

1st – 3rd Quarter 2022

Consolidated Interim Financial Report



— IMMOFINANZ —

IMMOFINANZ
Strong portfolio.
Attractive markets.
High potential.



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Key Figures

Earnings

		Q1–3 2022	Q1–3 2021	Change in %
Rental income	in MEUR	216.9	216.4	0.2
Results of asset management	in MEUR	168.4	163.1	3.2
Results of property sales	in MEUR	5.0	24.1	-79.4
Results of property development	in MEUR	-7.8	24.1	n. a.
Results of operations	in MEUR	117.8	180.4	-34.7
Revaluations	in MEUR	79.5	82.7	-3.9
EBIT	in MEUR	186.6	234.4	-20.4
Financial results	in MEUR	122.4	91.8	33.3
EBT	in MEUR	308.9	326.2	-5.3
Net profit for the period	in MEUR	248.6	295.7	-15.9
FFO 1 before tax ¹	in MEUR	115.9	100.5	15.4
FFO 1 per share before tax ^{1,2}	in EUR	0.85	0.81	4.2

¹ See calculations in the section "Business Development". The comparative data was adjusted.

² Number of shares for the calculation: 136,493,246 for Q1–3 2022 and 123,293,780 for Q1–3 2021

Assets

		30 09 2022	31 12 2021	Change in %
Balance sheet total	in MEUR	6,687.9	6,958.7	-3.9
Equity as % of the balance sheet total	in %	58.0	48.1	n. a.
Net financial liabilities	in MEUR	2,047.5	2,097.8	-2.4
Cash and cash equivalents ¹	in MEUR	241.7	987.1	-75.5
Loan-to-value ratio (net)	in %	33.7	36.7	n. a.
Gearing	in %	54.2	64.2	n. a.
Total average interest rate including costs for derivatives	in %	2.1	1.9	n. a.
Average term of financial liabilities	in years	4.0	3.8	6.7

¹ Including cash and cash equivalents held for sale

Investment property

		30 09 2022	31 12 2021	Change in %
Total number of properties		260	225	15.6
Rentable space	in sqm	2,103,809	1,939,581	8.5
Occupancy rate	in %	94.0	95.1	n. a.
Gross return ^{1,2}	in %	6.0	5.9	n. a.
Invoiced rents return ^{1,2}	in %	6.4	6.3	n. a.
Portfolio value ¹	in MEUR	5,498.8	5,160.8	6.5
Unencumbered investment property	in MEUR	1,709.6	1,476.8	15.8

¹ Based on data in the "Portfolio Report"

² The return as of 30 September 2022 has been adjusted to reflect the retail property acquisitions made in September.

EPRA¹

		30 09 2022	31 12 2021	Change in %
EPRA net reinstatement value	in MEUR	4,322.1	4,189.9	3.2
EPRA net reinstatement value per share	in EUR	31.33	30.17	3.8
EPRA net tangible assets	in MEUR	4,128.8	4,053.5	1.9
EPRA net tangible assets per share	in EUR	29.92	29.19	2.5
EPRA net disposal value	in MEUR	3,930.3	3,625.5	8.4
EPRA net disposal value per share	in EUR	28.49	26.11	9.1
EPRA vacancy rate ²	in %	6.3	5.1	n. a.
EPRA loan-to-value ratio	in %	36.6	n. a.	n. a.
		Q1-3 2022	Q1-3 2021	Change in %
EPRA earnings ³	in MEUR	78.8	188.8	-58.3
EPRA earnings per share ³	in EUR	0.58	1.53	-62.1
EPRA earnings after company-specific adjustments ³	in MEUR	86.9	128.5	-32.3
EPRA earnings per share after company-specific adjustments ³	in EUR	0.64	1.04	-38.6
EPRA net initial yield ⁴	in %	5.5	5.6	n. a.
EPRA "topped-up" net initial yield ⁴	in %	5.9	6.0	n. a.
EPRA cost ratio including direct vacancy costs	in %	20.1	21.8	n. a.
EPRA cost ratio excluding direct vacancy costs	in %	16.8	18.9	n. a.
EPRA capital expenditure	in MEUR	346.5	153.7	≥ +100.0%

¹ See calculations in the section "EPRA Financial Indicators".

² The EPRA vacancy rate is based on the ratio of the estimated market rent for the vacant space in the standing investments to the total estimated market rent for the standing investment portfolio.

