



URBAN
BENCHMARKS.

FINANCIAL REPORT
AS AT 31 MARCH 2018

FINANCIAL KEY FIGURES ¹⁾

INCOME STATEMENT

		1.1.-31.3.2018	1.1.-31.3.2017 restated
Rental income	€ m	46.2	43.8
EBITDA	€ m	40.8	29.0
Operating result (EBIT)	€ m	56.6	42.8
Net result before taxes (EBT)	€ m	38.6	30.5
Consolidated net income	€ m	28.8	23.2
Operating cash flow	€ m	36.9	24.5
Capital expenditure	€ m	55.0	31.7
FFO I (excl. Trading and pre taxes)	€ m	27.7	23.5
FFO II (incl. Trading and after taxes)	€ m	26.0	19.8

BALANCE SHEET

		31.3.2018	31.12.2017 restated
Total assets	€ m	4,919.8	4,743.4
Shareholders' equity	€ m	2,442.0	2,419.3
Long and short term interest-bearing liabilities	€ m	1,755.7	1,749.3
Net debt	€ m	1,181.6	1,365.1
Net asset value (EPRA NAV)	€ m	2,793.9	2,798.7
Triple Net asset value (EPRA NNNAV)	€ m	2,551.6	2,538.6
Gearing	%	48.4	56.4
Equity ratio	%	49.6	51.0
Gross LTV	%	46.0	45.9
Net LTV	%	31.0	35.8

PROPERTY PORTFOLIO

		31.3.2018	31.12.2017 restated
Total usable space (excl. parking, excl. projects) ²⁾	sqm	1,468,651	1,466,057
Gross yield investment properties	%	6.1	6.1
Fair value of properties	€ m	3,813.7	3,813.8
Occupancy rate	%	94.4	95.2

SHARE RELATED KEY FIGURES

		1.1.-31.3.2018	1.1.-31.3.2017 restated
Rental income / share	€	0.50	0.47
Operating cash flow / share	€	0.40	0.26
Earnings per share	€	0.31	0.25
FFO I / share	€	0.30	0.25
FFO II / share	€	0.28	0.21
		31.3.2018	31.12.2017 restated
NAV/share	€	26.25	25.95
EPRA NAV/share	€	30.03	30.02
EPRA NNNAV/share	€	27.43	27.23
Dividend paid in the business year/per share	€	0.80	0.65
Dividend yield	%	2.95	2.52

SHARES

		31.3.2018	31.12.2017
Number of shares	pcs.	98,808,336	98,808,336
Treasury shares	pcs.	5,780,037	5,582,054
number of shares outstanding	pcs.	93,028,299	93,226,282
Ø number of shares	pcs.	98,808,336	98,808,336
Ø Treasury shares	pcs.	5,680,216	5,479,394
Ø number of shares outstanding	pcs.	93,128,120	93,328,942
Ø price/share	€	25.15	21.80
Closing price	€	27.14	25.81
Highest price	€	27.56	26.00
Lowest price	€	21.40	17.30

¹⁾ Key figures include all fully consolidated properties, i.e. all properties wholly owned by CA Immo

²⁾ incl. land leases and rentable open landscapes

FOREWORD BY THE MANAGEMENT BOARD



From left: Andreas Quint (CEO), Dr. Hans Volkert Volckens (CFO)

DEAR SHAREHOLDERS,

CA Immo remains on course for profitable growth thanks to an operationally strong first quarter. The property development pipeline is proceeding according to plan and the KPMG building in Berlin has become the first of three projects to be successfully incorporated into the investment portfolio in 2018, while a key strategic objective of 2017 has been met ahead of time with the acquisition of an office building in Bucharest that is currently under construction.

Results for quarter one 2018

In the first three months of 2018, rental income for CA Immo rose by a solid 5.5% to € 46.2 m. The result from renting after the first quarter was € 42.7 m, up 11.7% on the 2017 value of € 38.2 m. The sales result (including the result from property trading and construction services) also increased significantly to € 8.1 m (2017: € -0.8 m). As a result of these positive operational developments, earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by a significant 40.6% to € 40.8 m (€ 29.0 m in 2017).

The revaluation result as at the key date amounted to € -0.6 m (2017: € 9.4 m). The result from joint ventures of € 17.0 m (€ 5.2 m in 2017) reflects a positive effect on earnings linked to the sale of Tower 185 in Frankfurt, closing for which was confirmed in quarter one of 2018.

Earnings before interest and taxes (EBIT) were € 56.6 m, 32.3% above the 2017 result of € 42.8 m.

The financial result for the first three months was € -18.0 m in total, below last year's value of € -12.2 m owing to a non-cash valuation effect linked to the convertible bond. Thanks to continual optimisation of the financing structure, the Group's financing costs fell by -7.1% compared to 2017 to stand at € -9.6 m. Earnings before taxes (EBT) stood at € 38.6 m on the key date, 26.5% above the previous year's value of € 30.5 m. The result for the period was € 28.8 m, 24.5% above the 2017 value of € 23.2 m. Earnings per share amounted to € 0.31 on the balance sheet date (€ 0.25 per share in 2017).

FFO I totalled € 27.7 m after three months, up a considerable 17.8% on the 2017 figure of € 23.5 m. FFO I per share was € 0.30 on the key date, 18.1% up on the 2017 figure of € 0.25 per share. As in preceding quarters, this underlines operational development that was both robust and independent of the valuation result and which forms the basis for the long-term dividend policy of CA Immo. FFO II, which includes the sales result and applicable taxes, stood at € 26.0 m on the key date (€ 19.8 m in 2017). FFO II per share stood at € 0.28 (2017: € 0.21 per share), an increase of 31.9% year-on-year.

CA Immo has upheld a robust balance sheet with an equity ratio of 49.6% and a conservative loan-to-value ratio

(net debt to property assets) of 31.0%. On the key date, NAV (shareholders' equity) per share was € 26.25 (against € 25.95 per share on 31.12.2017). The EPRA NAV per share stood at € 30.03 (€ 30.02 per share on 31.12.2017).

Dividend of € 0.80 per share

At the 31st Ordinary General Meeting, shareholders approved the proposal of the Management Board to raise the dividend for the fifth time in succession on the basis of the strong operational result and pay 80 cents per share for business year 2017. The dividend therefore rose by 23% in yearly comparison (2017: 65 cents per share). This corresponds to the company's long-term objective of paying out approximately 70% of recurring earnings (FFO I).

Real estate acquisition in Bucharest

CA Immo has acquired the Campus 6.1 office building from Skanska in Bucharest. The investment volume was approximately € 53 m. The core office structure with gross floor space of roughly 22,000 sqm is currently under construction; completion is scheduled for the third quarter of 2018 and closing is expected by the end of the year. Full occupancy was anticipated at the time of the acquisition; in future, this will contribute annual rental income of over € 4 m to the Group's long-term earnings. Following on from the acquisition of Millennium Towers in Budapest in 2016 and the Spire Building B in Warsaw in 2017, this deal will spur the dynamic development of the Romanian economy while upholding the expansion strategy of CA Immo on its core markets of Eastern Europe.

Unbroken pace of real estate development

The building constructed for KPMG in Berlin's Europacity district, which has an approximate project volume of € 57 m, was successfully handed over to the tenant in March 2018. The topping out ceremony for the cube office building (approximate project volume of € 100 m) was held to mark completion of the structural shell at the same site in May. In the second half of the year, the ViE project in Vienna and the Orhideea Towers project in Bucharest will also be completed and along with the KPMG building in Berlin transferred to the company's portfolio. In Prague, CA Immo is planning to construct an office building (approximate project volume of € 54 m) comprising two separate structures at River City, a development in which the company already has three prime, fully occupied office buildings. Construction of the 20,000-square-metre property is expected to start before the end of 2018.

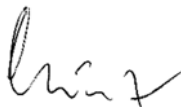
IMMOFINANZ launches bidding process for block sale of its 26% holding

Following announcement in February 2018 of its intention to further postpone talks on a potential merger with CA Immo pending investigation of other strategic options (including the sale of its 26% share) IMMOFINANZ launched a structured bidding process for a block sale of its holding in CA Immo in April.

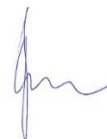
Outlook

The annual target for long-term revenue – an increase in FFO I to over € 115 m in business year 2018 and over € 125 m in business year 2019 – is hereby confirmed.

Vienna, May 2018
The Management
Board



Andreas Quint
(Chairman)



Dr. Hans Volkert Volckens
(Member of the Management Board)

SHARE

RATE DEVELOPMENT, STOCK EXCHANGE SALES AND MARKET CAPITALISATION FOR THE CA IMMO SHARE

The CA Immo share opened the new business year at a rate of € 25.88 and developed positively during the first quarter. On key date 31 March 2018, the rate closed at € 27.14 (up 5%). By comparison EPRA (excluding the UK), the European index for real estate, reported growth of just below 4%. The high for the first quarter was € 27.56 and the lowest price was € 21.40. The CA Immo share is currently trading with a premium to NAV of 3% (intrinsic value).

As at 31 March 2018, market capitalisation for CA Immo was approximately € 2.7 bn (€ 2.5 bn on 31.12.2017). Since the end of 2017, the average trading volume has fallen slightly by 2% to stand at 266,600 shares (against 272,600 on 31.12.2017). Since the end of 2017, the average liquidity of the share has risen 15% to stand at € 6,698.7 K (€ 5,823.1 K on 31.12.2017).

SHARE BUYBACK

The share buyback programme initiated in November 2016 for up to 1,000,000 shares (approximately 1% of the company's capital stock) with an upper limit of € 24.20 per share continued in the first quarter of 2018. The repurchase is aimed at supporting purposes permitted by resolution of the Ordinary General Meeting and will end on 2 November 2018 at the latest. In the first three months of the current business year, 197,983 shares were acquired through the programme at a weighted equivalent value per share of approximately € 23.55 per share. As at the balance sheet date, therefore, CA Immobilien Anlagen AG held 5,780,037 treasury shares in total; given the total number of voting shares issued (98,808,336), this is equivalent to around 6% of the voting shares. Details of transactions completed, along with any changes to the programme, will be published at <http://www.caimmo.com/en/investor-relations/share-buy-back-ca-immo/>.

ONE YEAR PERFORMANCE (31.3.2017 TO 31.3.2018)

CA Immo share	31.78%
ATX	21.20%
IATX	27.08%
EPRA Developed Europe	6.95%

Source: Bloomberg

ANALYST COVERAGE

CA Immo is assessed by eight investment companies. In the first quarter, Kepler Cheuvreux confirmed its recommendation to purchase and the target price of € 28.00, which it raised in the first quarter. Currently, the most recent 12-month target rates were in the range of € 23.50 to € 30.00, with the valuation median at € 28.00. The closing rate for 31 March 2018 implies price potential of approximately 3%.

ANALYST RECOMMENDATIONS

Baader-Helvea Bank	23.11.2017	28.00 €	Buy
Erste Group	29.11.2017	30.00 €	Buy
Goldman Sachs	1.2.2018	23.50 €	Neutral
HSBC	18.6.2017	30.00 €	Buy
Kepler Cheuvreux	3.4.2018	28.00 €	Buy
Raiffeisen Centrobank	8.1.2018	27.40 €	Hold
SRC Research	2.3.2018	27.50 €	Accumulate
Wood & Company	11.1.2018	29.00 €	Hold
Average		27.93 €	
Median		28.00 €	

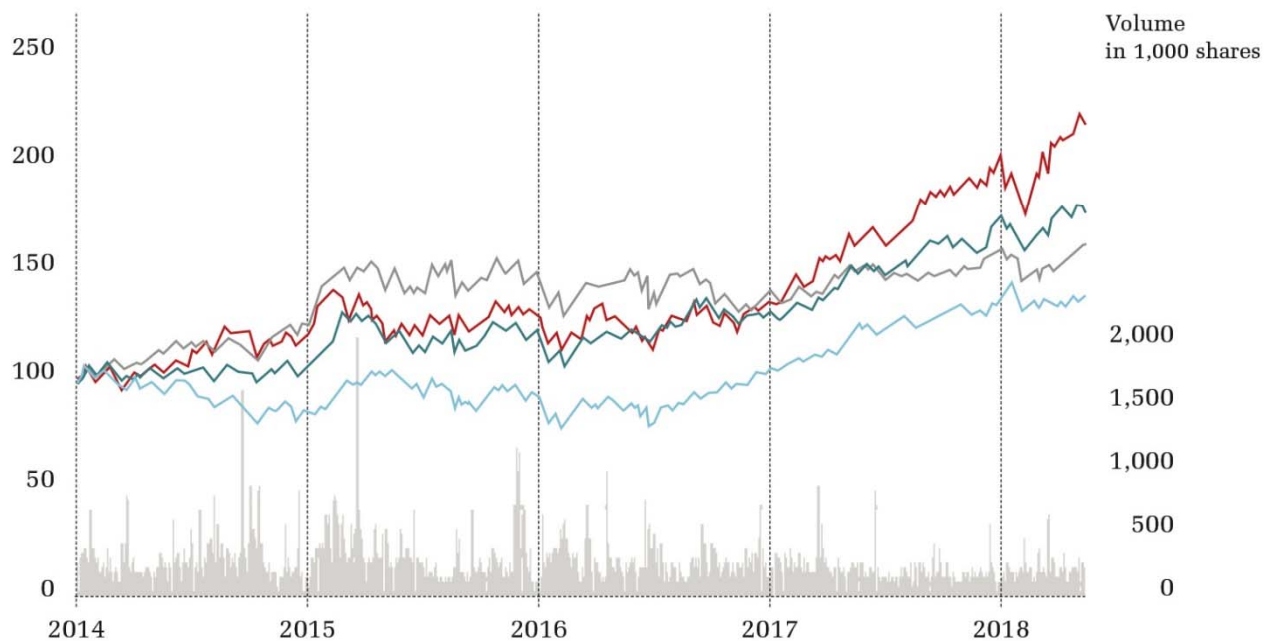
BONDS

As at the balance sheet date, four CA Immo corporate bonds were trading on the unlisted securities market of the Vienna Stock Exchange and the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg). The convertible bonds were registered for trading in the unregulated Third Market (multilateral trade system) of the Vienna Stock Exchange.

