

| Currency | Fixed Exchange rate as at 31.12.2011 | Start | End | Nominal value in 1,000 Foreign currency | Nominal value in € 1,000 | Fair value 31.12.2011 in € 1,000 | Category |
|----------|--------------------------------------|-------------------|-------------------|---|--------------------------|----------------------------------|----------|
| PLN | 4.0020 - 4.6320 | 03/2009 - 04/2011 | 01/2012 - 08/2013 | 44,357 | 10,940 | - 1,152 | HFT |
| USD | 1.4337 | 06/2009 | 06/2012 | 500 | 349 | - 39 | HFT |
| | | | | | 11,289 | - 1,191 | |

| Currency | Fixed Exchange rate as at 31.12.2010 | Start | End | Nominal value in 1,000 Foreign currency | Nominal value in € 1,000 | Fair value 31.12.2010 in € 1,000 | Category |
|----------|--------------------------------------|---------|-------------------|---|--------------------------|----------------------------------|----------|
| USD | 1.4236 - 1.4337 | 06/2009 | 06/2011 - 06/2012 | 1,975 | 1,383 | - 103 | HFT |

Changes recorded in other comprehensive income

| € 1,000 | 2011 | 2010 |
|---|-----------------|-----------------|
| As at 1.1. | - 73,766 | - 62,480 |
| Change in valuation of cash flow hedges | - 30,320 | - 18,114 |
| Change of ineffectiveness cash flow hedges | 111 | 106 |
| Reclassification cash flow hedges | 4,892 | 378 |
| Taxes on income on cash flow hedges | 5,201 | 2,490 |
| Reclassification acquisition of non-controlling interests | 0 | 3,854 |
| As at 31.12. | - 93,882 | - 73,766 |
| thereof attributable to the owners of the parent | - 93,022 | - 72,716 |
| thereof attributable to non-controlling interests | - 860 | - 1,050 |

The reclassification related to the valuation of the cash flow hedges including tax on profits on non-controlling interests for capital reserves due to the acquisition of shares in CA Immo International AG, Vienna, and the subsequent merger, which was recorded as an equity transaction without an impact on net income in accordance with IFRS 3/IAS 27.

Hierarchy of fair values

The table below sets out the financial instruments, whose subsequent valuation has been carried out on the basis of their fair value. These are divided into three stages, depending on the extent to which it is possible to observe the fair value (level 1 - observable, level 2 - partially observable, level 3 - non-observable):

| € 1,000 | | | | 31.12.2011 |
|---------------------------------------|----------|------------------|----------|------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets HFT | | | | |
| Interest rate caps | 0 | 58 | 0 | 58 |
| Financial liabilities CFH | | | | |
| Interest rate swaps | 0 | - 119,129 | 0 | - 119,129 |
| Financial liabilities HFT | | | | |
| Interest rate swaps | 0 | - 64,992 | 0 | - 64,992 |
| Interest rate floors | 0 | - 1,188 | 0 | - 1,188 |
| Forward foreign exchange transactions | 0 | - 1,191 | 0 | - 1,191 |
| Total | 0 | - 186,442 | 0 | - 186,442 |

| € 1,000 | | | | 31.12.2010 |
|---------------------------------------|----------|------------------|----------|------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets FV/PL | | | | |
| Securities | 0 | 3,853 | 0 | 3,853 |
| Financial assets HFT | | | | |
| Interest rate caps | 0 | 13 | 0 | 13 |
| Financial liabilities CFH | | | | |
| Interest rate swaps | 0 | - 93,761 | 0 | - 93,761 |
| Financial liabilities HFT | | | | |
| Interest rate swaps | 0 | - 43,181 | 0 | - 43,181 |
| Forward foreign exchange transactions | 0 | - 103 | 0 | - 103 |
| Total | 0 | - 133,179 | 0 | - 133,179 |

FV/PL – at fair value through profit or loss, HFT – held for trading, CFH – Cash-flow Hedge

No transfers between the levels were made during the 2011 and 2010 reporting periods.

38. Financial risks

Interest rate risk

Risks resulting from changes in interest rates basically concern long-term loans. A mix of long-term fixed-rate and floating-rate loans are used to reduce the interest rate risk. In the case of floating-rate loans, derivative financial instruments (interest rate caps, interest rate floors and interest rate swaps) are also used to hedge against the risk of cash flow interest rate changes arising from underlying transactions.

The following analysis shows the effects of a change in interest rates by 100 basis points on the income statement and equity. The analysis assumes that all other variables, particularly foreign exchange rates, remain constant:

| € 1,000 | Recognised in profit or loss | | Recognised directly in equity | |
|--|------------------------------|---------------------|-------------------------------|---------------------|
| | 100 bps Increase | 100 bps Decrease | 100 bps Increase | 100 bps Decrease |
| 31.12.2011 | | | | |
| Variable rate instruments | - 27,019 | 27,019 | 0 | 0 |
| Derivative financial instruments (interest) | 20,817 | - 20,817 | 0 | 0 |
| Derivative financial instruments (valuation) | 14,327 | - 15,234 | 38,695 | - 39,956 |
| | 8,125 | - 9,032 | 38,695 | - 39,956 |
| 31.12.2010 | | | | |
| Variable rate instruments | - 15,969 | 15,969 | 0 | 0 |
| Derivative financial instruments (interest) | 18,579 | - 18,579 | 0 | 0 |
| Derivative financial instruments (valuation) | 14,613 | - 15,651 | 43,342 | - 45,990 |
| | 17,224 | - 18,261 | 43,342 | - 45,990 |

Variable rate instruments contain variable rate financial liabilities, loans and financial receivables and do not take into account hedge relationships. In the case of derivative financial instruments, an interest rate change gives rise to a component that is recognised in profit and loss (interest, valuation of fair value derivatives and ineffective portions of cash flow hedge valuation) and to the change in value of cash flow hedges recognised in equity. The market value of interest rate caps and interest rate floors is equal to the book value.

Currency risk

Currency risks result from rental income and rental receivables in foreign currencies principally BGN, CHF, CZK, HRK, HUF, PLN, RON and RSD. These foreign currency rental earnings are secured through a linkage of rents to EUR and USD, so that on balance no major risk exists. On the liabilities side risks may result from financing in CZK and USD. This risk is mainly counterbalanced by rental income in CZK and USD. Loans are taken out in the same currency as the one covering the lease in question.

The following table shows what effect a 10% increase or decrease in the Euro compared to the respective foreign currency would have. A positive number indicates an increase in the annual result if the Euro were to rise by 10% compared to the respective foreign currency. If the Euro were to fall by 10% compared to the relevant foreign currency, this would have a similarly negative effect on the annual result. The outstanding financial liabilities in foreign currencies of the CA Immo Group as at the balance sheet date serve as a basis for the sensitivity analysis assuming a 10% increase or decrease in the Euro compared to the respective foreign currency.

| 31.12.2011 | | | | | | |
|----------------------|---------------|---------|----------------|--------|-----------------|--------|
| € 1,000 | USD | Impact | CZK | Impact | HUF | Impact |
| Exchange rate | 1.2905 | | 25.8000 | | 311.1300 | |
| +10% increase | 1.4196 | 1,828 | 28.3800 | 656 | 342.2430 | 59 |
| -10% decrease | 1.1615 | - 2,234 | 23.2200 | - 801 | 280.0170 | - 72 |
| 31.12.2010 | | | | | | |
| € 1,000 | USD | Impact | CZK | Impact | HUF | Impact |
| Exchange rate | 1.3341 | | 25.0800 | | 278.0000 | |
| +10% increase | 1.4675 | 30 | 27.5880 | 698 | 305.8000 | 0 |
| -10% decrease | 1.2007 | - 37 | 22.5720 | - 853 | 250.2000 | 0 |

Forward foreign exchange transactions have been concluded to avoid the risk of currency fluctuations; these should counteract future local fluctuations for long-term USD loans and in USD rental income. As these derivatives are in no cash flow hedge relationships, the effect on the net income corresponds to that on the equity in the sensitivity analysis.

Credit risk

The amounts listed for all financial assets and the guarantees and other commitments assumed represent the maximum default risk as no major set-off agreements exist.

Trade debtors are off-set against deposits received amounting to € 15,335 K (31.12.2010: € 5,147 K) and bank guarantees. As far as it can be determined, the risk to receivables from tenants and property purchasers has been taken into consideration as part of the value adjustments. If there are objective indications of a value adjustment (e.g. through defaults in payment, litigation, insolvency), an impairment is recognised. The same applies to financing obtained by joint ventures or associated companies, should it become likely that these companies, following developments in the course of their business, will no longer be able to meet their financial obligations in full. The impairment loss is the difference between the current book value for the asset and the cash value of the future cash flow expected from the receivables. The default risk for other financial instruments listed on the assets side of the balance sheet should be seen as minimal, as the majority of financial instruments used by contractual partners have the highest credit rating scores possible and/or are provided by state authorities.

Liquidity risk

There is a liquidity risk where financial liabilities cannot be settled at the time they are payable. Guaranteeing sufficient moneys to pay liabilities due whilst avoiding unnecessary potential losses and risks forms the basis of CA Immo Group's liquidity control. Loans are usually agreed on a long-term basis in accordance with the investment horizon for real estate.

The CA Immo Group manages the liquidity risk in several different ways: firstly, the company is highly skilled at liquidity planning and safeguarding measures in order to avoid tight positions. Secondly, the CA Immo Group protects itself by entering into capital partnerships (joint ventures) for project development purposes as an alternative and extension to established sources of equity capital procurement. Outside capital is procured by the CA Immo Group not only from its principal bank, UniCredit Bank Austria AG/UniCredit Group, but also and to a growing extent through new or developing business relationships with other domestic and foreign banks. In order to improve the financing structure and strengthen the liquidity of the CA Immo Group, two bonds and one convertible bond have been issued.

The contractually agreed (non-discounted) interest payments and repayments for primary financial liabilities and derivative financial instruments can be seen in the table below.

| 31.12.2011 € 1,000 | Book value 2011 | Contractually agreed cash flows | Cash flow 2012-2015 | Cash flow 2013-2016 | Cash flow 2017 ff |
|---|--------------------|---------------------------------------|------------------------|------------------------|----------------------|
| Convertible bond | 113,212 | - 128,669 | - 4,723 | - 123,946 | 0 |
| Other bonds | 336,622 | - 411,215 | - 18,720 | - 392,495 | 0 |
| Other interest-bearing liabilities | 2,814,180 | - 3,182,602 | - 779,079 | - 1,339,086 | - 1,064,437 |
| Other liabilities | 339,471 | - 339,471 | - 147,074 | - 180,387 | - 12,010 |
| Primary financial liabilities | 3,603,485 | - 4,061,957 | - 949,596 | - 2,035,914 | - 1,076,447 |
| Interest rate derivatives in connection with cash flow hedges | 119,129 | - 120,656 | - 30,984 | - 82,510 | - 7,162 |
| Interest rate derivatives not connected with hedges | 66,180 | - 69,053 | - 16,507 | - 43,657 | - 8,889 |
| Forward foreign exchange transactions not connected with hedges | 1,201 | - 1,201 | - 964 | - 237 | 0 |
| Derivative financial liabilities | 186,510 | - 190,910 | - 48,455 | - 126,404 | - 16,051 |
| | 3,789,995 | - 4,252,867 | - 998,051 | - 2,162,318 | - 1,092,498 |

| 31.12.2010 € 1,000 | Book value 2010 | Contractually agreed cash flows | Cash flow 2011 | Cash flow 2012-2015 | Cash flow 2016 ff |
|---|--------------------|---------------------------------------|-------------------|------------------------|----------------------|
| Convertible bond | 131,331 | - 157,275 | - 5,569 | - 151,706 | 0 |
| Other bonds | 349,738 | - 448,250 | - 19,438 | - 218,562 | - 210,250 |
| Other interest-bearing liabilities | 1,645,286 | - 1,983,310 | - 269,469 | - 640,209 | - 1,073,632 |
| Other liabilities | 206,996 | - 206,996 | - 114,511 | - 76,567 | - 15,918 |
| Liabilities relating to disposal groups | 5,854 | - 5,854 | - 5,854 | 0 | 0 |
| Primary financial liabilities | 2,339,205 | - 2,801,685 | - 414,841 | - 1,087,044 | - 1,299,800 |
| Interest rate derivatives in connection with cash flow hedges | 93,761 | - 98,510 | - 31,533 | - 60,320 | - 6,657 |
| Interest rate derivatives not connected with hedges | 45,356 | - 49,456 | - 13,888 | - 29,029 | - 6,539 |
| Forward foreign exchange transactions not connected with hedges | 103 | - 103 | - 74 | - 29 | 0 |
| Derivative financial liabilities | 139,220 | - 148,069 | - 45,495 | - 89,378 | - 13,196 |
| | 2,478,425 | - 2,949,754 | - 460,336 | - 1,176,422 | - 1,312,996 |

Cash flows for interest rate derivatives are based on assumptions for the underlying forward rates.

The cash flows from derivatives in cash flow hedge relationships are expected to have an effect on profit and loss in the period of their occurrence.

Capital management

The objective of CA Immo Group's capital management is, firstly, to make the necessary resources for the continuation of the company available at all times, and secondly, to optimise the costs for the capital required for this.

The key parameters for determining the capital structure of the CA Immo Group are, on the one hand, the general relationship of shareholders' equity to liabilities, and on the other, the split within liabilities between that using properties as collateral, which are taken out by special-purpose vehicles, and unsecured liabilities, which are taken out by the group parent company. Equity based on the IFRS accounts is used for management. With regard to the first parameter, the CA Immo Group strives to maintain an equity ratio of some 35% to 40%. As at 30.6.2011, the equity ratio was be-

low this target corridor. This can be attributed to the first-time consolidation of the Europol Group in 2011. Consequently, the CA Immo Group intends to take active steps to improve the equity ratio, particularly through the sale of properties and the repayment of liabilities associated with this.

With regard to the second parameter, the CA Immo Group is focusing on secured property loans for financing with liabilities, which are usually taken out by special-purpose vehicles that hold the object in question. Generally speaking, secured financing offers more favourable conditions compared to unsecured financing, as these are structurally subordinated to the secured financing. Unsecured financing is only really available in the form of corporate bonds issued on the capital markets. There are no external ratings or explicit requirements, which have been stipulated by a third party, in respect of key parameters for managing the group's capital.

Net debt and the gearing ratio are other key figures for presenting the capital structure of the CA Immo Group:

| € 1,000 | 31.12.2011 | 31.12.2010 |
|---|---------------|---------------|
| Interest-bearing liabilities | | |
| Long-term interest-bearing liabilities | 2,486,925 | 1,888,306 |
| Short-term interest-bearing liabilities | 777,089 | 238,049 |
| Interest-bearing assets | | |
| Securities | 0 | - 3,854 |
| Cash and cash equivalents | - 353,778 | - 354,764 |
| Cash and cash equivalents with drawing restrictions | - 56,065 | - 43,572 |
| Net debt | 2,854,171 | 1,724,166 |
| Shareholders' equity | 1,809,455 | 1,659,939 |
| Gearing ratio (Net debt/equity) | 157.7% | 103.9% |

Cash and cash equivalents with drawing restrictions have been taken into account for net debt, as they are used to secure the repayments on financial liabilities.

39. Other liabilities and contingent liabilities

Guarantees and other commitments

As at 31.12.2011 the CA Immo Deutschland Group has guarantees and other commitments amounting to € 23,801 K (31.12.2010: € 24,870 K) derived from urban development contracts and purchase agreements, which have been concluded to absorb the costs of contaminated sites and war damage totalling € 1,485 K (31.12.2010: € 3,374 K). Furthermore, there are have been made no rental guarantees (31.12.2010: € 64 K). In addition comfort letters had been signed for two proportionally consolidated companies in Germany amounting to € 61,749 K (31.12.2010: € 2,000 K). No guarantees were given (31.12.2010: € 800 K).

As at 31.12.2011 no guarantees and other commitments towards financing banks (31.12.2010: € 1,905 K) have been made for Eastern and South East Europe.

Contingent liabilities

The joint venture partner from "Project Maslov" has filed an arbitration action for € 48,097 K plus interest (announced as at 31.12.2010). The CA Immo Group considers the chances of this action succeeding as minimal. The expected payment in this respect has been recognised in the statement of financial position in a reasonable amount.

Furthermore, Caine B.V. made a guarantee in relation to take over liabilities for “Airport City Petersburg” in the amount of € 4,200 K (31.12.2010: € 0 K).

Other financial obligations

Furthermore, other financial obligations relate to building site liabilities for work carried out in the course of developing real estate in Austria of € 5,186 K (31.12.2010: € 10,818 K) Germany of € 78,172 K (31.12.2010: € 146,570 K), and in Eastern and South East Europe of € 16,630 K (31.12.2010: € 23,450 K). For at equity consolidated companies there are proportionate other financial obligations arising from building site liabilities for work carried out to develop real estate in Eastern and South East Europe amounting to € 0 K (31.12.2010: € 3,735 K).

As at 31.12.2011 the total obligations of the CA Immo Group in respect of equity calls for proportionally consolidated companies amounted to € 179 K (31.12.2010: € 179 K).

40. Leases

CA Immo Group as lessor

All lease contracts concluded by the CA Immo Group, where the company is acting as lessor, are recorded as operating leases in accordance with IFRS. As a rule, these encompass the following essential contractual elements:

- linkage to EUR or USD
- guaranteed value by linkage to international indices
- medium- to long-term maturities and/or termination waivers

Future minimum rental income from existing short-term lease contracts or contracts with termination waivers as at the day the consolidated financial statements were drawn up are as below:

| € 1,000 | 2011 | 2010 |
|-----------------------|------------------|------------------|
| In the following year | 231,731 | 152,657 |
| Thereafter 4 years | 664,981 | 520,416 |
| More than 5 years | 1,346,554 | 1,214,852 |
| Total | 2,243,266 | 1,887,924 |

All remaining tenancies may be terminated at short notice.

The minimum rental income includes net rentals to be collected until the contractually agreed expiration of the contract or the earliest possible termination option by the lessee (tenant).

CA Immo Group as lessee

All rental obligations undertaken by the CA Immo Group are classified as operating leases.

The lease contracts concluded by the CA Immo Deutschland Group acting as lessee primarily relate to rented properties in Cologne (until 2016), Munich (until 2017), Berlin (until 2018) and Frankfurt (until 2021).

The remaining operating lease agreements of the CA Immo Group relate to office furniture, equipment and other assets. No purchase options have been agreed. Leasing payments of € 3,024 K were recorded in the income statement as expenses during the business year (2010: € 2,732 K).

The following minimum lease payments will become due in the subsequent periods:

| € 1,000 | 2011 | 2010 |
|-----------------------|---------------|---------------|
| In the following year | 2,324 | 1,840 |
| Thereafter 4 years | 7,162 | 4,602 |
| More than 5 years | 5,818 | 4,021 |
| Total | 15,304 | 10,463 |

41. Business relationships with related companies and parties

The following companies and parties are deemed to be related parties to the CA Immo Group:

- joint ventures, in which the CA Immo Group holds an interest
- associated companies, in which the CA Immo Group holds an interest
- the executive bodies of CA Immobilien Anlagen Aktiengesellschaft
- UniCredit Bank Austria AG, Vienna, and the UniCredit Group affiliated to it

Business relationships with joint ventures

| € 1,000 | 31.12.2011 | 31.12.2010 |
|-------------------|------------|------------|
| Loans | 9,758 | 11,142 |
| Receivables | 5,110 | 38,636 |
| Trade creditors | 2,279 | 1,671 |
| € 1,000 | 2011 | 2010 |
| Other income | 551 | 1,006 |
| Other expenses | - 5 | - 59 |
| Interest income | 1,434 | 1,981 |
| Interest expenses | - 7 | - 6 |

Outstanding loans to joint ventures and the majority of the receivables to joint ventures as at the balance sheet date serve to finance property companies. The interest rates are in line with those prevailing in the market. No guarantees or other forms of security exist in connection with these loans. The cumulative value adjustment of loans to joint ventures is € 0 K (31.12.2010: € 18,581 K). Receivables from joint ventures comprise granted short-term loans in the amount of € 1,437 K (31.12.2010: € 22,849 K). All receivables and liabilities have interest rates in line with those prevailing in the market. The remaining receivables and liabilities are predominantly the result of services performed in Germany. No guarantees or other forms of security exist in connection with these receivables and liabilities.

There were no other value adjustments recognised in profit or loss.

| Business relationships with associated companies | | |
|---|-------------------|-------------------|
| € 1,000 | 31.12.2011 | 31.12.2010 |
| Loans | 20,480 | 14,551 |
| € 1,000 | 2011 | 2010 |
| Income from associated enterprise | 1,640 | 2,751 |
| Expenditures from associated enterprises | – 3,336 | – 3,080 |
| Result from associated companies | – 1,696 | – 328 |
| Interest income from associated companies | 2,872 | 2,087 |
| Impairment of financial investments | – 5,288 | – 5,277 |

Outstanding loans to associated companies as at the balance sheet date serve to finance project development companies. All loans have interest rates in line with those prevailing in the market. No guarantees or other forms of security exist in connection with these loans. The cumulative value adjustment of loans to associated companies is € 1,925 K (2010: € 5,271 K); value adjustment expenses in the amount of € 1,925 K (2010: € 343 K) have been recognised in the business year 2010.

There were no other value adjustments recognised in profit or loss.

The executive bodies of CA Immobilien Anlagen Aktiengesellschaft, Vienna Management Board

Bruno Ettenauer
 Wolfhard Fromwald
 Bernhard H. Hansen

The Management Board of CA Immobilien Anlagen Aktiengesellschaft is also the board of directors for CA Immo Deutschland GmbH, Frankfurt. Despite working for both companies, Bruno Ettenauer and Wolfhard Fromwald, members of the Management Board, only receive remuneration in respect of their contracts of employment with CA Immobilien Anlagen Aktiengesellschaft. The remuneration of Bernhard H. Hansen is settled in its entirety by CA Immo Deutschland GmbH, Frankfurt; no charge is made to CA Immobilien Anlagen Aktiengesellschaft. No loans or advances were paid.

Total costs for the Management Board consist of the following:

| € 1,000 | 2011 | 2010 |
|--|--------------|--------------|
| Payments due at short notice (incl. staff incidentals) | 1,051 | 962 |
| Premium (provision, payment in following year) | 834 | 852 |
| Endowments to provisions for severance payments | 50 | 110 |
| Contributions to pensions funds | 62 | 62 |
| Pensions costs | 27 | 27 |
| Variable compensation (LTI) provision | 425 | 172 |
| Total costs | 2,449 | 2,185 |

Supervisory Board

Wolfgang Ruttendorfer, Chairman
 Helmut Bernkopf, Deputy Chairman
 Waldemar Jud
 Barbara A. Knoflach
 Reinhard Madlencnik
 Franz Zwickl
 Detlef Bierbaum (until 12.5.2011)
 Regina Prehofer (until 12.5.2011)

In 2011 (for the 2010 business year), CA Immo Anlagen Aktiengesellschaft paid a total of € 165 K (2010 for the 2009 business year: € 71 K) in Supervisory Board compensation. No other fees (particularly for consultancy or brokerage activities) were paid to Supervisory Board members. No loans or advances were paid.

Helmut Bernkopf is head of the Private Banking division of the UniCredit Group (UniCredit SpA, Milan). Franz Zwickl is a supervisory Board member at the same organisation. Meanwhile, Reinhard Madlencnik heads the Real Estate division at UniCredit Bank Austria AG, Vienna.

UniCredit Bank Austria AG/UniCredit Group

UniCredit Bank Austria AG is the principal bank of the CA Immo Group and the largest single shareholder in the company with a stake of about 18% (as at: 31.12.2011). CA Immo Group processes most of its payment transactions and arranges much of its credit financing and financial investment through the bank. UniCredit Bank Austria AG also holds four registered shares, which entitle the bank to nominate one Supervisory Board member for each share.

The list of the relationships with UniCredit Bank Austria AG/UniCredit Group relates to the following positions:

– Consolidated statement of financial position:

| € 1,000 | 31.12.2011 | 31.12.2010 |
|---|------------|------------|
| Share of financial liabilities recognised in consolidated statement of financial position | 17.9% | 25.3% |
| Outstanding receivables | 146,252 | 159,723 |
| Outstanding liabilities | – 582,867 | – 538,021 |
| Market value of interest rate swaps | – 128,053 | – 95,395 |
| Market value of interest rate caps | 0 | 12 |

As regards the increase in outstanding liabilities, an amount of € 101,246 K can be attributed to the acquisition of the Europolis Group on 1.1.2011.

– Consolidated income statement:

| € 1,000 | 2011 | 2010 |
|--|----------|----------|
| Financing costs | – 48,948 | – 48,596 |
| Result from interest derivative transactions | – 8,951 | – 2,362 |
| Result from financial investments | 1,898 | 4,723 |
| Expenses of monetary transactions | – 296 | – 235 |

– Other comprehensive income (equity):

| € 1,000 | 2011 | 2010 |
|----------------------------|----------|----------|
| Valuation result (hedging) | – 99,557 | – 77,279 |

– Consolidated statement of cash flows:

| € 1,000 | 2011 | 2010 |
|---|-----------|----------|
| Raising of new bank loans | 195,274 | 35,310 |
| Repayment of bank loans | – 122,759 | – 40,710 |
| Realisation interest rate derivative transactions | 109 | 0 |
| Interest paid | – 49,197 | – 48,590 |
| Interest received from financial investments | 1,590 | 4,726 |

Mortgages, share pledges and similar guarantees are used as collateral for bank liabilities. There were no impairments recognised in profit or loss for bank receivables. The terms and conditions governing the business relationship with UniCredit Bank Austria AG/UniCredit Group are in line with those prevailing in the market.

42. Key figures per share
Earnings per share

A convertible bond was issued in November 2009. This bond generally has an effect on the earnings per share. In this case, the diluted earnings per share are equal to the undiluted earnings per share since no dilution effect arises due to the ordinary shares.

| | | 2011 | 2010 |
|--|---------|-------------|-------------|
| Weighted number of shares in circulation | pcs. | 87,856,060 | 87,333,896 |
| Consolidated net income | € 1,000 | 62,629 | 45,415 |
| Earnings per share (undiluted equals diluted) | € | 0.71 | 0.52 |

Cash flow per share

| | | 2011 | 2010 |
|---|---------|-------------|-------------|
| Weighted number of shares in circulation | pcs. | 87,856,060 | 87,333,896 |
| Operating cash flow | € 1,000 | 191,861 | 121,422 |
| Operating cash flow per share (undiluted equals diluted) | € | 2.18 | 1.39 |
| Cash flow from operating activities | € 1,000 | 198,626 | 172,033 |
| Cash flow from operating activities per share (undiluted equals diluted) | € | 2.26 | 1.97 |

43. Payroll

In the 2011 business year, the CA Immo Group engaged an average of 368 employees (2010: 268) and 27 workers (2010: 27), thereof on average 172 (2010: 182) were engaged as employees in Germany and 149 (2010: 31) were engaged as employees and 26 (2010: 28) as workers at subsidiaries in Eastern and South East Europe. Additionally there were on average one employee (2010: 12) and no workers (2010: 17) in proportionally consolidated companies employed.

44. Costs for the auditor

| € 1,000 | 2011 | 2010 |
|----------------------------|------------|------------|
| Auditing costs | 501 | 256 |
| Other review services | 263 | 107 |
| Other consultancy services | 0 | 132 |
| | 763 | 495 |

The costs for the auditor don't contain non-deductible input tax in the amount of € 55 K (2010: € 4 K).

45. Events after the close of the business year

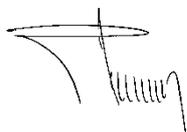
Middle of January 2012 the investment property under development "Tower 185" in Frankfurt has been finalised and will be shown totally as investment property in the consolidated statement of financial positions of the 1st quarter 2012.

In February 2012, further shares in Megapark o.o.d., Sofia, were acquired, increasing the Group's interest from 35.0 % to 43.5 %. In addition, the prepayments made on an investment property in Prague were assigned.

These consolidated financial statements have been prepared by the Management Board on the date below. The individual and consolidated financial statements for CA Immobilien Anlagen Aktiengesellschaft will be presented to the Supervisory Board on 14.3.2012 for their approval.