³ The comparative data was adjusted.

⁴ The EPRA NIY has been adjusted for Q1-3 2022 to reflect the retail property acquisitions made in September.

Stock exchange data

		30 09 2022	31 12 2021	Change in %
Book value per share	in EUR	28.30	27.44	3.1
Share price at end of period	in EUR	12.48	22.54	-44.6
Discount of share price to EPRA NTA diluted per share	in %	58.3	22.8	n. a.
Total number of shares		138,669,711	123,293,795	12.5
thereof number of treasury shares		695,585	1,028	≥ +100.0%
Market capitalisation at end of period	in MEUR	1,730.6	2,779.0	-37.7
		Q1-3 2022	Q1-3 2021	Change in %
Earnings per share (basic) ¹	in EUR	1.82	2.40	-24.0
Earnings per share (diluted) ²	in EUR	1.82	2.20	-17.1

¹ Number of shares for the calculation (basic): 136,493,246 for Q1-3 2022 and 123,293,780 for Q1-3 2021

² Number of shares for the calculation (diluted): 136,493,246 for Q1-3 2022 and 137,196,443 for Q1-3 2021

The plus and minus signs assigned to the changes reflect the business point of view: improvements are shown with a plus sign (+), deteriorations with a minus sign (-). Very high positive or negative per cent changes are reported as ≥+100.0% or ≤-100.0%. The designation "not applicable" (n. a.) is used when there is a change in the sign (i.e. from plus to minus or from minus to plus) and for changes in percentage rates. Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Consolidated Interim Financial Report

Business Development

IMMOFINANZ produced excellent results for the first three quarters in spite of the challenging environment: Rental income reached a high EUR 216.9 million, the results of asset management improved by 3.2% to EUR 168.4 million, and sustainable FFO 1 from the standing investment business (including the S IMMO dividend) rose by more than 15% to EUR 115.9 million.

The attainment of majority control by the CPI Property Group triggered several non-recurring effects in the first half-year. These effects included, among others, higher costs in connection with the takeover offers by the CPI Property Group and S IMMO, the related premature repayment of corporate bonds due to the change of control, and the resignation of two Executive Board members.

The results of operations totalled EUR 117.8 million and operating profit, which was supported by positive property revaluations, amounted to EUR 186.6 million. In total, IMMOFINANZ generated net profit of EUR 248.6 million, or earnings per share of EUR 1.82, in the first three quarters of 2022.

Outlook

Based on the results for the first three quarters of 2022 and the retail property acquisitions made at the end of September, IMMOFINANZ expects FFO 1 before tax (including S IMMO dividend) of approximately EUR 135 million for the full 2022 financial year.

Income statement

All amounts in TEUR	Q1-3 2022	Q1-3 2021
Rental income	216,902	216,387
Results of asset management	168,358	163,067
Results of property sales	4,965	24,057
Results of property development	-7,775	24,060
Other operating income	3,188	1,514
Other operating expenses	-50,941	-32,336
Results of operations	117,795	180,362
Revaluation result from standing investments and goodwill	68,757	54,045
Operating profit (EBIT)	186,552	234,407
Financial results	122,385	91,781
Earnings before tax (EBT)	308,937	326,188
Net profit or loss	248,645	295,661

Rental income was stable in year-on-year comparison at EUR 216.9 million in the first three quarters of 2022 (Q1–3 2021: EUR 216.4 million). However, the first three quarters of 2021 were positively influenced by a non-recurring compensation payment of EUR 6.7 million from a major tenant for a pandemic-related reduction in space. After an adjustment for this non-recurring effect, rental income rose by 3.4%. The increase was supported by the sound development of like-for-like rental income, the purchase of a STOP SHOP retail park in Italy, and the completion of development projects which more than offset the sale of properties. Like-for-like rental income (adjusted for acquisitions, sales and completions) rose by a solid 7.9% year-on-year in the third quarter of 2022, while a comparison of the first three quarters of 2022 with the previous year period shows a plus of 6.6%.

Property expenses declined by 13.7% to EUR -37.5 million, above all due to a substantial reduction in the write-off of rents receivable included in this position to EUR -1.7 million (Q1–3 2021: EUR -10.9 million). These write-offs represented support by IMMOFINANZ for its tenants during the pandemic-related lockdown periods in 2020 and 2021. Maintenance costs totalled EUR -13.0 million for the reporting period (Q1–3 2021: EUR -8.5 million). The results of asset management rose by 3.2% to EUR 168.4 million (Q1–3 2021: EUR 163.1 million).