 SHARE PRICE DEVELOPMENT IN RELATION TO ATX, IATX, EPRA (1.1.2014 to 15.5.2018)

CA Immo ATX IATX EPRA

in %



CAPITAL STOCK AND SHAREHOLDER STRUCTURE

The company's capital stock amounted to € 718,336,602.72 on the balance sheet date. This was divided into four registered shares and 98,808,332 bearer shares each with a proportionate amount of the capital stock of € 7.27. The bearer shares trade on the prime market segment of the Vienna Stock Exchange (ISIN: AT0000641352).

With a holding of 26% and four registered shares, the IMMOFINANZ Group is currently the largest shareholder in CA Immo. There is a reciprocal shareholding between the IMMOFINANZ Group and the CA Immo Group. The CA Immo Group holds 54,805,566 bearer shares (approximately 5%) in IMMOFINANZ AG.

The remaining shares of CA Immo are in free float with both institutional and private investors. The other main shareholders are AXA S.A., BlackRock Inc. and the

S IMMO Group, each with an approximate holding subject to disclosure of 4%. The company also held 5,780,037 treasury shares as at the balance sheet date.

IMMOFINANZ AG announces continued suspension of merger talks

In business year 2016, CA Immo and IMMOFINANZ agreed to enter into constructive dialogue concerning a potential amalgamation of the two companies. On 28 February 2018, IMMOFINANZ announced the continued suspension of detailed talks on a possible amalgamation of the two companies pending investigation of other strategic options, including the sale of their holding in CA Immo. A corresponding bidding process for a block sale of their 26% stake in CA Immo was launched on 19 April 2018.

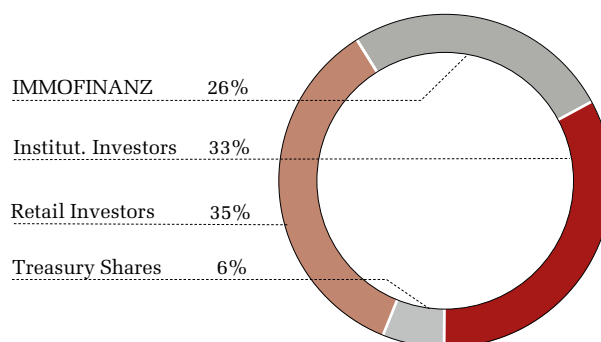
Voluntary public takeover bid by Starwood

On 18 April 2018, SOF-11 Starlight 10 EUR S.à.r.l. of Luxembourg (the 'bidder'), an indirect, wholly owned subsidiary of SOF-11 International, SCSp, part of the

group of companies known as Starwood Global Opportunity Fund XI and a member of the Starwood Capital Group ('Starwood'), presented a voluntary public takeover bid in accordance with article 4ff of the Austrian Takeover Act to the shareholders of CA Immo.

The takeover bid envisaged the acquisition of up to 25,690,167 bearer shares of CA Immo (ISIN AT0000641352), equivalent to as much as 26% of company shares issued to the bearer. The offer price of € 27.50 per share was linked to the dividend for business year 2017, i.e. the offer price will be reduced by the amount of any dividend declared between the announcement of the takeover bid and the processing thereof. Completion of the takeover bid is subject to approval by the antitrust authorities and the condition that CA Immo shall incur no other significant adverse consequences (e.g. merger, demerger or spin-off); moreover, approval by the Management Board of CA Immo is not required for transfer of the four registered shares subject to transfer restrictions. The offer may be accepted from 18 April 2018 until 5:00pm (Vienna local time) on 30 May 2018. For full details of the takeover bid, including statements by the Management Board and Supervisory Board of CA Immo, please visit <http://www.caimmo.com/en/investor-relations/takeover-offers/>.

SHAREHOLDER STRUCTURE



OUTCOME OF THE ORDINARY GENERAL MEETING FOR 2018

The 31st Ordinary General Meeting of CA Immo was held on 9 May 2018. Taking account of treasury shares held by the company, which do not confer voting rights, attendance was 489 shareholders and their delegates (representing approximately 55% of the capital stock).

Alongside the usual agenda items (distribution of profit, approval of the actions of Management and Supervisory Board members, the definition of Supervisory Board remuneration and confirmation of Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. as the (Group) auditor for business year 2018), the agenda included authorisations to undertake capital increases, issue convertible bonds and acquire and sell treasury shares. With the exception of the enabling resolution for the acquisition and sale of treasury shares, all resolutions proposed by the company had the legally required majority.

SHARE RELATED KEY FIGURES

		31.3.2018	31.12.2017 restated
EPRA NNNNAV/share	€	27.43	27.23
NAV/share	€	26.25	25.95
Price (key date)/NAV per share –1 ¹⁾	%	3.39	–0.56
Price (key date)/NNNAV per share –1 ¹⁾	%	–1.05	–5.23
Number of shares	pcs.	98,808,336	98,808,336
Treasury shares	pcs.	5,780,037	5,582,054
number of shares outstanding	pcs.	93,028,299	93,226,282
Ø number of shares	pcs.	98,808,336	98,808,336
Ø Treasury shares	pcs.	5,680,216	5,479,394
Ø number of shares outstanding	pcs.	93,128,120	93,328,942
Ø price/share	€	25.15	21.80
Market capitalisation (key date)	€ m	2,681.65	2,549.75
Highest price	€	27.56	26.00
Lowest price	€	21.40	17.30
Closing price	€	27.14	25.81
Dividend paid in the business year/per share	€	0.80	0.65
Dividend yield	%	2.95	2.52

¹⁾ before deferred taxes

BASIC INFORMATION ON THE CA IMMO SHARE

Type of shares:	No-par value shares
Stock market listing:	Vienna Stock Exchange, prime market
Indices:	ATX, ATX-Prime, IATX, FTSE EPRA/NAREIT Europe, WBI
Specialist:	Raiffeisen Centrobank AG
Market Maker:	Baader Bank AG, Erste Group Bank AG, Hudson River Trading Europe Ltd., Société Générale S.A., Tower Research Capital Europe Limited
Stock exchange symbol / ISIN:	CAI / AT0000641352
Reuters:	CAIV.VI
Bloomberg:	CAI:AV
Email:	ir@caimmo.com
Web site:	www.caimmo.com

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FINANCIAL CALENDAR 2018**26 MARCH/27 MARCH**PUBLICATION OF ANNUAL RESULTS FOR 2017 /
PRESS CONFERENCE ON FINANCIAL STATEMENTS**23 MAY**

INTERIM REPORT FOR THE FIRST QUARTER 2018

29 APRILVERIFICATION DATE FOR THE
31ST ORDINARY GENERAL MEETING**22 AUGUST / 23 AUGUST**SEMI-ANNUAL REPORT 2018 /
PRESS CONFERENCE ON SEMI-ANNUAL RESULT**9 MAY**

31ST ORDINARY GENERAL MEETING

21 NOVEMBER

INTERIM REPORT FOR THE THIRD QUARTER 2018

14 MAY/15 MAY/16 MAYEX-DIVIDEND DATE / RECORD DATE (DIVIDEND) / DIV-
IDEND PAYMENT DAY**27 MARCH 2019 / 28 MARCH**PUBLICATION OF ANNUAL RESULTS FOR 2018 /
PRESS CONFERENCE ON FINANCIAL STATEMENTS

ECONOMIC ENVIRONMENT

THE ECONOMIC TREND¹⁾

In the World Economic Outlook published in October 2017, the International Monetary Fund (IMF) slightly raised its global growth forecasts for 2017 and 2018 from its July 2017 figures (to 3.6% and 3.7% respectively). The eurozone, Eastern Europe, Russia and parts of Asia are expanding more rapidly than expected, while growth prospects for the USA and the United Kingdom have been revised downwards (owing to uncertainty over the Brexit negotiations in government circles). Growth of 2.1% and 1.9% is forecast for the eurozone in 2017 and 2018 respectively, while the IMF foresees German economic growth of 2.0% in 2017 and 1.8% in 2018.

During the third quarter, both the eurozone and the EU28 reported seasonally adjusted growth in gross domestic product (GDP) of 0.6% on the previous quarter; expansion is likely to be 2.5% for the year as a whole. Fears that the recent strength of the euro (which rose from \$1.14 in July 2017 to \$1.20 by early September) would suppress exports have so far proved unfounded.

The unemployment rate of 9.1% in the eurozone (EU28: 7.6%) is at its lowest since February 2009 (and since December 2008 for the EU28), another indicator of economic recovery in the eurozone. The lowest levels of unemployment on the core markets of CA Immo are still in the Czech Republic (2.9%) and Germany (3.6%), followed by Hungary (4.3%), Poland (4.7%), Romania (5.1%) and Austria (5.6%), all of which are well below the European average.

In September 2017, the inflation rate of 1.5% for the eurozone (and 1.8% for the EU28) was still below the ECB target value of just under 2%, but well above the previous year's level of 0.4%. The individual core markets in descending order are as follows: Austria 2.6%, Czech Republic and Hungary 2.5%, Germany 1.8%, Poland 1.6% and Romania 1.3%.

While Germany's trade surplus has increased over the past few months, inflation remained marginally below expectations in October. The Economic Confidence Index

recently reached a six-year high, another indicator of the enduring robustness of the German economy. Following on from a poor second quarter, Austria achieved GDP expansion of 0.5% in quarter three (+1.3% year-on-year).

In August, the Czech central bank raised interest rates from 0.05% to 0.25% for the first time since the financial crisis in order to suppress current inflationary pressure. This was the first significant movement of interest rates in the EU since Poland raised rates in 2012. The robust health of the Czech economy is apparent from the current account surplus.

Romania achieved the strongest growth in the entire EU during 2016, largely driven by strong private consumption in connection with wage increases and tax cuts; thanks to the highest growth rate for nine years in quarter two, GDP growth is again expected to exceed 4% in 2017.

Hungary surpassed growth expectations in the second quarter, reporting GDP expansion of 3.5% year on year. Unemployment in Poland is at a 26-year low, although political friction is making economic development uncertain. Polish GDP is currently expanding strongly and is expected to exceed 3% in 2017 and 4% in 2018.

THE MONEY MARKET AND INTEREST ENVIRONMENT²⁾

Monetary policy remains highly expansive and characterised by historically low interest rates. However, a turning point was reached on 26 October 2017 when ECB president Mario Draghi announced a 50% reduction in monthly bond purchases (from €60 bn to €30 bn) as from January 2018.

The ECB's new bond purchase programme will initially extend to September 2018, although the volume and the term may be adjusted at any point. As regards the central objective of price stability, inflationary developments will determine the next steps. The ECB meeting left the base rate unchanged at 0%, with the deposit rate for banks also left unchanged at minus 0.4%.

¹⁾ International Monetary Fund, Bloomberg, Financial Times, The Economist, Eurostat

²⁾ Sources: Eurostat, Financial Times, Bloomberg, Handelsblatt

REAL ESTATE MARKETS

The real estate investment market¹⁾

After six months, transaction activity on the European investment market for commercial real estate had exceeded last year's level by 13% to stand at €130 bn.

The investment market in **Germany** remains highly dynamic: after three quarters, the transaction volume was approximately €38.6 bn, 18% above the previous year's value. Returns are continuing to diminish: in the third quarter, the peak yield for offices was 3.30% for Frankfurt (Q3 2016: 4.10%), with Berlin currently at 3.10% (3.50%) and Munich reporting 3.00% (3.30%). Positive development on the office rental markets is sustaining high demand on the part of investors. Some €19 bn was invested in German office properties over the first nine months, a 27% increase on last year (up €4 bn).

Peak yields for offices in **Vienna** stood at 3.95% in the third quarter of 2017 and remain under pressure. The transaction volume is expected to stay high for 2017 and could exceed the record value of 2015. As at the key date, peak yields for offices in the **CEE** stood at 5.25% in Warsaw, 4.85% in Prague, 6.00% in Budapest and 7.50% in Bucharest.

The office property markets²⁾

The German office rental market continues to develop very strongly, with steadily falling vacancy and rising rental rates.

Office space take-up in **Berlin** reached the record level of approximately 708,000 sqm in the first three quarters of 2017. With the demand trend remaining positive and completion figures low, the vacancy rate has declined to the present level of around 3.5%. According to CBRE figures, vacancy has fallen by 36% to approximately 636,000 sqm within one year (vacancy level of 3.5%). The continuing shortage of floor space is driving the upward trend in the peak rent, which is currently reported at €29.0/sqm per month. The office completion volume is relatively low; for 2017 it is estimated at 480,000 sqm, of which a large proportion (>70%) is already absorbed according to CBRE.

Floor space turnover in **Frankfurt** was approximately 425,000 sqm in the first nine months, with the figure for quarter three 66% up on last year's value thanks to several large-scale lettings. The vacancy rate fell 150 base

points in yearly comparison to stand at 10.2% currently. CBRE expects market developments to remain positive, with demand for centrally located office premises with top quality fixtures and fittings remaining strong. The peak monthly rent was consequently stable in yearly comparison at €39.5/sqm.

Lettings performance in **Munich** was approximately 598,000 sqm in the first half, up 6% on the same period of last year; this market remains characterised by a distinct shortage of supply in prime locations. The downward trend in the vacancy level continues; it currently stands at 3.2%, 110 base points below last year's value. The attainable peak rent is reported as €35.5/sqm per month. According to the completion forecast, the situation is not expected to ease over the next two years.

Lettings performance in **Vienna** was approximately 74,000 sqm after three quarters (63% below the 2016 level). The vacancy rate currently stands at 5.3%.

The office market in **Warsaw** continues to be characterised by extensive construction activity; around 770,000 sqm is under construction according to JLL. Lettings performance has also remained at a high level, reaching 80% of last year's value as early as quarter three with approximate gross output of 590,000 sqm; the vacancy rate is 12.9%. The vacancy rate in **Budapest** has fallen further to 7.7%, a new record low. Floor space turnover was around 240,000 sqm after the first three quarters, above the 10-year average. Lettings activity of around 105,000 sqm was reported in **Prague** in the first nine months (down 5% on last year); the current development volume is approximately 330,000 sqm. The vacancy rate has continued to decline to 7.7%. Lettings performance in **Bucharest** after three quarters totalled approximately 250,000 sqm, with around 430,000 sqm currently under construction. The vacancy rate is reported at 9.9%, 2.4% below last year's figure.