Vienna, 6 March 2012

The Managing Board



Bruno Ettenauer
(Chairman)



Wolfhard Fromwald
(Management Board Member)



Bernhard H. Hansen
(Management Board Member)

ANNEX I TO THE CONSOLIDATED FINANCIAL STATEMENTS

SCOPE OF CONSOLIDATION

The following companies are included in the consolidated financial statements in addition to CA Immobilien Anlagen Aktiengesellschaft:

| Company | Registered office | Nominal capital | Currency | Interest in % | Consolidation method ¹⁾ | Foundation First time consolidation in 2011 ²⁾ |
|---|-------------------|-----------------|----------|------------------|------------------------------------|---|
| CA Immo d.o.o. | Belgrade | 390,500 | EUR | 100 | FC | |
| TM Immo d.o.o. | Belgrade | 13,750,000 | EUR | 100 | FC | |
| BA Business Center a.s. | Bratislava | 7,503,200 | EUR | 100 | FC | |
| CA Holding Szolgáltató Kft | Budapest | 13,000,000 | HUF | 100 | FC | |
| Canada Square Kft. | Budapest | 12,500,000 | HUF | 100 | FC | |
| Kapas Center Kft. | Budapest | 772,560,000 | HUF | 100 | FC | |
| Kilb Kft. | Budapest | 30,000,000 | HUF | 100 | FC | |
| R 70 Invest Budapest Kft. | Budapest | 5,250,000 | HUF | 100 | FC | |
| Skogs Buda Business Center II. Kft. | Budapest | 327,000,000 | HUF | 100 | FC | |
| Váci 76 Kft. | Budapest | 3,100,000 | HUF | 100 | FC | |
| CA Immobilien S.R.L. | Bucharest | 947,100 | RON | 100 | FC | |
| Opera Center One S.R.L. | Bucharest | 27,326,150 | RON | 100 | FC | |
| Opera Center Two S.R.L. | Bucharest | 7,310,400 | RON | 100 | FC | |
| S.C. BBP Leasing S.R.L. | Bucharest | 14,637,711 | RON | 100 | FC | |
| Blitz F07-neunhundert-sechzig-acht GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| Blitz F07-neunhundert-sechzig-neun GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Acht GmbH & Co. KG | Frankfurt | 24,635 | EUR | 100 | FC | |
| CA Immo AG | Frankfurt | 50,000 | EUR | 100 | FC | |
| CA Immo Deutschland GmbH | Frankfurt | 5,000,000 | EUR | 100 | FC | |
| CA Immo Drei GmbH & Co. KG | Frankfurt | 23,937 | EUR | 100 | FC | |
| CA Immo Eins GmbH & Co. KG | Frankfurt | 22,927 | EUR | 100 | FC | |
| CA Immo Elf GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Fünf GmbH & Co. KG | Frankfurt | 24,684 | EUR | 100 | FC | |
| CA Immo Fünfzehn GmbH & Co. KG | Frankfurt | 25,000 | EUR | 100 | FC | G |
| CA Immo GB Eins GmbH & Co. KG | Frankfurt | 25,000 | EUR | 95 | FC | |
| CA Immo GB GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Neun GmbH & Co. KG | Frankfurt | 23,514 | EUR | 100 | FC | |
| CA Immo Null Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Sechs GmbH & Co. KG | Frankfurt | 23,581 | EUR | 100 | FC | |
| CA Immo Sechzehn GmbH & Co. KG | Frankfurt | 25,000 | EUR | 100 | FC | G |
| CA Immo Sieben GmbH & Co. KG | Frankfurt | 23,529 | EUR | 100 | FC | |
| CA Immo Vier GmbH & Co. KG | Frankfurt | 24,793 | EUR | 100 | FC | |
| CA Immo Zehn GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Zwei GmbH & Co. KG | Frankfurt | 21,795 | EUR | 100 | FC | |
| CEREP Allermöhe GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CM Komplementär F07-888 GmbH & Co. KG | Frankfurt | 25,000 | EUR | 95 | FC | |
| DRG Deutsche Realitäten GmbH | Frankfurt | 500,000 | EUR | 49 ³⁾ | PC | G |
| CA Immo Holding B.V. | Hoofddorp | 51,200,000 | EUR | 100 | FC | |
| CA Immobilien Anlagen d.o.o. | Ljubljana | 50,075 | EUR | 100 | FC | |
| CA IMMO NEW EUROPE PROPERTY FUND S.C.A. SICAR | Luxembourg | 153,569,000 | EUR | 70 | FC | |

¹⁾ FC full consolidation, PC proportional consolidation, EQ at equity consolidation

²⁾ F foundation, A acquisition

³⁾ common control

| Company | Registered office | Nominal capital | Currency | Interest in % | Consolidation method ¹⁾ | Foundation / First time consolidation in 2011 ²⁾ |
|--|-------------------|-----------------|----------|------------------|------------------------------------|---|
| CA Immo S.á.r.l. | Luxembourg | 33,000 | EUR | 100 | FC | |
| OOO Saimir (in Liquidation) | Moscow | 10,000 | RUB | 100 | FC | |
| 2P s.r.o. | Pilsen | 240,000 | CZK | 100 | FC | |
| Europort Airport Center a.s. | Prague | 14,100,000 | CZK | 100 | FC | |
| FCL Property a.s. | Prague | 2,000,000 | CZK | 100 | FC | |
| Megapark o.o.d. | Sofia | 5,000 | BGN | 35 ³⁾ | PC | |
| Office Center Mladost 2 EOOD | Sofia | 5,000 | BGN | 100 | FC | |
| Office Center Mladost EOOD | Sofia | 5,000 | BGN | 100 | FC | |
| Doratus Sp.z.o.o. | Warsaw | 2,000,000 | PLN | 100 | FC | |
| PBP IT-Services Sp.z.o.o. | Warsaw | 50,000 | PLN | 50 | PC | |
| Warsaw Financial Center Sp.z.o.o. | Warsaw | 218,032,000 | PLN | 50 | PC | |
| Betriebsobjekte Verwertung Gesellschaft m.b.H. & Co. | | | | | | |
| Leasing OG | Vienna | 4,135,427 | EUR | 100 | FC | |
| BIL-S Superädifikatsverwaltungs GmbH | Vienna | 70,000 | EUR | 100 | FC | |
| CA Immo BIP Liegenschaftsverwaltung GmbH | Vienna | 3,738,127 | EUR | 100 | FC | |
| CA Immo CEE Beteiligungs GmbH | Vienna | 35,000 | EUR | 100 | FC | |
| CA Immo Galleria Liegenschaftsverwaltung GmbH | Vienna | 35,000 | EUR | 100 | FC | |
| CA Immo Germany Holding GmbH | Vienna | 35,000 | EUR | 100 | FC | |
| CA Immo International Beteiligungsverwaltungs GmbH | Vienna | 35,000 | EUR | 100 | FC | |
| CA Immo International Holding GmbH | Vienna | 35,000 | EUR | 100 | FC | |
| CA Immo Investment Management GmbH | Vienna | 100,000 | EUR | 100 | FC | |
| CA Immo LP GmbH | Vienna | 146,000 | EUR | 100 | FC | |
| CA Immo ProjektentwicklungsgmbH | Vienna | 72,500 | EUR | 100 | FC | |
| CA Immo Rennweg 16 GmbH | Vienna | 35,000 | EUR | 100 | FC | |
| CA Immobilien Anlagen Beteiligungs GmbH & Co | | | | | | |
| Finanzierungs OG | Vienna | 2,537,600 | EUR | 100 | FC | |
| CA Immo-RI-Residential Property Holding GmbH | Vienna | 35,000 | EUR | 100 | FC | |
| CAII Projektbeteiligungs GmbH | Vienna | 35,000 | EUR | 100 | FC | |
| CAII Projektmanagement GmbH | Vienna | 35,000 | EUR | 100 | FC | |
| CEE Hotel Development GmbH | Vienna | 70,000 | EUR | 50 | PC | |
| CEE Hotel Management und Beteiligungs GmbH | Vienna | 35,000 | EUR | 50 | PC | |
| EUROPOLIS AG | Vienna | 5,000,000 | EUR | 100 | FC | A |
| I.N.A. Handels GmbH | Vienna | 37,000 | EUR | 100 | FC | |
| omniCon Baumanagement GmbH | Vienna | 100,000 | EUR | 100 | FC | |
| Parkring 10 Immobilien GmbH | Vienna | 35,000 | EUR | 100 | FC | |
| SQUARE S Holding GmbH | Vienna | 35,000 | EUR | 100 | FC | |
| UBM Realitätenentwicklung AG | Vienna | 5,450,463 | EUR | 25 | EQ | |

¹⁾ FC full consolidation, PC proportional consolidation, EQ at equity consolidation

²⁾ F foundation, A acquisition

³⁾ common control

As at 31.12.2011, CA Immobilien Anlagen Aktiengesellschaft held 100 % of shares in EUROPOLIS AG, Vienna. The following subsidiaries, shares in joint ventures and associated companies of EUROPOLIS AG, Vienna, are therefore also included in the consolidated financial statements:

| Company | Registered office | Nominal capital | Currency | Interest in % | Consolidation method ¹⁾ | Foundation / First time consolidation in 2011 ²⁾ |
|--|-------------------|-----------------|----------|---------------|------------------------------------|---|
| Phönix Logistics d.o.o. | Belgrade | 241,605,375 | RSD | 100 | FC | A |
| Europolis D61 Logistics s.r.o. | Bratislava | 1,325,000 | EUR | 100 | FC | A |
| Europolis Harbour City s.r.o. | Bratislava | 23,629,211 | EUR | 65 | FC | A |
| CA Immo Real Estate Management Hungary K.f.t. | Budapest | 3,100,000 | HUF | 100 | FC | A |
| Casa Property Kft. | Budapest | 51,310,000 | HUF | 100 | FC | |
| COM PARK Ingatlanberuházási Kft | Budapest | 3,000,000 | HUF | 65 | FC | A |
| EUROPOLIS ABP Ingatlanberuházási Kft | Budapest | 21,410,000 | HUF | 51 | FC | A |
| EUROPOLIS City Gate Ingatlanberuházási Kft | Budapest | 13,000,000 | HUF | 65 | FC | A |
| Europolis Infopark Ingatlanüzemeltető Kft | Budapest | 5,240,000 | HUF | 51 | FC | A |
| EUROPOLIS IPW Ingatlanberuházási Kft | Budapest | 50,200,000 | HUF | 65 | FC | A |
| EUROPOLIS M1 Ingatlanberuházási Kft | Budapest | 55,020,000 | HUF | 51 | FC | A |
| Europolis Park Airport Kft. | Budapest | 19,900,000 | HUF | 100 | FC | A |
| Europolis Tárnok Ingatlanberuházási Kft | Budapest | 5,400,000 | HUF | 65 | FC | A |
| Terminál Közép-Európai Ingatlan-fejlesztő Kft | Budapest | 3,400,000 | HUF | 75 | FC | A |
| CA Immo Real Estate Management Romania S.R.L. | Bucharest | 985,000 | RON | 100 | FC | A |
| EUROPOLIS BV DEVELOPMENT S.R.L. | Bucharest | 43,853,900 | RON | 65 | FC | A |
| EUROPOLIS ORHIDEA B.C. S.R.L. | Bucharest | 91,389,960 | RON | 65 | FC | A |
| EUROPOLIS PARK BUCHAREST ALPHA S.R.L. | Bucharest | 54,064,790 | RON | 65 | FC | A |
| EUROPOLIS PARK BUCHAREST BETA S.R.L. | Bucharest | 6,481,000 | RON | 65 | FC | A |
| EUROPOLIS PARK BUCHAREST DELTA S.R.L. | Bucharest | 1,000 | RON | 65 | FC | A |
| EUROPOLIS PARK BUCHAREST GAMMA S.R.L. | Bucharest | 8,601,000 | RON | 65 | FC | A |
| EUROPOLIS PARK BUCHAREST INFRASTRUCTURA S.R.L. | Bucharest | 8,640,036 | RON | 65 | FC | A |
| EUROPOLIS SEMA PARK S.R.L. | Bucharest | 107,680,000 | RON | 65 | FC | A |
| EUROPOLIS SP S.R.L. | Bucharest | 169,840 | RON | 65 | FC | A |
| INTERMED CONSULTING & MANAGEMENT S.R.L. | Bucharest | 330 | RON | 65 | FC | A |
| VICTORIA INTERNATIONAL PROPERTY S.R.L. | Bucharest | 216 | RON | 65 | FC | A |
| Private Enterprise "Margolia Ukraine" | Kiev | 1,000 | UAH | 65 | FC | A |
| TzoV "Europolis Logistics Park I" | Kiev | 2,232,296 | UAH | 100 | FC | A |
| TzoV "Europolis Logistics Park II" | Kiev | 122,456,333 | UAH | 100 | FC | A |
| TzoV "Europolis Logistics Park III" | Kiev | 40,000 | UAH | 100 | FC | A |
| TzoV "Europolis Property Holding" | Kiev | 193,984,834 | UAH | 65 | FC | A |
| TzoV "Europolis Real Estate AM" | Kiev | 4,247,565 | UAH | 100 | FC | A |
| TzoV "Logistik-Tsentr "A" | Kiev | 13,512,117 | UAH | 65 | FC | A |
| TzoV"Corma Development II" | Kiev | 1,000,000 | UAH | 65 | FC | A |
| TzoV"Corma Development" | Kiev | 928,688 | UAH | 65 | FC | A |
| BEDELLAN PROPERTIES LIMITED | Limassol | 11,491 | EUR | 65 | FC | A |
| EPC KAPPA LIMITED | Limassol | 11,185 | EUR | 100 | FC | A |
| EPC LAMBDA LIMITED | Limassol | 457,083 | EUR | 75 | FC | A |
| EPC LEDUM LIMITED | Limassol | 11,799 | EUR | 100 | FC | A |
| EPC OMIKRON LIMITED | Limassol | 55,575 | EUR | 65 | FC | A |

¹⁾ VK Vollkonsolidierung; QK Quotenkonsolidierung; EQ At equity-Konsolidierung

²⁾ F foundation, A acquisition

| Company | Registered office | Nominal capital | Currency | Interest in % | Consolidation method ¹⁾ | Foundation / First time consolidation in 2011 ²⁾ |
|--|-------------------|-----------------|----------|---------------|------------------------------------|---|
| EPC PI LIMITED | Limassol | 1,910 | EUR | 65 | FC | A |
| EPC PLATINUM LIMITED | Limassol | 2,335 | EUR | 100 | FC | A |
| EPC RHO LIMITED | Limassol | 1,790 | EUR | 65 | FC | A |
| EPC THREE LIMITED | Limassol | 2,491,220 | EUR | 65 | FC | A |
| EPC TWO LIMITED | Limassol | 969,057 | EUR | 65 | FC | A |
| EUROPOLIS REAL ESTATE ASSET MANAGEMENT LIMITED | Limassol | 2,490 | EUR | 100 | FC | A |
| MOCASANRA HOLDINGS LIMITED | Limassol | 2,300 | EUR | 100 | FC | A |
| OPRAH ENTERPRISES LIMITED | Limassol | 2,700 | EUR | 100 | FC | A |
| Europolis Real Estate Asset Management LLC | Moscow | 26,350,886 | RUB | 100 | FC | A |
| CORMA HOLDINGS LIMITED | Nicosia | 6 | EUR | 65 | FC | A |
| HARILDO LIMITED | Nicosia | 1,400 | EUR | 100 | FC | A |
| VESESTO LIMITED | Nicosia | 1,400 | EUR | 100 | FC | A |
| 4P - Immo. Praha s.r.o. | Prague | 200,000 | CZK | 75 | FC | A |
| CA Immo Real Estate Management Czech Republic s.r.o. | Prague | 1,000,000 | CZK | 100 | FC | A |
| EUROPOLIS 6 Holding s.r.o. | Prague | 200,000 | CZK | 100 | FC | A |
| EUROPOLIS Technopark s.r.o. | Prague | 200,000 | CZK | 51 | FC | A |
| RCP Alfa, s.r.o. | Prague | 1,000,000 | CZK | 51 | FC | A |
| RCP Amazon, s.r.o. | Prague | 1,000,000 | CZK | 65 | FC | A |
| RCP Beta, s.r.o. | Prague | 73,804,000 | CZK | 65 | FC | A |
| RCP Delta, s.r.o. | Prague | 1,000,000 | CZK | 65 | FC | A |
| RCP Epsilon, s.r.o. (in Liquidation) | Prague | 200,000 | CZK | 65 | FC | A |
| RCP Gama, s.r.o. | Prague | 96,931,000 | CZK | 65 | FC | A |
| RCP ISC, s.r.o. | Prague | 1,000,000 | CZK | 65 | FC | A |
| RCP Residence, s.r.o. | Prague | 5,000,000 | CZK | 100 | FC | A |
| TK Czech Development IX s.r.o. | Prague | 100,000 | CZK | 100 | FC | A |
| ALLIANCE MANAGEMENT COMPANY Sp.z o.o. | Warsaw | 971,925 | PLN | 65 | FC | A |
| CA Immo Real Estate Management Poland Sp. z o.o. | Warsaw | 500,000 | PLN | 100 | FC | A |
| CENTER PARK Sp.z o.o. | Warsaw | 70,000 | PLN | 65 | FC | A |
| EUROPOLIS BITWY WARSZAWSKIEJ Sp.z o.o. | Warsaw | 50,000 | PLN | 51 | FC | A |
| EUROPOLIS LIPOWY OFFICE PARK Sp.z o.o. | Warsaw | 70,000 | PLN | 100 | FC | A |
| EUROPOLIS PARK BŁONIE Sp.z o.o. | Warsaw | 1,091,400 | PLN | 65 | FC | A |
| EUROPOLIS SASKI CRESCENT Sp.z o.o. | Warsaw | 50,000 | PLN | 51 | FC | A |
| EUROPOLIS SASKI POINT Sp.z o.o. | Warsaw | 50,000 | PLN | 51 | FC | A |
| EUROPOLIS SIENNA CENTER Sp.z o.o. | Warsaw | 4,580,000 | PLN | 51 | FC | A |
| Mahler Property Services Sp.z.o.o. | Warsaw | 50,000 | PLN | 100 | FC | A |
| POLAND CENTRAL UNIT 1 Sp.z o.o. | Warsaw | 11,800,000 | PLN | 75 | FC | A |
| SOFTWARE PARK KRAKÓW Sp.z o.o. | Warsaw | 50,000 | PLN | 50 | PC | A |
| WARSAW TOWERS Sp.z o.o. | Warsaw | 50,000 | PLN | 51 | FC | A |
| EUROPOLIS CE Alpha Holding GmbH | Vienna | 36,336 | EUR | 65 | FC | A |
| EUROPOLIS CE Amber Holding GmbH | Vienna | 35,000 | EUR | 100 | FC | A |

¹⁾ FC full consolidation, PC proportional consolidation, EQ at equity consolidation

²⁾ F foundation, A acquisition

| Company | Registered office | Nominal capital | Currency | Interest in % | Consolidation method ¹⁾ | Foundation / First time consolidation in 2011 ²⁾ |
|---|-------------------|-----------------|----------|---------------|------------------------------------|---|
| EUROPOLIS CE Gamma Holding GmbH | Vienna | 35,000 | EUR | 65 | FC | A |
| EUROPOLIS CE Istros Holding GmbH | Vienna | 35,000 | EUR | 100 | FC | A |
| EUROPOLIS CE Kappa Holding GmbH | Vienna | 35,000 | EUR | 100 | FC | A |
| EUROPOLIS CE Lambda Holding GmbH | Vienna | 35,000 | EUR | 75 | FC | A |
| EUROPOLIS CE Ledum Holding GmbH | Vienna | 35,000 | EUR | 100 | FC | A |
| EUROPOLIS CE My Holding GmbH | Vienna | 35,000 | EUR | 75 | FC | A |
| EUROPOLIS CE Omikron Holding GmbH | Vienna | 35,000 | EUR | 65 | FC | A |
| EUROPOLIS CE Pi Holding GmbH | Vienna | 35,000 | EUR | 65 | FC | A |
| EUROPOLIS CE Rho Holding GmbH | Vienna | 35,000 | EUR | 65 | FC | A |
| EUROPOLIS CE Sigma Holding GmbH | Vienna | 35,000 | EUR | 65 | FC | A |
| EUROPOLIS CE Tau Holding GmbH | Vienna | 35,000 | EUR | 65 | FC | A |
| EUROPOLIS CE Tilia Holding GmbH | Vienna | 35,000 | EUR | 65 | FC | A |
| EUROPOLIS Duat Holding GmbH & Co OG | Vienna | 2,906,913 | EUR | 100 | FC | A |
| Europolis PHEME Holding GmbH | Vienna | 36,336 | EUR | 100 | FC | A |
| Europolis Real Estate Asset Management GmbH | Vienna | 35,000 | EUR | 100 | FC | A |
| EUROPOLIS Sarisu Holding GmbH | Vienna | 35,000 | EUR | 100 | FC | A |
| Europolis Zagrebtower d.o.o. | Zagreb | 15,347,000 | HRK | 65 | FC | A |

¹⁾ FC full consolidation, PC proportional consolidation, EQ at equity consolidation

²⁾ F foundation, A acquisition

As at 31.12.2011, CA Immobilien Anlagen Aktiengesellschaft held 70 % of shares in CA IMMO NEW EUROPE PROPERTY FUND S.C.A. SICAR, Luxembourg. The following subsidiaries, shares in joint ventures and associated companies of CA IMMO NEW EUROPE PROPERTY FUND S.C.A. SICAR, Luxembourg, are therefore also included in the consolidated financial statements:

| Company | Registered office | Nominal capital | Currency | Interest in % | Consolidation method ¹⁾ | Foundation / First time consolidation in 2011 ²⁾ |
|----------------------------------|-------------------|-----------------|----------|---------------|------------------------------------|---|
| CA Immo Sava City d.o.o. | Belgrade | 33,620,000 | EUR | 100 | FC | |
| TC Investments Arad S.R.L. | Bucharest | 4,018,560 | RON | 95.9 | FC | |
| Pannonia Shopping Center Kft. | Győr | 380,000,000 | HUF | 100 | FC | |
| CAINE B.V. | Hoofddorp | 18,151 | EUR | 100 | FC | |
| Pulkovo B.V. | Hoofddorp | 25,000 | EUR | 100 | FC | |
| CAINE S.à.r.l. | Luxembourg | 12,500 | EUR | 100 | FC | |
| K&K Investments S.R.L. | Sibiu | 21,609,000 | RON | 90 | FC | |
| OAO Avielen AG | St. Petersburg | 370,000,000 | RUB | 25 | EQ | |
| Amsterdam Office Sp.z.o.o. | Warsaw | 2,700,000 | PLN | 50 | PC | F |
| Poleczki Business Park Sp.z.o.o. | Warsaw | 7,936,000 | PLN | 50 | PC | |
| Vienna Office Sp.z.o.o. | Warsaw | 3,300,000 | PLN | 50 | PC | F |

¹⁾ FC full consolidation, PC proportional consolidation, EQ at equity consolidation

²⁾ F foundation, A acquisition

As at 31.12.2011 the CA Immo Group held 99.7 % of shares in CA Immo Deutschland GmbH, Frankfurt am Main (or simply Frankfurt). The following subsidiaries, shares in joint ventures, and associated companies of CA Immo Deutschland GmbH, Frankfurt, are therefore also included in the consolidated financial statements:

| Company | Registered office | Nominal capital | Currency | Interest in % | Consolidation method ¹⁾ | Foundation / First time consolidation in 2011 ²⁾ |
|---|-------------------|-----------------|----------|---------------|------------------------------------|---|
| Flottwellpromenade Projektentwicklungs GmbH & Co. KG | Berlin | 100,000 | EUR | 50 | PC | F |
| Flottwellpromenade Verwaltungs GmbH | Berlin | 25,000 | EUR | 50 | PC | A |
| CA Immo 13 GmbH | Frankfurt | 25,000 | EUR | 100 | FC | F |
| CA Immo 14 GmbH | Frankfurt | 25,000 | EUR | 100 | FC | F |
| CA Immo Berlin Europaplatz 01 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Berlin Europaplatz 01 Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Berlin Hallesches Ufer GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Berlin Lehrter Stadtquartier 3 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Berlin Lehrter Stadtquartier 4 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Berlin Lehrter Stadtquartier 5 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Berlin Lehrter Stadtquartier 6 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Berlin Lehrter Stadtquartier 7 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Berlin Lehrter Stadtquartier 8 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Berlin Lehrter Stadtquartier 9 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Berlin Lehrter Stadtquartier Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Berlin Lietzenburger Straße Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Berlin Lietzenburger Straße GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Berlin MBVD Projekt GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | F |
| CA Immo Berlin MBVD Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | A |
| CA Immo Berlin Schöneberger Ufer Beteiligungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Berlin Schöneberger Ufer GmbH & Co. KG | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Berlin Schöneberger Ufer Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Berlin Stadthafenquartier Europacity GmbH & Co. KG | Frankfurt | 5,000 | EUR | 50 | PC | F |
| CA Immo Berlin Stadthafenquartier Europacity Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 50 | PC | A |
| CA Immo Düsseldorf BelsenPark MK 2.1 Projekt GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | F |
| CA Immo Düsseldorf BelsenPark MK 3 Projekt GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | F |
| CA Immo Düsseldorf BelsenPark Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | F |
| CA Immo Frankfurt Bauphase I GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Frankfurt Bauphase I Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Frankfurt Nord 1 Beteiligungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Frankfurt Nord 1 Projekt GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Frankfurt Nord 1 Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Frankfurt Nord 4 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Frankfurt Nord 4 Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Frankfurt Tower 185 Beteiligungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Frankfurt Tower 185 Projekt GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Frankfurt Tower 185 Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Frankfurt Tower- 2-Besitz GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo Frankfurt Tower- 2-Betriebsgesellschaft mbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Frankfurt Tower- 2-Geschäftsführungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |

¹⁾ FC full consolidation, PC proportional consolidation, EQ at equity consolidation

²⁾ F foundation, A acquisition

| Company | Registered office | Nominal capital | Currency | Interest in % | Consolidation method ¹⁾ | Foundation / First time consolidation in 2011 ²⁾ |
|---|-------------------|-----------------|----------|--------------------|------------------------------------|---|
| CA Immo Frankfurt Tower– 2-Verwaltungsgesellschaft mbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Köln K 1 GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Köln K 2 GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo Köln K 3 GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo München Ambigon Nymphenburg GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | FC | |
| CA Immo München Ambigon Nymphenburg Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo München MI 1 - Arnulfpark Grundstücksverwertungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| CA Immo München MK 6 - Arnulfpark Grundstücksverwertungs GmbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| omniCon Gesellschaft für innovatives Bauen mbH | Frankfurt | 100,000 | EUR | 100 | FC | |
| omniPro Gesellschaft für Projektmanagement mbH | Frankfurt | 25,000 | EUR | 100 | FC | |
| VIADOR GmbH | Frankfurt | 100,000 | EUR | 70 | FC | |
| CA Immo München Eggartensiedlung GmbH & Co. KG | Grünwald | 5,000 | EUR | 100 | FC | F |
| CA Immo München Eggartensiedlung Verwaltungs GmbH | Grünwald | 25,000 | EUR | 100 | FC | F |
| CA Immo München Moosach Projekt GmbH & Co. KG | Grünwald | 5,000 | EUR | 100 | FC | F |
| CA Immo München Moosach Verwaltungs GmbH | Grünwald | 25,000 | EUR | 100 | FC | F |
| CA Immo Projektentwicklung Bayern GmbH & Co. KG | Grünwald | 255,646 | EUR | 100 | FC | |
| CA Immo Projektentwicklung Bayern Verwaltungs GmbH | Grünwald | 25,000 | EUR | 100 | FC | |
| CA Immo Stuttgart Heilbronner Straße GmbH & Co. KG | Grünwald | 5,000 | EUR | 100 | FC | F |
| CONCEPT BAU - PREMIER CA Immo Isargärten GmbH & Co. KG | Grünwald | 15,000 | EUR | 33.3 ³⁾ | PC | |
| CONCEPT BAU - PREMIER CA Isargärten Verwaltungs GmbH | Grünwald | 25,000 | EUR | 33.3 ³⁾ | PC | |
| Isargärten Bauträger GmbH & Co. KG | Grünwald | 15,000 | EUR | 33.3 ³⁾ | PC | |
| Isargärten Bauträger Verwaltungs GmbH | Grünwald | 25,000 | EUR | 33.3 ³⁾ | PC | |
| Isargärten Thalkirchen Verwaltungs GmbH | Grünwald | 30,000 | EUR | 33.3 | EQ | |
| SKYGARDEN Arnulfpark GmbH & Co. KG | Grünwald | 100,000 | EUR | 100 | FC | A |
| SKYGARDEN Arnulfpark Verwaltungs GmbH | Grünwald | 25,000 | EUR | 50 | PC | |
| Congress Centrum Skyline Plaza Beteiligung GmbH | Hamburg | 25,000 | EUR | 50 | PC | F |
| Congress Centrum Skyline Plaza Verwaltung GmbH | Hamburg | 25,000 | EUR | 50 | PC | |
| CongressCentrum Skyline Plaza GmbH & Co. KG | Hamburg | 25,000 | EUR | 50 | PC | |
| REC Frankfurt Objekt GmbH & Co. KG | Hamburg | 100,000 | EUR | 50 | PC | |
| REC Frankfurt Objektverwaltungsgesellschaft mbH | Hamburg | 25,000 | EUR | 50 | PC | |
| Mainzer Hafen GmbH | Mainz | 25,000 | EUR | 50 | PC | |
| Zollhafen Mainz GmbH & Co. KG | Mainz | 1,200,000 | EUR | 50.1 ³⁾ | PC | |
| Kontorhaus Arnulfpark GmbH & Co. KG | Oberhaching | 100,000 | EUR | 50 | PC | |
| Kontorhaus Arnulfpark Verwaltungs GmbH | Oberhaching | 25,000 | EUR | 50 | PC | |
| Skyline Plaza Generalübernehmer GmbH & Co. KG | Oststeinbek | 25,000 | EUR | 50 | PC | F |
| Skyline Plaza Generalübernehmer Verwaltung GmbH | Oststeinbek | 25,000 | EUR | 50 | PC | F |
| Boulevard Süd 4 GmbH & Co. KG | Ulm | 200,000 | EUR | 50 | PC | |
| Boulevard Süd 4 Verwaltungs-GmbH | Ulm | 25,000 | EUR | 50 | PC | |

¹⁾ FC full consolidation, PC proportional consolidation, EQ at equity consolidation

²⁾ F foundation, A acquisition

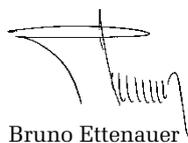
³⁾ common control

DECLARATION OF THE MANAGEMENT BOARD DUE TO SECTION 82 (4) OF THE AUSTRIAN STOCK EXCHANGE ACT

The management board confirms to the best of their knowledge that the consolidated financial statements of CA Immobilien Anlagen Aktiengesellschaft, which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the CA Immo Group and that the group management report gives a true and fair view of the development and performance of the business and position of the CA Immo Group, together with a description of the principal risks and uncertainties the CA Immo Group faces.