The results of property sales amounted to EUR 5.0 million (Q1–3 2021: EUR 24.1 million) and were influenced, above all, by the full write-off of a EUR -12.9 million purchase price receivable from Russia during the second quarter. This receivable originated from the sale of the Russian portfolio in 2017 and was scheduled for settlement in the first half of 2022. As a consequence of the war in Ukraine and the related sanctions against the Russian Federation together with the accompanying effects – in particular, the payment restrictions imposed by Russia – management classified this receivable as uncollectible. IMMOFINANZ holds no other receivables or liabilities from the sale of the Russian portfolio and is currently reviewing all legal options to assert this claim.

Property sales totalled EUR 100.2 million and consisted primarily of an office building in Prague and non-core land in Turkey.

The results of property development equalled EUR -7.8 million (Q1–3 2021: EUR 24.1 million) and reflect the increase in construction costs for individual projects, which resulted from changes in the operating environment.

Results of operations

Other operating expenses increased to EUR -50.9 million as a result of non-recurring effects (Q1–3 2021: EUR -32.3 million). These expenses generally involved consulting fees related to the takeover offers for IMMOFINANZ by the CPI Property Group and S IMMO, expenses due to the resignation of Dietmar Reindl and Stefan Schönauer from the Executive Board, and digitalisation projects. The results of operations amounted to EUR 117.8 million (Q1–3 2021: EUR 180.4 million).

Revaluation and operating profit

Results from the revaluation of standing investments totalled EUR 68.8 million (Q1–3 2021: EUR 54.0 million). Retail properties were responsible for EUR 49.8 million of the value appreciation, which covered STOP SHOPS as well as VIVO! shopping centers and reflected the pandemic-related improvement in the market environment. Revaluations in the standing office investments amounted to EUR 27.4 million and were supported by positive effects at buildings in Warsaw, Vienna and Prague. The write-downs of EUR -8.3 million involved miscellaneous properties.

Operating profit (EBIT) equalled EUR 186.6 million (Q1–3 2021: EUR 234.4 million).

Financial results and investments

Financing costs declined by 8.7% to EUR -56.5 million (Q1–3 2021: EUR -61.9 million). The substantial year-on-year increase in other financial results to EUR 139.7 million (Q1–3 2021: EUR 20.3 million) was based primarily on the positive valuation of interest rate derivatives (EUR 147.1 million) in line with the upturn in long-term interest rates and demonstrates the Group's effective hedging policy. These factors were contrasted by costs of EUR -5.6 million for the repurchase of corporate bonds at 101% of the nominal value as a consequence of the change of control.

The share of results from equity-accounted investments totalled EUR 37.0 million for the reporting period. In the first three quarters of the previous year, this position had been influenced by the strong positive revaluation of the S IMMO investment (Q1–3 2021: EUR 131.5 million). The S IMMO investment was responsible for a proportional earnings share of EUR 33.1 million in the first three quarters of 2022 (Q1–3 2021: EUR 128.0 million). Financial results amounted to EUR 122.4 million in the first three quarters of 2022 (Q1–3 2021: EUR 91.8 million).

Net profit

Profit before tax totalled EUR 308.9 million (Q1–3 2021: EUR 326.2 million). Income taxes rose to EUR -60.3 million (Q1–3 2021: EUR -30.5 million), above all due to the increase in deferred tax expenses that resulted from the positive valuation of interest rate derivatives. Net profit equalled EUR 248.6 million (Q1–3 2021: EUR 295.7 million) and represents earnings per share* of EUR 1.82 (Q1–3 2021: EUR 2.20).

Funds from operations (FFO)

Sustainable FFO 1 from the standing investment business (before tax) rose by 15.4% to EUR 115.9 million in the first three quarters of 2022 (Q1–3 2021 adjusted; see next paragraph: EUR 100.5 million). That represents FFO 1 per share of EUR 0.85 (Q1–3 2021 adjusted: EUR 0.81) and is based on a higher number of shares compared to the previous year (see the following table).