¹⁾ CBRE: European Investment Market Snapshot, Q2 2017; MarketView Investment Market Germany, Q3 2017/Q3 2016; Austria Investment MarketView H1 2017

²⁾ CBRE: MarketView, Office Market Berlin, Munich, Frankfurt Q3 2017; Vienna Research Forum, Vienna Office Market Q3 2017; JLL: Warsaw Office Market H1 2017; City Report Prague, Budapest Q3 2017; CBRE: Bucharest Office MarketView Q3 2017

PROPERTY ASSETS

Property investments held in joint ventures

The sale of the one-third share held by CA Immo in Tower 185, the Frankfurt office high-rise, has significantly reduced the proportion of minority holdings in the portfolio (the transaction was closed in the 1st quarter of 2018). Property investments held in joint ventures (i.e. proportionately owned by CA Immo), consolidated at equity and shown proportionally in the income statement under 'Result from joint ventures', are no longer represented separately in the tables of the 'Property assets' and 'Portfolio development' sections alongside fully consolidated (wholly owned by CA Immo) properties; instead, they are added as footnotes where necessary. Unless otherwise stated, therefore, all indicators in this report refer exclusively to fully consolidated properties wholly owned by CA Immo; the comparative values for 31 December 2017 have been adjusted accordingly. As at 31 March 2018, the portfolio value of partially owned real estate amounted to € 132.5 m (€ 390.4 m on 31 December 2017); the buildings are 94.6% let and show a yield of 8.0%¹⁾.

As at key date 31 March 2018, CA Immo's total **property assets** stood at € 3.8 bn (31.12.2017: € 3.8 bn). The company's core business is commercial real estate, with a clear focus on office properties in Germany, Austria and Eastern Europe; it deals with both investment properties

(85% of the total portfolio) and investment properties under development (14% of the total portfolio). Properties intended for trading (reported under short-term property assets) account for the remaining 1% of property assets.

As at 31 March 2018, the **investment property portfolio** had an approximate market value of € 3.2 bn (31 December 2017: € 3.2 bn) and incorporated a total rentable effective area²⁾ of 1.3 m sqm. Around 49% of the portfolio (based on book value) is located in CEE and SEE nations, with 36% of the remaining investment properties in Germany and 15% in Austria.

In the first three months of the year, the Group generated **rental income** of € 46.2 m; the portfolio produced a yield of 6.1%. The **occupancy rate** was 94.4% as at 31 March 2018 (against 95.2% on 31 December 2017). For details, please see the 'Changes to the Portfolio' section.

Of **investment properties under development** with a total book value of around € 539.7 m, development projects and land reserves in Germany account for 84%, while the Eastern Europe segment represents 11% and Austria 5%. Investment properties under development in Germany with a total market value of € 452.9 m include projects under construction with a value of € 264.2 m and land reserves with a book value of € 188.7 m.

PROPERTY ASSETS OF THE CA IMMO GROUP AS AT 31 MARCH 2018

in € m	Investment properties ¹⁾	Investment properties under development	Short-term property assets ²⁾	Total property assets	Total property assets in %
Austria	498	26	0	524	14
Germany	1,170	453	43	1,666	44
Czechia	267	11	0	277	7
Hungary	471	2	0	472	12
Poland	371	0	0	371	10
Romania	260	44	0	304	8
Serbia	96	0	0	96	2
Others	98	5	0	103	3
Total	3,231	540	43	3,814	100
Share of total portfolio	85%	14%	1%		

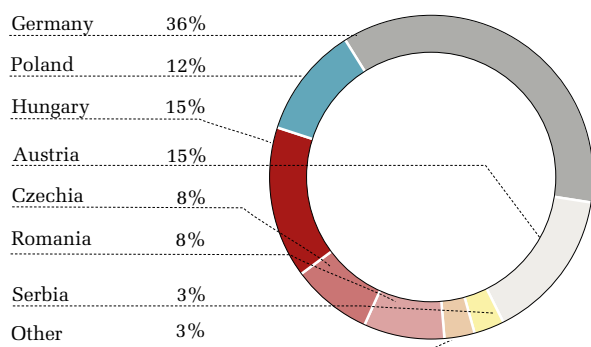
¹⁾ Includes properties used for own purposes

²⁾ Short-term property assets including properties intended for trading or sale

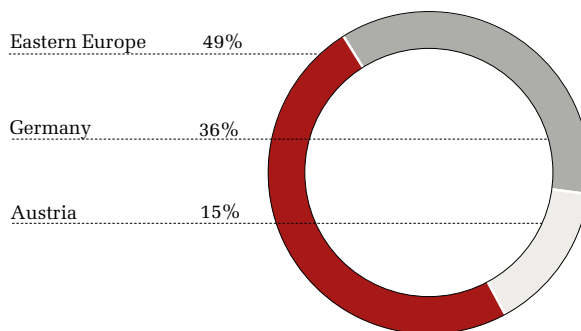
¹⁾ Key figures include investment properties intended for trading or sale (IFRS 5)

²⁾ Including properties used for own purposes and land leases

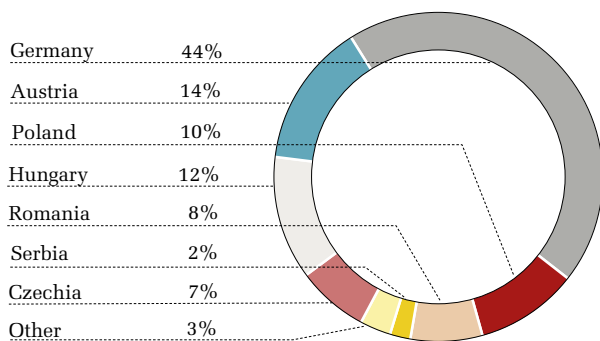
DISTRIBUTION OF BOOK VALUE INVESTMENT
PROPERTIES BY COUNTRY (Basis: € 3.2 bn)



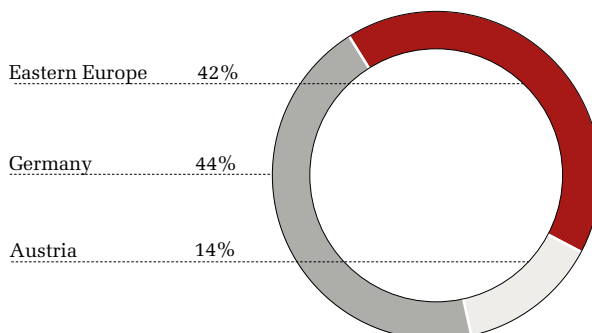
DISTRIBUTION OF BOOK VALUE INVESTMENT
PROPERTIES BY SEGMENT (Basis: € 3.2 bn)



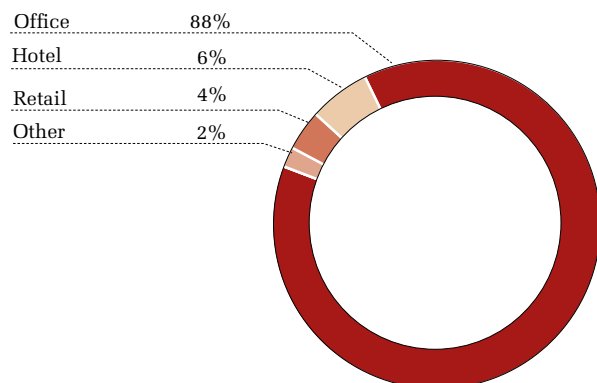
DISTRIBUTION OF BOOK VALUE TOTAL PROPERTY
ASSETS BY COUNTRY (Basis: € 3.8 bn)



DISTRIBUTION OF BOOK VALUE TOTAL PROPERTY
ASSETS BY SEGMENT (Basis: € 3.8 bn)



DISTRIBUTION OF BOOK VALUE INVESTMENT
PROPERTIES BY MAIN USAGE (Basis: € 3.2 bn)



CHANGES TO THE PORTFOLIO IN THE FIRST QUARTER OF 2018

GERMANY

The investment property portfolio

In Germany, CA Immo held investment properties with an approximate value of € 1,168.9 m¹⁾ on 31 March 2018 (31 December 2017: € 1,099.7 m). The occupancy rate for the German investment property assets on the key date was 97.8% (against 98.2% on 31.12.2017). Where the rent contributions of properties intended for trading and temporarily let property reserves in the development segment are taken into account, rental income of € 13.6 m was generated in the first three months.

Approximately 4,300 sqm of usable area were newly let in Germany between January and the end of March. Thereof, around 2,800 sqm accounted for prelettings of development projects.

Development projects

Based on total investment costs, the volume of investment properties under development in Germany (excluding land reserves) is approximately € 922.5 m as at key date 31 March 2018. In total, CA Immo holds investment properties under development²⁾ (including land reserves) with a book value of € 452.9 m; thereof, land reserves ac-

count for € 188.7 m and projects under construction account for € 264.2 m (please see table on the next page for details).

CA Immo completed the **office building for the tenant KPMG in Berlin's Europacity district** in March; the nearly fully let structure, which spans some 12,800 sqm, represented a total investment of approximately € 57 m and is now part of the CA Immo investment portfolio.

Sales

During the first three months, trading income from German properties totalled € 25.6 m.

AUSTRIA

The investment property portfolio

As at 31 March 2018, CA Immo held investment properties in Austria with a value of € 494.2 m¹⁾ and an occupancy rate of 92.7% (96.2% on 31.12.2017). The company's asset portfolio generated rental income of € 6.9 m in the first three months. Between January and the end of March, some 4,300 sqm of usable space was newly let or extended in Austria.

OVERVIEW INVESTMENT PROPERTIES KEY DATA AS AT 31 MARCH 2018 ³⁾

	Fair value property assets in € m	Rentable area ⁴⁾ in sqm	Occupancy rate in %	Annualised rental income in € m	Yield in %
Austria	494.2	318,235	92.7	28.1	5.7
Germany	1,168.9	306,839	97.8	54.1	4.6
Czechia	266.7	106,099	98.0	18.3	6.8
Hungary	470.9	234,616	89.6	33.2	7.0
Poland	370.9	115,299	96.1	26.3	7.1
Romania	259.9	106,044	94.5	20.2	7.8
Serbia	96.4	46,129	90.5	7.5	7.8
Others	97.8	69,305	90.2	7.5	7.7
Total	3,225.6	1,302,566	94.4	195.3	6.1

³⁾ Excludes properties used for own purposes

⁴⁾ incl. land leases in Austria (around 106,000 sqm)

¹⁾ Excl. properties used for own purposes and properties intended for trading or sale

²⁾ Excl. projects and land reserves intended for trading or sale

Development projects

In January, CA Immo handed over 220 rental apartments to the investor ESTRELLA Immobilien Invest AG as part of the Laendyard residential project on Vienna's Donaukanal. Development of the remaining 270 owner-occupied and investment apartments being built on an adjacent plot in a joint venture between CA Immo and JP Immobilien is also proceeding according to plan, with completion scheduled for the summer of 2018. The final

building block in the project, situated close to the Lände and Wiener Prater recreation areas, is the ViE office building, which is due for completion by the autumn of 2018.

Sales

Trading income for Austria amounted to € 25.1 m in the first three months.

PROJECTS UNDER DEVELOPMENT ¹⁾

in € m	Total investment volume ²⁾	Outstanding construction costs	Planned rentable effective area in sqm	Gross yield on cost in %	City	Main usage	Share in %	Utili- sation in %	Start of construc- tion	Scheduled completion
Projects (own stock)										
Erdberger Lände, ViE	37.8	16.3	14,727	6.4	Vienna	Office	100	23	Q3 2016	Q3 2018
MY.O	96.0	69.1	26,183	6.2	Munich	Office	100	20	Q2 2017	Q4 2019
Europacity, Bürogebäude am Kunstcampus (part 2)	13.3	9.3	2,710	5.7	Berlin	Office	100	0	Q4 2016	Q2 2019
Europacity, MY.B	65.1	43.9	14,533	5.7	Berlin	Office	100	0	Q3 2017	Q2 2019
Zollhafen Mainz, ZigZag	15.9	15.8	4,000	4.2	Mainz	Office	100	0	Q2 2019	Q4 2019
Steigenberger ³⁾	58.6	21.9	17,347	6.2	Frankfurt	Hotel	100	99	Q3 2016	Q1 2019
Baumkirchen, NEO	64.3	42.0	13,457	4.9	Munich	Office	100	27	Q1 2017	Q2 2020
Europaviertel, ONE	353.6	302.7	64,598	5.3	Frankfurt	Office	100	27	Q3 2017	Q2 2021
Orhideea Towers	73.2	34.1	36,918	8.4	Bucharest	Office	100	56	Q4 2015	Q3 2018
Subtotal	777.9	555.0	194,473	5.8						
Projects (for sale)										
Europacity, cube berlin	101.0	58.6	17,179	n.m.	Berlin	Office	100	100	Q4 2016	Q4 2019
Europacity, Bürogebäude am Kunstcampus (part 1)	32.1	21.7	5,215	n.m.	Berlin	Office	100	100	Q4 2016	Q2 2019
Rheinallee III	59.7	21.1	19,682	n.m.	Mainz	Residential	100	100	Q3 2016	Q4 2018
JV Baumkirchen WA 3	35.3	12.8	6,831	n.m.	Munich	Residential	50	100	Q3 2016	Q2 2019
Baumkirchen Mitte (MK)	27.6	18.0	5,767	n.m.	Munich	Residential	100	0	Q1 2017	Q2 2020
Laendyard Living	30.9	6.7	9,417	n.m.	Vienna	Residential	50	100	Q3 2016	Q3 2018
Subtotal	286.6	139.0	64,091							
Total	1,064.4	694.1	258,564							

¹⁾ This table includes projects intended for trading or sale as well as projects held in joint ventures

²⁾ Incl. plot

³⁾ The Mannheimer Strasse bus station next to the hotel (with a value of € 4.5 m) is still assigned to property assets under development as temporary usage and is not included in the table

EASTERN EUROPE**The investment property portfolio**

The value of the CA Immo investment properties¹⁾ is € 1,562.5 m as at 31 March 2018 (31 December 2017: € 1,561.8 m). In the first three months, property assets let with a total effective area of 677,493 sqm generated rental income of 25.7 m. The occupancy rate on the key date was 93.3% (31 December 2017: 93.6%).

New lease agreements relating to around 11,000 sqm rentable area were concluded in the first three months, as well as contract extensions for some 15,000 sqm rentable area.