Vienna, 6 March 2012

The Management Board



Bruno Ettenauer
(Chairman)



Wolfhard Fromwald
(Member of the Management Board)



Bernhard H. Hansen
(Member of the Management Board)

AUDITOR'S REPORT

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of

**CA Immobilien Anlagen Aktiengesellschaft,
Vienna,**

for the year from 1 January 2011 to 31 December 2011. These consolidated financial statements comprise the consolidated statement of financial position as of 31 December 2011, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year ended 31 December 2011 and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements and for the Accounting System

The Company's management is responsible for the group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and with International Standards on Auditing, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as of 31 December 2011 and of its financial performance and its cash flows for the year from 1 January to 31 December 2011 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Report on the Management Report for the Group

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 6 March 2012

KPMG
Wirtschaftsprüfungs- und Steuerberatungs GmbH

Mag. Walter Reiffenstuhl
Wirtschaftsprüfer

ppa Mag. Christoph Erik Balzar
Wirtschaftsprüfer

(Austrian Chartered Accountants)

This report is a translation of the original report in German, which is solely valid.

Publication of the consolidated financial statements together with our auditor's opinion may only be made if the consolidated financial statements and the management report are identical with the audited version. The Auditor's Report only refers to the complete German version of the consolidated financial statements and the management report. Section 281 paragraph 2 UGB (Austrian Commercial Code) applies.

FINANCIAL STATEMENTS AND
MANAGEMENT REPORT

CONTENT

FINANCIAL STATEMENTS AND MANAGEMENT REPORT

Annex

- I Annual Financial Statements as at 31.12.2011
 - Balance Sheet as at 31.12.2011
 - Income Statement for the year ended 31.12.2011
 - Notes for the business year 2011
- II Management Report

AUDITOR'S REPORT

DECLARATION OF THE MANAGEMENT BOARD DUE TO SECTION 82 (4) OF THE AUSTRIAN STOCK EXCHANGE ACT (BÖRSEGESETZ)

Contact

DISCLAIMER

IMPRINT

BALANCE SHEET AS AT 31.12.2011

| Assets | 31.12.2011 | 31.12.2010 |
|--|-------------------------|------------------|
| | € | € 1,000 |
| A. Fixed assets | | |
| I. Intangible fixed assets | | |
| 1. EDP software | 41,336.14 | 71 |
| 2. Goodwill | 0.00 | 214 |
| | 41,336.14 | 285 |
| II. Tangible fixed assets | | |
| 1. Property and buildings | 248,555,451.61 | 263,896 |
| of which land value: € 51,058,279.43; 31.12.2010: € 52,092 K | | |
| 2. Other assets, office furniture and equipment | 1,342,896.21 | 1,189 |
| 3. Prepayments made and construction in progress | 12,281,422.15 | 617 |
| | 262,179,769.97 | 265,702 |
| III. Financial assets | | |
| 1. Investments in affiliated companies | 1,741,906,941.08 | 1,753,501 |
| 2. Loans to affiliated companies | 217,874,578.91 | 194,630 |
| 3. Prepayments made on investments in affiliated companies | 1,900,000.00 | 200 |
| 4. Investments in associated companies | 57,533.69 | 125 |
| 5. Other loans | 14,343,679.35 | 4,147 |
| | 1,976,082,733.03 | 1,952,603 |
| | 2,238,303,839.14 | 2,218,590 |
| B. Current assets | | |
| I. Receivables | | |
| 1. Trade debtors | 455,288.03 | 330 |
| 2. Receivables from affiliated companies | 66,323,956.48 | 28,630 |
| 3. Other receivables | 5,270,368.59 | 3,074 |
| | 72,049,613.10 | 32,034 |
| II. Other securities | 33,055,300.00 | 3,854 |
| III. Cash on hand, credit balances with banks | 44,934,505.56 | 43,554 |
| | 150,039,418.66 | 79,442 |
| C. Deferred expenses | 1,067,285.40 | 1,418 |
| | 2,389,410,543.20 | 2,299,450 |

Liabilities and shareholders' equity

| | 31.12.2011 | 31.12.2010 |
|--|-------------------------|------------------|
| | € | € 1,000 |
| A. Shareholders' equity | | |
| I. Share capital | 638,713,556.20 | 638,714 |
| II. Tied capital reserves | 820,184,324.63 | 820,184 |
| III. Net profit | 98,747,939.27 | 0 |
| of which profit carried forward: € 0.00; 31.12.2010: € 5,897 K | | |
| | 1,557,645,820.10 | 1,458,898 |
| B. Untaxed reserves | | |
| Other untaxed reserves | | |
| Special item for investment grants | 278.88 | 79 |
| C. Provisions | | |
| 1. Provision for severance payment | 696,706.00 | 612 |
| 2. Tax provisions | 216,150.00 | 378 |
| 3. Other provisions | 62,915,513.80 | 74,655 |
| | 63,828,369.80 | 75,645 |
| D. Liabilities | | |
| 1. Bonds | 485,000,000.00 | 485,000 |
| of which convertible: € 135,000,000.00; 31.12.2010: € 135,000 K | | |
| 2. Liabilities to banks | 136,880,870.52 | 144,499 |
| 3. Trade creditors | 607,023.03 | 297 |
| 4. Payables to affiliated companies | 137,308,285.94 | 125,369 |
| 6. Other liabilities | 6,993,783.80 | 8,454 |
| of which from taxes: € 420,572.02; 31.12.2010: € 263 K | | |
| of which in connection with social security: € 99,199.56; 31.12.2010: € 88 K | | |
| | 766,789,963.29 | 763,619 |
| E. Deferred income | 1,146,111.13 | 1,209 |
| | | |
| | | |
| | | |
| | 2,389,410,543.20 | 2,299,450 |
| Contingent liabilities | 353,317,651.00 | 259,596 |

INCOME STATEMENT FOR FISCAL 2011

| | € | 2011 € | € 1,000 | 2010 € 1,000 |
|---|-----------------|------------------------|----------|-----------------|
| 1. Gross Revenues | | 20,998,339.50 | | 23,933 |
| 2. Other operating income | | | | |
| a) Income from the sale of fixed assets except of financial assets | 8,132,070.43 | | 104 | |
| b) Income from the reduction of provisions | 244,986.40 | | 286 | |
| c) Other income | 4,644,220.80 | 13,021,277.63 | 4,729 | 5,119 |
| 3. Staff expense | | | | |
| a) Wages | - 13,560.65 | | - 14 | |
| b) Salaries | - 6,975,583.51 | | - 6,270 | |
| c) Expenses for severance payments and payments into staff welfare funds | - 175,283.75 | | - 222 | |
| d) Expenses in connection with pensions | - 160,498.36 | | - 153 | |
| e) Payments relating to statutory social security contributions as well as as payments dependent on remuneration and compulsory contributions | - 1,160,985.40 | | - 1,166 | |
| f) Other social expenses | - 91,064.07 | - 8,576,975.74 | - 29 | - 7,854 |
| 4. Depreciation on intangible fixed assets and tangible fixed assets | | - 7,846,332.00 | | - 18,223 |
| of which unscheduled depreciation in accordance with § 204 para. 2 Commercial Code: € 0.00; 2010: € 10.052 K | | | | |
| 5. Other operating expenses | | | | |
| a) Taxes | - 344,391.93 | | - 588 | |
| b) Other expenses | - 14,918,591.33 | - 15,262,983.26 | - 19,748 | - 20,336 |
| 6. Subtotal from S 1 to 5 (operating result) | | 2,333,326.13 | | - 17,361 |
| 7. Income from investments | | 163,526,306.21 | | 1,970 |
| of which from affiliated companies: € 163,526,306.21; 2010: € 1,970 K | | | | |
| 8. Income from loans from financial assets | | 10,476,573.08 | | 10,458 |
| of which from affiliated companies: € 9,333,129.33; 2010: € 8,107 K | | | | |
| 9. Other interest and similar income | | 33,611,309.50 | | 9,194 |
| of which from affiliated companies: € 4,201,735.07; 2010: € 7,999 K | | | | |
| 10. Income from the disposal and appreciation of financial assets and short-term securities | | 18,033,969.51 | | 37,065 |
| 11. Expenses for financial assets, thereof | | - 60,789,006.70 | | - 55,634 |
| a) Depreciation: € 58,267,065.15; 2010: € 54,769 K | | | | |
| b) Expenses from affiliated companies: € 56,540,804.70; 2010: € 52,410 K | | | | |
| 12. Interest and similar expenses | | - 74,003,900.79 | | - 56,297 |
| of which relating to affiliated companies: € 19,021,199.05; 2010: € 4,061 K | | | | |
| 13. Subtotal from S 7 to 12 (financial result) | | 90,855,250.81 | | - 53,244 |
| 14. Result from usual business activity | | 93,188,576.94 | | - 70,605 |
| 15. Extraordinary income | | 0.00 | | 5,465 |
| 16. Extraordinary expenses | | 0.00 | | - 5,813 |
| 17. Extraordinary result | | 0.00 | | - 348 |
| 18. Taxes on income | | 5,481,013.90 | | 5,731 |
| 19. Annual income/loss | | 98,669,590.84 | | - 65,222 |
| 20. Dissolution of untaxed reserves | | | | |
| Special item for investment grants | | 78,348.43 | | 2 |
| 21. Dissolution of tied capital reserves | | 0.00 | | 53,046 |
| 22. Dissolution of free reserves | | 0.00 | | 6,277 |
| 23. Profit carried forward from the previous year | | 0.00 | | 5,897 |
| 24. Net profit | | 98,747,939.27 | | 0 |

NOTES ON THE FINANCIAL STATEMENTS FOR FISCAL 2011

ACCOUNTING AND VALUATION PRINCIPLES AND GENERAL INFORMATION

The financial statements have been drawn up pursuant to the provisions of the Austrian Commercial Code (UGB).

I. Fixed assets

Intangible and tangible fixed assets

The intangible and tangible assets are stated at acquisition or production cost reduced by scheduled depreciation, where depreciable, and unscheduled depreciation, where required.

The scheduled depreciation is carried out on a linear basis, with the depreciation period corresponding to the useful life expectancy. Additions in the first half of the fiscal year are subject to full annual depreciation, additions in the second half are subject to half of annual depreciation.

Unscheduled depreciation is only carried out where it is anticipated that permanent value impairments have occurred. In fiscal 2011 no unscheduled depreciation on tangible assets are made (2010: € 10,052 K).

In fiscal 2011 the accounting option not to carry out potential appreciation on tangible assets in accordance with section 208, para. 2 of the Austrian Commercial Code (UGB) was not exercised for the first time, and appreciation on tangible assets in the amount of € 2,511K (2010: € 0 K) were made while appreciation in the amount of € 64 K (2010: € 3,905 K) was not carried out.

Financial assets

Investments in affiliated companies including prepayments and the investment in associated companies are stated at acquisition costs reduced by unscheduled depreciation.

The loans to affiliated companies and other loans are stated at acquisition costs reduced by repayments made and unscheduled depreciation.

Unscheduled depreciation is only carried out where it is anticipated that permanent value impairments have occurred. In fiscal 2011 unscheduled depreciation in the amount of € 58,267 K (2010: € 54,769 K) and appreciation in the amount of € 15,919 K (2010: € 34,011 K) were made on financial assets.

The income from investments is recognised on the basis of shareholder resolutions.

II. Current assets

Receivables are valued at nominal value. Identifiable defaults risks are considered by carrying out individual value adjustments.

Securities are stated including accrued interest attributable to the securities, though not higher than at market value.

III. Other untaxed reserves

The construction cost subsidies received from the public sector are shown as Special item for investment grants and are reversed on a pro rata basis in accordance with the effective life of the projects they are used to part-finance.

IV. Provisions and liabilities

Provisions for severance payments amount to 103.41% (31.12.2010: 103.52%) of the imputed statutory severance payment obligations existing on the balance sheet date. The calculation is made using the PUC method, which is recognised in international accounting, based on an interest rate of 4.75% (31.12.2010: 4.5%) and future salary increases of 2% for employees plus an inflation payment of 2% and not taking into account a fluctuation discount. The interest rate was increased by 0.25% compared to the previous year, otherwise the same parameters were applied for calculation of the provisions as in the previous year.

The Tax and Other provisions are made on a prudent basis in accordance with the anticipated requirement. They take into account all identifiable risks and as yet unquantified liabilities.

Derivative financial instruments are recognised at the fair value. Where this is possible, the derivative financial instruments (interest rate swaps) held are designated as hedging instruments. In 2011 the AFRAC Comment Letter "Accounting for Derivatives and Hedging Instruments under Company Law" was applied for the first time. According to this Comment Letter, the derivatives designated as hedging instruments are deemed to form part of a hedging relationship from 2011 on and will not be recognised in the balance sheet as provisions for anticipated losses if the fair value is negative. Therefore, the provisions recognised as at 31 December 2010 to the value of € 24,935 K were reversed. Additionally, the receivables from affiliated companies from back-to-back derivative financial instruments to the value of € 15,191 K that were stated in the balance sheet in the previous year were adjusted or reversed. The reversal of the provisions for anticipated losses is shown under Other interest and similar income. The adjustment of receivables to the value of € 15,191 K is recognised under Interest and similar expenses towards affiliated companies. The prospective effectiveness of the hedging relationship is determined on the basis of the "critical term match", while the retrospective effectiveness is ascertained on the basis of the "hypothetical derivative method". Where no hedging relationship can be established, provisions for anticipated losses are continued to be set up in case of negative market values of the derivative financial instruments.

Liabilities are stated on a prudent basis at their repayment amount.

V. Note on currency conversion

Foreign exchange receivables are valued at the purchase price or at the lower bid rate as at the balance sheet date. Foreign exchange liabilities are valued at the purchase price or at the higher offer rate as at the balance sheet date.

EXPLANATORY NOTES ON THE BALANCE SHEET AND INCOME STATEMENT

VI. Explanatory notes on the balance sheet

a) Fixed assets

The breakdown and development of the fixed assets can be seen from the assets analyses in appendix 1.

Intangible assets

The Goodwill is the result of the merger with CA Immo Beteiligungen und Leasing GmbH which took place in fiscal 2002 and is amortised over a period of ten years in accordance with the effective economic life. Since it was fully depreciated at 31.12.2011, the goodwill was recognised as a disposal in the assets analyses.

Tangible assets

The additions to Property and buildings and to Prepayments made and construction in progress relate for the most part to current investments, in particular amalgamation and division of leased premises and preconstruction works for the Erdberger Lände. The disposals relate to the sale of five items of real estate. As at the balance sheet date the tangible assets include 23 properties (31.12.2010: 28 properties).

Financial assets

The notes on affiliated companies can be found in appendix 2.

The book value of the Investments in affiliated companies is € 1,741,907 K (31.12.2010: € 1,753,501 K). The current additions are mainly the result of diverse shareholder contributions in the amount of € 18,630 K to companies in Eastern Europe and the acquisition of the remaining 50% of a management company in Poland. The disposals are the result of the sale of two management companies in Eastern Europe to other companies of the Group. Depreciation of investments in affiliated companies to the value of € 53,017 K and appreciation to the value of € 14,219 K were carried out in 2011.

The Loans to affiliated companies are made up as follows:

| € 1,000 | 31.12.2011 | 31.12.2010 |
|---|----------------|----------------|
| CA Immobilien Anlagen Beteiligungs GmbH & Co Finanzierungs OG, Vienna | 86,767 | 117,416 |
| CA Immo Holding B.V., Hoofddorp | 29,190 | 0 |
| Kapas Center Kft, Budapest | 13,480 | 0 |
| R70 Invest Budapest Kft, Budapest | 12,704 | 18,004 |
| BA Business Center a.s., Bratislava | 11,000 | 11,000 |
| CA Immo Galleria Liegenschaftsverwaltung GmbH, Vienna | 7,900 | 0 |
| S.C. BBP Leasing S.R.L., Bucharest | 7,590 | 7,590 |
| other under € 7,500K | 49,244 | 40,620 |
| | 217,875 | 194,630 |

Loans to affiliated companies to the value of € 134,044 K (31.12.2010: € 194,630 K) have a remaining term of up to one year.

The prepayment made on investments in affiliated companies was added with a value of € 1,700 K (2010: € 0 K).

In the fiscal year, unscheduled depreciation to the value of € 15 K (2010: € 7 K) were made on Investments in associated companies.

The Other loans mainly relate to long-term loans to affiliated companies and joint venture partners.

b) Current assets

Trade debtors to the value of € 455 K (31.12.2010: € 330 K) include outstanding rent and operating cost payments.

Receivables from affiliated companies are made up as follows:

| € 1,000 | 31.12.2011 | 31.12.2010 |
|---|---------------|---------------|
| Receivables from dividend payments | 49,815 | 0 |
| Receivables from interest | 7,192 | 5,340 |
| Receivables from tax compensation | 5,399 | 6,210 |
| Trade debtors (current transfer to affiliated companies) | 1,068 | 1,889 |
| Receivables from charging of derivative financial instruments | 0 | 15,191 |
| Other receivables | 2,850 | 0 |
| | 66,324 | 28,630 |

In the Other receivables in the amount of € 5,270 K (31.12.2010: € 3,074 K) the main items are receivables from the sale of a property, short-term cash advances and receivables from the passing-on of costs. In 2011 the cost of value adjustment is € 190 K (2010: € 6 K).

As in the previous year, all receivables have a remaining term of up to one year.

The Other securities include own 2006-2016 bonds redeemed from the market with a book value of € 13,658 K and a nominal value of € 14,008 K as well as convertible bonds with a book value of € 19,397 K and a nominal value of € 20,500 K (31.12.2010: 433 shares in ABS Dynamic Cash € 3,854 K). The convertible bond is registered for trading on the unlisted securities market of the Vienna Stock Exchange. However, the trading volumes on the stock exchange are very low and transactions are made only sporadically. Due to the low trading volume, the prices that can be observed on the stock exchange do not reflect the market price of this paper so that the own convertible bond held by the company was valued on the basis of internal valuation models.

c) Deferred expenses

Deferred expenses in the amount of € 1,067 K (31.12.2010: € 1,418 K) essentially comprise deferred discounts to the value of € 1,059 K (31.12.2010: € 1,341 K) for the issuance of a bond in the amount of € 200,000 K in 2006 and a bond issued in fiscal 2009 to the value of € 150,000 K.

d) Shareholders' equity

The stated Share capital is the nominal capital in the amount of € 638,713,556.20 (31.12.2010: € 638,713,556.20), which is fully paid up. It is broken down into 87,856,056 (31.12.2010: 87,856,056) bearer shares and 4 nonpar registered shares. The registered shares are held by UniCredit Bank Austria AG, Vienna, and entitle it to nominate one Supervisory Board member for each share. This right has not been exercised. All Supervisory Board members have been elected by the Ordinary General Meeting.

In the 21st Ordinary Shareholders' Meeting of 13.5.2008 the Management Board was authorised with the approval of the Supervisory Board and up to 12.5.2013 to issue convertible bonds to a total nominal value of up to € 317,185K on a one-off basis or repeatedly, also under exclusion of the subscription rights of the shareholders, and to grant the bearers of convertible bonds conversion rights on up to 43,629,300 bearer shares of CA Immobilien Anlagen Aktiengesellschaft. In November 2009, on the basis of this authorisation, a five-year convertible bond worth € 135,000K was issued. The coupon of the convertible bond (payable semi-annually) was fixed at 4,125% and the conversion price at € 11,5802 (this corresponds to a premium of 27.5% over the reference price on the date of issuance). Thus, a maximum of 11,657,829 bearer shares can be issued if the conversion right is exercised. According to the terms and conditions of issuance of the convertible bond, the creditors are entitled to convert their bonds into shares of CA Immobilien Anlagen Aktiengesellschaft at the conversion price at any time (i.e. also before the end of the term of the bond in 2014). As at the balance sheet date of 31.12.2011 the stock exchange price of the CA Immo share was € 8.29 and thus below the conversion price. No bonds were submitted for conversion by the balance sheet date or the date when the balance sheet was drawn up.

As at 31.12.2011 there is authorised but unissued capital in the amount of € 312,841,476.80 which can only be made use of up until 8.8.2012 and unconditional capital in the amount of € 317,185,011.00.

The 2011 net retained earnings include appreciation on the fixed assets to the value of € 18,431 K. The net retained earnings are subject to a limitation on profit distribution in this amount in accordance with section 235 no. 1 of the Austrian Commercial Code (UGB).

e) Untaxed reserves

The Special item for investment grants relates to a construction cost subsidy of the Provincial Government of Vienna for the property at Zimmermannplatz 1, Vienna 9. The subsidy is written back in operating income in accordance with the remaining useful life of the investments thus financed.

f) Provisions

Under the Provision for severance payment there is a provision of € 697 K (31.12.2010: € 612 K) for the severance payment claims of employees of the company.

The Tax provisions in the amount of € 216 K (31.12.2010: € 378 K) relate for the most part to provisions for German corporation tax.

The Other provisions are made up as follows:

| € 1,000 | 31.12.2011 | 31.12.2010 |
|--|---------------|---------------|
| Derivative transactions | 37,812 | 54,012 |
| Provision for contributions to group companies | 17,114 | 15,452 |
| Construction services | 2,503 | 82 |
| Premiums | 2,370 | 1,743 |
| Real property tax and land transfer tax | 1,367 | 1,217 |
| Staff (vacation and overtime) | 591 | 332 |
| Legal, auditing and consultancy fees | 412 | 663 |
| Publications and expert opinions | 220 | 251 |
| Other | 527 | 903 |
| | 62,916 | 74,655 |

In fiscal 2010 the Management Board was, for the first time, offered the option to participate in an LTI (long term incentive) programme with a term of three years. Participation requires personal investment limited to 50% of the annual basic salary. Such investment was evaluated at the closing rate as at 31.12.2009, with the number of associated shares thereby determined. Performance will be measured according to the following indicators: NAV growth, ISCR (interest service coverage ratio) and TSR (total shareholder return). First-level managerial staff was also entitled to take part in the LTI programme. For these staff members, the personal investment is limited to 35% of the basic salary. The LTI programme was continued in fiscal 2011, and the Management Board and the first-level managerial staff were again given the opportunity to take part. As with the 2010 LTI programme, NAV growth, ISCR and TSR were used as performance indicators; however, their weighting was modified and the target values were increased.

With such cash-settled share-based payment, the accrued debt is recognised as a provision in the amount of the fair value. Until this debt has been settled, the fair value will be newly determined on each reporting date and on the date of settlement. All changes will be recognised in the operating income in each fiscal year.

g) Liabilities

| 31.12.2011 € 1,000 | Maturity up to 1 year | Maturity 1-5 years | Maturity more than 5 years | Total |
|----------------------------------|--------------------------|-----------------------|-------------------------------|----------------|
| Bonds | 0 | 485,000 | 0 | 485,000 |
| Liabilities to banks | 35,510 | 52,581 | 48,790 | 136,881 |
| Trade creditors | 430 | 177 | 0 | 607 |
| Payables to affiliated companies | 126,293 | 6,040 | 4,975 | 137,308 |
| Other liabilities | 6,994 | 0 | 0 | 6,994 |
| Total | 169,227 | 543,798 | 53,765 | 766,790 |

| 31.12.2010 € 1,000 | Maturity up to 1 year | Maturity 1-5 years | Maturity more than 5 years | Total |
|----------------------------------|--------------------------|-----------------------|-------------------------------|----------------|
| Bonds | 0 | 285,000 | 200,000 | 485,000 |
| Liabilities to banks | 33,699 | 51,900 | 58,900 | 144,499 |
| Trade creditors | 228 | 69 | 0 | 297 |
| Payables to affiliated companies | 112,627 | 6,040 | 6,702 | 125,369 |
| Other liabilities | 8,454 | 0 | 0 | 8,454 |
| Total | 155,008 | 343,009 | 265,602 | 763,619 |

The Bonds item comprises the following liabilities:

| | Nominal value | Nominal interest rate |
|----------------------------|----------------|-----------------------|
| | € 1,000 | |
| Bond 2006-2016 | 200,000 | 5,125% |
| Bond 2009-2014 | 150,000 | 6,125% |
| Convertible bond 2009-2014 | 135,000 | 4,125% |
| | 485,000 | |

The maturity of the convertible bond was assigned on the basis of the end of its term.

The Liabilities to banks item mainly comprises investment loans with a filed claim to entry in the land register to the value of € 136,881 K (31.12.2010: € 144,499 K).

The Trade creditors item for the most part comprises liabilities for construction services and liability guarantees as well as general administrative costs.

The liabilities shown under the Payables to affiliated companies item mainly relate to group-internal cash advances.

The Other liabilities are essentially made up of accrued interest for bonds and convertible bonds (€ 5,503 K) which only become cash-effective in the spring or autumn of 2012, open purchase prices for investments in affiliated companies (€ 684 K) and Tax Office netting from the advance VAT return for November and December 2011.

h) Deferred income

| € 1,000 | 31.12.2011 | 31.12.2010 |
|--|--------------|--------------|
| Comprised rent prepayments received for various properties | 846 | 891 |
| Investment grant from the municipality of Vienna | 300 | 318 |
| | 1,146 | 1,209 |

i) Contingent liabilities

| | Maximum amount as at 31.12.2011 Tsd. | | Used as at reporting date 31.12.2011 € 1,000 | Used as at reporting date 31.12.2010 € 1,000 |
|---|---|-----|--|--|
| Liability for a loan granted to CA Immo Frankfurt Tower 185 Projekt GmbH & Co KG, Frankfurt | 25,000 | € | 25,000 | 19,065 |
| Guarantee for loans granted to CA Immo BIP Liegenschaftsverwaltung GmbH, BIL-S Superädifikatsverwaltungs GmbH, CA Immo Galleria Liegenschaftsverwaltung GmbH, Betriebsobjekte Verwertung Gesellschaft mbH & Co. Leasing OG and CA Immo Deutschland GmbH | 192,479 | € | 97,792 | 122,460 |
| Guarantee for CA Immo CEE Beteiligungs GmbH, Vienna, for the acquisition of Europolis AG granted to the sellers | 136,884 | € | 136,884 | 0 |
| Irrevocable guarantee for a loan granted to Vaci 76 Kft., Budapest | 45,600 | € | 35,445 | 36,000 |
| Guarantee for loans granted to CA Immo Frankfurt Tower 185 Projekt GmbH & Co KG, Frankfurt | 34,000 | € | 33,333 | 19,065 |
| Irrevocable guarantee for a loan granted to S.C. BBP Leasing S.R.L., Bucharest | 33,150 | € | 16,156 | 18,310 |
| Irrevocable guarantee for a loan granted to Kilb Kft, Budapest | 21,000 | € | 13,579 | 14,345 |
| Irrevocable guarantee for a loan granted to CA Immo Rennweg 16 GmbH, Vienna | 10,900 | € | 6,800 | 8,900 |
| Irrevocable guarantee for a loan granted to Doratus Sp.z.o.o., Warsaw | 8,500 | € | 7,157 | 7,549 |
| Irrevocable guarantee for a loan granted to Canada Square Kft., Budapest | 8,200 | € | 6,172 | 6,319 |
| Irrevocable guarantee for a loan granted to CA Immo Galleria Liegenschaftsverwaltung GmbH, Vienna | 0 | € | 0 | 4,016 |
| Irrevocable guarantee for a loan granted to Starohorska Development s.r.o., Bratislava | 0 | € | 0 | 1,905 |
| Irrevocable guarantee for a loan granted to Kapas Kft., Budapest | 0 | € | 0 | 888 |
| Irrevocable guarantee for a loan granted to Officecenter Mladost EOOD, Sofia | 0 | € | 0 | 444 |
| Irrevocable guarantee for a loan granted to Opera Center Two S.R.L., Bucharest | 0 | USD | 0 | 330 |
| | | | 378,318 | 259,596 |

CA Immobilien Anlagen Aktiengesellschaft and CA Immo CEE Beteiligungs GmbH, Vienna, acquired the shares in Europolis AG, Vienna, on 1.1.2011. CA Immobilien Anlagen Aktiengesellschaft is liable towards the seller for the purchase price of € 136 m, which was still outstanding on 31.12.2011. The outstanding purchase price is deferred until 31.12.2015.