FFO 1 includes a dividend payment of EUR 12.7 million from S IMMO. In the previous year, the S IMMO dividend was only paid in the fourth quarter. To improve comparability, the 2021 dividend from S IMMO was adjusted to show a receipt of EUR 9.7 million in the reporting period.

The calculation of FFO 1 for the first three quarters of 2022 includes an adjustment to other operating expenses for non-recurring effects of EUR 17.4 million. These effects consist primarily of consulting fees related to the takeover offers for IMMOFINANZ by the CPI Property Group and S IMMO, expenses due to the resignation of two Executive Board members, and digitalisation projects.

* Number of shares included for Q1–3 2022: 136,493,246; number of shares included for Q1–3 2021: 137,196,443

All amounts in TEUR	P&L Q1–3 2022	Adjustment	FFO Q1–3 2022	FFO Q1–3 2021
Results of asset management	168,358	53	168,411	163,111
Results of property sales	4,966	-4,966	0	0
Results of property development	-7,775	7,775	0	0
Other operating income	3,188	-1,570	1,618	917
Other operating expenses	-50,941	17,414	-33,527	-27,461
Results of operations	117,795	18,707	136,502	136,568
Revaluation result from standing investments and goodwill	68,757	-68,757	0	0
Operating profit (EBIT)	186,552	-50,050	136,502	136,568
Financing costs	-56,509			
Financing income	1,474			
Foreign exchange differences	718			
Other financial results	139,701			
Net profit or loss from equity-accounted investments	37,001			
Financial results	122,385	-155,659	-33,274	-45,867
FFO 1 before tax (excluding S IMMO)	308,937	-205,709	103,228	90,701
FFO 1 per share before tax (excluding S IMMO) in EUR			0.76	0.74
Dividends received from S IMMO			12,675	0
FFO 1 before tax			115,903	90,701
FFO 1 per share before tax in EUR			0.85	0.74
Dividends from S IMMO adjusted to improve comparability (payment in 2021 only received in Q4 2021)			12,675	9,750
FFO 1 before tax (adjusted)			115,903	100,451
FFO 1 per share before tax in EUR (adjusted)			0.85	0.81
Number of shares (as per EPS formula) for the calculation			136,493,246	123,293,780

Balance sheet

The condensed balance sheet is shown below:

All amounts in TEUR	30 09 2022	in %	31 12 2021	in %
Investment property	4,877,918	83.4	4,736,375	75.0
Property under construction	349,400		474,311	
Real estate inventories	619		619	
Assets held for sale	350,932		9,030	
Other assets	183,773	2.7	60,783	0.9
Equity-accounted investments	555,104	8.3	521,476	7.5
Trade and other receivables	132,491	2.0	168,968	2.4
Cash and cash equivalents	237,660	3.6	987,146	14.2
Assets	6,687,897	100.0	6,958,708	100.0
Equity	3,876,770	58.0	3,350,618	48.1
Liabilities from convertible bonds	0	0.0	283,216	4.1
Financial liabilities	2,229,332	33.3	2,853,423	41.0
Trade and other payables	104,526	1.6	138,984	2.0
Other liabilities	198,493	3.0	58,254	0.8
Deferred tax liabilities	278,776	4.2	274,213	3.9
Equity and liabilities	6,687,897	100.0	6,958,708	100.0

The strong year-on-year increase in the equity ratio to 58.0% underscores IMMOFINANZ's robust balance sheet structure (31 December 2021: 48.1%). The net loan to value remained very conservative at 33.7%.

Equity increased by EUR 280.8 million during the reporting period following the conversion of convertible bonds. These conversions were serviced by the issue of roughly 15.4 million shares from conditional capital.

The property portfolio has a value of EUR 5.6 billion and represents 83.4% of total assets. These properties are reported on the balance sheet under the following positions: investment property, property under construction, real estate inventories and assets held for sale. Assets held for sale include properties as well as other assets which will be transferred to the buyer in the event of a sale.

Assets held for sale totalled EUR 350.9 million as of 30 September 2022 and include, among others, six office properties in Budapest and two office properties in Vienna. The closing for the sale of the two office properties in Vienna took place in the fourth quarter.

The equity-accounted investments of EUR 555.1 million include EUR 548.5 million attributable to S IMMO AG. Based on the roughly 19.5 million shares held by IMMOFINANZ, the book value of the S IMMO share equalled EUR 28.13 (31 December 2021: EUR 26.40).