SUPPLEMENTARY REPORT

The following activities after key date 31 March 2018 are reported:

On 28 February 2018, IMMOFINANZ, which is currently the largest shareholder in CA Immo with a holding of 26% and four registered shares, announced the continued suspension of detailed talks on a possible amalgamation of the two companies pending investigation of other strategic options, including the sale of their holding in CA Immo. A corresponding **bidding process for a block sale of their 26% stake in CA Immo** was launched on 19 April 2018.

Voluntary public takeover bid by Starwood

On 18 April 2018, SOF-11 Starlight 10 EUR S.à.r.l. of Luxembourg ('Starwood') presented a voluntary public takeover bid in accordance with article 4 ff of the Austrian Takeover Act to the shareholders of CA Immo.

The takeover bid envisaged the acquisition of up to 25,690,167 bearer shares of CA Immo (ISIN AT0000641352), equivalent to as much as 26% of company shares issued to the bearer. The offer price of € 27.50 per share was linked to the dividend for business year 2017. The offer may be accepted from 18 April 2018 until 5:00 pm (Vienna local time) on 30 May 2018. For full details of the takeover bid, including statements by the Management Board and Supervisory Board of CA Immo, please visit <http://www.caimmo.com/en/investor-relations/takeover-offers/>.

Acquisitions

Beginning of May, CA Immo has acquired Campus 6.1 office building in Bucharest from Skanska; the transaction volume is approx. € 53 m. The closing of the transaction is subject to the conditions usual for such transactions and is expected end of 2018. Campus 6.1 is an A-class office development, offering 22,000 sqm GLA. The development is located in the Central West area of Bucharest. Completion is scheduled for Q3 2018; full occupancy of the building is expected by the end of the year.

Sales

In May, CA Immo signed the purchase agreement for its 49% stake in the Megapark office building in the Bulgarian capital of Sofia. Megapark, which has approximately 48,000 sqm of rentable effective area, is CA Immo's only investment in Bulgaria, thereby confirming the company's exit from the secondary market and a further reduction in minority shareholdings. Closing of the transaction was subject to the usual conditions precedent.

¹⁾ Excl. properties used for own purposes and properties intended for trading or sale

RESULTS

Sustained earnings

In the first three months of 2018, rental income for CA Immo rose by a significant 5.5% to € 46,185 K. The positive trend was essentially sustained through the acquisition of Warsaw Spire Building B in Warsaw which generated an increase in rent.

In year-on-year comparison, property expenses directly attributable to the asset portfolio, including own operating expenses, fell to € -3,473 K (€ -5,531 K in 2017). The net result from renting after the three months was € 42,712 K (€ 38,249 K in 2017), up 11.7% on the previous year. The efficiency of letting activity, measured as the operating margin in rental business (net rental income in relation to rental income), was 92.5%, above the previous year's value of 87.4%.

Other expenditure directly attributable to project development stood at € -1,914 K after three months, against € -982 K in 2017. Gross revenue from services stood at € 3,714 K, above the previous year's level of € 2,715 K. Alongside development revenue for third parties via the subsidiary omniCon, this item contains revenue from asset management and other services to joint venture partners.

Sales result

After the first three months, the sales result from property assets held as current assets was € 4,514 K (€ 1,295 K in 2017). The result from the sale of investment properties stood at € 3,600 K on 31 March 2018 (€ -2,019 K in 2017). Within this, the biggest contribution to earnings was from the sale of a non-strategic land plot in Munich.

Indirect expenditures

After the first three months, indirect expenditures stood at € -12,112 K, 15.8% above the 2017 level of € -10,460 K. This item also contains expenditure counterbalancing the aforementioned gross revenue from services. Other operating income stood at € 237 K compared to the 2017 value of € 177 K.

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

As a result of the positive operational development, earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by 40.6% to € 40,752 K (compared to € 28,976 K in 2017).

Revaluation result

After the first three months, the total revaluation gain of € 1,866 K was counterbalanced by a revaluation loss of € -2,459 K. The cumulative revaluation result of € -593 K as at key date 31 March 2018 was below last year's reference value of € 9,373 K.

Result from joint ventures

Current results of joint ventures consolidated at equity are reported under 'Earnings of joint ventures' in the consolidated income statement. Amongst other things, the result of € 16,982 K (€ 5,211 K in 2017) includes the release of deferred taxes amounting to € 8,531 K in connection with the sale of Tower 185 in Frankfurt (closing in the first quarter of 2018).

Earnings before interest and taxes (EBIT)

Earnings before interest and taxes (EBIT) of € 56,575 K were 32.6% above last year's figure (€ 42,761 K in 2017).

Financial result

The financial result stood at € -17,993 K after the first three months (€ -12,253 K in 2017). Thanks to continual optimisation of the financing structure, the Group's financing costs, a key element of recurring earnings, fell by -7.1% compared to 2017 to stand at € -9,572 K.

The result from interest rate derivative transactions stood at € -9,292 K compared to € 1,007 K last year and included a non-cash valuation effect related to the convertible bond. The convertible bond issued in 2017 consists of a debt component and, due to the repayment option in shares of CA Immo, an embedded derivative subject to separation. The fair value of the separate embedded derivative corresponds at issuance date to the residual amount between the fair value of the convertible bond and the fair value of the debt component.

The result from financial investments of € 1,050 K was above the reference value for the previous period (€ 572 K in 2017). Other items in the financial result (other financial income/expense, result from other financial assets and result from associated companies and exchange rate differences) totalled € 178 K (€ -3,526 K in 2017). The result from other financial assets stood at € 1,050 K (€ 572 K in 2017). The result from other financial assets of the previous year included an impairment loss on the subsequent valuation of available-for-sale securities.

Taxes on income

Earnings before taxes (EBT) totalled € 38,582 K, 26.5% above the last year's value of € 30,508 K. After the first three months, taxes on earnings stood at € –9,740 K (€ –7,348 K in 2017).

Result for the period

The result for the period was € 28,841 K, 24.5% above the 2017 value of € 23,160 K. Earnings per share amounted to € 0.31 on the balance sheet date (31 March 2017: € 0.25 per share).

Funds from operations (FFO)

An FFO I of € 27,748 K was generated in the first three months of 2018, 17.8% above the previous year's value of € 23,549 K. FFO I, a key indicator of the Group's long-term earning power, is reported before taxes and adjusted for the sales result and other non-permanent effects. FFO I per share stood at € 0.30 on the key date, an increase of 18.1% on the 2017 value of € 0.25 per share.

FFO II, which includes the sales result and applicable taxes, stood at € 26,032 K on the key date, 31.5% above the 2017 value of € 19,795 K. FFO II per share was € 0.28 per share (€ 0.21 per share in 2017).

FUNDS FROM OPERATIONS (FFO)

€ m	1 st Quarter 2018	1 st Quarter 2017 restated
Net rental income (NRI)	42.7	38.2
Income from services rendered	3.7	2.7
Other expenses directly related to properties under development	–1.9	–1.0
Other operating income	0.2	0.2
Other operating income/expenses	2.0	1.9
Indirect expenses	–12.1	–10.5
Result from investments in joint ventures ¹⁾	0.7	1.5
Finance costs	–9.6	–10.3
Result from financial investments	0.4	0.6
Other adjustment ²⁾	3.6	2.1
FFO I (excl. Trading and pre taxes)	27.7	23.5
Trading result	4.5	1.3
Result from the sale of investment properties	3.6	–2.0
Result from sale of joint ventures	–0.1	0.8
At-Equity result property sales	3.5	1.0
Result from property sales	11.5	1.1
Current income tax	–29.0	–2.6
current income tax of joint ventures	–0.4	–0.1
Other adjustments	–3.7	–2.2
Other adjustments FFO II ³⁾	19.8	0.0
FFO II	26.0	19.8

¹⁾ Adjustment for real estate sales and non-sustainable results

²⁾ Adjustment for other non-sustainable results

³⁾ Taxes in the context of the sale of Tower 185

Balance sheet: assets

As at the balance sheet date, long-term assets amounted to € 4,061,889 K (82.6% of total assets). Investment property assets on balance sheet amounted to € 3,225,604 K on the key date (€ 3,155,677 K on 31 December 2017).

The balance sheet item 'Property assets under development' was € 539,663 K on 31 March 2018 (€ 579,274 K on 31 December 2017). Total property assets (investment properties, properties used for own purposes, property assets under development and property assets held as current assets) amounted to € 3,813,691 K on the key date (€ 3,813,811 K on 31 December 2017).

The net assets of joint ventures are shown in the balance sheet item 'Investments in joint ventures', which stood at € 194,121 K on the key date (€ 214,950 K on 31 December 2017).

Cash and cash equivalents amounted to € 573,098 K on the balance sheet date (€ 383,288 K on 31 December 2017).

Balance sheet: liabilities**Equity**

As at the key date, shareholders' equity on the Group balance sheet stood at € 2,442,017 K (€ 2,419,270 K on 31 December 2017). The equity ratio of 49.6% remained stable and within the strategic target range (the comparative value for the end of 2017 was 51.0%).

Interest-bearing liabilities

The Group's financial liabilities stood at € 1,755,689 K on the key date (against € 1,749,330 K on 31 December 2017). Net debt (interest-bearing liabilities less cash and cash equivalents) decreased by 13.4% on the value for the start of the year (€ 1,365,102 K), amounting to € 1,181,644 K at end of March 2017. 100% of interest-bearing financial liabilities are in euros.

The loan-to-value ratio based on market values as at 31 March 2018 was 31.0% (net, taking account of Group cash and cash equivalents) compared to 35.8% at the start of the year. On the key date, gearing was 48.4% (56.4% on 31 December 2017).

Net asset value

NAV (shareholders' equity) was € 2,442,017 K on 31 March 2018 (€ 26.25 per share) compared to the value for the end of 2017 of € 2,419,219 K (€ 25.95 per share); this represented an increase per share of 1.2%.

The table below shows the conversion of NAV to NNNAV in compliance with the best practice policy rec-

ommendations of the European Public Real Estate Association (EPRA). The EPRA NAV was € 30.03 per share as at the key date (€ 30.02 per share on 31 December 2017). The EPRA NNNAV per share after adjustments for financial instruments, liabilities and deferred taxes, stood at € 27.43 per share as at 31 March 2018 (€ 27.23 per share on 31 December 2017). The number of shares outstanding on the key date was 93,028,299 (93,226,282 on 31 December 2017).

NET ASSET VALUE (NAV UND NNNAV AS DEFINED BY EPRA)

€ m	31.3.2018	31.12.2017 restated
Equity (NAV)	2,442.0	2,419.2
Exercise of options	0.0	0.0
NAV after exercise of options	2,442.0	2,419.2
NAV/share in €	26.25	25.95
Value adjustment for ¹⁾		
- Own used properties	6.4	6.3
- short-term property assets	73.4	73.5
- Financial instruments	0.6	0.8
Deferred taxes	271.6	298.9
EPRA NAV after adjustments	2,793.9	2,798.7
EPRA NAV per share in €	30.03	30.02
Value adj. for financial instruments	-0.6	-0.8
Value adjustment for liabilities	-44.0	-41.8
Deferred taxes	-197.8	-217.5
EPRA NNNAV	2,551.6	2,538.6
EPRA NNNAV per share in €	27.43	27.23
Change of NNNAV against previous year	0.7%	10.9%
Price (key date)/NNNAV per share -1	-1.1	-5.2
Number of shares excl. treasury shares	93,028,299	93,226,282

¹⁾ Includes proportionate values from joint ventures

RISK REPORT

OPPORTUNITIES AND THREATS

The Group is subject to all risks typically associated with the acquisition, development, management and sale of real estate. These include risks arising from unexpected changes in the macroeconomic market environment, general market fluctuations linked to the economic cycle, delays and budget overruns in project developments and risks linked to financing and interest rates.

As regards the profile of opportunities and risks, no major changes that could give rise to new opportunities or threats to the CA Immo Group have emerged since the consolidated financial statements for business year 2017 were drawn up; nor has there been any significant change in the company's assessment of the probability of damage occurring and the extent of such potential damage. The position as outlined in the Group management report for 2017 ('Risk report') is therefore unchanged.

CONSOLIDATED INCOME STATEMENT

€ 1,000	1st Quarter 2018	1st Quarter 2017 restated
Rental income	46,185	43,781
Operating costs charged to tenants	17,038	16,227
Operating expenses	-18,565	-18,258
Other expenses directly related to properties rented	-1,945	-3,499
Net rental income	42,712	38,249
Other expenses directly related to properties under development	-1,914	-982
Income from the sale of properties and construction works	13,953	7,400
Book value of properties sold incl. ancillary and construction costs	-9,439	-6,104
Result from trading and construction works	4,514	1,295
Result from the sale of investment properties	3,600	-2,019
Income from services rendered	3,714	2,715
Indirect expenses	-12,112	-10,460
Other operating income	237	177
EBITDA	40,752	28,976
Depreciation and impairment of long-term assets	-567	-799
Depreciation and impairment/reversal	-567	-799
Revaluation gain	1,866	17,105
Revaluation loss	-2,459	-7,732
Result from revaluation	-593	9,373
Result from joint ventures	16,982	5,211
Result of operations (EBIT)	56,575	42,761
Finance costs	-9,572	-10,305
Foreign currency gains/losses	28	-67
Result from derivatives	-9,292	1,007
Result from financial investments	1,050	572
Result from other financial assets	0	-3,459
Result from associated companies	-207	0
Financial result	-17,993	-12,253
Net result before taxes (EBT)	38,582	30,508
Current income tax	-29,018	-2,551
Deferred taxes	19,278	-4,797
Income tax expense	-9,740	-7,348
Consolidated net income	28,842	23,160
thereof attributable to non-controlling interests	1	1
thereof attributable to the owners of the parent	28,841	23,159
Earnings per share in € (basic)	€0.31	€0.25
Earnings per share in € (diluted)	€0.30	€0.25

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ 1,000	1st Quarter 2018	1st Quarter 2017 restated
Consolidated net income	28,842	23,160
Other comprehensive income		
Cash flow hedges - changes in fair value	0	936
Reclassification cash flow hedges	367	0
Foreign currency gains/losses	-61	130
Revaluation other investments	0	600
Income tax related to other comprehensive income	-88	-446
Other comprehensive income for the period (realised through profit or loss)	218	1,221
Revaluation securities	-1,809	0
Income tax related to other comprehensive income	157	0
Other comprehensive income for the period (not realised through profit or loss)	-1,651	0
Other comprehensive income for the period	-1,433	1,221
Comprehensive income for the period	27,409	24,380
thereof attributable to non-controlling interests	1	1
thereof attributable to the owners of the parent	27,408	24,380