Furthermore, the stakes of CA Immobilien Anlagen Aktiengesellschaft in the following companies are pledged in favour of the lenders financing the subsidiaries:

Betriebsobjekte Verwertung Gesellschaft m.b.H. & Co. Leasing OG, Vienna
CA Immo-RI-Resi.Prop.Holding GmbH, Vienna
CA Immo BIP Liegenschaftsverwaltung GmbH, Vienna
CA Immo International Holding GmbH, Vienna
Canada Square Kft., Budapest
Kilb Kft., Budapest
Vaci 76 Kft., Budapest
BBP Leasing S.R.L. , Bucharest
2P s.r.o., Pilsen
FCL Property a.s., Prague
Office Center Mladost II EOOD, Sofia

Furthermore, the following letters of comfort were issued for subsidiaries to financial institutions financing them:

BIL S Superädifikationsverwaltungs GmbH, Vienna
 Betriebsobjekte Verwertung Gesellschaft m.b.H. & Co. Leasing OHG, Vienna
 CA Immobilien Anlagen d.o.o., Laibach
 2P s.r.o., Pilsen
 FCL Property a.s., Prague

The partner from a Russian project has filed an arbitration action in the amount of € 48,097K plus interest (announced as at 31.12.2012). However, the chance of success is assumed to be low. Appropriate provisions were set up in the balance sheet for the expected payment outflow.

j) Liabilities from utilisation of tangible assets

The lease-related liability from utilisation of tangible assets not reported in the balance sheet is € 746 K for the subsequent fiscal year and € 3,723 K for the subsequent five fiscal years.

Of this € 738 K is attributable to affiliated companies for the subsequent fiscal year and € 3,692 K for the subsequent five fiscal years.

k) Details of derivative financial instruments

| € 1,000 | | | fixed interest | interest | Market value | Book value | Not considered | thereof |
|---------|---------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|
| | | Nominal value | rate as at | reference rate | Derivatives | Derivatives | Derivatives | charged |
| Start | End | | 31.12.2011 | | 31.12.2011 | 31.12.2011 | 31.12.2011 | derivatives to |
| | | | | | | | | affiliated |
| | | | | | | | | companies |
| | | | | | | | | 31.12.2011 |
| 12/2007 | 12/2012 | 58,438 | 4.25% | 3M-EURIBOR | - 1,865 | - 1,865 | 0 | 0 |
| 12/2007 | 12/2017 | 116,875 | 4.41% | 3M-EURIBOR | - 17,383 | - 5,828 | - 11,555 | - 469 |
| 12/2007 | 12/2017 | 65,000 | 4.82% | 3M-EURIBOR | - 11,648 | - 11,648 | 0 | 0 |
| 12/2007 | 12/2022 | 58,438 | 4.55% | 3M-EURIBOR | - 12,076 | - 5 | - 12,071 | - 10,774 |
| 01/2008 | 12/2017 | 42,525 | 4.41% | 3M-EURIBOR | - 6,288 | - 6,288 | 0 | 0 |
| 01/2008 | 12/2022 | 59,063 | 4.55% | 3M-EURIBOR | - 12,178 | - 12,178 | 0 | 0 |
| 12/2008 | 12/2017 | 75,200 | 4.41% | 3M-EURIBOR | - 11,167 | 0 | - 11,167 | - 11,167 |
| | | 475,539 | | | - 72,605 | - 37,812 | - 34,793 | - 22,410 |

| € 1,000 | | | fixed interest rate as at | interest | Market value Derivatives | Book value Derivatives | Not considered Derivatives | thereof charged derivatives to affiliated companies |
|---------|---------|----------------|------------------------------|----------------|-----------------------------|---------------------------|-------------------------------|---|
| Start | End | Nominal value | 31.12.2010 | reference rate | 31.12.2010 | 31.12.2010 | 31.12.2010 | 31.12.2010 |
| 09/2004 | 12/2011 | 14,741 | 2.99% | 3M-EURIBOR | - 289 | - 289 | 0 | 0 |
| 09/2004 | 12/2011 | 14,741 | 3.87% | 3M-EURIBOR | - 408 | - 408 | 0 | 0 |
| 06/2005 | 12/2011 | 7,371 | 2.90% | 3M-EURIBOR | - 132 | - 132 | 0 | 0 |
| 12/2007 | 12/2012 | 59,688 | 4.25% | 3M-EURIBOR | - 3,369 | - 3,369 | 0 | 0 |
| 12/2007 | 12/2017 | 119,375 | 4.41% | 3M-EURIBOR | - 12,867 | - 12,867 | 0 | - 347 |
| 12/2007 | 12/2017 | 65,000 | 4.82% | 3M-EURIBOR | - 9,044 | - 9,044 | 0 | 0 |
| 12/2007 | 12/2022 | 59,688 | 4.55% | 3M-EURIBOR | - 7,383 | - 7,383 | 0 | - 6,587 |
| 12/2008 | 12/2017 | 76,800 | 4.41% | 3M-EURIBOR | - 8,257 | - 8,257 | 0 | - 8,257 |
| 01/2008 | 12/2017 | 43,200 | 4.41% | 3M-EURIBOR | - 4,629 | - 4,629 | 0 | 0 |
| 01/2008 | 12/2022 | 60,000 | 4.55% | 3M-EURIBOR | - 7,332 | - 7,332 | 0 | 0 |
| 10/2009 | 12/2015 | 43,200 | 2.73% | 3M-EURIBOR | 951 | 0 | 951 | 0 |
| 10/2009 | 12/2020 | 60,000 | 3.29% | 3M-EURIBOR | 1,224 | 0 | 1,224 | 0 |
| 12/2010 | 12/2013 | 65,000 | 1.53% | 3M-EURIBOR | - 302 | - 302 | 0 | 0 |
| | | 688,804 | | | - 51,837 | - 54,012 | 2,175 | - 15,191 |

The fair value corresponds to the amount that CA Immobilien Anlagen Aktiengesellschaft would receive or pay upon liquidation of the business on the balance sheet date. These values were determined by the financial institution with which the transactions were concluded. The cited figures are present values. Future income streams from variable payments and discount rates are determined on the basis of generally recognised financial models. Interbank mid-rates are used for valuation. Specific bid/offer spreads and other liquidation costs are not included in the valuation.

The negative market values of those derivatives that were not recognised in the balance sheet amount to € 34,793 K (1.1.2011: € 24,935 K). Furthermore, receivables from affiliated companies to the value of € 22,410 K (1.1.2011: € 15,191 K) were not recognised due to a hedging relationship.

l) Hedging relationship

The fair value of the interest rate swaps designated as hedging instruments amounts to € - 34,982 K on the balance sheet date (1.1.2011: € - 25,061 K); € 189 K of this amount (1.1.2011: € 126 K) were recognised as a provision for being an ineffective part. The fair value of the receivables from affiliated companies designated as underlying transactions amounts to € 22,410 K (1.1.2011: € 15,191 K).

The hedging periods differ depending on the interest swap and relate to the periods from 12/2007 to 12/2022.

The losses from derivatives not recognised in the balance sheet that form a hedging relationship with future payment flows amount to € 34,793 K in the closed fiscal year (1.1.2011: € 24,935 K). The profits from receivables from affiliated companies not recognised in the balance sheet that form a hedging relationship with future payment flows amount to € 22,410 K in the closed fiscal year (1.1.2011: € 15,191 K).

VII. Explanatory notes on the income statement

Gross revenues

The gross revenues relate in full to real estate located in the domestic market and are made up as follows:

| € 1,000 | 2011 | 2010 |
|--------------------------------------|---------------|---------------|
| Rental income for real estate | 16,404 | 19,323 |
| Operating costs passed on to tenants | 4,594 | 4,610 |
| | 20,998 | 23,933 |

Other operating income

The other income item of the other operating income of € 4,644 K (2010: € 4,729 K) results from management fees paid to subsidiaries in the amount of € 4,131 K (2010: € 2,972 K, cost allocations and insurance revenues.

Staff expense

This item includes wages, salaries, statutory social welfare contributions and expenses for severance payments and pensions totalling € 8,577 K (2010: € 7,854 K) for the 60 staff (2010: 60) employed by the company on average.

The Expenses for severance payments as well as payments dependent on remuneration and compulsory contributions are made up as follows:

| € 1,000 | 2011 | 2010 |
|---|------------|------------|
| Allocation to provision for severance payments to directors and executive employees | 81 | 118 |
| Allocation to provision for severance payments to other employees | 4 | 5 |
| Pension fund contributions for directors and executive employees | 44 | 54 |
| Pension fund contributions for other employees | 46 | 46 |
| | 175 | 223 |

The Expenses in connection with pensions are made up as follows:

| € 1,000 | 2011 | 2010 |
|--|------------|------------|
| Pension fund contributions for directors and executive employees | 123 | 123 |
| Pension fund contributions for other employees | 37 | 30 |
| | 160 | 153 |

Depreciation

| € 1,000 | 2011 | 2010 |
|--|--------------|---------------|
| Depreciation of intangible fixed assets | 244 | 249 |
| Scheduled depreciation of buildings | 7,134 | 7,474 |
| Unscheduled depreciation of real estate | 0 | 10,052 |
| Depreciation of other assets, office furniture and equipment | 468 | 437 |
| Low-value assets | 0 | 11 |
| | 7,846 | 18,223 |

Other operating expenses

Where they do not come under taxes on income the taxes in the amount of € 344 K (2010: € 588 K) mainly comprise the non-deductible input VAT of the current year and real estate charges passed on to tenants in the amount of € 330 K (2010: € 331 K).

The Other expenses item of the other operating expenses is made up as follows:

| € 1,000 | 2011 | 2010 |
|--|---------------|---------------|
| Other expenses directly related to properties | | |
| Operating costs passed on to tenants | 4,247 | 4,262 |
| Own operating costs (vacancy costs) | 1,815 | 1,393 |
| Maintenance costs | 1,659 | 2,500 |
| Administration and agency fees | 227 | 436 |
| Other | 194 | 129 |
| Subtotal | 8,142 | 8,720 |
| General administrative costs | | |
| Legal and consulting fees | 2,307 | 2,650 |
| Advertising and representation expenses | 862 | 904 |
| Office rent including operating costs | 820 | 732 |
| Claims and reserves for bad debts of other receivables | 348 | 4,372 |
| Current expenses of bonds and convertible bond | 297 | 281 |
| Other fees and bank charges | 128 | 147 |
| Administrative and management costs | 35 | 522 |
| Other | 1,980 | 1,420 |
| Subtotal | 6,777 | 11,028 |
| Total other operating expenses | 14,919 | 19,748 |

Income from interest

This item comprises dividends paid from affiliated companies from Austria in the amount of € 102,340 K (2010: € 120 K) and from Eastern Europe or intermediate holding companies for investments in Eastern Europe in the amount of € 61,187 K (2010: € 1,850 K).

Income from loans from financial investments

This item comprises interest income from loans to affiliated companies, from loans to associated companies and from other loans.

Other interest and similar income

The interest income originates from fixed term deposits, investments in securities and cash at bank as well as from loans and swap interest transfers to affiliated companies. In relation to the change in the accounting method used for derivative financial instruments qualified as parts of hedging relationships, provisions for anticipated losses to the total value of € 24,935 K (2010: € 0 K) were reversed on 1.1.2011.

Income from the sale of and addition to financial assets and short-term securities

Due to reversals of impairment losses appreciation of investment in affiliated companies to the value of € 14,219 K (2010: € 34,011 K) and in the previous year appreciation of short-term securities from current assets to the value of € 1,304 K were carried out. In addition income from the sale of short-term securities from current assets to the value of € 815 K (2010: € 1,722 K) was generated.

Expenses for financial assets

| € 1,000 | 2011 | 2010 |
|---|---------------|---------------|
| Depreciation of financial assets | 58,267 | 54,769 |
| Provision for contributions to group companies | 2,522 | 824 |
| Loss from disposal of investments in affiliated companies | 0 | 41 |
| | 60,789 | 55,634 |
| of which due to dividends | 21,695 | 603 |

Interest and similar expense

| € 1,000 | 2011 | 2010 |
|--|---------------|---------------|
| Interest costs for bonds | 25,006 | 25,006 |
| Expenses for derivative transactions | 26,090 | 24,115 |
| Interest for loans taken up and bank liabilities for the financing of real estate assets | 3,879 | 3,100 |
| Interest costs in respect of affiliated companies | 19,021 | 4,061 |
| Other | 8 | 15 |
| | 74,004 | 56,297 |

In relation to the change in the accounting method used for derivative financial instruments qualified as parts of hedging relationships, swap receivables from affiliated companies to the total value of € 15,191 K (2010: € 0 K) were adjusted as at 1.1.2011.

Taxes on income

This item essentially comprises the income from tax compensation of group members in the amount of € 5,409 K (2010: € 5,734 K).

As at 31.12.2011 CA Immobilien Anlagen Aktiengesellschaft has losses carried forward in the amount of € 283,810 K (31.12.2010: € 254,260 K) for which, pursuant to the provisions of the Austrian Commercial Code (UGB), no deferred taxes were shown in the financial statements. Furthermore, no deferred tax assets were recognised for depreciation on financial assets in the amount of € 30,569 K (31.12.2010: € 32,208 K) that have not yet been claimed for tax purposes.

OTHER INFORMATION**VIII. Affiliated companies**

CA Immobilien Anlagen Aktiengesellschaft, Vienna, is the ultimate parent company of CA Immobilien Anlagen AG Group. The Group Consolidated Financial Statements are drawn up pursuant to International Financial Reporting Standards (IFRS) and the supplementary provisions of section 245a of the Austrian Commercial Code (UGB) and filed at the Vienna Commercial Court.

IX. Fiscal corporate group

In fiscal 2005 a group and tax compensation agreement was concluded for the formation of a corporate group within the meaning of section 9 of the Austrian Corporation Tax Act (KStG) effective from fiscal 2005, and this was expanded in the subsequent years to include additional group members. The group is headed by CA Immobilien Anlagen Aktiengesellschaft, Vienna.

To the extent negative income allocated to a group member has not yet been passed to account when the group is dissolved or the group member leaves the group, CA Immobilien Anlagen Aktiengesellschaft will be obliged as the head of the group to make a compensation payment to the amount of the cash value of the (fictitious) future tax relief which the group member would probably have obtained from the utilisation of the allocated negative income not yet passed to account if it had not joined the group. The amount of such compensation payment will be determined by obtaining an expert opinion from a jointly appointed auditor or auditing company at the time when the group member leaves the group or the group is dissolved.

In 2011 the following companies are group members:

- BIL-S Superädifikatsverwaltungs GmbH, Vienna
- CA Immo Beratungs- und Beteiligungs GmbH, Vienna
- CA Immo BIP Liegenschaftsverwaltung GmbH, Vienna
- CA Immo CEE Beteiligungs GmbH, Vienna
- CA Immo Galleria Liegenschaftsverwaltung GmbH, Vienna
- CA Immo Germany Holding GmbH, Vienna
- CA Immo International Beteiligungsverwaltungs GmbH, Vienna
- CA Immo International Holding GmbH, Vienna
- CA Immo Investment Management GmbH, Vienna
- CA Immo LP GmbH, Vienna
- CA Immo ProjektentwicklungsgmbH, Vienna
- CA Immo Rennweg 16 GmbH, Vienna
- CA Immo – RI – Residential Property Holding GmbH, Vienna
- Europolis AG, Vienna
- Europolis CE Alpha Holding GmbH, Vienna
- Europolis CE Amber Holding GmbH, Vienna
- Europolis CE Gamma Holding GmbH, Vienna
- Europolis CE Istros Holding GmbH, Vienna
- Europolis CE Kappa Holding GmbH, Vienna
- Europolis CE Lambda Holding GmbH, Vienna
- Europolis CE Ledum Holding GmbH, Vienna
- Europolis CE My Holding GmbH, Vienna
- Europolis CE Omikron Holding GmbH, Vienna
- Europolis CE Pi Holding GmbH, Vienna
- Europolis CE Rho Holding GmbH, Vienna
- Europolis CE Sigma Holding GmbH, Vienna
- Europolis CE Tau Holding GmbH, Vienna
- Europolis CE Tilia Holding GmbH, Vienna
- Europolis PHEME Holding GmbH, Vienna
- Europolis Real Estate Asset Management GmbH, Vienna
- Europolis Sarisu Holding GmbH, Vienna
- omniCon Baumanagement GmbH, Vienna
- Parkring 10 Immobilien GmbH, Vienna
- SQUARE S Holding GmbH, Vienna

X. Executive bodies and employees

Supervisory Board

Dr. Wolfgang Ruttenstorfer, Chairman
Mag. Helmut Bernkopf, Deputy Chairman
O.Univ.-Prof.DDr.Waldemar Jud
Barbara A. Knoflach
Mag. Reinhard Madlencnik
Mag. Franz Zwickl
Detlef Bierbaum (until 10.5.2011)
Mag. DDr. Regina Prehofer (until 10.5.2011)

As at 31.12.2011 all members of the Supervisory Board had been elected by the General Meeting.

Management Board

Dr. Bruno Ettenauer
Mag. Wolfhard Fromwald
Bernhard H. Hansen

In fiscal 2011 remuneration to the total value of € 1,186 K (2010: € 667 K) was paid to the members of the Management Board. In 2011 the remuneration of the Management Board included variable salary components to the value of € 584 K (2010: € 0 K) for the previous year. Furthermore, provisions for variable remuneration/bonuses incl. incidental salary costs in the amount of € 622 K (2010: € 609 K) and for an LTI (long term incentive) programme in the amount of € 281 K (2010: € 105 K) were recognised as expenses in the fiscal year, which will only become cash-effective in the following years. No loans or advances were paid to Management Board members.

Subject to the adoption of a resolution by the Annual General Meeting the total remuneration of the Supervisory Board members for fiscal 2011 (payments will be made in 2012) was € 115 K (2010: € 113 K) for CA Immobilien Anlagen Aktiengesellschaft. No additional fees were paid to Supervisory Board members.

The average number of staff employed by the company during the fiscal year was 60 (2010: 60).

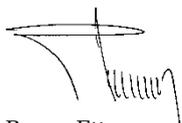
XI. Auditor's remuneration

There is no indication of the auditor's remuneration for the fiscal year pursuant to section 237, no. 14 of the Austrian Commercial Code (UGB), as this information is contained in the Group Consolidated Financial Statements of CA Immobilien Anlagen Aktiengesellschaft. Proposal for the appropriation of net earnings

It is proposed to use part of the net retained earnings of € 98,747,939.27 to pay a dividend of € 0.38 per share, i.e. a total of € 33,385,302.80, to the shareholders. The rest of the net retained earnings in the amount of € 65,362,636.47 is intended to be carried forward to new account.

Vienna, 6 March 2012

The Management Board



Bruno Ettenauer
(Chairman)



Wolfhard Fromwald



Bernhard H. Hansen

ASSETS ANALYSES FOR THE BUSINESS YEAR 2011

| | Acquisition and production costs as of 1.1.2011 | Addition | Disposal | Reclassificatio ns | Acquisition and production costs as of 31.12.2011 | Depreciation and amortisation (accumulated) | Book value as of 31.12.2011 | Depreciation and amortisation in 2011 | Appreciation in 2011 | Book value as of 31.12.2010 |
|---|---|-----------------------|----------------------|-----------------------|---|--|--------------------------------|--|-------------------------|--------------------------------|
| | € | € | € | € | € | € | € | € | € | € 1,000 |
| I. Intangible fixed assets | | | | | | | | | | |
| 1. Rights and EDP software | 233,595.34 | 0.00 | 0.00 | 0.00 | 233,595.34 | 192,259.20 | 41,336.14 | 29,362.78 | 0.00 | 71 |
| 2. Goodwill | 2,144,798.13 | 0.00 | 2,144,798.13 | 0.00 | 0.00 | 0.00 | 0.00 | 214,479.75 | 0.00 | 214 |
| | 2,378,393.47 | 0.00 | 2,144,798.13 | 0.00 | 233,595.34 | 192,259.20 | 41,336.14 | 243,842.53 | 0.00 | 285 |
| II. Tangible fixed assets | | | | | | | | | | |
| 1. Property and buildings | | | | | | | | | | |
| a) Land value | 71,009,925.13 | 0.00 | 2,572,269.07 | 0.00 | 68,437,656.06 | 17,379,376.63 | 51,058,279.43 | 0.00 | 952,992.00 | 52,092 |
| b) Building value | 323,304,561.70 | 792,439.58 | 15,895,070.62 | 0.00 | 308,201,930.66 | 110,704,758.48 | 197,497,172.18 | 7,134,071.77 | 1,558,240.09 | 211,804 |
| | 394,314,486.83 | 792,439.58 | 18,467,339.69 | 0.00 | 376,639,586.72 | 128,084,135.11 | 248,555,451.61 | 7,134,071.77 | 2,511,232.09 | 263,896 |
| 2. Other assets, office furniture and equipment | 3,526,595.37 | 646,005.29 | 110,888.43 | 0.00 | 4,061,712.23 | 2,718,816.02 | 1,342,896.21 | 467,978.45 | 0.00 | 1,189 |
| 3. Low-value assets | 0.00 | 439.25 | 439.25 | 0.00 | 0.00 | 0.00 | 0.00 | 439.25 | 0.00 | 0 |
| 4. Prepayments made and construction in progress | 716,650.66 | 11,664,771.49 | 0.00 | 0.00 | 12,381,422.15 | 100,000.00 | 12,281,422.15 | 0.00 | 0.00 | 617 |
| | 398,557,732.86 | 13,103,655.61 | 18,578,667.37 | 0.00 | 393,082,721.10 | 130,902,951.13 | 262,179,769.97 | 7,602,489.47 | 2,511,232.09 | 265,702 |
| III. Financial assets | | | | | | | | | | |
| 1. Investments in affiliated companies | 2,348,811,206.63 | 23,521,176.65 | 1,021,176.80 | 4,703,873.43 | 2,376,015,079.91 | 634,108,138.83 | 1,741,906,941.08 | 53,016,864.15 | 14,219,369.53 | 1,753,501 |
| 2. Loans to related companies | 194,630,490.34 | 92,563,873.43 | 64,615,912.43 | - 3,701,873.43 | 218,876,577.91 | 1,001,999.00 | 217,874,578.91 | 1,001,999.00 | 0.00 | 194,630 |
| 3. Prepayments made on investments in affiliated companies | 5,413,882.39 | 0.00 | 0.00 | 0.00 | 5,413,882.39 | 3,513,882.39 | 1,900,000.00 | 0.00 | 1,700,000.00 | 200 |
| 4. Investments in associated companies | 6,260,196.09 | 50,506.22 | 3,577,469.62 | 0.00 | 2,733,232.69 | 2,675,699.00 | 57,533.69 | 14,600.00 | 0.00 | 125 |
| 5. Loans to associated companies | 2,079,373.07 | 0.00 | 2,079,373.07 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0 |
| 6. Other loans | 31,166,769.00 | 14,131,509.35 | 4,150,000.00 | 2,398,000.00 | 43,546,278.35 | 29,202,599.00 | 14,343,679.35 | 4,233,602.00 | 0.00 | 4,147 |
| | 2,588,361,917.52 | 130,267,065.65 | 75,443,931.92 | 3,400,000.00 | 2,646,585,051.25 | 670,502,318.22 | 1,976,082,733.03 | 58,267,065.15 | 15,919,369.53 | 1,952,603 |
| | 2,989,298,043.85 | 143,370,721.26 | 96,167,397.42 | 3,400,000.00 | 3,039,901,367.69 | 801,597,528.55 | 2,238,303,839.14 | 66,113,397.15 | 18,430,601.62 | 2,218,590 |

INFORMATION ABOUT GROUP COMPANIES

Direct investments¹⁾

| Company | Registered office | Nominal capital | | Share of capital in % | Profit/loss for fiscal 2011 | | Shareholders' equity as of 31.12.2011 | | Profit/loss for fiscal 2010 | | Shareholders' equity as of 31.12.2010 | |
|---|-------------------|-----------------|-----|-----------------------|-----------------------------|------|---------------------------------------|------|-----------------------------|------|---------------------------------------|------|
| CA Immo d.o.o. | Belgrad | 390,500 | EUR | 100 | - 3,135 | TRSD | 229 | TRSD | - 2,385 | TRSD | 3,364 | TRSD |
| CA Holding Szolgáltató Kft | Budapest | 13,000,000 | HUF | 100 | 17,023 | THUF | 854,163 | THUF | 122,300 | THUF | 2,979,449 | THUF |
| Canada Square Kft. | Budapest | 12,500,000 | HUF | 100 | - 377,999 | THUF | - 334,281 | THUF | 30,188 | THUF | 161,053 | THUF |
| Casa Property Kft. | Budapest | 51,310,000 | HUF | 100 | - 17,048 | THUF | 63,767 | THUF | 72,744 | THUF | 186,515 | THUF |
| Kilb Kft. | Budapest | 30,000,000 | HUF | 100 | - 651,934 | THUF | - 18,506 | THUF | 341,857 | THUF | 761,694 | THUF |
| R 70 Invest Budapest Kft. | Budapest | 5,250,000 | HUF | 100 | - 471,204 | THUF | 552,126 | THUF | 210,693 | THUF | 1,287,580 | THUF |
| Skogs Buda Business Center II. Kft. | Budapest | 327,000,000 | HUF | 100 | - 249,949 | THUF | 417,261 | THUF | - 72,294 | THUF | 667,210 | THUF |
| Váci 76 Kft. | Budapest | 3,100,000 | HUF | 100 | - 1,431,650 | THUF | 3,028,085 | THUF | - 799,302 | THUF | 4,459,735 | THUF |
| CA Immobilien S.R.L. | Bukarest | 947,100 | RON | 100 | - 27 | TRON | 415 | TRON | 133 | TRON | 443 | TRON |
| CA Immo AG | Frankfurt | 50,000 | EUR | 100 | 2,052 | TEUR | 297,022 | TEUR | - 9,112 | TEUR | 294,969 | TEUR |
| DRG Deutsche Realitäten GmbH | Frankfurt | 500,000 | EUR | 49 ²⁾ | - 72 | TEUR | 428 | TEUR | | | established | 2011 |
| CA Immo Holding B.V. | Hoofddorp | 51,200,000 | EUR | 100 | 4,235 | TEUR | 59,046 | TEUR | - 13,882 | TEUR | 104,626 | TEUR |
| CA Immobilien Anlagen d.o.o. | Ljubljana | 50,075 | EUR | 100 | - 2,251 | TEUR | - 10,650 | TEUR | - 4,529 | TEUR | - 11,133 | TEUR |
| CA IMMO NEW EUROPE PROPERTY FUND S.C.A. SICAR | Luxembourg | 153,569,000 | EUR | 70 | 1,044 | TEUR | 67,767 | TEUR | - 28,435 | TEUR | 52,824 | TEUR |
| CA Immo S.á.r.l. | Luxembourg | 33,000 | EUR | 100 | - 14 | TEUR | - 14 | TEUR | - 5 | TEUR | 0 | TEUR |
| 2P s.r.o. | Pilsen | 240,000 | CZK | 100 | - 60,934 | TCZK | 30,565 | TCZK | - 86,623 | TCZK | 85,097 | TCZK |
| Europort Airport Center a.s. | Prague | 14,100,000 | CZK | 100 | - 107,693 | TCZK | - 31,793 | TCZK | - 120,830 | TCZK | 47,902 | TCZK |
| FCL Property a.s. | Prague | 2,000,000 | CZK | 100 | 8,887 | TCZK | 19,169 | TCZK | - 200 | TCZK | 7,683 | TCZK |
| Office Center Mladost 2 EOOD | Sofia | 5,000 | BGN | 100 | 117 | TBGN | 937 | TBGN | 916 | TBGN | 678 | TBGN |
| Office Center Mladost EOOD | Sofia | 5,000 | BGN | 100 | - 301 | TBGN | 6,193 | TBGN | 586 | TBGN | 6,574 | TBGN |
| Mahler Property Services Sp.z.o.o. | Warsaw | 50,000 | PLN | 100 | - 129 | TPLN | - 78 | TPLN | 126 | TPLN | 635 | TPLN |
| PBP IT-Services Sp.z.o.o. | Warsaw | 50,000 | PLN | 50 | - 9 | TPLN | 10 | TPLN | - 30 | TPLN | 20 | TPLN |
| Betriebsobjekte Verwertung Gesellschaft m.b.H. & Co. Leasing OG | Vienna | 4,135,427 | EUR | 100 | 1,235 | TEUR | 5,370 | TEUR | - 318 | TEUR | 4,347 | TEUR |
| CA Immo CEE Beteiligungs GmbH | Vienna | 35,000 | EUR | 100 | 15,130 | TEUR | 151,165 | TEUR | 3,072 | TEUR | 139,107 | TEUR |
| CA Immo International Beteiligungsverwaltungs GmbH | Vienna | 35,000 | EUR | 100 | 767 | TEUR | 20,439 | TEUR | 625 | TEUR | 20,333 | TEUR |
| CA Immo International Holding GmbH | Vienna | 35,000 | EUR | 100 | 70,539 | TEUR | 1,332,718 | TEUR | 25,104 | TEUR | 1,340,574 | TEUR |
| CA Immo Investment Management GmbH | Vienna | 100,000 | EUR | 100 | 279 | TEUR | 388 | TEUR | 407 | TEUR | 660 | TEUR |
| CA Immo ProjektentwicklungsgmbH | Vienna | 72,500 | EUR | 100 | - 1,346 | TEUR | 443 | TEUR | - 1,887 | TEUR | - 1,011 | TEUR |
| CA Immo Rennweg 16 GmbH | Vienna | 35,000 | EUR | 100 | 487 | TEUR | 1,816 | TEUR | - 2,299 | TEUR | 1,329 | TEUR |
| CA Immobilien Anlagen Beteiligungs GmbH & Co Finanzierungs OG | Vienna | 2,537,600 | EUR | 100 | - 95 | TEUR | 2,201 | TEUR | - 32 | TEUR | 2,295 | TEUR |
| CAII Projektmanagement GmbH | Vienna | 35,000 | EUR | 100 | - 1,579 | TEUR | 209 | TEUR | - 8,297 | TEUR | 1,788 | TEUR |
| CEE Hotel Development GmbH | Vienna | 70,000 | EUR | 50 | - 3 | TEUR | 68 | TEUR | - 1 | TEUR | 94 | TEUR |
| CEE Hotel Management und Beteiligungs GmbH | Vienna | 35,000 | EUR | 50 | - 3 | TEUR | 32 | TEUR | - 10 | TEUR | 46 | TEUR |
| omniCon Baumanagement GmbH | Vienna | 100,000 | EUR | 100 | - 2 | TEUR | 88 | TEUR | - 16 | TEUR | 91 | TEUR |