Cash and cash equivalents amounted to EUR 237.7 million at the end of September 2022 (31 December 2021: EUR 987.1 million), respectively EUR 241.7 million including the cash and cash equivalents in disposal groups. The reduction since the end of the previous year is due chiefly to a liquidity outflow of EUR 568.8 million for the repayment of corporate bonds following a change of control event and to the closing for the acquisition of 36 retail properties in the third quarter of 2022.

EPRA Financial Indicators

EPRA net asset value

In accordance with the recommendations of the European Public Real Estate Association (EPRA), IMMOFINANZ has published an expanded version of the net asset value indicators (NAV indicators) beginning with the financial statements for 2020. The two previously published indicators – net asset value (NAV) and triple net asset value (NNNAV) were replaced by three new indicators: net reinstatement value (NRV), net tangible assets (NTA) and net disposal value (NDV).

These indicators are calculated in accordance with the EPRA Best Practices Recommendations, whereby adjustments are made beginning with IFRS equity to provide stakeholders with the most transparent information on the market value of the real estate company's assets and liabilities under various scenarios. The EPRA's NTA is the most relevant indicator for IMMOFINANZ's business activities and, consequently, serves as the primary indicator for net assets.

EPRA NAV indicators

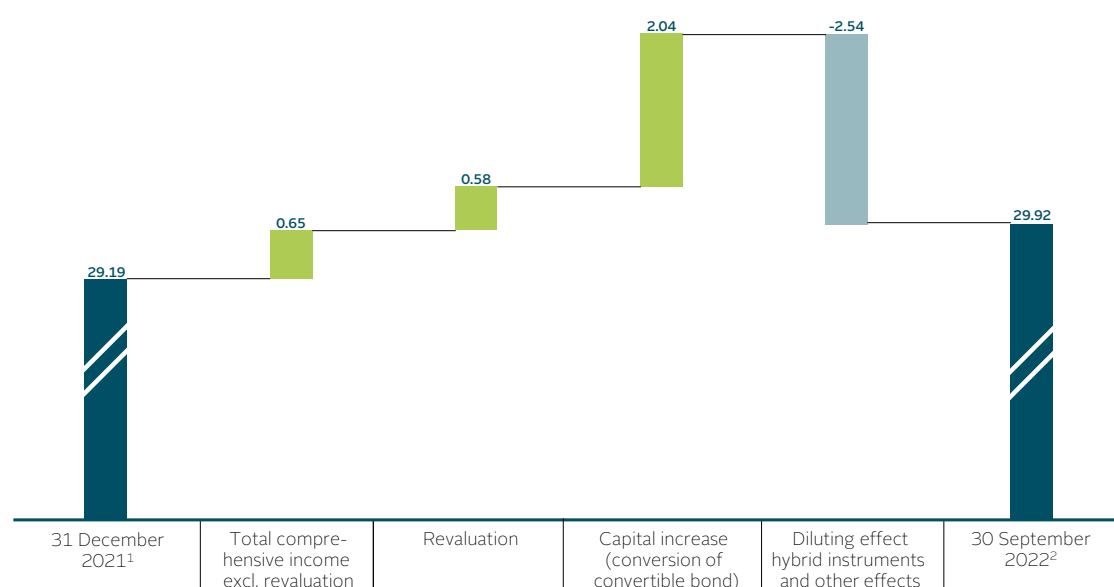
All amounts in TEUR	30 09 2022			31 12 2021		
	NRV	NTA	NDV	NRV	NTA	NDV
IFRS equity excluding non-controlling interests	3,905,021	3,905,021	3,905,021	3,383,544	3,383,544	3,383,544
Hybrid financial instruments (convertible bonds)	0	0	0	283,215	283,215	283,215
Diluted equity excluding non-controlling interests after an adjustment for convertible bonds and the exercise of options	3,905,021	3,905,021	3,905,021	3,666,759	3,666,759	3,666,759
Undisclosed reserves in other non-current investments	0	0	0	0	0	0
Deferred tax on non-current investments	0	0	0	0	0	0
Undisclosed reserves in real estate inventories	0	0	0	0	0	0
Deferred taxes on real estate inventories	0	0	0	0	0	0
Diluted equity excluding non-controlling interests after an adjustment for convertible bonds and the exercise of options as well as undisclosed reserves	3,905,021	3,905,021	3,905,021	3,666,759	3,666,759	3,666,759
Fair value of derivative financial instruments	-148,823	-134,290	0	-96	-96	0
Deferred taxes on derivative financial instruments	27,912	26,604	0	2	2	0
Deferred taxes on investment property	370,899	268,815	0	353,714	346,420	0
Goodwill resulting from deferred taxes	-17,411	-17,411	-17,411	-23,932	-23,932	-23,932
Other goodwill	0	0	0	0	0	0
Intangible assets	0	-119	0	0	-187	0
Effect of fair value measurement of financial liabilities	0	0	56,920	0	0	-23,053
Deferred taxes on the fair value measurement of financial liabilities	0	0	-14,230	0	0	5,763
Effect of fair value measurement of intangible assets	0	0	0	0	0	0
Real estate transfer tax and other purchaser's costs	184,485	80,177	0	193,439	64,537	0
EPRA NAV indicators	4,322,084	4,128,798	3,930,300	4,189,887	4,053,503	3,625,538
Number of shares excluding treasury shares	137,974,126	137,974,126	137,974,126	123,292,767	123,292,767	123,292,767
Potential number of shares	0	0	0	15,583,082	15,583,082	15,583,082
EPRA NAV indicators per share in EUR	31.33	29.92	28.49	30.17	29.19	26.11