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ 1,000	31.3.2018	31.12.2017 restated	1.1.2017 restated
ASSETS			
Investment properties	3,225,604	3,155,677	2,923,676
Investment properties under development	539,663	579,274	433,049
Own used properties	5,420	5,500	6,643
Office furniture and equipment	5,375	5,462	5,599
Intangible assets	6,428	6,703	8,195
Investments in joint ventures	194,121	214,950	194,838
Financial assets	83,572	86,466	90,199
Deferred tax assets	1,707	1,934	1,563
Long-term assets	4,061,889	4,055,966	3,663,761
Long-term assets as a % of total assets	82.6%	85.5%	85.1%
Assets held for sale and relating to disposal groups	11,000	40,106	26,754
Properties held for trading	37,904	36,459	15,549
Receivables and other assets	108,712	90,583	84,934
Current income tax receivables	11,355	19,343	15,552
Securities	115,859	117,668	101,555
Cash and cash equivalents	573,098	383,288	395,088
Short-term assets	857,929	687,447	639,433
Total assets	4,919,818	4,743,413	4,303,194
LIABILITIES AND SHAREHOLDERS' EQUITY			
Share capital	718,337	718,337	718,337
Capital reserves	789,832	794,493	819,068
Other reserves	17,294	18,727	-894
Retained earnings	916,503	887,662	682,525
Attributable to the owners of the parent	2,441,965	2,419,219	2,219,036
Non-controlling interests	52	51	46
Shareholders' equity	2,442,017	2,419,270	2,219,082
Shareholders' equity as a % of total assets	49.6%	51.0%	51.6%
Provisions	34,634	36,756	56,058
Interest-bearing liabilities	1,689,574	1,680,410	1,412,635
Other liabilities	60,036	50,911	36,965
Deferred tax liabilities	277,297	296,871	245,312
Long-term liabilities	2,061,541	2,064,948	1,750,970
Current income tax liabilities	42,931	17,638	16,736
Provisions	131,826	127,386	111,311
Interest-bearing liabilities	66,115	68,920	153,004
Other liabilities	175,388	45,182	52,091
Liabilities relating to disposal groups	0	71	0
Short-term liabilities	416,260	259,196	333,142
Total liabilities and shareholders' equity	4,919,818	4,743,413	4,303,194

CONSOLIDATED STATEMENT OF CASH FLOWS

€ 1,000	1st Quarter 2018	1st Quarter 2017 restated
Operating activities		
Net result before taxes	38,582	30,508
Revaluation result incl. change in accrual and deferral of rental income	803	-9,405
Depreciation and impairment/reversal	567	799
Result from the sale of long-term properties and office furniture and other equipment	-3,600	1,992
Taxes refunded/paid excl. taxes for the sale of long-term properties and investments	1,326	-1,974
Finance costs, result from financial investments and other financial result	8,523	9,733
Foreign currency gains/losses	-28	67
Result from derivatives	9,292	-1,007
Result from other financial assets and non-cash income from investments in at equity consolidated entities	-17,415	-1,752
Cash flow from operations	38,049	28,962
Properties held for trading	-1,445	-428
Receivables and other assets	-7,506	-2,239
Provisions	4,686	295
Other liabilities	3,118	-2,091
Cash flow from change in net current assets	-1,146	-4,463
Cash flow from operating activities	36,902	24,498
Investing activities		
Acquisition of and investment in long-term properties incl. prepayments	-46,533	-22,749
Acquisition of property companies, less cash and cash equivalents of € 0 K (2017: € 2,387 K)	3,505	-27,536
Acquisition of office equipment and intangible assets	-129	-229
Acquisition/repayment of financial assets	5	-208
Investments in joint ventures	0	-295
Disposal of investment properties and other assets	11,789	9,745
Disposal of investment property companies, less cash and cash equivalents of € 938 K (2017: € 0 K)	37,645	-1,972
Disposal of joint ventures	2,147	11,983
Loans made to joint ventures	-4,901	-267
Loan repayments made by joint ventures	30	1,607
Taxes refunded/paid relating to the sale of long-term properties and investments	2,603	-1,392
Dividend distribution/capital repayment from at equity consolidated entities and other investments	152,051	5,799
Interest paid for capital expenditure in investment properties	-1,585	-789
Interest received from financial investments	2,575	788
Cash flow from investing activities	159,202	-25,516

€ 1,000	1st Quarter 2018	1st Quarter 2017 restated
Financing activities		
Cash inflow from loans received	17,878	2,998
Cash inflow from the issuance of bonds	0	173,447
Repayment/cash inflow of loans received from joint ventures	-600	0
Acquisition of treasury shares	-4,662	-1,496
Repayment of loans incl. interest rate derivatives	-3,759	-119,411
Other interest paid	-14,889	-16,215
Cash flow from financing activities	-6,032	39,323
Net change in cash and cash equivalents	190,073	38,306
Fund of cash and cash equivalents 1.1.	383,512	395,088
Changes in the value of foreign currency	-294	277
Fund of cash and cash equivalents 31.3.	573,290	433,671
Expected credit losses cash and cash equivalents	-192	0
Cash and cash equivalents 31.3. (balance sheet)	573,098	433,671

The interests paid in the first quarter of 2018 totalled € -16,474 K (first quarter 2017: € -17,004 K). The income taxes refunded or paid in the first quarter of 2018 added up to € 3,929 K (first quarter 2017: € -3,366 K).

STATEMENT OF CHANGES IN EQUITY

€ 1,000	Share capital	Capital reserves - Others	Capital reserves - Treasury share reserve
As at 1.1.2017 (as reported)	718,337	906,148	-87,080
Change due to IFRS 15	0	0	0
As at 1.1.2017 (restated)	718,337	906,148	-87,080
Valuation / reclassification cash flow hedges	0	0	0
Foreign currency gains/losses	0	0	0
Revaluation securities and other investments	0	0	0
Consolidated net income	0	0	0
Comprehensive income for 2017 restated	0	0	0
Acquisition of treasury shares	0	0	-608
As at 31.3.2017 restated	718,337	906,148	-87,687
As at 31.12.2017 (as reported)	718,337	885,607	-91,113
Change due to IFRS 9/IFRS 15	0	0	0
As at 1.1.2018	718,337	885,607	-91,113
Valuation / reclassification cash flow hedges	0	0	0
Foreign currency gains/losses	0	0	0
Revaluation securities and other investments	0	0	0
Consolidated net income	0	0	0
Comprehensive income for 2018	0	0	0
Acquisition of treasury shares	0	0	-4,662
As at 31.3.2018	718,337	885,607	-95,775

Retained earnings	Valuation result (hedging - reserve)	Other reserves	Attributable to shareholders of the parent company	Non-controlling interests	Shareholders' equity (total)
667,984	-3,201	2,307	2,204,495	46	2,204,541
14,541	0	0	14,541	0	14,541
682,525	-3,201	2,307	2,219,036	46	2,219,082
0	667	0	667	0	667
0	0	130	130	0	130
0	0	423	423	0	423
23,159	0	0	23,159	1	23,160
23,159	667	553	24,380	1	24,380
0	0	0	-608	0	-608
705,684	-2,533	2,860	2,242,808	47	2,242,855
862,689	-842	23,782	2,398,459	51	2,398,510
24,972	0	-4,213	20,760	0	20,760
887,662	-842	19,569	2,419,219	51	2,419,270
0	279	0	279	0	279
0	0	-61	-61	0	-61
0	0	-1,651	-1,651	0	-1,651
28,841	0	0	28,841	1	28,842
28,841	279	-1,712	27,408	1	27,409
0	0	0	-4,662	0	-4,662
916,503	-563	17,857	2,441,965	52	2,442,017

SEGMENT REPORTING

€ 1,000							
1st Quarter 2018	Income producing	Development	Austria	Income producing	Development	Germany	Income producing
			Total			Total	
Rental income	6,920	0	6,920	13,154	1,110	14,264	24,411
Rental income with other operating segments	133	0	133	126	2	128	0
Operating costs charged to tenants	2,158	0	2,158	3,578	274	3,853	10,457
Operating expenses	-2,387	0	-2,387	-4,095	-367	-4,463	-11,121
Other expenses directly related to properties rented	-472	0	-472	-376	-105	-481	-682
Net rental income	6,352	0	6,352	12,387	914	13,301	23,064
Other expenses directly related to properties under development	0	-13	-13	0	-2,087	-2,087	0
Result from trading and construction works	0	4,253	4,253	0	6,473	6,473	0
Result from the sale of investment properties	20	0	20	-1,466	4,868	3,402	0
Income from services rendered	0	0	0	168	2,455	2,623	169
Indirect expenses	-309	-20	-329	-1,572	-3,814	-5,386	-3,062
Other operating income	10	0	10	106	92	198	34
EBITDA	6,073	4,221	10,294	9,624	8,901	18,525	20,206
Depreciation and impairment/reversal	-172	0	-172	-25	369	343	-110
Result from revaluation	-271	-19	-290	188	925	1,113	-1,005
Result from joint ventures	0	0	0	0	0	0	0
Result of operations (EBIT)	5,630	4,202	9,833	9,786	10,195	19,981	19,091

Timing of revenue recognition

Trading property - transferred at a point in time	0	0	0	0	7,363	7,363	0
Sale of investment properties - transferred at a point in time	22,053	0	22,053	760,010	14,789	774,799	0
Total income IFRS 15 - transferred at a point in time	22,053	0	22,053	760,010	22,152	782,162	0
Trading property and construction work - transferred over time	0	9,812	9,812	0	23,602	23,602	0
Income from services - transferred over time	0	0	0	168	2,455	2,623	169
Total income IFRS 15 - transferred over time	0	9,812	9,812	168	26,058	26,226	169
Total income IFRS 15	22,053	9,812	31,865	760,178	48,209	808,388	169

31.3.2018

Property assets ¹⁾	498,129	32,170	530,299	1,103,757	705,126	1,808,883	1,496,668
Other assets	39,376	55,526	94,902	526,473	547,113	1,073,586	133,615
Deferred tax assets	0	0	0	587	1,290	1,877	768
Segment assets	537,505	87,696	625,201	1,630,817	1,253,529	2,884,347	1,631,052
Interest-bearing liabilities	207,504	43,759	251,263	604,264	173,067	777,331	671,682
Other liabilities	10,454	11,027	21,481	31,397	330,784	362,181	49,236
Deferred tax liabilities incl. current income tax liabilities	39,928	3,430	43,359	207,320	59,339	266,658	37,567
Liabilities	257,887	58,216	316,103	842,980	563,190	1,406,171	758,485
Shareholders' equity	279,619	29,479	309,098	787,837	690,339	1,478,176	872,567
Capital expenditures ²⁾	318	4,997	5,316	2,665	46,439	49,104	1,857

¹⁾ Property assets include rental investment properties, investment properties under development, own used properties, properties held for trading and properties available for sale.

²⁾ Capital expenditures include all acquisitions of properties (long-term and short-term) including additions from initial consolidation, office furniture and other equipment and intangible assets; thereof € 11,059 K (31.12.2017 restated: € 29,264 K) in properties held for trading.

Development	Eastern Europe core regions Total	Income producing	Development	Eastern Europe other regions Total	Total segments	Holding	Transition Consolidation	Total
0	24,411	3,353	0	3,353	48,948	0	-2,763	46,185
0	0	0	0	0	261	0	-261	0
0	10,457	1,311	0	1,311	17,779	0	-741	17,038
0	-11,121	-1,407	0	-1,407	-19,378	0	813	-18,565
0	-682	-138	0	-138	-1,773	0	-172	-1,945
0	23,064	3,119	0	3,119	45,837	0	-3,125	42,712
-41	-41	0	-8	-8	-2,149	0	235	-1,914
0	0	0	0	0	10,726	0	-6,212	4,514
0	0	0	0	0	3,423	0	178	3,600
0	169	0	0	0	2,793	3,484	-2,562	3,714
-116	-3,178	-148	-24	-172	-9,065	-5,733	2,685	-12,112
0	34	4	0	4	246	38	-46	237
-157	20,049	2,975	-32	2,943	51,811	-2,211	-8,847	40,752
0	-110	0	0	0	61	-110	-518	-567
265	-740	6,791	0	6,791	6,875	0	-7,468	-593
0	0	0	0	0	0	0	16,982	16,982
108	19,199	9,766	-32	9,734	58,747	-2,321	149	56,575
0	0	0	0	0	7,363	0	-7,038	325
0	0	0	0	0	796,852	0	-760,044	36,808
0	0	0	0	0	804,215	0	-767,082	37,133
0	0	0	0	0	33,414	0	-19,786	13,628
0	169	0	0	0	2,793	3,484	-2,562	3,714
0	169	0	0	0	36,207	3,484	-22,348	17,342
0	169	0	0	0	840,422	3,484	-789,431	54,475
56,099	1,552,767	183,204	4,860	188,064	4,080,013	0	-266,322	3,813,691
7,403	141,018	7,132	13,780	20,912	1,330,418	951,718	-1,177,717	1,104,420
205	974	110	0	110	2,960	30,613	-31,867	1,707
63,707	1,694,759	190,446	18,640	209,085	5,413,392	982,331	-1,475,906	4,919,818
39,484	711,166	121,658	12,658	134,316	1,874,076	904,377	-1,022,764	1,755,689
8,101	57,337	4,256	22	4,279	445,278	46,069	-89,464	401,884
120	37,687	3,610	561	4,172	351,875	518	-32,165	320,228
47,705	806,190	129,525	13,241	142,766	2,671,229	950,964	-1,144,393	2,477,801
16,003	888,569	60,921	5,398	66,319	2,742,163	31,367	-331,513	2,442,017
1,055	2,912	565	0	565	57,896	34	-2,881	55,049