¹⁾ information on participations abroad (excl. Germany) is based exclusively on IFRS financial statements, whereas information on participations in Austria and Germany is according to local accounting standards

²⁾ common control

Indirect investments¹⁾

| Company | Registered office | Nominal capital | | Share of capital in % | Profit/loss for fiscal 2011 | | Shareholders' equity as of 31.12.2011 | | Profit/loss for fiscal 2010 | | Shareholders' equity as of 31.12.2010 | |
|--|-------------------|-----------------|-----|-----------------------|-----------------------------|------|---------------------------------------|------|-----------------------------|------|---------------------------------------|------|
| CA Immo Sava City d.o.o. | Belgrad | 33,620,000 | EUR | 100 | - 242,374 | TRSD | - 121,441 | TRSD | - 892,387 | TRSD | - 869,267 | TRSD |
| Phönix Logistics d.o.o. | Belgrad | 241,605,375 | RSD | 100 | - 3,855 | TRSD | 236,384 | TRSD | | | acquired | 2011 |
| TM Immo d.o.o. | Belgrad | 13,750,000 | EUR | 100 | 110,192 | TRSD | 672,940 | TRSD | - 293,911 | TRSD | - 305,764 | TRSD |
| Flottwellpromenade Projektentwicklungs GmbH & Co. KG | Berlin | 100,000 | EUR | 50 | - 44 | TEUR | 356 | TEUR | | | established | 2011 |
| Flottwellpromenade Verwaltungs GmbH | Berlin | 25,000 | EUR | 50 | 0 | TEUR | 25 | TEUR | | | acquired | 2011 |
| BA Business Center a.s. | Bratislava | 7,503,200 | EUR | 100 | - 29 | TEUR | 4,382 | TEUR | - 2,629 | TEUR | - 5,415 | TEUR |
| Europolis D61 Logistics s.r.o. | Bratislava | 1,325,000 | EUR | 100 | - 32 | TEUR | 4,744 | TEUR | | | acquired | 2011 |
| Europolis Harbour City s.r.o. | Bratislava | 23,629,211 | EUR | 65 | - 37 | TEUR | 8,386 | TEUR | | | acquired | 2011 |
| CA Immo Real Estate Management Hungary K.f.t. | Budapest | 3,100,000 | HUF | 100 | - 21,644 | THUF | - 10,831 | THUF | | | acquired | 2011 |
| COM PARK Ingatlanberuházási Kft | Budapest | 3,000,000 | HUF | 65 | - 947,997 | THUF | 484,686 | THUF | | | acquired | 2011 |
| EUROPOLIS ABP Ingatlanberuházási Kft | Budapest | 21,410,000 | HUF | 51 | - 71,098 | THUF | 8,268,506 | THUF | | | acquired | 2011 |
| EUROPOLIS City Gate Ingatlanberuházási Kft | Budapest | 13,000,000 | HUF | 65 | 21,530 | THUF | 3,758,468 | THUF | | | acquired | 2011 |
| Europolis Infopark Ingatlanüzemeltető Kft | Budapest | 5,240,000 | HUF | 51 | - 77,803 | THUF | 3,852,187 | THUF | | | acquired | 2011 |
| EUROPOLIS IPW Ingatlanberuházási Kft | Budapest | 50,200,000 | HUF | 65 | 4,955 | THUF | 1,005,884 | THUF | | | acquired | 2011 |
| EUROPOLIS M1 Ingatlanberuházási Kft | Budapest | 55,020,000 | HUF | 51 | - 345,592 | THUF | 4,010,367 | THUF | | | acquired | 2011 |
| Europolis Park Airport Kft. | Budapest | 19,900,000 | HUF | 100 | - 50,736 | THUF | 426,805 | THUF | | | acquired | 2011 |
| Europolis Tárnok Ingatlanberuházási Kft | Budapest | 5,400,000 | HUF | 65 | - 304,010 | THUF | 407,790 | THUF | | | acquired | 2011 |
| Kapas Center Kft. | Budapest | 772,560,000 | HUF | 100 | - 484,041 | THUF | 824,732 | THUF | 144,257 | THUF | 1,601,862 | THUF |
| Terminál Közép-Európai Ingatlan-fejlesztő Kft | Budapest | 3,400,000 | HUF | 75 | - 484,052 | THUF | 65,595 | THUF | | | acquired | 2011 |
| CA Immo Real Estate Management Romania S.R.L. | Bukarest | 985,000 | RON | 100 | 147 | TRON | 2,772 | TRON | | | acquired | 2011 |
| EUROPOLIS BV DEVELOPMENT S.R.L. | Bukarest | 43,853,900 | RON | 65 | - 1,605 | TRON | 35,864 | TRON | | | acquired | 2011 |
| EUROPOLIS ORHIDEEA B.C. S.R.L. | Bukarest | 91,389,960 | RON | 65 | - 10,452 | TRON | 36,066 | TRON | | | acquired | 2011 |
| EUROPOLIS PARK BUCHAREST ALPHA S.R.L. | Bukarest | 54,064,790 | RON | 65 | - 173 | TRON | 75,178 | TRON | | | acquired | 2011 |
| EUROPOLIS PARK BUCHAREST BETA S.R.L. | Bukarest | 6,481,000 | RON | 65 | - 682 | TRON | 8,933 | TRON | | | acquired | 2011 |
| EUROPOLIS PARK BUCHAREST DELTA S.R.L. | Bukarest | 1,000 | RON | 65 | - 3,989 | TRON | - 11,879 | TRON | | | acquired | 2011 |
| EUROPOLIS PARK BUCHAREST GAMMA S.R.L. | Bukarest | 8,601,000 | RON | 65 | - 2,399 | TRON | 5,221 | TRON | | | acquired | 2011 |
| EUROPOLIS PARK BUCHAREST INFRASTRUCTURA S.R.L. | Bukarest | 8,640,036 | RON | 65 | - 250 | TRON | 3,162 | TRON | | | acquired | 2011 |
| EUROPOLIS SEMA PARK S.R.L. | Bukarest | 107,680,000 | RON | 65 | - 4,351 | TRON | 85,155 | TRON | | | acquired | 2011 |
| EUROPOLIS SP S.R.L. | Bukarest | 169,840 | RON | 65 | - 24 | TRON | 11 | TRON | | | acquired | 2011 |
| INTERMED CONSULTING & MANAGEMENT S.R.L. | Bukarest | 330 | RON | 65 | 17,040 | TRON | 168,199 | TRON | | | acquired | 2011 |

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| Company | Registered office | Nominal capital | | Share of capital in % | Profit/loss for fiscal 2011 | | Shareholders' equity as of 31.12.2011 | | Profit/loss for fiscal 2010 | | Shareholders' equity as of 31.12.2010 | |
|---|-------------------|-----------------|-----|-----------------------|-----------------------------|------|---------------------------------------|------|-----------------------------|------|---------------------------------------|------|
| Opera Center One S.R.L. | Bukarest | 27,326,150 | RON | 100 | 2,719 | TRON | 39,998 | TRON | 7,540 | TRON | 41,084 | TRON |
| Opera Center Two S.R.L. | Bukarest | 7,310,400 | RON | 100 | 1,338 | TRON | 9,300 | TRON | 820 | TRON | 8,212 | TRON |
| S.C. BBP Leasing S.R.L. | Bukarest | 14,637,711 | RON | 100 | 9,898 | TRON | 25,752 | TRON | - 3,036 | TRON | 14,857 | TRON |
| TC Investments Arad S.R.L. | Bukarest | 4,018,560 | RON | 95.9 | - 1,442 | TRON | - 4,812 | TRON | - 2,498 | TRON | - 3,371 | TRON |
| VICTORIA INTERNATIONAL PROPERTY S.R.L. | Bukarest | 216 | RON | 65 | 6,024 | TRON | 123,350 | TRON | | | acquired | 2011 |
| Blitz F07-neunhundert-sechzig-acht GmbH | Frankfurt | 25,000 | EUR | 100 | - 1 | TEUR | 27 | TEUR | - 5 | TEUR | 27 | TEUR |
| Blitz F07-neunhundert-sechzig-neun GmbH | Frankfurt | 25,000 | EUR | 100 | - 3 | TEUR | 50 | TEUR | - 7 | TEUR | 53 | TEUR |
| CA Immo 13 GmbH | Frankfurt | 25,000 | EUR | 100 | - 3 | TEUR | 22 | TEUR | | | established | 2011 |
| CA Immo 14 GmbH | Frankfurt | 25,000 | EUR | 100 | - 2 | TEUR | 23 | TEUR | | | established | 2011 |
| CA Immo Acht GmbH & Co. KG | Frankfurt | 24,635 | EUR | 100 | 198 | TEUR | 5,524 | TEUR | 1,043 | TEUR | 3,792 | TEUR |
| CA Immo Berlin Europaplatz 01 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | - 2,053 | TEUR | - 2,216 | TEUR | - 87 | TEUR | - 163 | TEUR |
| CA Immo Berlin Europaplatz 01 Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | - 1 | TEUR | 16 | TEUR | - 4 | TEUR | 17 | TEUR |
| CA Immo Berlin Hallesches Ufer GmbH | Frankfurt | 25,000 | EUR | 100 | 306 | TEUR | - 741 | TEUR | 393 | TEUR | - 1,048 | TEUR |
| CA Immo Berlin Lehrter Stadtquartier 3 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | 39 | TEUR | 3,370 | TEUR | 196 | TEUR | 3,332 | TEUR |
| CA Immo Berlin Lehrter Stadtquartier 4 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | - 2,275 | TEUR | - 2,752 | TEUR | - 238 | TEUR | - 477 | TEUR |
| CA Immo Berlin Lehrter Stadtquartier 5 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | - 111 | TEUR | - 70 | TEUR | - 176 | TEUR | 41 | TEUR |
| CA Immo Berlin Lehrter Stadtquartier 6 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | 2,831 | TEUR | 1,292 | TEUR | 475 | TEUR | - 1,539 | TEUR |
| CA Immo Berlin Lehrter Stadtquartier 7 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | - 287 | TEUR | - 1,123 | TEUR | - 268 | TEUR | - 836 | TEUR |
| CA Immo Berlin Lehrter Stadtquartier 8 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | - 127 | TEUR | 860 | TEUR | - 176 | TEUR | 987 | TEUR |
| CA Immo Berlin Lehrter Stadtquartier 9 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | - 310 | TEUR | - 3,426 | TEUR | - 2,085 | TEUR | - 3,116 | TEUR |
| CA Immo Berlin Lehrter Stadtquartier Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | 10 | TEUR | 64 | TEUR | 6 | TEUR | 55 | TEUR |
| CA Immo Berlin Lietzenburger Straße Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | 0 | TEUR | 20 | TEUR | - 4 | TEUR | 21 | TEUR |
| CA Immo Berlin Lietzenburger Straße GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | 16 | TEUR | 4 | TEUR | - 17 | TEUR | - 12 | TEUR |
| CA Immo Berlin MBVD Projekt GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | - 231 | TEUR | - 226 | TEUR | | | established | 2011 |
| CA Immo Berlin MBVD Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | - 3 | TEUR | 22 | TEUR | | | acquired | 2011 |
| CA Immo Berlin Schöneberger Ufer Beteiligungs GmbH | Frankfurt | 25,000 | EUR | 100 | 0 | TEUR | 17,617 | TEUR | 0 | TEUR | 17,617 | TEUR |
| CA Immo Berlin Schöneberger Ufer GmbH & Co. KG | Frankfurt | 25,000 | EUR | 100 | 1,978 | TEUR | 6,715 | TEUR | - 3,807 | TEUR | 4,736 | TEUR |
| CA Immo Berlin Schöneberger Ufer Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | 0 | TEUR | 16 | TEUR | 0 | TEUR | 16 | TEUR |
| CA Immo Berlin Stadthafenquartier Europacity GmbH & Co. KG | Frankfurt | 5,000 | EUR | 50 | - 74 | TEUR | 17,931 | TEUR | | | established | 2011 |
| CA Immo Berlin Stadthafenquartier Europacity Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 50 | - 3 | TEUR | 22 | TEUR | | | acquired | 2011 |

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| Company | Registered office | Nominal capital | | Share of capital in % | Profit/loss for fiscal 2011 | | Shareholders' equity as of 31.12.2011 | | Profit/loss for fiscal 2010 | | Shareholders' equity as of 31.12.2010 | |
|--|-------------------|-----------------|-----|-----------------------|-----------------------------|------|---------------------------------------|------|-----------------------------|------|---------------------------------------|------|
| CA Immo Deutschland GmbH | Frankfurt | 5,000,000 | EUR | 99.7 | 73,800 | TEUR | 681,172 | TEUR | 53,640 | TEUR | 662,094 | TEUR |
| CA Immo Drei GmbH & Co. KG | Frankfurt | 23,937 | EUR | 100 | - 309 | TEUR | 19,584 | TEUR | - 540 | TEUR | 17,054 | TEUR |
| CA Immo Düsseldorf BelsenPark MK 2.1 Projekt GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | - 10 | TEUR | - 5 | TEUR | | | established | 2011 |
| CA Immo Düsseldorf BelsenPark MK 3 Projekt GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | - 7 | TEUR | - 2 | TEUR | | | established | 2011 |
| CA Immo Düsseldorf BelsenPark Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | 0 | TEUR | 25 | TEUR | | | established | 2011 |
| CA Immo Eins GmbH & Co. KG | Frankfurt | 22,927 | EUR | 100 | 167 | TEUR | 41,845 | TEUR | 2,805 | TEUR | 43,905 | TEUR |
| CA Immo Elf GmbH | Frankfurt | 25,000 | EUR | 100 | 112 | TEUR | 2,928 | TEUR | 159 | TEUR | 2,817 | TEUR |
| CA Immo Frankfurt Bauphase I GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | 3,250 | TEUR | 16,477 | TEUR | - 325 | TEUR | 12,945 | TEUR |
| CA Immo Frankfurt Bauphase I Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | 0 | TEUR | 13 | TEUR | 0 | TEUR | 13 | TEUR |
| CA Immo Frankfurt Nord 1 Beteiligungs GmbH | Frankfurt | 25,000 | EUR | 100 | 66 | TEUR | 3,504 | TEUR | - 116 | TEUR | 3,438 | TEUR |
| CA Immo Frankfurt Nord 1 Projekt GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | 179 | TEUR | 1,272 | TEUR | 7,213 | TEUR | 1,102 | TEUR |
| CA Immo Frankfurt Nord 1 Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | - 1 | TEUR | 14 | TEUR | - 3 | TEUR | 14 | TEUR |
| CA Immo Frankfurt Nord 4 GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | 246 | TEUR | - 193 | TEUR | - 550 | TEUR | - 439 | TEUR |
| CA Immo Frankfurt Nord 4 Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | - 1 | TEUR | 14 | TEUR | - 6 | TEUR | 15 | TEUR |
| CA Immo Frankfurt Tower 185 Beteiligungs GmbH | Frankfurt | 25,000 | EUR | 100 | - 53 | TEUR | 3,275 | TEUR | - 87 | TEUR | 3,328 | TEUR |
| CA Immo Frankfurt Tower 185 Projekt GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | 4,971 | TEUR | 78,372 | TEUR | 8,112 | TEUR | 73,421 | TEUR |
| CA Immo Frankfurt Tower 185 Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | 0 | TEUR | 14 | TEUR | - 3 | TEUR | 14 | TEUR |
| CA Immo Frankfurt Tower- 2-Besitz GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | - 56 | TEUR | - 136 | TEUR | - 53 | TEUR | - 80 | TEUR |
| CA Immo Frankfurt Tower- 2-Betriebsgesellschaft mbH | Frankfurt | 25,000 | EUR | 100 | - 5 | TEUR | 13 | TEUR | - 3 | TEUR | 18 | TEUR |
| CA Immo Frankfurt Tower- 2-Geschäftsführungs GmbH | Frankfurt | 25,000 | EUR | 100 | - 5 | TEUR | - 4 | TEUR | - 3 | TEUR | 1 | TEUR |
| CA Immo Frankfurt Tower- 2-Verwaltungsgesellschaft mbH | Frankfurt | 25,000 | EUR | 100 | - 5 | TEUR | 14 | TEUR | - 1 | TEUR | 18 | TEUR |
| CA Immo Fünf GmbH & Co. KG | Frankfurt | 24,684 | EUR | 100 | 155 | TEUR | 5,166 | TEUR | 395 | TEUR | 5,711 | TEUR |
| CA Immo Fünfzehn GmbH & Co. KG | Frankfurt | 25,000 | EUR | 100 | - 2 | TEUR | 23 | TEUR | | | established | 2011 |
| CA Immo GB Eins GmbH & Co. KG | Frankfurt | 25,000 | EUR | 94.9 | - 7 | TEUR | 1,234 | TEUR | - 14 | TEUR | 1,241 | TEUR |
| CA Immo GB GmbH | Frankfurt | 25,000 | EUR | 100 | - 3 | TEUR | 3,853 | TEUR | - 65 | TEUR | 3,856 | TEUR |
| CA Immo Köln K 1 GmbH | Frankfurt | 25,000 | EUR | 100 | 0 | TEUR | - 703 | TEUR | 0 | TEUR | - 703 | TEUR |
| CA Immo Köln K 2 GmbH | Frankfurt | 25,000 | EUR | 100 | 0 | TEUR | 4,252 | TEUR | 0 | TEUR | 4,252 | TEUR |
| CA Immo Köln K 3 GmbH | Frankfurt | 25,000 | EUR | 100 | 0 | TEUR | 1,097 | TEUR | 0 | TEUR | 1,097 | TEUR |
| CA Immo München Ambigon Nymphenburg GmbH & Co. KG | Frankfurt | 5,000 | EUR | 100 | - 960 | TEUR | - 1,483 | TEUR | - 242 | TEUR | - 523 | TEUR |
| CA Immo München Ambigon Nymphenburg Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | 0 | TEUR | 13 | TEUR | 0 | TEUR | 13 | TEUR |

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| Company | Registered office | Nominal capital | | Share of capital in % | Profit/loss for fiscal 2011 | | Shareholders' equity as of 31.12.2011 | | Profit/loss for fiscal 2010 | | Shareholders' equity as of 31.12.2010 | |
|---|-------------------|-----------------|-----|-----------------------|-----------------------------|------|---------------------------------------|------|-----------------------------|------|---------------------------------------|------|
| CA Immo München MI 1 - Arnulfpark Grundstücksverwertungs GmbH | Frankfurt | 25,000 | EUR | 100 | 0 | TEUR | 1,301 | TEUR | - 638 | TEUR | 1,301 | TEUR |
| CA Immo München MK 6 - Arnulfpark Grundstücksverwertungs GmbH | Frankfurt | 25,000 | EUR | 100 | 0 | TEUR | 9,006 | TEUR | 0 | TEUR | 9,006 | TEUR |
| CA Immo Neun GmbH & Co. KG | Frankfurt | 23,514 | EUR | 100 | 1,191 | TEUR | 30,382 | TEUR | 1,922 | TEUR | 21,392 | TEUR |
| CA Immo Null Verwaltungs GmbH | Frankfurt | 25,000 | EUR | 100 | 19 | TEUR | 69 | TEUR | 8 | TEUR | 51 | TEUR |
| CA Immo Sechs GmbH & Co. KG | Frankfurt | 23,581 | EUR | 100 | 1,031 | TEUR | 29,531 | TEUR | 1,399 | TEUR | 31,327 | TEUR |
| CA Immo Sechzehn GmbH & Co. KG | Frankfurt | 25,000 | EUR | 100 | - 2 | TEUR | 23 | TEUR | | | established | 2011 |
| CA Immo Sieben GmbH & Co. KG | Frankfurt | 23,529 | EUR | 100 | 50 | TEUR | 35,495 | TEUR | 2,169 | TEUR | 37,896 | TEUR |
| CA Immo Vier GmbH & Co. KG | Frankfurt | 24,793 | EUR | 100 | 136 | TEUR | 3,238 | TEUR | 438 | TEUR | 847 | TEUR |
| CA Immo Zehn GmbH | Frankfurt | 25,000 | EUR | 100 | 280 | TEUR | 12,841 | TEUR | - 534 | TEUR | 12,561 | TEUR |
| CA Immo Zwei GmbH & Co. KG | Frankfurt | 21,795 | EUR | 100 | 1,286 | TEUR | 57,786 | TEUR | 8,232 | TEUR | 59,277 | TEUR |
| CEREP Allermöhe GmbH | Frankfurt | 25,000 | EUR | 99.7 | 267 | TEUR | 23,240 | TEUR | 824 | TEUR | 22,973 | TEUR |
| CM Komplementär F07-888 GmbH & Co. KG | Frankfurt | 25,000 | EUR | 94.9 | - 3 | TEUR | 36,395 | TEUR | 64 | TEUR | 38,610 | TEUR |
| omniCon Gesellschaft für innovatives Bauen mbH | Frankfurt | 100,000 | EUR | 100 | 121 | TEUR | 579 | TEUR | 62 | TEUR | 396 | TEUR |
| omniPro Gesellschaft für Projektmanagement mbH | Frankfurt | 25,000 | EUR | 100 | - 43 | TEUR | 65 | TEUR | - 5 | TEUR | 104 | TEUR |
| VIADOR GmbH | Frankfurt | 100,000 | EUR | 70 | 117 | TEUR | 462 | TEUR | - 13 | TEUR | 344 | TEUR |
| CA Immo München Eggartensiedlung GmbH & Co. KG | Grünwald | 5,000 | EUR | 100 | - 5 | TEUR | 0 | TEUR | | | established | 2011 |
| CA Immo München Eggartensiedlung Verwaltungs GmbH | Grünwald | 25,000 | EUR | 100 | - 1 | TEUR | 24 | TEUR | | | established | 2011 |
| CA Immo München Moosach Projekt GmbH & Co. KG | Grünwald | 5,000 | EUR | 100 | - 30 | TEUR | 8,975 | TEUR | | | established | 2011 |
| CA Immo München Moosach Verwaltungs GmbH | Grünwald | 25,000 | EUR | 100 | - 1 | TEUR | 24 | TEUR | | | established | 2011 |
| CA Immo Projektentwicklung Bayern GmbH & Co. KG | Grünwald | 255,646 | EUR | 100 | - 269 | TEUR | 13,887 | TEUR | - 18 | TEUR | 559 | TEUR |
| CA Immo Projektentwicklung Bayern Verwaltungs GmbH | Grünwald | 25,000 | EUR | 100 | - 2 | TEUR | 26 | TEUR | - 14 | TEUR | 29 | TEUR |
| CA Immo Stuttgart Heilbronner Straße GmbH & Co. KG | Grünwald | 5,000 | EUR | 100 | - 878 | TEUR | 14,427 | TEUR | | | established | 2011 |
| CONCEPT BAU - PREMIER CA Immo Isargärten GmbH & Co. KG | Grünwald | 15,000 | EUR | 33.3 ²⁾ | 6,815 | TEUR | 3,319 | TEUR | - 903 | TEUR | - 965 | TEUR |
| CONCEPT BAU - PREMIER CA Isargärten Verwaltungs GmbH | Grünwald | 25,000 | EUR | 33.3 ²⁾ | 2 | TEUR | 29 | TEUR | 2 | TEUR | 27 | TEUR |
| Isargärten Bauträger GmbH & Co. KG | Grünwald | 15,000 | EUR | 33.3 ²⁾ | 4,592 | TEUR | 3,989 | TEUR | - 384 | TEUR | 437 | TEUR |
| Isargärten Bauträger Verwaltungs GmbH | Grünwald | 25,000 | EUR | 33.3 ²⁾ | - 17 | TEUR | 23 | TEUR | 1 | TEUR | 23 | TEUR |
| Isargärten Thalkirchen Verwaltungs GmbH | Grünwald | 30,000 | EUR | 33.3 | 2 | TEUR | 88 | TEUR | 5 | TEUR | 54 | TEUR |
| SKYGARDEN Arnulfpark GmbH & Co. KG | Grünwald | 100,000 | EUR | 100 | - 3,174 | TEUR | 190 | TEUR | - 460 | TEUR | 3,364 | TEUR |
| SKYGARDEN Arnulfpark Verwaltungs GmbH | Grünwald | 25,000 | EUR | 50 | 0 | TEUR | 15 | TEUR | - 1 | TEUR | 14 | TEUR |
| Pannonia Shopping Center Kft. | Győr | 380,000,000 | HUF | 100 | - 688,433 | THUF | - 540,256 | THUF | - 220,205 | THUF | 148,176 | THUF |