The calculation of the EPRA NAV indicators as of 30 September 2022 does not include any potential shares from the conversion of the convertible bond 2017–2024 as a diluting effect because the convertible bond had been redeemed in full prematurely by the end of June 2022. Consequently, there were also no further diluting effects for hybrid financial instruments (convertible bonds) from an equity correction for the convertible bond 2017–2024.

The EPRA NTA per share rose by 2.5% from EUR 29.19 at the end of December 2021 to EUR 29.92 as of 30 September 2022. This increase is primarily attributable to the positive total comprehensive income generated during the reporting period and to the revaluation of properties (see the following reconciliation). The EPRA net asset value per share increased by a sound 4.1% to EUR 29.96 (31 December 2021: EUR 28.78).

The IFRS book value per share improved to EUR 28.30 despite an increase in the number of shares (31 December 2021: EUR 27.44).*

EPRA NTA bridge



¹ Number of shares as of 31 December 2021: 138,875,849

² Number of shares as of 30 September 2022: 137,974,126

The capital increase from conditional capital which was carried out by the company during the first half of 2022 to service the conversion rights from the convertible bond 2017–2024 had a positive effect on the NTA due to the increase in share capital. However, this development was offset by diluting effects, above all due to the higher number of shares (including potential shares) and the additional equity that must also be included.

* Number of shares for Q1–3 2022: 137,974,126; number of shares for 2021: 123,292,767

EPRA earnings per share

All amounts in TEUR	Q1–3 2022	Q1–3 2021
Weighted average number of shares in 1,000	136,493	123,294
Net profit or loss from continuing operations excluding non-controlling interests	248,802	295,779
Revaluation of investment properties and properties under construction	-65,430	-79,690
Results of property sales	-4,966	-24,058
Goodwill impairment, negative differences and earn-out effects on income ¹	236	117
Changes in fair value of financial instruments	-140,416	-22,042
Taxes in respect of EPRA adjustments ¹	40,725	29,458
EPRA adjustments in respect of joint ventures and non-controlling interests ¹	-111	-10,719
EPRA earnings¹	78,840	188,846
EPRA earnings per share in EUR¹	0.58	1.53
Company-specific adjustments		
One-time effects in other operating expenses	9,773	4,303
Valuation S IMMO	0	-85,274
Foreign exchange gains and losses	-719	-203
Deferred taxes in respect of company-specific adjustments ¹	-991	20,674
EPRA adjustments in respect of joint ventures and non-controlling interests for company-specific adjustments	-2	106
Company-specific adjusted EPRA earnings¹	86,900	128,451
EPRA earnings per share after company-specific adjustments in EUR¹	0.64	1.04

¹ The comparative data was adjusted.

EPRA earnings per share equalled EUR 0.58 in the first three quarters of 2022, compared with EUR 1.53 in the first three quarters of 2021. This decline resulted primarily from the reduction in net profit and the higher number of shares. After company-specific adjustments, EPRA earnings per share equalled EUR 0.64 per share.