€ 1,000			Austria			Germany	
1st Quarter 2017 restated	Income producing	Development	Total	Income producing	Development	Total	Income producing restated
Rental income	7,693	0	7,693	17,636	1,362	18,998	22,211
Rental income with other operating segments	131	0	131	214	3	216	0
Operating costs charged to tenants	2,216	0	2,216	6,126	130	6,256	9,907
Operating expenses	-2,451	0	-2,451	-6,696	-285	-6,982	-11,134
Other expenses directly related to properties rented	-796	0	-796	-1,509	-77	-1,586	-1,833
Net rental income	6,793	0	6,793	15,770	1,132	16,903	19,152
Other expenses directly related to properties under development	0	-147	-147	0	-1,042	-1,042	0
Result from trading and construction works	0	2,057	2,057	0	1,127	1,127	0
Result from the sale of investment properties	109	0	109	-16	-2,127	-2,144	828
Income from services rendered	0	0	0	82	2,637	2,719	177
Indirect expenses	-325	-176	-501	-1,769	-4,442	-6,211	-2,463
Other operating income	8	0	8	67	29	97	56
EBITDA	6,584	1,734	8,318	14,134	-2,686	11,448	17,751
Depreciation and impairment/reversal	-379	0	-379	-31	-83	-114	-108
Result from revaluation	-1,167	1	-1,166	11,809	6,699	18,508	-3,954
Result from joint ventures	0	0	0	0	0	0	0
Result of operations (EBIT)	5,038	1,735	6,773	25,912	3,930	29,842	13,689

Timing of revenue recognition

Trading property - transferred at a point in time	0	0	0	0	0	0	0
Sale of investment properties - transferred at a point in time	15,170	0	15,170	0	588	588	12,748
Total income IFRS 15 - transferred at a point in time	15,170	0	15,170	0	588	588	12,748
Trading property and construction work - transferred over time	0	9,661	9,661	0	10,754	10,754	0
Income from services - transferred over time	0	0	0	82	2,637	2,719	177
Total income IFRS 15 - transferred over time	0	9,661	9,661	82	13,391	13,473	177
Total income IFRS 15	15,170	9,661	24,831	82	13,979	14,061	12,925

31.12.2017 restated

Property assets ¹⁾	535,088	32,588	567,677	1,872,411	681,610	2,554,020	1,495,908
Other assets	47,445	55,184	102,629	164,671	385,173	549,844	136,925
Deferred tax assets	0	0	0	587	1,354	1,941	859
Segment assets	582,533	87,773	670,305	2,037,670	1,068,136	3,105,806	1,633,692
Interest-bearing liabilities	224,551	45,450	270,001	919,303	150,852	1,070,155	691,516
Other liabilities	9,616	10,474	20,090	35,122	220,090	255,212	46,832
Deferred tax liabilities incl. current income tax liabilities	43,068	6,417	49,486	232,671	60,658	293,328	35,696
Liabilities	277,236	62,341	339,577	1,187,096	431,600	1,618,695	774,044
Shareholders' equity	305,298	25,432	330,729	850,574	636,536	1,487,110	859,647
Capital expenditures ²⁾	4,872	36,981	41,854	16,059	195,876	211,936	155,601

Development	Eastern Europe core regions Total	Income producing restated	Development	Eastern Europe other regions Total	Total segments	Holding	Transition Consolidation	Total
restated	restated	restated	restated	restated	restated		restated	
538	22,750	3,280	0	3,280	52,721	0	-8,940	43,781
0	0	0	0	0	347	0	-347	0
237	10,143	1,266	0	1,266	19,881	0	-3,655	16,227
-210	-11,343	-1,357	0	-1,357	-22,133	0	3,875	-18,258
-36	-1,868	-165	0	-165	-4,415	0	916	-3,499
530	19,681	3,024	0	3,024	46,401	0	-8,152	38,249
-47	-47	0	-14	-14	-1,250	0	268	-982
0	0	0	0	0	3,184	0	-1,889	1,295
0	828	0	0	0	-1,206	0	-813	-2,019
0	177	0	0	0	2,897	1,700	-1,881	2,715
-171	-2,635	-208	-33	-241	-9,588	-3,939	3,066	-10,460
0	56	0	0	0	161	81	-65	177
311	18,062	2,816	-47	2,769	40,597	-2,158	-9,464	28,975
-1	-109	0	0	0	-602	-143	-54	-799
146	-3,808	-336	0	-336	13,198	0	-3,825	9,373
0	0	0	0	0	0	0	5,211	5,212
456	14,145	2,480	-47	2,433	53,194	-2,301	-8,132	42,762
0	0	0	0	0	0	0	0	0
0	12,748	0	0	0	28,506	0	-12,890	15,616
0	12,748	0	0	0	28,506	0	-12,890	15,616
0	0	0	0	0	20,415	0	-13,015	7,400
0	177	0	0	0	2,897	1,700	-1,881	2,715
0	177	0	0	0	23,311	1,700	-14,896	10,115
0	12,925	0	0	0	51,817	1,700	-27,786	25,731
54,779	1,550,687	175,770	4,860	180,630	4,853,014	0	-1,039,203	3,813,811
10,628	147,554	6,768	15,859	22,627	822,653	929,744	-824,729	927,669
205	1,064	164	0	164	3,168	37,113	-38,347	1,934
65,612	1,699,304	182,702	20,719	203,421	5,678,836	966,856	-1,902,279	4,743,413
36,299	727,815	123,363	13,228	136,591	2,204,563	911,596	-1,366,829	1,749,330
13,163	59,995	3,437	45	3,482	338,780	33,564	-112,037	260,306
118	35,815	2,781	560	3,341	381,970	1,301	-68,763	314,509
49,580	823,624	129,581	13,833	143,415	2,925,311	946,461	-1,547,629	2,324,144
16,032	875,680	53,120	6,885	60,006	2,753,525	20,395	-354,650	2,419,269
19,988	175,590	2,260	0	2,260	431,639	206	-131,213	300,633

NOTES

GENERAL NOTES

The condensed consolidated interim financial statements of CA Immobilien Anlagen Aktiengesellschaft ("CA Immo AG"), Vienna as at 31.3.2018 were prepared in accordance with the rules of IAS 34 (Interim Financial Reporting) and are based on the accounting policies and measurement basis described in the annual consolidated financial statements of CA Immobilien Anlagen Aktiengesellschaft for the year 2017, except of new or amended standards.

The condensed consolidated interim financial statements, for the reporting period from 1.1. to 31.3.2018 have been neither fully audited nor reviewed by an auditor.

The use of automatic data processing equipment may lead to rounding differences in the addition of rounded amounts and percentage rates.

CHANGES IN PRESENTATION AND ACCOUNTING POLICIES

The condensed consolidated interim financial statements by 31.3.2018 were prepared in accordance with all IASs, IFRSs and IFRIC and SIC interpretations (existing standards as amended and new standards) as adopted by the EU and applicable for the financial year beginning 1.1.2018. The following amended standards are applicable for the first time in the business year 2018:

Standard / Interpretation	Content	entry into force ¹⁾
IFRS 15	Revenue from Contracts with Customers	1.1.2018
Amendments to IFRS 15	Clarifications to IFRS 15 Revenue from Contracts with Customers	1.1.2018
IFRS 9	Financial instruments	1.1.2018
Amendments to IFRS 4	Applying IFRS 9 with IFRS 4 Insurance Contracts	1.1.2018
Annual Improvements to IFRS Standards 2014-2016 Cycle	Miscellaneous	1.1.2018
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions	1.1.2018
Amendments to IAS 40	Transfers of Investment Property	1.1.2018
IFRIC 22	Foreign Currency Transactions and Advance Considerations	1.1.2018

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

The first time application of the amended standards and interpretations have no essential impact on the consolidated financial statements. The first time application of IFRS 9 and IFRS 15 has material impact on the consolidated financial statements and is explained in more detail below.

Impact of IFRS 9 and IFRS 15 on the consolidated financial statements

IFRS 9: Financial instruments

"IFRS 9 Financial Instruments" replaces "IAS 39 Financial Instruments: Recognition and Measurement". CA Immo Group does not apply IFRS 9 retrospectively and therefore all necessary changes are reflected in the balance sheet as at 31.12.2017.

The subsequent measurement of financial assets/ liabilities is based on three categories with different valuations and a different recognition of changes in value. The categorization results both from the dependence of the contractual cash flows of the instrument and from the business model according to which the instrument is held/ managed. As financial instruments measured at "amortized cost" qualify only those, whose business model gives rise to cash flows that are solely payments of principal and interests (SPPI – "solely payments of principal and interest"). All other financial assets are measured at fair value through profit and loss. For equity instruments that are not held/ managed for trading purposes, i.e. for which the primary objective is not the short-term value appreciation/realization, an option for recognition in the other comprehensive income continues to exist. CA Immo Group makes use of this option for the securities which were classified as available for sale (AFS – available for sale) according to IAS 39.

IFRS 9 provides a three-step model for the recognition of losses. Accordingly, in the first step an expected 12-month loss must be recognized at the recognition date. In the second step, a significant increase in the risk of default should lead to an increase in the risk provision for the expected loss of the entire residual term. In the third step, upon occurrence of an objective indication of impairment, the interest has to be recognized based on the net book value (book value less risk provision). For leasing receivables according to IAS 17 there is an option to recognize the risk provision in the amount of the expected loss over the entire residual term at the recognition date. CA Immo Group exercises this option: as at 31.12.2017 the additional recognition of the allowance for leasing receivables is € 56 K. The allowances for cash at banks is € 223 K and the allowances for other financial assets stands at € 71 K.

Consequences will result in the recognition in the profit and loss for the changes in value of German partnerships participations classified as „available for sale“ according to IAS 39, since these changes in value have previously been recorded without affecting profit and loss. Now these changes are recorded through profit and loss. As at 31.12.2017 the change results only from a reclassification in shareholders' equity.

The application of IFRS 9 leads to changes in the financial statements of CA Immo Group in connection with the modification of debt instruments, since previous accounting method applied by the CA Immo Group under IAS 39 measured the liability at amortized cost (effective interest method). Now IFRS 9 regulates that changes in present value due to loan modifications are to be recognized immediately in the profit and loss and distributed over the residual term by means of the effective interest method. This change increases the shareholders' equity as at 31.12.2017 with € 3,291 K.

IFRS 15: Revenue from contracts with customers

IFRS 15 supersedes IAS 11, IAS 18 and the related interpretations and stipulates when and in which amount revenue has to be recognized. Income from leases (rental income) are excluded from the new IFRS 15 standard, as they fall under IAS 17 or starting 2019, under IFRS 16. The new standard provides a single, principle-based five-step model, which, apart from certain exceptions, has to be applied to all contracts with customers.

1. Identification of the contract with the customer
2. Identification of the performance obligations in the contract
3. Determination of the transaction price
4. Allocation of the transaction price to the performance obligations based on stand-alone selling prices of the individual performance obligations
5. Recognition of revenue over a period of time or at a specific point in time when performance obligation is fulfilled

CA Immo Group retrospectively applies IFRS 15 and makes use of practical easements for application, such as no restatement of completed contracts.

IFRS 15 requires, that if the entity's performance does not create an asset with alternative use to the entity and the entity has an enforceable right of payment, revenue is recognized over time. This applies, depending on the contract and on the legal environment, to the sale of residential projects as soon as they are sold. All capitalized cost according to IAS 2, including interest according to IAS 23, for the residential project are expensed as cost to fulfill the contract. On the other hand, the contractual payment according to the stage of completion is recognized as revenue. The incremental costs of obtaining a contract are also capitalized and expensed according to the stage of completion. Any received advance payment is netted off against the contract asset and might lead to a contract liability.

The identification of the performance obligations in the contract in connection with the identification of the contract with the customer also leads to a differentiated recognition of revenue in respect of public interest development contracts. As a consequence, the amount recognized as deferred revenue is replaced by a provision resulting in an increase of equity.

This also influences the result from joint ventures, since some of the residential projects are in joint ventures entities.

The initial application of IFRS 9 (not retrospectively) and IFRS 15 (retrospectively) has the following effects on consolidated profit and loss, consolidated comprehensive income, consolidated balance sheet and consolidated statement of cash flows:

€ 1,000	1st Quarter 2017 as reported	Change due to IFRS 15	1st Quarter 2017 according to IFRS 15 restated
Rental income	43,781	0	43,781
Operating costs charged to tenants	16,227	0	16,227
Operating expenses	-18,258	0	-18,258
Other expenses directly related to properties rented	-3,499	0	-3,499
Net rental income	38,249	0	38,249
Other expenses directly related to properties under development	-982	0	-982
Income from the sale of properties and construction works	3,538	3,862	7,400
Book value of properties sold incl. ancillary and construction costs	-3,148	-2,956	-6,104
Result from trading and construction works	390	906	1,295
Result from the sale of investment properties	358	-2,377	-2,019
Income from services rendered	2,715	0	2,715
Indirect expenses	-10,460	0	-10,460
Other operating income	177	0	177
EBITDA	30,447	-1,471	28,976
Depreciation and impairment of long-term assets	-799	0	-799
Depreciation and impairment/reversal	-799	0	-799
Revaluation gain	17,264	-159	17,105
Revaluation loss	-7,732	0	-7,732
Result from revaluation	9,532	-159	9,373
Result from joint ventures	4,190	1,021	5,211
Result of operations (EBIT)	43,370	-609	42,761
Finance costs	-10,217	-89	-10,305
Foreign currency gains/losses	-67	0	-67
Result from derivatives	1,007	0	1,007
Result from financial investments	544	28	572
Result from other financial assets	-3,459	0	-3,459
Financial result	-12,192	-60	-12,253
Net result before taxes (EBT)	31,177	-669	30,508
Current income tax	-2,551	0	-2,551
Deferred taxes	-5,403	606	-4,797
Income tax expense	-7,955	606	-7,348
Consolidated net income	23,222	-63	23,160
thereof attributable to non-controlling interests	1	0	1
thereof attributable to the owners of the parent	23,222	-63	23,159
Earnings per share in € (basic)	€0.25	€0.00	€0.25
Earnings per share in € (diluted)	€0.25	€0.00	€0.25

€ 1,000	1st Quarter 2017 as reported	Change due to IFRS 15	1st Quarter 2017 according to IFRS 15 restated
Consolidated net income	23,222	-63	23,160
Other comprehensive income			
Cash flow hedges - changes in fair value	936	0	936
Foreign currency gains/losses	130	0	130
Assets available for sale - changes in fair value	600	-600	0
Revaluation other investments	0	600	600
Income tax related to other comprehensive income	-446	0	-446
Other comprehensive income for the period (realised through profit or loss)	1,221	0	1,221
Other comprehensive income for the period	1,221	0	1,221
		0	
Comprehensive income for the period	24,443	-63	24,380
thereof attributable to non-controlling interests	1	0	1
thereof attributable to the owners of the parent	24,442	-63	24,380