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²⁾ common control

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|---|-------------------|-----------------|-----|-----------------------|-----------------------------|------|---------------------------------------|------|-----------------------------|------|---------------------------------------|------|
| Congress Centrum Skyline Plaza Beteiligung GmbH | Hamburg | 25,000 | EUR | 50 | - 1 | TEUR | 24 | TEUR | | | established | 2011 |
| Congress Centrum Skyline Plaza Verwaltung GmbH | Hamburg | 25,000 | EUR | 50 | 1 | TEUR | 25 | TEUR | - 1 | TEUR | 24 | TEUR |
| CongressCentrum Skyline Plaza GmbH & Co. KG | Hamburg | 25,000 | EUR | 50 | - 150 | TEUR | - 142 | TEUR | - 12 | TEUR | 1 | TEUR |
| REC Frankfurt Objekt GmbH & Co. KG | Hamburg | 100,000 | EUR | 50 | - 4,846 | TEUR | - 8,448 | TEUR | - 1,597 | TEUR | - 2,095 | TEUR |
| REC Frankfurt Objektverwaltungsgesellschaft mbH | Hamburg | 25,000 | EUR | 50 | - 1 | TEUR | 12 | TEUR | - 1 | TEUR | 13 | TEUR |
| CAINE B.V. | Hoofddorp | 18,151 | EUR | 100 | - 540 | TEUR | - 11,845 | TEUR | - 28,727 | TEUR | - 11,305 | TEUR |
| Pulkovo B.V. | Hoofddorp | 25,000 | EUR | 100 | - 12 | TEUR | - 10 | TEUR | - 7 | TEUR | 2 | TEUR |
| Private Enterprise "Margolia Ukraine" | Kiev | 1,000 | UAH | 65 | - 30 | TUAH | - 40 | TUAH | | | acquired | 2011 |
| TzoV "Europolis Logistics Park I" | Kiev | 2,232,296 | UAH | 100 | - 302 | TUAH | 271 | TUAH | | | acquired | 2011 |
| TzoV "Europolis Logistics Park II" | Kiev | 122,456,333 | UAH | 100 | - 639 | TUAH | 41,953 | TUAH | | | acquired | 2011 |
| TzoV "Europolis Logistics Park III" | Kiev | 40,000 | UAH | 100 | 100 | TUAH | 0 | TUAH | | | acquired | 2011 |
| TzoV "Europolis Property Holding" | Kiev | 193,984,834 | UAH | 65.1 | - 25,252 | TUAH | - 39,477 | TUAH | | | acquired | 2011 |
| TzoV "Europolis Real Estate AM" | Kiev | 4,247,565 | UAH | 100 | - 2,589 | TUAH | 621 | TUAH | | | acquired | 2011 |
| TzoV "Logistyk-Tsentr "A" | Kiev | 13,512,117 | UAH | 65.1 | 386 | TUAH | - 13,041 | TUAH | | | acquired | 2011 |
| TzoV"Corma Development II" | Kiev | 1,000,000 | UAH | 65 | - 375 | TUAH | 612 | TUAH | | | acquired | 2011 |
| TzoV"Corma Development" | Kiev | 928,688 | UAH | 65 | - 100 | TUAH | 747 | TUAH | | | acquired | 2011 |
| BEDELLAN PROPERTIES LIMITED | Limassol | 11,491 | EUR | 65 | - 35 | TEUR | 12,069 | TEUR | | | acquired | 2011 |
| EPC KAPPA LIMITED | Limassol | 11,185 | EUR | 100 | - 24 | TEUR | 59,638 | TEUR | | | acquired | 2011 |
| EPC LAMBDA LIMITED | Limassol | 457,083 | EUR | 75 | - 12,538 | TEUR | - 831 | TEUR | | | acquired | 2011 |
| EPC LEDUM LIMITED | Limassol | 11,799 | EUR | 100 | - 769 | TEUR | 44,448 | TEUR | | | acquired | 2011 |
| EPC OMIKRON LIMITED | Limassol | 55,575 | EUR | 65 | - 12,446 | TEUR | 22,609 | TEUR | | | acquired | 2011 |
| EPC PI LIMITED | Limassol | 1,910 | EUR | 65 | - 8,462 | TEUR | 1,499 | TEUR | | | acquired | 2011 |
| EPC PLATINUM LIMITED | Limassol | 2,335 | EUR | 100 | - 3,644 | TEUR | 57,969 | TEUR | | | acquired | 2011 |
| EPC RHO LIMITED | Limassol | 1,790 | EUR | 65 | - 2,694 | TEUR | 471 | TEUR | | | acquired | 2011 |
| EPC THREE LIMITED | Limassol | 2,491,220 | EUR | 65 | - 10,879 | TEUR | 40,606 | TEUR | | | acquired | 2011 |
| EPC TWO LIMITED | Limassol | 969,057 | EUR | 65 | - 8,409 | TEUR | 28,077 | TEUR | | | acquired | 2011 |
| EUROPOLIS REAL ESTATE ASSET MANAGEMENT LIMITED | Limassol | 2,490 | EUR | 100 | 18 | TEUR | 170 | TEUR | | | acquired | 2011 |
| MOCASANRA HOLDINGS LIMITED | Limassol | 2,300 | EUR | 100 | - 12 | TEUR | 2 | TEUR | | | acquired | 2011 |
| OPRAH ENTERPRISES LIMITED | Limassol | 2,700 | EUR | 100 | - 6 | TEUR | 21,275 | TEUR | | | acquired | 2011 |
| CAINE S.à.r.l. | Luxembourg | 12,500 | EUR | 100 | - 23 | TEUR | - 22 | TEUR | - 37 | TEUR | 2 | TEUR |

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|--|-------------------|-----------------|-----|-----------------------|-----------------------------|------|---------------------------------------|------|-----------------------------|------|---------------------------------------|------|
| Mainzer Hafen GmbH | Mainz | 25,000 | EUR | 50 | 3 | TEUR | 32 | TEUR | 4 | TEUR | 29 | TEUR |
| Zollhafen Mainz GmbH & Co. KG | Mainz | 1,200,000 | EUR | 50.1 ²⁾ | - 497 | TEUR | - 1,016 | TEUR | - 515 | TEUR | - 519 | TEUR |
| Europolis Real Estate Asset Management LLC | Moscow | 26,350,886 | RUB | 100 | - 736 | TRUB | 20,387 | TRUB | | | acquired | 2011 |
| OOO Saimir (in liquidation) | Moscow | 10,000 | RUB | 100 | - 998 | TRUB | 1,018 | TRUB | - 3,718 | TRUB | - 189 | TRUB |
| CORMA HOLDINGS LIMITED | Nicosia | 6 | EUR | 65 | - 64 | TEUR | 37 | TEUR | | | acquired | 2011 |
| HARILDO LIMITED | Nicosia | 1,400 | EUR | 100 | - 102 | TEUR | 16 | TEUR | | | acquired | 2011 |
| VESESTO LIMITED | Nicosia | 1,400 | EUR | 100 | - 21 | TEUR | 9 | TEUR | | | acquired | 2011 |
| Kontorhaus Arnulfpark GmbH & Co. KG | Oberhaching | 100,000 | EUR | 50 | - 112 | TEUR | 14,061 | TEUR | - 57 | TEUR | 11,868 | TEUR |
| Kontorhaus Arnulfpark Verwaltungs GmbH | Oberhaching | 25,000 | EUR | 50 | - 2 | TEUR | 22 | TEUR | - 3 | TEUR | 23 | TEUR |
| Skyline Plaza Generalübernehmer GmbH & Co. KG | Oststeinbek | 25,000 | EUR | 50 | 14 | TEUR | 33 | TEUR | | | established | 2011 |
| Skyline Plaza Generalübernehmer Verwaltung GmbH | Oststeinbek | 25,000 | EUR | 50 | - 2 | TEUR | 23 | TEUR | | | established | 2011 |
| 4P - Immo. Praha s.r.o. | Prague | 200,000 | CZK | 75 | 52,714 | TCZK | 445,542 | TCZK | | | acquired | 2011 |
| CA Immo Real Estate Management Czech Republic s.r.o. | Prague | 1,000,000 | CZK | 100 | 568 | TCZK | 3,837 | TCZK | | | acquired | 2011 |
| EUROPOLIS 6 Holding s.r.o. | Prague | 200,000 | CZK | 100 | - 81 | TCZK | 308 | TCZK | | | acquired | 2011 |
| EUROPOLIS Technopark s.r.o. | Prague | 200,000 | CZK | 51 | - 963 | TCZK | 96,159 | TCZK | | | acquired | 2011 |
| RCP Alfa, s.r.o. | Prague | 1,000,000 | CZK | 51 | 10,712 | TCZK | 525,957 | TCZK | | | acquired | 2011 |
| RCP Amazon, s.r.o. | Prague | 1,000,000 | CZK | 65 | - 113,870 | TCZK | 42,326 | TCZK | | | acquired | 2011 |
| RCP Beta, s.r.o. | Prague | 73,804,000 | CZK | 65 | - 1,365 | TCZK | 31,240 | TCZK | | | acquired | 2011 |
| RCP Delta, s.r.o. | Prague | 1,000,000 | CZK | 65 | 52,998 | TCZK | 340,729 | TCZK | | | acquired | 2011 |
| RCP Epsilon, s.r.o. (in liquidation) | Prague | 200,000 | CZK | 65 | - 230 | TCZK | 328 | TCZK | | | acquired | 2011 |
| RCP Gama, s.r.o. | Prague | 96,931,000 | CZK | 65 | - 921 | TCZK | 58,066 | TCZK | | | acquired | 2011 |
| RCP ISC, s.r.o. | Prague | 1,000,000 | CZK | 65 | 2,927 | TCZK | 3,200 | TCZK | | | acquired | 2011 |
| RCP Residence, s.r.o. | Prague | 5,000,000 | CZK | 100 | - 790 | TCZK | 78,161 | TCZK | | | acquired | 2011 |
| TK Czech Development IX s.r.o. | Prague | 100,000 | CZK | 100 | 2,037 | TCZK | 426,303 | TCZK | | | acquired | 2011 |
| K&K Investments S.R.L. | Sibiu | 21,609,000 | RON | 90 | - 442 | TRON | - 6,343 | TRON | - 7,714 | TRON | - 5,902 | TRON |
| Megapark o.o.d. | Sofia | 5,000 | BGN | 35 ²⁾ | - 8,655 | TBGN | - 36,416 | TBGN | - 10,058 | TBGN | - 27,761 | TBGN |
| OAO Avielen AG | St. Petersburg | 370,000,000 | RUB | 25 | - 214,139 | TRUB | 35,501 | TRUB | - 98,707 | TRUB | 315,365 | TRUB |
| Boulevard Süd 4 GmbH & Co. KG | Ulm | 200,000 | EUR | 50 | 370 | TEUR | 770 | TEUR | 3,890 | TEUR | 790 | TEUR |
| Boulevard Süd 4 Verwaltungs-GmbH | Ulm | 25,000 | EUR | 50 | 0 | TEUR | 7 | TEUR | - 3 | TEUR | 7 | TEUR |
| ALLIANCE MANAGEMENT COMPANY Sp.z o.o. | Warsaw | 971,925 | PLN | 64.97 | - 3 | TPLN | 546 | TPLN | | | acquired | 2011 |

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²⁾ common control

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|--|-------------------|-----------------|-----|-----------------------|-----------------------------|------|---------------------------------------|------|-----------------------------|------|---------------------------------------|------|
| Amsterdam Office Sp.z.o.o. | Warsaw | 2,700,000 | PLN | 50 | - 10,180 | TPLN | - 8,031 | TPLN | | | established | 2011 |
| CA Immo Real Estate Management Poland Sp. z o.o. | Warsaw | 500,000 | PLN | 100 | 322 | TPLN | 2,269 | TPLN | | | acquired | 2011 |
| CENTER PARK Sp.z o.o. | Warsaw | 70,000 | PLN | 65 | - 1,722 | TPLN | 13,086 | TPLN | | | acquired | 2011 |
| Doratus Sp.z.o.o. | Warsaw | 2,000,000 | PLN | 100 | - 2,914 | TPLN | 8,553 | TPLN | 3,638 | TPLN | 14,666 | TPLN |
| EUROPOLIS BITWY WARSZAWSKIEJ Sp.z o.o. | Warsaw | 50,000 | PLN | 51 | - 9,578 | TPLN | 42,248 | TPLN | | | acquired | 2011 |
| EUROPOLIS LIPOWY OFFICE PARK Sp.z o.o. | Warsaw | 70,000 | PLN | 100 | - 25,309 | TPLN | 56,704 | TPLN | | | acquired | 2011 |
| EUROPOLIS PARK BŁONIE Sp.z o.o. | Warsaw | 1,091,400 | PLN | 65 | - 23,562 | TPLN | 32,060 | TPLN | | | acquired | 2011 |
| EUROPOLIS SASKI CRESCENT Sp.z o.o. | Warsaw | 50,000 | PLN | 51 | - 13,240 | TPLN | 75,972 | TPLN | | | acquired | 2011 |
| EUROPOLIS SASKI POINT Sp.z o.o. | Warsaw | 50,000 | PLN | 51 | - 6,091 | TPLN | 41,537 | TPLN | | | acquired | 2011 |
| EUROPOLIS SIENNA CENTER Sp.z o.o. | Warsaw | 4,580,000 | PLN | 51 | - 15,289 | TPLN | 48,662 | TPLN | | | acquired | 2011 |
| POLAND CENTRAL UNIT 1 Sp.z o.o. | Warsaw | 11,800,000 | PLN | 75 | - 17,508 | TPLN | - 18,410 | TPLN | | | acquired | 2011 |
| Poleczki Business Park Sp.z.o.o. | Warsaw | 7,936,000 | PLN | 50 | - 35,019 | TPLN | - 27,208 | TPLN | - 6,061 | TPLN | - 2,980 | TPLN |
| SOFTWARE PARK KRAKÓW Sp.z o.o. | Warsaw | 50,000 | PLN | 50 | - 4,898 | TPLN | - 10,608 | TPLN | | | acquired | 2011 |
| Vienna Office Sp.z.o.o. | Warsaw | 3,300,000 | PLN | 50 | - 7,173 | TPLN | 616 | TPLN | | | established | 2011 |
| Warsaw Financial Center Sp.z.o.o. | Warsaw | 218,032,000 | PLN | 50 | - 93,276 | TPLN | 201,932 | TPLN | 12,487 | TPLN | 303,469 | TPLN |
| WARSAW TOWERS Sp.z o.o. | Warsaw | 50,000 | PLN | 51 | - 8,327 | TPLN | 93,816 | TPLN | | | acquired | 2011 |
| BIL-S Superädifikatsverwaltungs GmbH | Vienna | 70,000 | EUR | 100 | 8,294 | TEUR | 592 | TEUR | - 2,203 | TEUR | - 7,702 | TEUR |
| CA Immo BIP Liegenschaftsverwaltung GmbH | Vienna | 3,738,127 | EUR | 100 | 9,312 | TEUR | 41,487 | TEUR | 17,009 | TEUR | 86,175 | TEUR |
| CA Immo Galleria Liegenschaftsverwaltung GmbH | Vienna | 35,000 | EUR | 100 | 1,573 | TEUR | 26,179 | TEUR | - 7,967 | TEUR | 24,607 | TEUR |
| CA Immo Germany Holding GmbH | Vienna | 35,000 | EUR | 100 | 61,590 | TEUR | 946,521 | TEUR | 32,746 | TEUR | 945,832 | TEUR |
| CA Immo LP GmbH | Vienna | 146,000 | EUR | 100 | 3,089 | TEUR | 34,519 | TEUR | 1,862 | TEUR | 45,931 | TEUR |
| CA Immo-RI-Residential Property Holding GmbH | Vienna | 35,000 | EUR | 100 | 6,901 | TEUR | 216,427 | TEUR | - 6,366 | TEUR | 262,529 | TEUR |
| CAII Projektbeteiligungs GmbH | Vienna | 35,000 | EUR | 100 | - 1,570 | TEUR | 207 | TEUR | - 8,291 | TEUR | 1,777 | TEUR |
| EUROPOLIS AG | Vienna | 5,000,000 | EUR | 100 | 1,213 | TEUR | 248,906 | TEUR | | | acquired | 2011 |
| EUROPOLIS CE Alpha Holding GmbH | Vienna | 36,336 | EUR | 65 | - 9,590 | TEUR | - 8,731 | TEUR | | | acquired | 2011 |
| EUROPOLIS CE Amber Holding GmbH | Vienna | 35,000 | EUR | 100 | 24,843 | TEUR | 34,043 | TEUR | | | acquired | 2011 |
| EUROPOLIS CE Gamma Holding GmbH | Vienna | 35,000 | EUR | 65 | - 829 | TEUR | - 614 | TEUR | | | acquired | 2011 |
| EUROPOLIS CE Istros Holding GmbH | Vienna | 35,000 | EUR | 100 | - 4,101 | TEUR | - 31,838 | TEUR | | | acquired | 2011 |
| EUROPOLIS CE Kappa Holding GmbH | Vienna | 35,000 | EUR | 100 | - 668 | TEUR | 5,485 | TEUR | | | acquired | 2011 |
| EUROPOLIS CE Lambda Holding GmbH | Vienna | 35,000 | EUR | 75 | - 10,144 | TEUR | 533 | TEUR | | | acquired | 2011 |

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|---|-------------------|-----------------|-----|-----------------------|-----------------------------|------|---------------------------------------|------|-----------------------------|------|---------------------------------------|------|
| EUROPOLIS CE Ledum Holding GmbH | Vienna | 35,000 | EUR | 100 | 185 | TEUR | 47,016 | TEUR | | | acquired | 2011 |
| EUROPOLIS CE My Holding GmbH | Vienna | 35,000 | EUR | 75 | - 890 | TEUR | - 595 | TEUR | | | acquired | 2011 |
| EUROPOLIS CE Omikron Holding GmbH | Vienna | 35,000 | EUR | 65 | - 8,065 | TEUR | 25,343 | TEUR | | | acquired | 2011 |
| EUROPOLIS CE Pi Holding GmbH | Vienna | 35,000 | EUR | 65 | - 3,055 | TEUR | - 1,394 | TEUR | | | acquired | 2011 |
| EUROPOLIS CE Rho Holding GmbH | Vienna | 35,000 | EUR | 65 | - 3,072 | TEUR | - 1,604 | TEUR | | | acquired | 2011 |
| EUROPOLIS CE Sigma Holding GmbH | Vienna | 35,000 | EUR | 65 | - 6,500 | TEUR | - 7,041 | TEUR | | | acquired | 2011 |
| EUROPOLIS CE Tau Holding GmbH | Vienna | 35,000 | EUR | 65 | - 5,117 | TEUR | 6,789 | TEUR | | | acquired | 2011 |
| EUROPOLIS CE Tilia Holding GmbH | Vienna | 35,000 | EUR | 65 | - 7,142 | TEUR | 26,431 | TEUR | | | acquired | 2011 |
| EUROPOLIS Duat Holding GmbH & Co OG | Vienna | 2,906,913 | EUR | 100 | - 7,843 | TEUR | 563 | TEUR | | | acquired | 2011 |
| Europolis PHEME Holding GmbH | Vienna | 36,336 | EUR | 100 | - 4,848 | TEUR | 25,780 | TEUR | | | acquired | 2011 |
| Europolis Real Estate Asset Management GmbH | Vienna | 35,000 | EUR | 100 | 1,603 | TEUR | 7,035 | TEUR | | | acquired | 2011 |
| EUROPOLIS Sarisu Holding GmbH | Vienna | 35,000 | EUR | 100 | 333 | TEUR | 12,500 | TEUR | | | acquired | 2011 |
| I.N.A. Handels GmbH | Vienna | 37,000 | EUR | 100 | - 1,420 | TEUR | 145 | TEUR | - 137 | TEUR | 65 | TEUR |
| Parkring 10 Immobilien GmbH | Vienna | 35,000 | EUR | 100 | 1,629 | TEUR | 26,551 | TEUR | - 3,137 | TEUR | 24,922 | TEUR |
| SQUARE S Holding GmbH | Vienna | 35,000 | EUR | 100 | - 2 | TEUR | 30,901 | TEUR | - 3 | TEUR | 30,903 | TEUR |
| UBM Realitätenentwicklung AG ²⁾ | Vienna | 5,450,463 | EUR | 25 | 8,544 | TEUR | 139,063 | TEUR | 14,328 | TEUR | 133,567 | TEUR |
| Europolis Zagrebtower d.o.o. | Zagreb | 15,347,000 | HRK | 65 | 8,194 | THRK | 130,779 | THRK | | | acquired | 2011 |

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²⁾ based on IFRS

MANAGEMENT REPORT

MANAGEMENT REPORT OF CA IMMOBILIEN ANLAGEN AKTIENGESELLSCHAFT FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2011

CA Immobilien Anlagen Aktiengesellschaft ("CA Immo") is the parent company of the CA Immo Group. Its head office is at Mechelgasse 1, 1030 Vienna. The CA Immo Group is an internationally active property group. It has subsidiaries in Bulgaria, Germany, Estonia, Croatia, Luxembourg, the Netherlands, Austria, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, the Czech Republic, Ukraine, Hungary and Cyprus. As of 31 December 2011, the CA Immo Group owned real estate and properties in all of the aforementioned countries except Estonia, Luxembourg, the Netherlands and Cyprus. The company's main activity involves administering and financing the domestic and foreign subsidiaries. It also owns 23 properties in Austria (as of 31 December 2011).

ECONOMIC ENVIRONMENT

THE CYCLICAL TREND

Economic growth is the main factor that drives demand for office space in the real estate sector; similarly, liquidity and interest rates are the key criteria in operational business developments. The continuing debt crisis is therefore impacting on general economic stability and feeding insecurity on markets and amongst investors.

With average GDP growth of 1.6 % (compared to 1.7 % in 2010), the dynamism witnessed on most EU markets early in the year had tailed off dramatically by the end of 2011. The economies of Europe are continuing to drift apart. Against this background of tension, economic data shows that the core markets of CA Immo performed above the EU average in 2011. Compared to most eurozone nations, economic output on the majority of CA Immo's core markets is more stable, with higher growth rates and far lower levels of debt. Poland and Germany were at the forefront of economic expansion with impressive GDP growth of 4 % and 3 % respectively, whilst the Hungarian economy (1.4 % GDP growth) was adversely affected by the uncertain political climate.

THE MONEY MARKET AND INTEREST RATE ENVIRONMENT ¹

The average inflation rate for 2011 in the eurozone was 2.7 %, well above the two percent target level specified by the European Central Bank (ECB). Once again, prices were driven by energy and other commodities. The ECB responded to the rising inflation in the first six months by raising the base rate from 1.0 % to 1.5 %. During the fourth quarter, the bank then cut back the base rate by 50 base points to its original level of 1.0 %.

Money market rates were significantly more volatile, especially in the final quarter of 2011, with major differences between the secured and unsecured markets. At the end of the year, the average monthly interest rate for term deposits in interbank transactions (3 month Euribor), which is used as the basis for variable financing, stood at 1.35 %; since then it has fallen closer to 1.0 %. Despite the low interest level, total financing costs are the same or higher than in previous years owing to higher bank margins. The main cause of this is restraint in interbank transactions and a greater capital requirement on the part of banks.

CURRENCIES ²

The exchange rate for the euro remained volatile as the sovereign debt crisis in peripheral European nations unfolded. The value of the euro has been falling sharply against the currencies of the 20 main trading partners since the end of August. By the end of the year, the exchange rate against the US dollar had fallen by 1.9 % on the previous year's value to US\$ 1.3920 on average. However, given that CA Immo's lease contracts are all concluded in euros, this did not impact directly on rental revenue.

OUTLOOK

In 2012, economic development in Europe will be governed by the sovereign debt crisis on the continent, a weakening macro-economic environment and diminishing consumer confidence as a result. The economic stability of Europe will depend heavily on the savings and

¹ Sources: Eurostat 2012, European Central Bank, Monthly Bulletin January 2012

² Sources: European Central Bank, Monthly Bulletin January 2012, www.finanze.net; closing rate on 30.12.2011

reform measures enacted by the debt-ridden member states of Greece, Italy, Spain and Portugal.

As the year progresses, the slowdown in the global economy will mean companies investing less and export ratios falling in most countries – a scenario that could seriously affect the commercial property market as demand for office premises is suppressed. Only core properties let for the long term are likely to benefit from the increasing reluctance of investors to take risks.

Stability in the banking sector will spur economic activity

The lowering of the credit quality threshold for certain asset-backed securities (ABS) confirmed by the ECB in December entails credit default risk; moreover, this will not solve the problem of declining interbank transactions owing to mistrust between banks. Radical reforms on the money and capital markets are thus inevitable.

The tightening of financing conditions in particular is sure hinder economic dynamism, at least temporarily. By the middle of the year, European banks will have to comply with the requirements of the European Banking Authority and raise their core capital stock by a minimum of 9%. The stance taken by individual banks – and the effect this will have on bank lending to the real economy – remain unclear. Guaranteeing the medium-term resilience of banks within the eurozone on the one hand whilst sustaining economic development through lending to the real economy on the other will constitute a balancing act.

The limits of financing with outside capital

Since the availability of loan capital will also be limited in the real estate sector over the years ahead, the financing of development projects and other transactions will be a major challenge. In the medium term, identifying alternative forms of finance and financing partners (such as capital market financing in the form of bonds) will be critical. The extent to which insurance companies and pension funds play a greater role will surely also depend on the future patterns of savings by private households and financial asset acquisition by institutional investors.

REAL ESTATE MARKETS

The core markets of CA Immo held their ground in 2011, producing not only above average economic data but also stable or improving performance indicators on the property investment and rental markets. With steady growth and large, liquid real estate markets, Germany proved a particularly safe haven in 2011, developing more strongly than many other major international markets. Generally speaking, performance on the company's main markets in Eastern Europe was also stable to above average in 2011, although investment and lettings activity slowed somewhat in the second half of the year.

Once again, security and core were central factors in the purchase decisions of investors. As a result, the gap has widened between high quality real estate in capital cities and older properties in B-class locations that fall short of modern technical standards. This trend is expected to continue in 2012.

AUSTRIA ³

The investment market

Around € 1.7 bn was invested in Austrian real estate in 2011, an increase of 7.0% on the transaction volume for 2010. Investors were strongly attracted to high quality office properties (27%) and hotels (24%). In year-on-year comparison, peak yields fell by five base points to stand at 5.20% at the turn of the year. Yields are expected to stagnate in 2012.

The office property market

During 2011, 260,000 sqm of office space was let in Vienna, around 5.4% down on the previous year and the lowest figure since the crisis began in 2008. Market activity in Vienna will continue to be characterised by small-scale new lettings in 2012. Although demand stagnated in 2011, the production of (office) premises rose by 14%. Another 178,000 sqm of office space is expected to be produced in 2012 as various projects are completed (not including general restorations). Moreover, owing to the fact that older properties are required to undergo full redevelopment prior to re-utilisation in order to attain certain rent levels, more and more fully restored properties are coming onto the market – a trend that is sure to intensify. During 2012, CA Immo will also market a resto

³ Sources: CBRE, Vienna Office MarketView Q4 2011; EHL Market Research 2012

ration project comprising some 18,800 sqm of reconditioned office premises at the Lände 3 site. As a result, both competition for tenants and vacancy (especially in previously occupied properties not conforming to the latest standards) will increase this year.

Peak rent levels were hovering around € 23.75/sqm at the end of 2011. Rental rates are expected to rise marginally this year in prime locations; stagnation is likely in other locations owing to excess supply.

GERMANY ⁴

The investment market

Economic stability, a polycentric structure and large, liquid real estate markets are making Germany a magnet for investors. Some € 23.5 bn was invested in real estate purchases in 2011, up nearly 20 % on the previous year's figure. Peak yield values were stable throughout the year in most locations. With real estate in Germany retaining its popularity despite the financial market crisis, the transaction volume for 2012 is likely to be similarly high. Demand also remained strong for high quality properties with good letting levels (core segment), especially in the usage categories of retail properties (46 % of the total investment volume) and office premises (30 %). At present, we expect this demand to be maintained in 2012, leading to further increases in value in this segment.

With a transaction volume of € 2.96 bn (up 58 %), Frankfurt once again led the German investment market in terms of sales; it was followed by Munich (€ 2.88 bn), which experienced a boom as the investment volume exceeded the previous year's value by 70 %. The transaction volume in Berlin fell 26 % to € 2.34 bn; the reason for this was not a lack of demand from investors, however, but a shortage of suitable supply.

The office property market

As regards the office rental market in Germany, office space totalling 1.75 million square metres was let on the core CA Immo markets of Munich, Berlin and Frankfurt in 2011 (compared to 1.52 million square metres in 2010). Strong demand for high quality premises coupled with falling construction levels will reduce vacancy further in the quality segment during 2012. At the same time, va-

cancy in class B real estate that does not conform to the latest standards will continue to rise.

EASTERN EUROPE ⁵

The investment market

In 2011, investment activity in Eastern Europe was characterised by a search for secure asset classes (especially in capital cities). Taking account of the acquisition of the Europolis portfolio by CA Immo, the total office transaction volume exceeded € 4 bn (up 60 % on the prior year). The markets of Russia (42 %), Poland (29 %) and the Czech Republic (14 %) generated the highest shares of the total volume. By contrast, very little investment activity was reported in the smaller nations of South Eastern Europe in particular owing to worsening economic conditions and the lack of financing.

A strong phase of recovery was followed by a slump in the investment volume in the fourth quarter of 2011; this was mainly due to the limited availability of core properties, for which demand was high, and constraints on financing – issues likely to remain prominent in 2012. With little construction activity on most markets, investors are falling back on investment properties. Moreover, only a few banks are prepared to provide finance in Eastern Europe. Poland and the Czech Republic have emerged as the only relatively liquid markets (unlike Hungary, the Balkan states and the Ukraine, where investment activity is likely to remain at very low levels for some time to come).

Peak yields did not vary greatly in 2011, although there was a slight trend towards compression in the second half of the year. For class A office properties in Poland and the Czech Republic, peak yields were 6.25 % and 6.75 % respectively. Given the limited supply of high quality prime real estate on these markets, a further fall in yields is expected for this product class.