€ 1,000	31.12.2017	Changes due to	Change due to	31.12.2017
	as reported	IFRS 9	IFRS 15	according to IFRS 9 and IFRS 15 restated
ASSETS				
Investment properties	3,155,677	0	0	3,155,677
Investment properties under development	579,274	0	0	579,274
Own used properties	5,500	0	0	5,500
Office furniture and equipment	5,462	0	0	5,462
Intangible assets	6,703	0	0	6,703
Investments in joint ventures	207,182	0	7,768	214,950
Financial assets	85,570	-35	931	86,466
Deferred tax assets	2,025	0	-91	1,934
Long-term assets	4,047,393	-35	8,608	4,055,966
Long-term assets as a % of total assets	84.9%			85.5%
Assets held for sale and relating to disposal groups	40,106	0	0	40,106
Properties held for trading	79,317	0	-42,858	36,459
Receivables and other assets	81,314	-92	9,361	90,583
Current income tax receivables	19,343	0	0	19,343
Securities	117,668	0	0	117,668
Cash and cash equivalents	383,512	-223	0	383,288
Short-term assets	721,259	-316	-33,497	687,447
Total assets	4,768,653	-351	-24,888	4,743,413
LIABILITIES AND SHAREHOLDERS' EQUITY				
Share capital	718,337	0	0	718,337
Capital reserves	794,493	0	0	794,493
Other reserves	22,940	-4,213	0	18,727
Retained earnings	862,689	7,153	17,819	887,662
Attributable to the owners of the parent	2,398,459	2,940	17,819	2,419,219
Non-controlling interests	51	0	0	51
Shareholders' equity	2,398,510	2,940	17,819	2,419,270
Shareholders' equity as a % of total assets	50.3%			51.0%
Provisions	5,646	0	31,110	36,756
Interest-bearing liabilities	1,684,170	-3,760	0	1,680,410
Other liabilities	86,434	0	-35,523	50,911
Deferred tax liabilities	291,305	468	5,098	296,871
Long-term liabilities	2,067,555	-3,291	685	2,064,948
Current income tax liabilities	17,638	0	0	17,638
Provisions	100,658	0	26,728	127,386
Interest-bearing liabilities	68,920	0	0	68,920
Other liabilities	115,303	0	-70,121	45,182
Liabilities relating to disposal groups	71	0	0	71
Short-term liabilities	302,588	0	-43,393	259,196
Total liabilities and shareholders' equity	4,768,653	-351	-24,888	4,743,413

€ 1,000	31.12.2016 as reported	Change due to IFRS 15	31.12.2016 according to IFRS 15 restated
ASSETS			
Investment properties	2,923,676	0	2,923,676
Investment properties under development	433,049	0	433,049
Own used properties	6,643	0	6,643
Office furniture and equipment	5,599	0	5,599
Intangible assets	8,195	0	8,195
Investments in joint ventures	191,369	3,469	194,838
Financial assets	89,713	486	90,199
Deferred tax assets	1,563	0	1,563
Long-term assets	3,659,806	3,955	3,663,761
Long-term assets as a % of total assets	84.9%		85.1%
Assets held for sale and relating to disposal groups	26,754	0	26,754
Properties held for trading	34,147	-18,598	15,549
Receivables and other assets	76,235	8,699	84,934
Current income tax receivables	15,552	0	15,552
Securities	101,555	0	101,555
Cash and cash equivalents	395,088	0	395,088
Short-term assets	649,332	-9,899	639,433
Total assets	4,309,138	-5,943	4,303,194
LIABILITIES AND SHAREHOLDERS' EQUITY			
Share capital	718,337	0	718,337
Capital reserves	819,068	0	819,068
Other reserves	-894	0	-894
Retained earnings	667,984	14,541	682,525
Attributable to the owners of the parent	2,204,495	14,541	2,219,036
Non-controlling interests	46	0	46
Shareholders' equity	2,204,541	14,541	2,219,082
Shareholders' equity as a % of total assets	51.2%		51.6%
Provisions	13,242	42,816	56,058
Interest-bearing liabilities	1,412,635	0	1,412,635
Other liabilities	87,180	-50,215	36,965
Deferred tax liabilities	239,969	5,343	245,312
Long-term liabilities	1,753,026	-2,056	1,750,970
Current income tax liabilities	16,736	0	16,736
Provisions	84,766	26,545	111,311
Interest-bearing liabilities	153,004	0	153,004
Other liabilities	97,064	-44,973	52,091
Short-term liabilities	351,571	-18,429	333,142
Total liabilities and shareholders' equity	4,309,138	-5,943	4,303,194

€ 1,000	1st Quarter 2017 as reported	Change due to IFRS 15	1st Quarter 2017 according to IFRS 15 restated
Operating activities			
Net result before taxes	31,177	-669	30,508
Revaluation result incl. change in accrual and deferral of rental income	-9,564	159	-9,405
Depreciation and impairment/reversal	799	0	799
Result from the sale of long-term properties and office furniture and other equipment	-385	2,377	1,992
Taxes paid/refunded excl. taxes for the sale of long-term properties	-1,974	0	-1,974
Finance costs, result from financial investments and other financial result	9,673	60	9,733
Foreign currency gains/losses	67	0	67
Result from derivatives	-1,007	0	-1,007
Result from other financial assets and non-cash income from investments in at equity consolidated entities	-731	-1,021	-1,752
Cash flow from operations	28,056	905	28,962
Properties held for trading	-4,404	3,976	-428
Receivables and other assets	-2,988	749	-2,239
Provisions	1,309	-1,014	295
Other liabilities	2,525	-4,616	-2,091
Cash flow from change in net current assets	-3,558	-905	-4,463
Cash flow from operating activities	24,498	0	24,498
Investing activities			
Acquisition of and investment in long-term properties incl. prepayments	-22,749	0	-22,749
Acquisition of property companies, less cash and cash equivalents of € 2,387 K	-27,536	0	-27,536
Acquisition of office equipment and intangible assets	-229	0	-229
Acquisition/repayment of financial assets	-208	0	-208
Investments in joint ventures	-295	0	-295
Disposal of investment properties and other assets	9,745	0	9,745
Disposal of investment property companies, less cash and cash equivalents of € 0 K	-1,972	0	-1,972
Disposal of joint ventures	11,983	0	11,983
Loans made to joint ventures	-267	0	-267
Loan repayments made by joint ventures	1,607	0	1,607
Taxes paid/refunded relating to the sale of long-term properties and loans granted	-1,392	0	-1,392
Dividend distribution/capital repayment from at equity consolidated entities and other investments	5,799	0	5,799
Interest paid for capital expenditure in investment properties	-789	0	-789
Interest received from financial investments	788	0	788
Cash flow from investing activities	-25,516	0	-25,516
Financing activities			
Cash inflow from loans received	2,998	0	2,998
Cash inflow from the issuance of bonds	173,447	0	173,447
Acquisition of treasury shares	-1,496	0	-1,496
Repayment of loans incl. interest rate derivatives	-119,411	0	-119,411
Other interest paid	-16,215	0	-16,215
Cash flow from financing activities	39,323	0	39,323
Net change in cash and cash equivalents	38,306	0	38,306
Cash and cash equivalents as at 1.1.	395,088	0	395,088
Changes in the value of foreign currency	277	0	277
Cash and cash equivalents as at 31.3	433,671	0	433,671

The following tables show the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of financial assets and financial liabilities as at 31.12.2017:

€ 1,000	Classification IAS 39 ¹⁾	Classification IFRS 9 ²⁾	Book value according to IAS 39	Book value according to IFRS 9
Cash and cash equivalents with drawing restrictions	L&R	AC	10,066	10,031
Derivative financial instruments	HFT	FVTPL	293	293
Primary financial instruments	L&R	AC	18,336	18,336
Other investments	AFS	FVTPL	56,875	56,875
Financial assets			85,570	85,535
Cash and cash equivalents with drawing restrictions	L&R	AC	3,679	3,655
Other receivables and assets	L&R	AC	58,639	58,571
Receivables and other assets			62,318	62,226
Securities	AFS	FVOCI	117,668	117,668
Cash and cash equivalents	L&R	AC	383,512	383,288
Total			649,068	648,717

€ 1,000	Classification IAS 39 ¹⁾	Classification IFRS 9 ²⁾	Book value according to IAS 39	Book value according to IFRS 9
Convertible bond	FLAC	AC	184,334	184,334
Bonds	FLAC	AC	648,447	648,447
Other interest-bearing liabilities	FLAC	AC	920,308	916,549
Interest-bearing liabilities			1,753,089	1,749,330
Derivative financial instruments	HFT	FVTPL	23,021	23,021
Other primary liabilities	FLAC	AC	55,098	55,098
Other liabilities			78,120	78,120
			1,831,209	1,827,450

¹⁾ HFT – held for trading, AFS – available for sale, L&R – loans and receivables, FLAC – financial liabilities at amortised cost

²⁾ FVTPL – fair value through profit or loss, FVOCI – fair value through other comprehensive income, AC – amortised cost

New standard IFRS 16

CA Immo Group currently evaluates the effects of the new standard IFRS 16 (effective date 1.1.2019) in a project in order to assess the necessary adjustments for accounting as well as processes and systems.

IFRS 16: Leases

The new standard defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To be classified as lease, the contract needs to fulfill the following criteria:

- The fulfillment of the contract depends on the use of an identified asset.
- The contract must convey the right to control the use of an identified asset.

Under IFRS 16, lessors classify all leases in the same manner as under IAS 17, distinguishing between two types of leases: finance and operating. Lessees, however, do not need to separate between the types of leases but need to recognize an asset as a "right of use" for all lease contracts upon lease commencement and need to book a corresponding leasing liability. Leases of low-value assets and short-term leases are excepted.

The changes of IFRS 16 on the operating leases of CA Immo Group will have no material impact on the financial statements of CA Immo Group, since these mainly concern leases for furniture and office equipment and immaterial rental agreements in Germany.

The application of IFRS 16 may lead to the recognition of a right of use and a liability in those cases where CA Immo Group is lessee and not owner of a land plot. From the current perspective, the effect on the financial statements of the CA Immo Group is not material.

SCOPE OF CONSOLIDATION

In the first quarter of 2018 the closing of the sale of the Tower 185 Betriebs GmbH as well as the closing of the sale of a subsidiary with a property in Austria took place.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Statement of financial position

The financial assets (long term assets) consist of the following items:

€ 1,000	31.3.2018	31.12.2017 restated
Loans to joint ventures	2,982	3,061
Loans to associated companies	13,121	15,176
Other investments	57,515	56,875
Other financial assets	9,954	11,354
Financial assets	83,572	86,466

As at 31.3.2018, one plot in Germany as well as an investment in a joint venture in Bulgaria (segment Eastern Europe other regions) amounting to € 11,000 K were reclassified to assets held for sale and relating to disposal groups. A sale within one year from the date of reclassification was regarded as highly probable.

As at 31.3.2018, CA Immo Group held cash and cash equivalents amounting to € 573,098 K, cash and cash equivalents contain bank balances of € 14,664 K (31.12.2017: € 16,140 K) to which CA Immo Group only has restricted access for a period of at most three months and act as collateral for ongoing loan repayments and investments in ongoing development projects.

These balances serve the purpose of securing current loan repayments (principal and interest), current investments in projects under development and cash deposits as guarantees. In addition, cash and cash equivalents subject to drawing restrictions from 3 up to 12 months are presented in caption 'receivables and other assets'. Restricted cash with a longer lock-up period (over 12 months) is presented under 'financial assets'.

€ 1,000	31.3.2018	31.12.2017 restated
Maturity > 1 year	8,204	10,031
Maturity from 3 to 12 months	6,673	3,655
Cash at banks with drawing restrictions	14,877	13,686

Income Statement

The result from revaluation in the first quarter of 2018 results from revaluation gain of € 1,866 K (mainly from segment Germany) and revaluation loss of € -2,459 K, which mainly results from the segment Eastern Europe core region.

The result from derivatives comprises the following:

€ 1,000	1st Quarter 2018	1st Quarter 2017
Valuation interest rate derivative transactions	1,572	1,007
Reclassification of valuation results recognised in equity	-367	0
Valuation derivative convertible bond	-10,497	0
Result from derivatives	-9,292	1,007

The result from the measurement of interest rate derivatives is attributable to the change in fair values of the interest rate swaps for which no cash flow hedge relationship exists or, in the case of "reclassification", no longer exists. The reclassifications result from early repayment of the borrowings.

Tax expenses comprise the following:

€ 1,000	1st Quarter 2018	1st Quarter 2017 restated
Current income tax (current year)	-26,953	-2,072
Current income tax (previous years)	-2,065	-479
Current income tax	-29,018	-2,551
Change in deferred taxes	19,382	-4,977
Tax benefit on valuation of assets available for sale in equity	-104	180
Income tax expense	-9,740	-7,348
Effective tax rate (total)	25.2%	24.1%

Current income tax (current year) mainly arises in the segment Germany (€ -24,159 K). The change in income tax (previous years) is mainly explained by provisions for findings during tax audits in Germany. In the first quarter of 2018 the change in deferred taxes results in amount of € 19,361 K from the segment Germany.

Earnings per share

		1st Quarter 2018	1st Quarter 2017 restated
Weighted average number of shares outstanding	pcs.	93,128,120	93,375,300
Consolidated net income	€ 1,000	28,841	23,159
basic earnings per share	€	0.31	0.25

		1st Quarter 2018	1st Quarter 2017 restated
Weighted average number of shares outstanding	pcs.	93,128,120	93,375,300
Dilution effect:			
Convertible bond	pcs.	6,542,704	0
Weighted average number of shares	pcs.	99,670,824	93,375,300
Consolidated net income attributable to the owners of the parent	€ 1,000	28,841	23,159
Dilution effect:			
Effective interest on convertible bond	€ 1,000	1,152	0
less taxes	€ 1,000	-288	0
Consolidated net income attributable to the owners of the parent adjusted by dilution effect	€ 1,000	29,705	23,159
Diluted earnings per share	€	0.30	0.25

SHARES BUY - BACK PROGRAM

At the end of November 2016, another share buyback programme was launched for up to 1,000,000 shares (approx. 1% of the company's current capital stock) with an upper limit of € 17.50 per share, which was raised to € 24.20 per share end of August 2017. Additionally, the price has to comply with the authorizing resolution of the Annual General Meeting, meaning that the lowest amount payable on repurchase is not to be less than 30% and not to exceed 10% of the average unweighted price at the close of the market on the ten trading days preceding the repurchase. As in previous instances, the repurchase will be undertaken to support the purposes permitted by resolution of the Ordinary General Meeting and will end on 2.11.2018 at the latest. By the balance sheet date, further 197,983 shares (ISIN AT0000641352) had been acquired through the programme at a weighted equivalent value per share of approximately € 23.55.