The office market in Eastern Europe ⁶

Like the investment market, the office rental market also slowed down in the second six months. Compared to the first half of 2011, market absorption in Warsaw, Bucharest and Prague fell by 20-40 %. Despite this, overall lettings performance in Warsaw reached a record level. Minimal

⁴ Sources: BNP Paribas Real Estate 2012; CBRE EMEA Rents and Yields Q4 2011; CBRE MarketView, Office Market Frankfurt/Munich Q4 2011

⁵ Sources: CBRE Market View, CEE Offices February 2012; CBRE EMEA Rents and Yields Q4 2011

⁶ Sources: CBRE Market View, CEE Offices February 2012; CBRE EMEA Rents and Yields Q4 2011

levels of building activity have reduced vacancy and the influx of new tenants has been generally low. There is a clear focus on extending and expanding existing lease contracts on portfolio buildings. For countries with strong links to Western Europe in particular, the development of the demand situation will depend largely on the economic trend in this region. However, the stable performance of the German economy gives rise to hopes of a further boost to the Czech and Slovakian markets especially.

With the exception of Warsaw, vacancy rates on most markets remain above 10 % (although the trend is downward). Owing to the limited availability of financing, high levels of pre-letting on new development projects are required, and this should continue to suppress vacancy. Some cities in the SEE region in particular (including Sofia and Belgrade) are still struggling with high (22 %) rates of vacancy, and this in turn is forcing down rental rates. By contrast, rent levels are stable or rising modestly on core CA Immo markets such as Warsaw.

Logistics ⁷

The logistics segment – a sector that traditionally has shorter lease agreement terms, higher volumes of floor space and direct links to the business environment – generally responds more quickly to international trends than the office sector. Despite the volatile climate, development for the logistics area in Eastern Europe was largely stable in the first six months of the year. Poland, the Czech Republic and Russia achieved the strongest growth on the European logistics market in terms of both transaction volumes and lettings performance.

General conditions in the second half of 2011 mirrored those for the office markets: limited supply and minimal construction in the core segment coupled with an increasingly uncertain economic outlook suppressed activity on the investment as well as the lettings markets.

Thanks to the country's strong domestic market and stable economic growth, demand expanded steadily in the logistics segment in Poland. Floor space turnover in the commercial sector increased by over 30 % during 2011, driven mainly by the logistics area. The logistics vacancy rate fell marginally to around 9-15 % (depending on location), with rent levels stabilising in the range of € 2.8/sqm to € 5.0/sqm. Peak yields were also stable at 7.75 %. Rents

and yields are not expected to change significantly in 2012.

PROPERTY ASSETS

The CA Immo Group divides its core activity into two business areas: letting investment properties and developing real estate. In both of these business areas, CA Immo specialises in commercial real estate with a clear focus on office properties in Central Europe. The objective is to build up a focused portfolio of high quality and sustainable investment properties within the core markets of Germany, Austria, the Czech Republic, Poland, Hungary, Romania and Slovakia. The company generates additional revenue through the utilisation of developed real estate reserves.

As a result of the integration of Europolis, the property assets of the CA Immo Group in the consolidated statement of financial position for 2011 rose from approximately € 3.6 bn (as at 31 December 2010) to € 5.2 bn as at 31 December 2011. Of this figure, investment properties⁸ account for € 4.2 bn (82 % of the total portfolio) and property assets under development represent € 0.9 bn (18 % of the portfolio as a whole). The proportion of the Eastern and South Eastern European segment expanded from around 20 % to over 41 % of the company's overall property assets, bringing it onto a par with the German segment.

As at 31 December 2011 CA Immobilien Anlagen AG itself holds 23 properties in Austria with a recognised value of € 260,837 K (including property and buildings, prepayments made and construction in progress) compared to 28 properties with a recognized value € 264,513 K (31 December 2010).

During 2011 CA Immo sold five investment properties with a value of € 11,530 K. Market placement was particularly profitable for small to medium-sized apartment houses in Vienna and the regional capitals. Total income of € 5,608 K was generated from sales in 2011.

As at 31 December 2011, the company was realising one development project in Vienna: early in 2010, CA Immo launched a large-scale inner city development and restoration project known as Lände 3 on the Erdberger Lände

⁷ Sources: Jones Lang LaSalle, European Industrial Bulletin, September 2011; CBRE Big Box Poland Industrial Market View, Q4 2011

⁸ including properties used for own purposes and intended for trading or sale

site in the capital. The site, which currently offers some 80,000 sqm of rentable area, comprises a number of sections. Following a phase of restoration, the tenant Post AG started to occupy 31,000 sqm of office space in August 2011; by December, all of the organisation's office-based operations in Vienna had been amalgamated on the site. Sim & More GmbH also signed up as a tenant and operator of a self-service restaurant with usable space of 2,500 sqm.

Meanwhile, full-scale revitalisation work on the Silbermöwe office property began in March: by the autumn of 2012, modern and sustainable office space with rental effective area of approximately 18,800 sqm will be created within the nine-storey building, which is just under 40 metres high. An application will be made for DGNB sustainability certification for the building.

BUSINESS DEVELOPMENTS AT CA IMMOBILIEN ANLAGEN AG

Earnings

Owing to real estate sales transacted in business year 2010, rental income fell from € 19,323 K to € 16,404 K. The gross revenues shown in the annual financial statements of CA Immobilien Anlagen AG in 2011 declined by -12 % (from € 23,933 K to € 20,998 K) as this was generated solely from the letting of real estate in Austria.

Other operating income of € 4,644 K (compared to € 4,729 K in 2010) includes management fees to subsidiaries of € 4,131 K (€ 2,972 K in 2010) as well as cost allocations and insurance proceeds.

With the average staffing level unchanged, salary adjustments led to an increase of 9 % in personnel spending to € 8,577 K (€ 7,854 K in 2010).

Depreciation on intangible assets, fixed assets and tangible assets fell by - 57 % to € 7,846 K (€ 18,223 K in 2010) owing to unplanned depreciation in the previous year. Other operating expenditure also declined by - 25 %, from € 20,336 in 2010 to € 15,263 K in 2011; this was mainly due to cost savings of - 39 % within general administrative expenses (from € 11,028 K as at 31 December 2010 to € 6,777 K on 31 December 2011). The developments outlined above brought about an operating result of € 2,333 K as at 31 December 2011 (€ - 17,361 K in 2010).

Profit distributions of subsidiaries of € 61,187 K (€ 1,850 K in 2010) in Eastern Europe and € 102,340 K (€ 120 K in 2010) in Austria led to an increase from € 1,970 K (in 2010) in the item 'Income from shareholdings' to € 163,526 K (in 2011). This was counteracted by expenses from financial investments and securities held as current assets of € 60.789 K (€ 55.634 K in 2010) which resulted mainly from the dividend-related depreciation of shares in affiliated companies.

Income from loans was largely unchanged at € 10,477 K (€ 10,458 K in 2010). Interest income rose from € 9,194 K in 2010 to € 33,611 K in 2011; this was the result of fixed deposits, investments in securities and bank balances as well as cash advances and swap transfers to affiliated companies.

Income from the sale of and addition to financial assets and investments held as current assets stood at € 18,034 K, down - 51 % on the figure for 2010 (€ 37,065 K). This income derived mainly from reversals of depreciation within CA Immo AG of Frankfurt, Rennweg 16 GmbH of Vienna, CA Immo International Holding GmbH of Vienna and FCL Property a.s. of Prague as well as the sale of holdings in Eastern Europe. Appreciation of current investments of € 1,304 K were also carried out in the previous year. Revenue of € 815 K (€ 1,722 K in 2010) was generated from the sale of an ABS fund in 2011.

The change in the accounting method in 2011 from derivative financial instruments qualified as accounting units led to a reversal of provisions for contingent losses of € 9,744 K. Moreover, receivables from affiliated companies and provisions for contingent losses of € 15,191 K in each case were written off or reversed. The reversal of the provisions for contingent losses of € 24,935 K is stated under other interest and similar income; the depreciation of receivables in the amount of € 15,191 K as interest and similar expenses from affiliated companies led to a rise in interest and similar expenses from € 56,297 K in 2010 to € 74,004 K. Interest on loans obtained to finance property assets included in this item also increased marginally.

Overall, the factors above brought a significant rise in the financial result, from € - 53,244 K in 2010 to € 90,855 K in 2011. Profit on ordinary activities stood at € 93,189 K (against € - 70,605 K in 2010).

Taking account of tax revenue (essentially from group tax) of € 5,481 K (€ 5,731 K in 2010), there was an annual

surplus of € 98,670 K as at 31 December 2011 (compared to € – 65,222 K on 31.12.2010); taking the reversal of untaxed reserves into consideration produces net retained earnings of € 98,748 K (€ 0 K in 2010).

Cash flow from operating activities (operating cash flow plus changes to net current assets) for business year 2011 stood at € 68,174 K (€ 38,641 K in 2010); cash flow from investment activities was € –59,176 K (€ –270,794 K in 2010). Cash flow from financing activities amounted to € –7,618 K (€ –8,045 K in 2010).

Balance sheet: assets

Compared to the previous year, the total assets of CA Immobilien Anlagen AG increased from € 2,299,450 K in 2010 to € 2,389,411 K in 2011. On the assets side, fixed assets rose from € 2,218,590 K (on 31.12.2010) to € 2,238,304 K as at 31 December 2011. The proportion of fixed assets in the total assets was around 94 % as at 31 December 2011 (against 96 % in 2010). On the balance sheet date, the company's property assets comprised 23 properties in Austria with a market value of € 260,837 K (31.12.2010: 28 properties with a market value of € 264,513 K). Owing mainly to the scheduled depreciation of goodwill, intangible assets fell from € 285 K on the last day of 2010 to € 41 K as at 31 December 2011; they now contain only EDP software. Tangible fixed assets fell from € 265,702 K on 31 December 2010 to € 262,180 K. This change was mainly due to the fall in the book value of land and buildings following real estate sales. Additions of € 11,664 K in the item 'Down payments made and construction in progress' mainly relate to current investment, especially on the Lände 3 project.

Financial assets increased from € 1,952,603 K to € 1,976,083 K as at 31 December 2011. Additions derived from the increased stake acquired by CA Immobilien Anlagen AG in the CA Immo New Europe Property Fund in the fourth quarter, and from a capital increase performed for the fund. CA Immobilien Anlagen AG now holds a 70 % stake in the fund.

Loans to affiliated companies include a loan of € 86,767 K to CA Immobilien Anlagen Beteiligungs GmbH & Co Finanzierungs OG (€ 117,416 K on 31.12.2010) to refinance various subsidiaries in Austria and Germany for property investment, and various loans to affiliated companies in Eastern Europe to a total amount of € 120,608 K (€ 77,215 K on 31.12.2010). Other loans (€ 14,344 K on 31.12.2011) mainly include loans related to the 'Airport City St. Petersburg' project which

is held by the CA Immo New Europe project development fund.

Current assets expanded by € 70,597 K, from € 79,442 K as at 31 December 2010 to € 150,039 K on 31 December 2011. Additions included amounts due from the distribution of profits at CA Immo Holding B.V., Hoofddorp (NL) of € 49,815 K (€ 0 K in the previous year) and other receivables amounting to € 5,270 K at the end of 2011 (€ 3,074 K on 31.12.2010).

Between September 2011 and the end of the reporting year, convertible bonds with a nominal value of € 20,500 K were repurchased from the market at an average rate of 94.6 %; bonds from 2006 with a nominal value of € 14,008 K were bought back at a rate of 97.5 %.

The company has three outstanding bonds at present, registered for trading on the unlisted securities market of the Vienna Stock Exchange. The bonds provide unsecured financing at CA Immobilien Anlagen AG; they are on equal footing to one another and to all other unsecured financing of CA Immobilien Anlagen AG. The conditions of the bonds do not provide for any relevant financial covenants. Key features of convertible bonds are:

The conversion price of the convertible bond is € 11.58; the planned payment of a dividend will result in adjustment of the conversion price and thus the maximum number of bearer shares issued where the right of conversion is exercised. The conversion price will thereby be restricted to the level of the dividend yield at the time of the dividend payment. Early repayment of the convertible bonds by CA Immo is possible as from the end of the final quarter of 2012 provided the price of the CA Immo share (in certain periods) amounts to at least 130 % of the applicable conversion price at that time.

Balance sheet: liabilities

On the liabilities side, shareholders' equity rose by 7 % (from € 1,458,898 K as at 31 December 2010 to € 1,557,646 K as at 31 December 2011) owing to net retained earnings of € 98,748 K (€ 0 K on 31.12.2010). The equity ratio was around 65 % on the key date (compared to 63 % on 31.12.2010). Fixed assets were 70 % covered by equity (66 % on 31.12.2010). Compared to the previous year, provisions fell by – 16 % (from € 75,645 K as at 31 December 2010 to € 63,828 K); in particular, this reflects obligations linked to derivative transactions of € 37,812 K (€ 54,012 K on 31.12.2010) and provision for

grants to subsidiaries of € 17,114 K (€ 15,452 K on 31.12.2010).

The increase in payables (from € 763,619 K at the end of 2010 to € 766,790 K at the end of 2011) was mainly due to additional payment obligations to affiliated companies.

INFORMATION PROVIDED UNTER ARTICLE 243 A OF THE AUSTRIAN COMMERCIAL CODE (UGB)

The following information must be declared according to Section 243a UGB:

The capital stock of CA Immo amounts to € 638,713,556.20. It is divided into four registered shares and 87,856,056 bearer shares traded on the prime market segment of the Vienna Stock Exchange (ISIN: AT0000641352). The four registered shares are held by UniCredit Bank Austria AG and each equate to one position on the Supervisory Board, although this right has not been exercised. All members of the Supervisory Board are elected at the General Meeting. As at 31 December 2011, the company held none of its own shares; this position has not changed from the previous year.

There are no limitations on voting rights. The transfer of registered shares is linked to the company's approval.

On 29 January 2011, UniCredit Bank Austria AG announced a voluntary public takeover bid in accordance with article 4ff of the Austrian Takeover Act to the shareholders of CA Immobilien Anlagen AG ('CA Immo') with a view to acquiring their shares CA Immo. The offer price was € 12.35 per CA Immo share. The takeover bid was open to acceptance until 16 February 2011. At the time of declaring the takeover bid, the bidder held 10,438,224 shares in CA Immo, equivalent to a stake of 11.88 % in the capital stock of CA Immo. During the acceptance period, the bid was accepted in respect of 4,402,326 CA Immo shares, equivalent to a stake of approximately 5 % in the total capital stock of CA Immo. With the transfer of the new shares, and taking into account shares held prior to the takeover bid as well as further acquisitions of CA Immo shares via the Stock Exchange the stake of UniCredit Bank Austria AG in CA Immo increased up to 18 %. Further information is provided on the companies' website www.caimmo.com.

With around 18 % of the capital stock and the four registered shares, UniCredit Bank Austria AG is the company's

largest shareholder. The company is not aware of any other shareholders with a stake of more than 5 %. The remaining shares of CA Immo (approximately 82 % of the capital stock) are in free float. Except for UniCredit Bank Austria AG, no other shareholders had particular controlling rights.

Employees who hold shares may exercise their voting rights directly at the General Meeting. According to the Articles of Association, the company's Management Board must comprise one, two or three people. The age limit for Management Board members is set at 65 and is laid down in the rules of procedure for the Management Board. The tenure of a company officer on the Management Board ends after the Ordinary General Meeting, which falls after his or her 65th birthday. The Supervisory Board must comprise at least three, and a maximum of twelve, members. Owners of the four registered shares are each entitled to send one member to the Supervisory Board. The members of the Supervisory Board who have been sent by the registered shareholders can be recalled and replaced at any time by the shareholders. The provisions of the Articles of Association do not apply to members sent to the Supervisory Board for the duration of their time in office. The remaining members of the Supervisory Board are elected at the General Meeting. The age limit for members of the Supervisory Board is set at 70 and is laid down in the rules of procedure for the Supervisory Board. Supervisory board members retire from their position on the Supervisory Board after the next Ordinary General Meeting held after their 70th birthday.

As at 31 December 2011, there was a total of € 312,841,476.80 non-exhausted authorised capital (article 169 AktG), which can be utilised until 8 August 2012 at the latest.

At the Ordinary General Meeting on 13 May 2008, the Management Board was authorised to issue convertible bonds, even by excluding shareholder subscription rights, for a maximum nominal amount of up to € 317,185 K by 12 May 2013 with the approval of the Supervisory Board on single or multiple occasions, and to guarantee conversion rights on up to 43,629,300 bearer shares in the company for convertible bond holders. As a result of this authorisation, a five-year convertible bond was issued in November 2009 with a volume of € 135,000K. The half-yearly coupon payable on the convertible bond was set at 4.125 % and the conversion price was set at € 11.5802 (this represents a premium of 27.5 % above the reference

price). As such, a maximum of 11,657,829 no-par value shares will be paid out for any conversion rights which may be exercised. In this regard, the same General Meeting approved contingent capital (article 159 AktG) amounting to € 317,185 K.

At the 23rd Ordinary General Meeting on 12 May 2010, the Management Board was authorised in accordance with art. 65 subsection 1 line 8 of the AktG to buy back and, where necessary, sequester or sell the maximum proportion of its own shares via alternative means than on the stock market, or even via public offering, as allowed by law (10% of share capital) for a period of 30 months after the decision was taken. As at 31 December 2011, this right had not been exercised.

There are no substantive agreements, which come into effect, change or cease with a change of control within the company as a result of a takeover offer.

In the case of a public takeover offer, there will be no compensation agreements with members of the Management or Supervisory Boards or employees.

With regards the accounting process, the main features of the internal monitoring and risk management system are: Minimum standards for internal monitoring systems are determined in an internal group directive. In order to monitor whether these standards were being observed, a

separate Internal Auditing unit under the control of the full Management Board was set up as part of a reorganisation process alongside the Risk Management department. The unit, which took up its assigned tasks in 2010, will oversee compliance with legal provisions, internal guidelines and rules of conduct on the basis of an auditing plan; it will also monitor the potential for risk in operational processes (upholding the dual verification principle in all organisational entities, continual reporting, and so on) while assessing the potential for efficiency improvements (regular auditing of individual group companies). Reports on the auditing plan and assessment results will be submitted to the Supervisory Board at least once every year. The internal monitoring system (IMS) has been expanded to assist in the early identification and monitoring of risks. An internal group directive also governs uniform regulations for the group for the production of annual financial statements and interim statements. The group has a comprehensive risk management system. The accounting process was analysed with regard to the important subprocesses. The efficiency of subprocess is audited on the basis of a rotating time plan and designed around best practices (e.g. derivatives, accounts receivable management). The risk management system is part of the auditor's regular program. The results of the audits are reported to the audit committee of the Supervisory Board.

Development of shareholders' equity is as depicted below.

| € 1,000 | 31.12.2010 | Capital increase | Dividend payments | Annual result | Release of capital reserves | 31.12.2011 |
|-----------------------|------------------|------------------|-------------------|---------------|-----------------------------|------------------|
| Share capital | 638,714 | 0 | 0 | 0 | 0 | 638,714 |
| Tied capital reserves | 820,184 | 0 | 0 | 0 | 0 | 820,184 |
| Retained Earnings | 0 | 0 | 0 | 0 | 0 | 0 |
| Net profit | 0 | 0 | 0 | 98,748 | 0 | 98,748 |
| Total equity | 1,458,898 | 0 | 0 | 98,748 | 0 | 1,557,646 |

COMMITTED TO OBSERVING THE AUSTRIAN CORPORATE GOVERNANCE CODE

Compliance with the appropriate legal provisions in Austria is very important to the Management Board and Supervisory Board of CA Immo. Needless to say, our subsidiaries in Germany and Eastern Europe comply with local legislation. CA Immo is committed to observing the

Austrian Corporate Governance Code⁹ and thus to transparency and principles of good corporate management. In business year 2011, CA Immo implemented almost in full the regulations and recommendations of the Code as

⁹ The Austrian Corporate Governance Code may be viewed on the web site of the Austrian Working Group for Corporate Governance at www.corporate-governance.at.

amended in January 2010. Discrepancies were noted in respect of C Rules no. 2 (right of appointment to the Supervisory Board) and 45 (executive positions with competitor companies). Compliance with the Code is evaluated annually (most recently by KPMG Wirtschaftsprüfungs- und Steuerberatungs GmbH)¹⁰.

RISK MANAGEMENT

The persistently tough economic climate is posing significant risks to CA Immo and its business activities. The main risks to the Group derive from the market-linked danger of rising vacancy rates, tenant insolvency, the difficult environment for real estate transactions created by the restrictive lending policy of banks, associated increase in yields and the decline in property values. The risk categories outlined below were re-evaluated following a risk assessment carried out in 2011; the major risks facing the Group have not changed significantly from the previous year.

General

Systematic risk management is a key element of the CA Immo Group's internal controlling process with a direct bearing on strategic and operational decision-making within the company. Therefore, the objective of risk management is to identify at an early stage and continually monitor potentially hazardous developments as well as opportunities so that suitable measures can be implemented as necessary. To be able to evaluate the company's risk position at all times, CA Immo is constantly evaluating the level of risk by means of quarterly reporting that takes account of the current situation of the company and the market. In these reports, risks are documented in relation to specific properties and projects but also to (sub-)portfolio level. Other aspects of risk reporting involve simulations and depictions of scenarios as regards the value trend for the portfolio as well as exit strategies and liquidity planning. In addition, specific risk types are assessed at regular intervals, with external advisors consulted. CA Immo assesses risk according to substance, effect and the likelihood of occurrence. On that basis, risk management is implemented at every level of the company and is therefore binding on all organisational divisions. From a strategic viewpoint, risk management includes the compilation of compulsory guidelines on investment policy.

Operational risk management is concerned with countering property-specific and general business risks. The company circumvents unexpected risk by means of early warning indicators such as rent forecasts and vacancy analyses as well as the continual monitoring of lease agreement periods and the possibility of terminations. The Management Board is involved in all risk-relevant decisions and bears overall responsibility for such decisions. At all process levels, decisions are subject to the dual verification principle. Clear internal guidelines and strategies, business and investment plans and the continuous reporting systems have made it possible to monitor and control the economic risks associated with everyday business activity. Measures are applied to all Group subsidiaries. Investment plans are also subject to scrutiny by the Supervisory Board or its investment committee. The Controlling department supports the realisation of risk management by providing structured information and data; individual matters are also spot-checked by the Internal Auditing division.

THE INTERNAL MONITORING SYSTEM (IMS)

The accounting specific internal monitoring system (IMS) is a conglomeration of systematically structured measures designed to ensure compliance with guidelines and prevent errors; the guidelines include both specific company rules (Group manual, allocation of responsibilities, authority to sign, dual verification principle, regulations for release, etc.) as well as legal provisions. The objectives of the IMS are to preclude (preventive monitoring) and identify (detective monitoring) errors in accounting and financial reporting, thus enabling amendments or countermeasures to be introduced in good time. The operational divisions are involved to ensure a complete overview of the process of financial reporting. CA Immo defines preventive monitoring as those checks undertaken by responsible administrators as they carry out business processes prior to and/or within specific systems (e.g. accounting and consolidation software). Detective monitoring refers in particular to controls carried out by responsible heads of department or the head of finance and accounting on the basis of analyses derived from such systems. In accordance with the organisational structure of the CA Immo Group, responsibility for the implementation and supervision of the internal monitoring system lies with the appropriate local management teams, i.e. the managing directors of the various subsidiaries are required to perform self-checks in order to assess and document compliance with the monitoring measures

¹⁰ The results of the evaluation may be viewed on our web site (www.caimmoag.com).

making up the IMS, which has been standardised across the Group. Alongside the Risk Management division, CA Immo has set up an Internal Auditing unit under the control of the full Management Board with a view to consolidating the internal monitoring system. Both units now oversee compliance across the Group with legal provisions, internal guidelines and rules of conduct on the basis of annually compiled auditing plans, or in response to ad-hoc assessments performed as needs dictate. On an operational level, the units review the functioning of (business) processes as regards possible risk and cost-effectiveness and assess the potential for efficiency improvements. The Internal Auditing unit also supervises the observance of checking procedures by local management teams and determines the dependability of operational information as well as the effectiveness of the internal monitoring system. Finally, the results of these assessments are reported to the responsible executive boards as well as the full CA Immo Management Board. The Supervisory Board is informed as to the auditing plan and the assessment results at least once a year. Furthermore, the proper functioning of the risk management system is evaluated annually by the Group auditor, with the findings presented to the Management Board and the Supervisory Board or its audit committee.

STRATEGIC RISKS

Capital market and financing risk

Refinancing on the financial market is one of the most important measures open to CA Immo. However, developments have shown that the erosion of trust in a functioning capital market can make the procurement of capital much more difficult. Due to the implementation of Basel III an increasing number of banks reconsider their mortgaging. Therefore, it is assumed that lending will be handled extremely restrictive in future. In addition, some banks currently make market stress test of scattered Eastern European countries or are preparing their exit from the region. Especially in Hungary and Romania refinancing could become more difficult in the upcoming months; however, in Poland and the Czech Republic willingness to finance is a little more stable. Above all, German banks have announced their plans to stop lending outside their home market temporarily, by implication, vice versa in the following years there will be sufficient liquidity in the German market. With the introduction of Solvency II it is assumed that insurance companies will occur increasingly in the financing business, which could provide a slight improvement on the financing sector. For this rea-

son, it is essential that the company has the ability to plan and secure liquidity. As an alternative and supplement to established means of (equity) capital procurement, the company enters into equity partnerships (joint ventures) at project level. Given that the risk of (re)financing may remain a latent factor, detailed liquidity planning has been drawn up for the years ahead. This planning takes particular account of the financial consequences of strategic targets (such as the steady depletion of the project pipeline and real estate sales). The expiry profile of financial liabilities for the CA Immo Group is reasonably stable until business year 2014; loans maturing by that date are linked solely to financing at property or project level. The refinancing of the 6.125 % CA Immo bond 09-14 (ISIN: AT0000A0EXE6) and the convertible bond are scheduled for 2014, provided conversion rights are not exerted.

Concentration (cluster) risk

A certain level of concentration (cluster) risk in the portfolio arises where a single investment exceeds a defined upper value in the total portfolio as regards location or investment volume. In such cases, the potential market risk is heightened significantly and the prospect of selling these properties can be diminished (especially where the market environment is constricted). On the other hand, exceptionally small properties raise the danger of excessive administration costs (in relation to rental revenue). For this reason, CA Immo seeks joint venture partners or an early (partial) exit for large-scale investment initiatives as this substantially lessens the burden of risk on the company. To bring about a suitable balance between expenditure and revenue, small properties (which are generally acquired through portfolio purchases) are regularly sold off and the composition of the portfolio is assessed on a quarterly basis. Concentration risk is also created where certain investments lead to over-representation of a particular region, country and specific usage type or tenant structure in the overall portfolio: this is because changes in the market can affect levels of demand which will impact negatively on the company's profitability. Concentration risk as regards tenants generally arises where individual tenants are over-represented in terms of rental revenue and rentable space and thus have a significant bearing on the earnings of the CA Immo Group. As a countermeasure, especially on the target markets of Eastern and South Eastern Europe, CA Immo applies regional investment limits according to the size of the overall portfolio and, in the case of individual properties, the size of the respective market. Aside from regional distribution, efforts are made to ensure diversification in

the tenant structure and usage types. In terms of tenants a concentration risk will only be accepted in case of long-term leases and an excellent credit rating.

If we define the limit value for concentration/cluster risk at 5 % of the total portfolio, only one investment (Tower 185) falls into this category. Given the current equity commitment of € 190 m on this project, an (partial) exit is planned following completion. Construction financing until is valid until the end of 2012. Due to the difficult market environment negotiation about the prolongation are already initiated. Although the package of investment properties acquired from the state of Hesse in 2006 makes up some 15 % of the overall portfolio, it comprises a total of 36 properties that the company could sell individually. In view of the long-term nature of existing lease contracts and the satisfactory creditworthiness of the tenant (the state of Hesse), this portfolio represents a calculated risk. Alongside Tower 185 and the Hesse portfolio, three more individual properties have an IFRS market value of over € 100 m. In terms of location, Prague (River City) and the logistics park in Bucharest have created concentration risk within the portfolio. As regards our land reserves and land development projects, risk arises from the high associated capital commitment; the prevailing market climate is also hampering development projects. For this reason, further property sales are in the pipeline for 2012, measures have been put in place to accelerate land development projects where possible and joint venture partners are being involved at an early stage with a view to cutting the capital commitment.

Country-specific risk and transfer risk

Country-specific and transfer risk incorporate the dangers of economic and political instability. Given the CA Immo Group's high level of investment activity abroad – and particularly in Eastern Europe – inflows of capital and liquidity to which the company is undoubtedly entitled can fail to materialise owing to a lack of foreign currency or transfer restrictions in other countries. There is no generally effective way to hedge against this kind of transfer risk. CA Immo counters country-specific risk by concentrating on a defined core region with local subsidiaries and on-site staff, and through appropriate regional allocation within that core market. The company ensures it is able to respond quickly to economic and political events through continual portfolio monitoring and specific portfolio management. CA Immo negates transfer risk by repatriating liquid assets from investment markets with a low credit standing.