As at 31.3.2018, CA Immobilien Anlagen AG held 5,780,037 treasury shares in total; given the total number of voting shares issued (98,808,336), this is equivalent to around 5.8% of the voting stock.

FINANCIAL INSTRUMENTS

Category	Book value	Fair value	Book value	Fair value
€ 1,000	31.3.2018	31.3.2018	31.12.2017 restated	31.12.2017
Cash at banks with drawing restrictions	8,204	8,231	10,031	10,066
Derivative financial instruments	651	651	293	293
Primary financial instruments	74,717		76,142	
Financial assets	83,572		86,466	
Cash at banks with drawing restrictions	6,673	6,703	3,655	3,679
Other receivables and other financial assets	83,039		67,748	
Non financial assets	19,000		19,180	
Receivables and other assets	108,712		90,583	
Securities	115,859	115,859	117,668	117,668
Cash and cash equivalents	573,098		383,288	
	881,242		678,005	

The fair value of the other receivables and financial assets as well as the primary financial instruments essentially equals the book value due to short-term maturities. The book values of the other investments that are included in the primary financial instruments correspond to their fair values. Financial assets are partially mortgaged as security for financial liabilities.

Category	Book value	Fair value	Book value	Fair value
€ 1,000	31.3.2018	31.3.2018	31.12.2017 restated	31.12.2017
Convertible bond	185,486	188,492	184,334	186,330
Bonds	640,103	676,821	648,447	687,811
Other interest-bearing liabilities	930,101	930,913	916,549	921,656
Interest-bearing liabilities	1,755,689		1,749,330	
Derivative financial instruments	32,305	32,305	23,021	23,021
Other primary liabilities	203,119		73,072	
Total other liabilities	235,424		96,093	
	1,991,113		1,845,423	

The stock exchange price of the convertible bond amounts to € 218,923 K. The fair value of the embedded derivative of the convertible bond amounts to € 30,431 K. The debt component of the convertible bond and the embedded derivative of the convertible bond are separately reported.

The fair value of other primary liabilities essentially equals the book value due to daily and/or short-term maturities.

Derivative financial instruments and hedging transactions

€ 1,000	Nominal value	Fair value	31.3.2018 Book value	Nominal value	Fair value	31.12.2017 Book value
Interest rate swaps - assets	138,389	651	651	92,343	293	293
Interest rate swaps - liabilities	316,382	-1,873	-1,874	363,645	-3,088	-3,088
Total interest rate swaps	454,771	-1,222	-1,222	455,987	-2,795	-2,795
Derivative convertible bond	0	-30,431	-30,431	0	-19,934	-19,934
Total derivatives	454,771	-31,653	-31,653	455,987	-22,729	-22,729
- thereof stand alone (fair value derivatives)						
- assets	138,389	651	651	92,343	293	293
- thereof stand alone (fair value derivatives)						
- liabilities	316,382	-32,304	-32,304	363,645	-23,021	-23,021

The derivative of the convertible bond results from the repayment option of the convertible bond into shares of CA Immo AG and is reported at fair value.

€ 1,000	Nominal value	Fair value	31.3.2018 Book value	Nominal value	Fair value	31.12.2017 Book value
- fair value derivatives (HFT) - assets	138,389	651	651	92,343	293	293
- fair value derivatives (HFT) - liabilities	316,382	-1,873	-1,873	363,645	-3,088	-3,088
Interest rate swaps	454,771	-1,222	-1,222	455,987	-2,795	-2,795

	Nominal value in € 1,000	Start	End	Fixed interest rate as at 31.3.2018	Reference interest rate	Fair value in € 1,000 31.3.2018
Interest rate swaps						
EUR - stand alone - assets	138,389	12/2016	6/2027	0.29%–0.70%	3M-Euribor	651
EUR - stand alone - liabilities	316,382	7/2016	12/2027	-0.18%–0.94%	3M-Euribor	-1,873
Total interest swaps = variable in fixed	454,771					-1,222

	Nominal value in € 1,000	Start	End	Fixed interest rate as at 31.12.2017	Reference interest rate	Fair value in € 1,000 31.12.2017
Interest rate swaps						
EUR - stand alone - assets	92,343	12/2016	6/2027	0.29%–0.66%	3M-Euribor	293
EUR - stand alone - liabilities	363,645	7/2016	12/2027	-0.18%–0.94%	3M-Euribor	-3,088
Total interest swaps = variable in fixed	455,987					-2,795

Gains and losses in other comprehensive income of cash-flow hedges

€ 1,000	2018	2017
As at 1.1.	-842	-3,201
Change in valuation of cash flow hedges	0	936
Reclassification cash flow hedges	367	0
Income tax cash flow hedges	-88	-269
As at 31.3.	-563	-2,533
thereof: attributable to the owners of the parent	-563	-2,533

Hierarchy of fair values

Financial instruments measured at fair value relate to derivative financial instruments as well as securities and other investments. As in prior year, the valuation of derivative financial instruments is based on inputs which can be observed either directly or indirectly (e.g. interest rate curves or foreign exchange forward rates). This represents level 2 of the fair value hierarchy in accordance with IFRS 13.81. The valuation of securities is based on stock market prices and therefore represents level 1 of the fair value hierarchy. The fair value of other not listed investments is internally assessed and so represents level 3 of the fair value hierarchy. There were no reclassifications between the levels.

Capital structure

Net debt and gearing ratio:

€ 1,000	31.03.2018	31.12.2017 restated
Interest-bearing liabilities		
Long-term interest-bearing liabilities	1,689,574	1,680,410
Short-term interest-bearing liabilities	66,115	68,920
Interest-bearing assets		
Cash and cash equivalents	-573,098	-383,288
Cash at banks with drawing restrictions	-947	-939
Net debt	1,181,644	1,365,102
Shareholders' equity	2,442,017	2,419,270
Gearing ratio (Net debt/equity)	48.4%	56.4%

For the calculation of the gearing ratio the book value of cash and cash equivalents is taken into consideration for practical easement. Cash at banks with drawing restrictions were considered in the calculation of net debt, in case they are used to secure the repayments of financial liabilities.

BUSINESS RELATIONSHIPS WITH RELATED PARTIES

Balances/transactions with Joint Ventures

€ 1,000	31.3.2018	31.12.2017 restated
Investments in joint ventures	194,121	214,950
Investments in joint ventures held for sale	5,900	2,276
Loans	2,982	3,061
Receivables	16,366	8,582
Liabilities	127,796	9,409
Provisions	12,806	12,420
	1st Quarter 2018	1st Quarter 2017 restated
Joint ventures result	17,048	4,382
Result from sale of joint ventures	-66	828
Result from joint ventures	16,982	5,211
Other income	1,538	572
Other expenses	-240	-265
Interest income	73	57
Interest expense	-4	0

The loans to and a large portion of the receivables from joint ventures existing at the reporting date, serve to finance properties. The interest rates are at arm's length. No guarantees or other forms of securities exist in connection with these loans.

Balances/transactions with associated companies

€ 1,000	31.3.2018	31.12.2017
Loans	13,121	15,176
	1st Quarter 2018	1st Quarter 2017
Expenses due to associated companies	-207	0
Result from associated companies	-207	0
Interest income from associated companies	351	0

The loans to associated companies existing as of the reporting date serve to finance properties. All loans have interest rates at arm's length. No guarantees or other forms of security exist in connection with these loans. In the book value of loans to associated companies, a cumulated impairment amounting to € 7,432 K (31.12.2017: € 7,226 K) is included.

IMMOFINANZ Group, Vienna

Since 2.8.2016, IMMOFINANZ Group holds through its 100% owned subsidiary GENA ELF Immobilienholding GmbH 25,690,163 bearer shares as well as four registered shares of CA Immo AG representing with approximately 26% of the capital stock the largest single shareholder of the company.

Between IMMOFINANZ Group and CA Immo Group there is a reciprocal shareholding. The CA Immo Group holds 54,805,566 bearer shares of IMMOFINANZ AG (equivalent to approximately 4.9% of the capital stock of IMMOFINANZ AG).

In 2016 CA Immo AG and IMMOFINANZ AG had agreed to enter into a constructive dialogue concerning a potential merger of the two companies. On 28.2.2018, IMMOFINANZ AG announced to continue the suspension of detailed discussions over a possible merger between both companies for the time being and to also evaluate other strategic options, among others, the possible sale of its CA Immo AG investment. A corresponding bidding process for a package sale of its 26% investment in CA Immo AG had been started.

OTHER LIABILITIES AND CONTINGENT LIABILITIES

As at 31.3.2018, contingent liabilities of CA Immo Germany Group resulting from concluded purchase agreements for cost assumptions in connection with contaminated sites or war damage amount to € 566 K (31.12.2017: € 608 K). In addition, letters of support exist for a joint venture in Germany, amounting to € 2,000 K (31.12.2017 : € 2,000 K). As security for liabilities from loans guarantees, letters of comfort and declarations for joint liabilities were issued for two (2017: two) joint ventures in an extent of € 2,500 K (31.12.2017: € 2,500 K). Furthermore as security for warranty risks in Germany a guarantee was issued in an amount of € 15,066 K (31.12.2017: € 11,066 K).

CA Immo Group has agreed to adopt a guarantee in connection with the refunding of the project "Airport City St. Petersburg" in the extent of € 8,469 K (31.12.2017: € 8,469 K).

In connection with disposals, marketable guarantees exist between CA Immo Group and the buyer for coverage of possible warranty- and liability claim for which in the expected extent financial dispositions were made. The actual claims may exceed the expected extent.

For the purpose of recognising tax provisions, estimates have to be made. Uncertainties exist concerning the interpretation of complex tax regulations as well as calculation methods in practice and as regards the amount and timing of taxable income. Due to these uncertainties and the grade of complexity, estimates may vary from the real tax expense also in a material amount. This may include amended interpretations of tax authorities for previous periods.

CA Immo Group recognises appropriate provisions for known and probable charges arising from ongoing tax audits.

Uncertainties also relate to the retrospective application of subsequent tax changes concerning completed and law-aligned restructurings in Eastern Europe. CA Immo Group estimates the possibility of incurring actual expenses due to the subsequent change of tax law and their implications for past restructurings, as low.

Existing uncertainties are continually evaluated and may lead to adjustments of estimates.

Mortgages, pledges of rental receivables, bank accounts and share pledges as well as similar guarantees are used as market collateral for bank liabilities.

In addition, there are other financial obligations of order commitments related to building site liabilities for work carried out in the course of developing real estate in Austria in the amount of € 11,194 K (31.12.2017: € 8,789 K), in Germany in the amount of € 184,197 K (31.12.2017: € 153,549 K) and in Eastern Europe in the amount of € 19,989 K (31.12.2017: € 22,533 K). In addition as at 31.3.2018, CA Immo Group is subject to other financial commitments resulting from construction costs from urban development contracts which can be capitalised in the future with an amount of € 12,210 K (31.12.2017 restated: € 16,241 K).

The total obligation of the payments of equity in joint ventures for which no adequate provisions have been recognised amount in Austria to € 6,035 K (31.12.2017: € 6,035 K) in Germany to € 1,990 K (31.12.2017: € 1,990 K) and in Eastern Europe to € 0 K (31.12.2017: € 0 K) as per 31.3.2018. Besides the mentioned obligations of equity-payments, no further obligations to joint ventures exist.

Borrowings, for which the financial covenants have not been met as at 31.3.2018, thus enabling the lender in principle to prematurely terminate the loan agreement, have to be recognised in short-term financial liabilities irrespective of the remaining term under the contract. This classification applies notwithstanding the status of negotiations with the banks concerning the continuation or amendment of the loan agreements. As at 31.3.2018, this applied to no loan (31.12.2017: no loan).

SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM REPORTING PERIOD

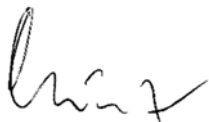
On 18 April 2018, SOF-11 Starlight 10 EUR S.à.r.l. of Luxembourg (the 'bidder'), an indirect, wholly owned subsidiary of SOF-11 International, SCSp, part of the group of companies known as Starwood Global Opportunity Fund XI and a member of the Starwood Capital Group ('Starwood'), presented a voluntary public takeover bid in accordance with article 4ff of the Austrian Takeover Act to the shareholders of CA Immo. The takeover bid envisaged the acquisition of up to 25,690,167 bearer shares of CA Immo (ISIN AT0000641352), equivalent to as much as 26% of company shares issued to the bearer. The offer price of €27.50 per share was linked to the dividend for business year 2017, i.e. the offer price will be reduced by the amount of any dividend declared between the announcement of the takeover bid and the processing thereof. Completion of the takeover bid is subject to approval by the antitrust authorities and the condition that CA Immo shall incur no other significant adverse consequences (e.g. merger, demerger or spin-off); moreover, approval by the Management Board of CA Immo is not required for transfer of the four registered shares subject to transfer restrictions. The offer may be accepted from 18 April 2018 until 5:00pm (Vienna local time) on 30 May 2018.

The contract for the acquisition of Campus 6.1 office building in Bukarest with an area of 22,000 square meters was signed. The closing is expected end of 2018.

In the 31st ordinary shareholders' meeting of CA Immobilien Anlagen AG, held on 9.5.2018, a dividend distribution for the 2017 financial year of € 0.80 per no-par share entitled to a dividend, was resolved upon.

Vienna, 23.5.2018

The Management Board



Andreas Quint
(Chief Executive Officer)



Dr. Hans Volckens
(Member of the Management Board)

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GENERAL INFORMATION ON CA IMMO SHARE

Listed on Vienna Stock Exchange
ISIN: AT0000641352
Reuters: CAIV.VI
Bloomberg: CAI: AV

DISCLAIMER

This Interim 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, then the actual results may deviate from the results currently anticipated. This Interim Report does not constitute an invitation to buy or sell the shares of CA Immobilien Anlagen AG.

We ask for your understanding that gender-conscious notation in the texts of this Interim Report largely had to be abandoned for the sake of undisturbed readability of complex economic matters.

IMPRINT

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