PROPERTY-SPECIFIC RISKS

General

The real estate sector is closely intertwined with the macroeconomic developments on its markets. Any worsening of the debt and financial crisis in Europe poses the greatest risk to the real estate area as such a scenario has the potential to make financing conditions significantly harder for businesses. It seems ever more probable that the European economy will shrink even further during 2012; most indicators point to a slowdown in growth rates across the continent. This would have a particularly serious effect on the commercial property market, depressing the demand for office space whilst rendering access to finance more restrictive and costly. Only core properties let for the long term look like benefiting from the increasing reluctance of investors to take risks.

Market and liquidation risk

From a financing point of view, the risk to property investment markets remains considerable as more and more banks become ever more reluctant to finance large-scale investment in real estate. A deceleration in the transaction rate in 2012, which cannot therefore be ruled out, could impact negatively on CA Immo's sales targets for the year. There is also a danger that owing to rising yields, CA Immo will either be unable to sell properties, or only able to sell them at a discount. This could adversely affect the company's liquidity. To prevent such risks arising, CA Immo performs its own exhaustive market analyses prior to any investment decision and as a regular part of portfolio management; the company also maintains constant contact with leading experts in the sector. To minimise regional risks, the ideal resale times for the largest properties in the portfolio are considered as part of regular discussions concerning location quality, property quality, market changes and emerging trends. Through this approach, key early indicators of market risk are systematically applied to evaluations of investment and project plans, and thus to medium-term liquidity and corporate planning.

Letting risk, loss of rent risk

The opportunities and risks posed by trends on the rental markets are closely linked to economic development, one of the factors that drive demand for commercial real estate. Given the economic outlook for the eurozone and the CEE/SEE markets in the medium term, the high degree of uncertainty will persist throughout 2012. Rental markets will remain at risk of a downturn despite low levels of building activity. We expect rent prices to

pick up slowly in the months ahead; in some sub-segments rent prices will decline, as potential tenants will be reserved in making their decision about investments or locations. Significant reduction in vacancy rates – particularly in Eastern Europe – is therefore not expected in 2012.

Within the CA Immo portfolio, vacancy increased particularly sharply in (South) Eastern Europe following the takeover of Europolis; the negative trend has been especially acute in the area of logistics. Although vacancy was reduced moderately in the office area, lettings activity in Hungary was persistently problematic. In Austria too, CA Immo still has high vacancy relative to total available rental space despite the handover of rental premises at the Lände 3 site to Österreichische Post AG. Reducing the vacancy level is likely to remain a challenge in 2012: on the office rental market in Vienna, office space (and rent prices) outside the prime segment are still coming under pressure owing to the rising production of new premises and the high availability of modern, energy-efficient office units. The lettings situation thus continues to be characterised by protracted decision-making on the part of potential tenants. By comparison, vacancy rates in the German asset portfolio are low; here, the only vacancy risk is linked to recently completed development projects Tower 185, Ambigon (both being in the stabilisation phase) and Skygarden. Nonetheless, office tenants continue to favour prime real estate in top locations, and are especially keen to secure first occupancy of new buildings. The fact that the supply of such properties remains limited is helping CA Immo to market its modern office premises in Germany.

Aside from greater vacancy risk, it is also possible that existing tenants will be unable to meet their rent payments given the economic circumstances (loss of rent risk). This risk is generally countered by demanding securities (bank guarantees). To keep vacancy and rent losses to an absolute minimum, CA Immo screens the creditworthiness and reputation of potential tenants. The budgeted and actual revenues generated by all properties are continually monitored, and structured quality checks are carried out. Properties with heightened risk potential are managed by a specially formed restructuring unit with a view to securing their sale at the earliest opportunity after restructuring. The only rental payments outstanding are in the Eastern Europe segment, particularly in relation to hotels, three logistics parks and a shopping centre. The value of all outstanding receivables has been adjusted,

taking account of the risk of lost rent to a sufficient degree in the valuation of properties. Reduced income following contract extensions remains a risk where rent levels have to be reduced or greater incentives are offered. Overall, however, the aforementioned problematic cases do not pose a noteworthy risk potential to the company.

Project development risks

The realisation of projects is associated with higher risk. Risks can arise from imponderables such as delays in the property use approval or planning permission processes, cost/deadline overruns, construction defects, low demand for rental premises and similar factors. Nonetheless, given the high value that can be created through development projects, this business area also offers the chance of generating additional revenue. For projects to be realised, it is essential that equity or additional loan capital (project financing) is available. Delays in credit lending can lead to delays in construction work, which has a negative knock-on effect on project valuation; where pre-letting has been secured, this can result in the imposition of contractual penalties. Loss of rental revenue can in turn have serious implications for the company's cash flow. Moreover, financing conditions can be tightened where construction costs increase. With all of this in mind, CA Immo takes various steps to control the risks associated with project development (cost monitoring, variance analyses, long-term liquidity planning and observance of minimum pre-letting quotas, and so on). In general, CA Immo is countering project development risk by choosing partners and service providers with care whilst maintaining stringent controlling, both internally and externally. Controlling involves regular cost monitoring, variance analyses and appropriate reporting. The start-up losses that typically arise in connection with project development also have a detrimental effect on earnings with the accrual of non-capitalisable costs. Over the project lifecycle, these losses are offset against revenue from lettings and sales; accordingly, projects are only launched after comprehensive and long-term liquidity planning. CA Immo invariably seeks to secure pre-letting (50–60 % in Germany, for example) before actually commencing a project. In Eastern and South Eastern Europe in particular, however, this may not be achievable (or only possible to a limited degree) on account of the specific market situation. In this region, lease contracts tend to be signed as soon as there is a sufficient likelihood of project completion and projects are sometimes initiated even with low levels of pre-letting, but ever having a secured funding in place.

CA Immo also faces the risk of significant cost variation linked to price trends in the raw materials sector (steel, aluminium, copper, etc.). With this in mind, cost pools are formed for large-scale projects to pass on the risk of rising commodity prices or production costs to the contractor. All current projects are being implemented within their approved budgetary frameworks. Pressure on development earnings results primarily from the market-driven extension of the stabilisation phase (initial renting) and from the risk of rising yields due to restrictive lending.

Property valuation risk

Owing to changing framework conditions, property prices can fluctuate considerably. CA Immo subjects its properties to annual valuation by an outside party; value changes during the year are identified by internal specialists.

The rise in yields over recent years continues to be reflected in valuation reports owing to the discount and capitalisation rates assessed and directly influences consolidated net income through the changes in market value that must be recognised under IAS 40; shareholders' equity is also reduced. Developments in the second half of 2011 especially have shown that Eastern Europe, having been unable to evade the turbulence given the region's close economic ties with Western Europe (especially in the banking sector), is coming under renewed pressure. In core markets such as Poland and the Czech Republic, yields remained stable and sporadically even a decline in yields was observed. With banks significantly reducing their exposure in these markets, it is likely that the property investment market will bottom out partially in 2012, which could lead to a rise in yields. The demand for core properties in core markets, however, continues unabated. The diminishing prospect of rental growth also poses the danger that starting yields for commercial real estate will be adjusted upwards. Changes in value will continue to represent a significant risk in 2012 in view of the expected market trend. If yields fall by an average of 25 base points in the short term and rent levels remain the same, losses in the Eastern Europe portfolio alone could potentially amount to € 50-70 m (in the worst case scenario).

GENERAL BUSINESS RISKS

Legal risks

In addition to the usual legal disputes that arise in the sector (especially against tenants), CA Immo faces the risk

of disputes with, for example, joint venture and project partners. There is also potential for disputes arising over past and future sales of real estate as well as annulment actions brought by shareholders in connection with resolutions of the Ordinary General Meeting or review of the exchange ratio applied in the 2010 merger of CA Immo International AG and CA Immo. Legal disputes are monitored and managed centrally by the legal department. At present, no lawsuits or arbitration proceedings that could threaten the company's survival are imminent or pending. Almost all pending actions relate to conventional operational business activity. Sufficient provisions are formed as necessary; as at 31 December 2011, these amounted to approximately € 7,726 K (CA Immo Group). In addition, the joint venture partner of the 'Maslov' project has filed an arbitration claim for € 48,097 K (including interest). CA Immo considers the chances of this action succeeding as minimal. For the expected cash outflow an adequate provision has been made.

Environmental risk

The CA Immo Group can incur significant costs from its responsibility to prevent certain kinds of damage to the environment (from toxic substances and materials in built structures and contamination); there is also a risk that the legal changes may require previously acceptable materials and substances to be eliminated. It is not possible to predict changes to legal provisions, case law or administrative practice, or the consequences that such changes will have on the earning power of real estate; changes could adversely affect real estate values and thus the company's assets, financial and revenue positions. To minimise the risk, CA Immo incorporates these considerations into its wide-ranging assessments prior to every purchase. Appropriate guarantees are also required from sellers. The CA Immo Group makes use of environmentally sustainable materials and energy-saving technologies wherever possible. Environmental risks associated with investment properties are assessed by the CA Immo Sustainability Tool (CAST).

Taxation risk

National taxation systems are subject to ongoing amendment on the target markets of the CA Immo Group. The company monitors all relevant debates and decisions taken by national legislators. Despite this, tax rises linked to changing legal frameworks pose a constant risk to revenue. Sufficient financial provisions have been made for established risks.

FINANCIAL RISKS

Risks linked to liquidity, credit, interest rates and currencies make up the main financial risks.

Liquidity risk

Owing to a clear reluctance on the bank of banks to extend credit at present, short-term liquidity risks cannot be ruled out. Liquidity risk is potentially created where negative market trends prevent or lead to delays in planned sales activity. Other risks arise from unforeseen additional funding obligations in relation to project financing and breaches of covenant in the property financing area. CA Immo is highly skilled at planning and securing liquidity in order to counter these risks and ensure the Group can meet unexpected cash flow requirements as well as its financing commitments on projects and investments. To this end, various liquidity deployment measures have been identified; amongst other things, these provide for the early redemption of loans with very high margins. Loans are invariably agreed on a long-term basis in accordance with the investment horizon for real estate. Even with meticulous planning, however, liquidity risk cannot be eliminated, particularly where capital requests linked to joint venture partners and fund partners are not viable. Capital commitments are typical in the case of development projects; the Group company CA Immo Deutschland has a particularly high commitment in the case of the Tower 185 project. Financing has been secured for all projects under construction; additional financing is required for new project launches, however.

Given the refinancing scheduled for 2012/13, partner risks pose a particular threat; project-related and country-specific risks will also persist, especially with regard to further developments in Hungary. Additional reserves are needed to cover any breaches of covenant. The refinancing risk and the risk of a breach of contract terms are monitored continuously. The worst case resulting from the potential hazard is included in the current liquidity planning.

Interest rate risk

Interest rate risk stems from market-related fluctuations in the interest rate. This risk affects both the level of financing costs and the fair value of interest hedging transactions concluded, which influences the company's earnings and equity. Moreover, where new loans are agreed or loans are extended in particular, there is a danger that credit margins will rise substantially. The base

rate was cut from 1.5 % to 1.25 % early in November 2011 and again to 1 % at the start of December in a bid to combat the worsening recession. According to the latest interest rate forecasts, the base rate is likely to remain at its present level of 1 % until the end of 2012. Swap rates (which have stayed highly volatile as the critical situation persists) are also unlikely to rise significantly.

CA Immo generally opts for a mix of long-term fixed-rate and floating-rate loans; in some cases, the latter are secured by means of derivative financial instruments (interest rate caps/swaps), which without exception are used to hedge against the risk of interest rate changes arising from underlying transactions. With the incorporation of Europolis, the risk of rate changes is 60 % hedged on all variable-rate loans of the CA Immo Group. Continuous monitoring of the interest rate risk is imperative. No risks constituting a serious and sustained threat to the company exist at the present time. Sufficient provisions have been formed for all risks identified.

Currency risk

Since CA Immo invests in various currency areas, the company is exposed to certain currency risks. CA Immo counters currency risk from the inflow of rental income and rents receivable in BGN, CZK, HUF, PLN, RON and RSD by pegging rents to a hard currency (EUR or USD). No significant currency risk exists at present. Since incoming payments are mainly received in local currency, however, free liquidity is converted into euros upon receipt. The pegging of rents to the EUR/USD affects the creditworthiness of tenants and thus produces an indirect currency risk that can result in payment bottlenecks and loss of rent. Loans are taken out in the currency underlying the relevant lease (this mainly applies to financing in CZK and USD). Currency risks are hedged in connection with construction projects if possible.

FINANCIAL INSTRUMENTS¹¹

Given that the interest paid makes up the biggest expense item in the income statement for most real estate companies, interest rate rises can have a serious impact – especially since the income side (rent) is usually based on long-term agreements, which means increases in financing costs cannot be counterbalanced by higher revenue. For this reason, the CA Immo Group's financing policy

¹¹ For full details on the derivative financial instruments of CA Immobilien Anlagen AG, see the notes section.

partly involves hedging a substantial proportion of finance against fluctuation over the long term. Interest swaps (and, to a lesser extent, interest rate caps) are used as interest hedging tools.

BRANCH OFFICES

The CA Immo Group has its head office in Austria and also has a presence in Germany via the subsidiary CA Immo Deutschland GmbH in Frankfurt, Berlin, Munich and Cologne, as well as in Eastern Europe via subsidiaries in Budapest, Belgrade, Bucarest, Prague, Warsaw and Moscow.

INVESTMENTS AND FUNDS

The listed company CA Immobilien Anlagen Aktiengesellschaft, based in Vienna, is the parent company of the CA Immo Group. The Group's activities are focused on Austria, Germany and Eastern Europe. The Group has 263 subsidiaries, of which

- 42 are in Austria (including 8 joint ventures),
- 103 are in Germany (including 20 joint ventures) and
- 118 other companies (including 24 joint ventures) were created in connection with investment in Eastern Europe.

All tasks are performed through a network of branch offices in Austria, Germany, Hungary, the Czech Republic, Romania, Poland and Serbia; there are also offices in Russia, Ukraine and Cyprus employing a total of 390 staff members. Every site functions as a profit centre. Construction management – which encompasses project monitoring, tendering, contract awarding, construction supervision and general planning – is carried out by **omniCon**, the subsidiary of CA Immo Deutschland acquired in July 2008. omniCon also performs these services for third parties. In addition, DRG was founded in 2011 as a joint venture with the estate agent and property management firm ÖRAG. **DRG** undertakes tenant management, service charge accounting, rental revenue enhancement, cost reduction, maintenance tasks and letting for CA Immo's office investment properties in Germany. Throughout the group, external service providers are brought in to carry out certain other activities. This enables the cost structure to be adapted flexibly to varying workloads. All activity in Germany is processed via CA Immo Deutschland; business in Eastern Europe is

bundled in CA Immo as well as in Europolis AG, which was acquired early in 2011. Since 2006, project development in Eastern Europe has been managed largely through the CA Immo New Europe (CAINE) special fund.

CA Immo Deutschland

CA Immo entered the German market in the autumn of 2006. Since 2008, **CA Immo Deutschland GmbH** (formerly Vivico Real Estate GmbH, a collecting society for railway properties owned by the German state) has provided the operational platform. CA Immo Deutschland has extensive expertise in developing inner city properties. Projects on these development sites are at various stages of preparation and will be rapidly progressed to construction readiness over the coming years. On completion, development projects are either sold, transferred to the company's asset portfolio or sold to property developers as construction-ready real estate. With branch offices in Frankfurt, Berlin and Munich, the organisation of CA Immo Deutschland meets the requirements of local presence. CA Immo Deutschland GmbH is fully consolidated in the consolidated financial statements of CA Immo. The company's property assets mainly comprise properties under construction and undeveloped plots alongside a portfolio of properties intended for trading or sale. As at key date 31 December 2011, the market value of this real estate portfolio was € 1,343 m (€ 1,157 m on 31.12.2010). Most of the investment properties in Germany, including the package of properties acquired from the state of Hesse in 2006, are maintained by Frankfurt-based **CA Immo AG**, in which CA Immobilien Anlagen Aktiengesellschaft of Vienna has direct and indirect holdings amounting to 100 %. CA Immo AG of Frankfurt is also fully consolidated in the consolidated financial statements. The market value of the property assets was € 1,019 m as at 31 December 2011 (against € 1,006 m in the previous year).

Europolis AG

Europolis AG, which was acquired from the Volksbank Group at the start of January, is also a wholly owned subsidiary of CA Immo. The Europolis Group, which has been in existence since 1990, focuses on class A office, logistical and retail buildings in Eastern Europe. The Europolis AG portfolio also includes a small number of development projects and undeveloped plots in Poland, Hungary and the Ukraine. The overall portfolio is divided into six smaller portfolios in which reputable partners such as the EBRD, AXA and Union Invest hold shares of between 25 % and 49 %. The portfolios are managed by **Europolis Real Estate Asset Management GmbH** of Vi

enna (EReAM), a wholly owned subsidiary of Europolis AG, alongside a group of regional companies in Prague, Budapest, Warsaw, Bucharest and Belgrade trading as "CA Immo Real Estate Management". As at 31 December 2011, the property assets of the Europolis Group had an approximate market value of € 1,408 m (€ 1,517 m in the previous year).

CA Immo New Europe property fund

The **CA Immo New Europe property fund** is a project development fund structured under Luxembourg law as a SICAR (société d'investissement en capital à risque). The fund has drawn together CA Immo's development projects in Eastern Europe since early 2007. CA Immo raised its stake by a further 10 % in the fourth quarter and now holds 70 % of the shares in the fund. The remaining 30 % is held by three institutional investors. The planned life-span of the fund, which is managed by a CA Immo subsidiary, is seven years in total (with the option to extend). The commitment period (in which new projects can be initiated) ended on 31 December 2009. In view of changed market conditions, investment activity fell far short of the levels originally intended; agreement was reached with the co-partners only to proceed with development projects that were already in progress. In future, new projects will be realised by CA Immo itself where the fund partner decides against individual involvement in the implementation. As at the balance sheet date, the fund portfolio had a book value of around € 142 m (compared to € 134 m in the previous year). Three projects are in progress at the present time; another three have been finalised since the fund was set up and will henceforth be held directly by the fund as investment properties.

Investment in UBM

CA Immo holds a stake of 25 % plus four shares (voting minority holding) in the listed Vienna-based real estate developer **UBM Realitätenentwicklung AG** through a subsidiary company.

The main shareholder in UBM is the PORR Group with a holding of approximately 41 %. With its track record of development expertise in the CEE region, UBM is an ideal

partner to the CA Immo Group. Projects realised with UBM include the Poleczki Business Park in Warsaw and the Airport City St. Petersburg project.

PENDING LAWSUITS

The company is involved in several lawsuits arising from the ordinary course of business. Provisions were formed, depending on the likelihood of a claim being asserted.

FINANCIAL AND NON-FINANCIAL PERFORMANCE INDICATORS

In strategic terms, the business activity of CA Immo revolves around raising the value of the company over the long term. Central financial performance indicators (key figures) are an important tool as regards identifying the main factors that contribute to the long-term increase in corporate value and quantifying those factors for the purposes of value management.

The primary financial performance indicator in this context is the net income generated with the money shareholders have invested (return on equity, RoE). The aim is to produce a ratio higher than the imputed cost of equity (we assume a medium-term rate of around 7.0 %) and thereby generate shareholder value. The return on equity for 2011 was around 3.8 %, below the target value. Despite the significant increase compared to the previous year, the goal was not attained in particular because of the negative contribution from the valuation of interest rate hedges. Nevertheless, we remain confident that the measures defined under our strategy will enable us to return to an acceptable return on equity in the medium term.

Among the other quantitative factors used to measure and manage our shareholders' long-term yield are the change in NAV per share, the operating cash flow per share, return on capital employed (ROCE) and economic value added.

VALUE INDICATORS FOR CA IMMO GROUP

| | | 2011 | 2010 | 2009 | 2008 | 2007 |
|---------------------------|----|-------|----------|----------|----------|-------|
| NAV/share | € | 19.20 | 18.70 | 17.90 | 18.90 | 22.00 |
| Change in NAV/share | % | 2.7 | 4.5 | -5.3 | -14.1 | 6.8 |
| Operating Cash Flow/share | € | 2.18 | 1.38 | 1.40 | 1.32 | 1.07 |
| RoE ¹⁾ in % | € | 3.8 | 2.8 | -4.8 | -13.4 | 3.3 |
| ROCE ²⁾ in % | % | 5.5 | 4.8 | 0.1 | Negative | 5.2 |
| EVA ³⁾ | €m | 44.0 | Negative | Negative | Negative | 2.7 |

¹⁾ Return on Equity = Consolidated Net Income after minorities / Ø Equity (excl. minority interest)

²⁾ Return on Capital Employed (ROCE) = Net Operating Profit After Tax (NOPAT) / Capital Employed

³⁾ EVA (Economic Value Added) registered brand of Stern Stewart & Co; EVA = Capital Employed * (ROCE – WACC); WACC 2011 = 4.51

The key factors for CA Immo AG include the equity ratio, net debt (bonds and liabilities to bank less cash and cash equivalents) and equity-to-fixed-assets ratio. The equity ratio reflects the portion of the company's financing that is covered by its equity. It

is an important indicator when assessing a company's creditworthiness. The equity-to-fixed-assets ratio indicates the extent to which, measured in percent, equity covers the fixed assets of CA Immo AG.

VALUE INDICATORS FOR CA IMMOBILIEN ANLAGEN AG

| | | 2011 | 2010 | 2009 | 2008 | 2007 |
|------------------------------|----|------|------|------|------|------|
| Equity ratio | % | 65 | 63 | 66 | 60 | 69 |
| Net debt | €m | 544 | 586 | 406 | 368 | 440 |
| Equity-to-fixed-assets ratio | % | 70 | 66 | 75 | 61 | 85 |

Since the financial indicators ultimately demonstrate the operational success of our property business, they are preceded by a series of performance indicators that cannot be immediately quantified in financial terms and which are key to measuring and managing our operational business:

Vacancy rate and average rent

Sound economic data feeds the demand for commercial premises and invigorates both building activity and the property market. Cyclical discrepancies between supply and demand are reflected in the utilisation rate and attainable rents. Viewed over time, the vacancy rate and average rent are key indicators of a portfolio's quality and its successful management; they are also indicative of the asset managers' ability to respond in a timely fashion to economic influences.

Location quality

The quality of a site is a major criterion in property marketing: the accessibility of a location, determined by

infrastructure, plays a particularly crucial role. Changes in the quality of a location take place gradually and are eventually reflected not only in price, but also in the difficulty of attracting new tenants.

Local presence

Local knowledge and familiarity with markets are key to the effective cultivation of highly diverse regional markets. For this reason, CA Immo maintains branch offices in the company's main markets of Germany and Eastern Europe (the latter have been consolidated by the recent influx of Europolis staff members).

Expertise and synergy

The competitive edge of CA Immo stems from the local knowledge of its operating employees and the utilisation of synergies in the Group, especially in the fields of project development and property marketing.

STAFF

As at 31 December 2011, the CA Immo Group had a total of 390¹² employees at its headquarters in Vienna and its sites in Frankfurt, Berlin, Munich, Budapest, Warsaw, Prague, Belgrade and Bucharest; the comparable figure for 31 December 2010 was 318. CA Immobilien Anlagen AG itself employed 63 people compared to 58 people (as at 31 December 2011).

Integration of Europolis completed

The Europolis team has relocated to CA Immo headquarters in Vienna and local branch offices have been amalgamated in Eastern Europe. As a result of this, the staffing level has changed: a total of 64¹³ new employees joined the Group in 2011.

OUTLOOK 2012

The main event of 2011 was the integration of Europolis. Now the emphasis has switched to the careful implementation of our corporate strategy, stage by stage.

Our main expectations for 2012 are thus:

- Increase in rental income (and thus gross revenue) of around 10%: additional rent from new lettings in particular will more than compensate for losses of rental income due to sales
- Sales of around € 15 m from the portfolio of CA Immobilien Anlagen AG
- Utilisation of released funds, primarily for the purposes of debt reduction; in particular, opportunistic repurchasing of outstanding bonds
- Investment of approximately € 33 m, especially in the current Lände 3 development project (section A)

In general, conditions on the rental and transaction markets are not expected to change significantly compared with last year. Given the reduction in the credit volume proposed by the banks, however, the financing market is likely to pose challenges in 2012.

The main threats to our forecasts for 2012

Our predictions for 2012 are subject to certain assumptions on general conditions as well as parameters specific

to the real estate sector. The economic picture remains unpredictable, which means more uncertainty as to whether we will meet our targets for investment volumes, realisation timeframes and revenue.

We believe the main factors influencing our business plans will be:

- Trends on international capital markets and the effects of these on economies in our active regions.
- The accessibility (and cost) of financing with outside capital.
- The extent of the impact of economic developments on demand for rental premises and rental prices across our various regions.
- Developments on the real estate investment market, the associated price trend and the resultant effects on the value of our portfolio.
- The speed at which planned development projects are realised (which will largely depend on the availability of necessary external loan capital and equity).
- Political, fiscal, legal and economic risks; the transparency and development level on our real estate markets.
- The development of interest level.

RESEARCH & DEVELOPMENT

To facilitate the ongoing redevelopment and modernisation of the real estate portfolio, staff qualification is an investment priority for CA Immo; the support of external experts is selectively enlisted as required.

SUPPLEMENTARY REPORT

The following activities are reported for the opening months of business year 2012:

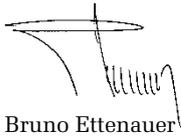
In Vienna, Update Training GmbH has rented the investment property on Klosterneuburger Strasse 23-27, occupying usable space of around 1,050 sqm.

¹² Of these, 7 % were part-time staff members

¹³ excl. take up of Europolis staff

Vienna, 6 March 2012

The Management Board



Bruno Ettenauer
(Chairman)



Wolfhard Fromwald



Bernhard H. Hansen

AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements, including the accounting system, of

**CA Immobilien Anlagen Aktiengesellschaft,
Vienna,**

for the fiscal year from **1 January 2011 to 31 December 2011**. These financial statements comprise the balance sheet as of **31 December 2011**, the income statement for the fiscal year ended **31 December 2011**, and the notes.

Management's Responsibility for the Financial Statements and for the Accounting System

The Company's management is responsible for the accounting system and for the preparation and fair presentation of these financial statements in accordance with Austrian Generally Accepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility and Description of Type and Scope of the statutory audit

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing. Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as of 31 December 2011 and of its financial performance for the year from 1 January 2011 to 31 December 2011 in accordance with Austrian Generally Accepted Accounting Principles.

Report on Other Legal Requirements (Management Report)

Pursuant to statutory provisions, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report is consistent with the financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report is consistent with the financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 6 March 2012

KPMG
Wirtschaftsprüfungs- und Steuerberatungs GmbH

Mag. Helmut Kerschbaumer

ppa Mag. Christoph Erik Balzar

Wirtschaftsprüfer

Wirtschaftsprüfer

(Austrian Chartered Accountants)

Publication of the financial statements together with our auditor's opinion may only be made if the financial statements and the management report are identical with the audited version attached to this report. Section 281 paragraph 2 UGB (Austrian Commercial Code) applies.

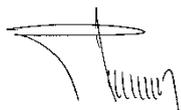
This report is a translation of the original report in German, which is solely valid.

DECLARATION OF THE MANAGING BOARD DUE TO SECTION 82 (4) OF THE AUSTRIAN STOCK EXCHANGE ACT (BÖRSENGESETZ)

The managing board confirms to the best of their knowledge that the financial statements of CA Immobilien Anlagen Aktiengesellschaft, which were prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the CA Immobilien Anlagen Aktiengesellschaft and that the management report gives a true and fair view of the development and performance of the business and position of the company, together with a description of the principal risks and uncertainties the CA Immobilien Anlagen Aktiengesellschaft faces.

Vienna, 6 March 2012

The Management Board



Bruno Ettenauer
(Chairman)



Wolfhard Fromwald



Bernhard H. Hansen

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DISCLAIMER

This Report contains statements and forecasts which refer to the future development of CA Immobilien Anlagen AG and their companies. The forecasts represent assessments and targets which the Company has formulated on the basis of any and all information available to the Company at present. Should the assumptions on which the forecasts have been based fail to occur, the targets not be met or the risks set out in the risk management report materialise, then the actual results may deviate from the results currently anticipated. This Report does not constitute an invitation to buy or sell the shares of CA Immobilien Anlagen AG.

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We ask for your understanding that gender-conscious notation in the texts of this Report largely had to be abandoned for the sake of undisturbed readability of complex economic matters.

This Report is printed on environmentally friendly and chlorine-free bleached paper.