EPRA net initial yield

All amounts in TEUR	Q1–3 2022	2021
Investment property	5,044,120	4,694,874
Investment property – proportional share of joint ventures	0	0
less undeveloped land	-169,390	-180,051
less undeveloped land – proportional share of joint ventures	0	0
Total property portfolio	4,874,730	4,514,824
Allowance for estimated purchaser's costs	172,263	169,742
Gross value of total standing investment portfolio	5,046,992	4,684,566
Annualised cash rental income	291,144	286,535
Non-recoverable property operating expenses	-24,227	-25,159
Annualised net rental income	266,918	261,376
Notional rent expiration of rent-free periods or other lease incentives	16,993	19,260
“Topped-up” net annualised rents	283,911	280,636
EPRA net initial yield in %	5.3	5.6
EPRA “topped-up” net initial yield in %	5.6	6.0

The EPRA net initial yield (NIY) equalled 5.3% in the first three quarters of 2022 and the “topped-up” NIY 5.6%. After an adjustment for the package acquisition of 36 retail properties in the Czech Republic and Poland during September 2022, the NIY equalled 5.5% and the “topped-up” NIY 5.9%.

EPRA vacancy rate

EPRA vacancy rate by core market

	30 09 2022				31 12 2021
	Rentable space in sqm	Market rent for vacant space/month in MEUR	Total market rent/month in MEUR	EPRA vacancy rate in %	EPRA vacancy rate in %
Standing investments					
Austria	246,786	0.1	3.3	2.8	3.2
Germany	65,945	0.3	1.5	18.2	20.4
Poland	436,403	0.2	6.1	3.0	3.7
Czech Republic	279,191	0.1	3.3	3.3	2.4
Hungary	225,634	0.1	2.6	3.7	3.7
Romania	339,553	0.7	4.7	15.5	8.6
Slovakia	187,959	0.1	2.2	5.4	5.1
Adriatic ¹	322,339	0.1	3.3	2.8	0.7
IMMOFINANZ	2,103,809	1.7	27.0	6.3	5.1

¹ Serbia, Slovenia, Italy and Croatia

EPRA vacancy rate by asset class and brand

	30 09 2022				31 12 2021
	Rentable space in sqm	Market rent for vacant space/month in MEUR	Total market rent/month in MEUR	EPRA vacancy rate in %	EPRA vacancy rate in %
Standing investments					
Office	869,778	1.3	13.2	9.8	8.6
thereof myhive	649,459	1.0	10.0	9.9	9.1
thereof office others	220,319	0.3	3.1	9.6	7.3
Retail	1,222,795	0.3	13.7	1.9	1.3
thereof VIVO!/shopping center	312,227	0.1	4.8	2.2	1.7
thereof STOP SHOP/retail park	864,767	0.1	8.5	1.7	1.1
IMMOFINANZ	2,103,809	1.7	27.0	6.3	5.1

The EPRA vacancy rate equalled 6.3% as of 30 September 2022 (31 December 2021: 5.1%) and rose to 9.8% in the office business. The increase over the level at year-end 2021 resulted primarily from the loss of two larger tenants in Romania. The retail portfolio was nearly fully rented with a vacancy rate of 1.9%, and the STOP SHOP retail parks had the lowest vacancy rate as of 30 September 2022 at 1.7%. Additional details on the property portfolio can be found in the "Portfolio Report" beginning on page 20.

EPRA cost ratio

All amounts in TEUR	Q1-3 2022	Q1-3 2021
Expenses from investment property	-37,480	-43,428
Net operating costs, excluding indirect costs that are recharged through rents but not invoiced separately	-4,564	-1,746
EPRA costs (including direct vacancy costs)	-42,045	-45,174
Vacancy costs	-6,889	-6,021
EPRA costs (excluding direct vacancy costs)	-35,156	-39,153
Gross rental income including service fees and service charge cost components	216,901	216,388
Less service fees and service charge cost components of gross rental income	-8,239	-8,803
Gross rental income	208,662	207,584
EPRA cost ratio (including direct vacancy costs) in %	20.1	21.8
EPRA cost ratio (excluding direct vacancy costs) in %	16.8	18.9

The EPRA cost ratio improved to 20.1% (Q1–3 2021: 21.8%) including direct vacancy costs and declined to 16.8% (Q1–3 2021: 18.9%) excluding direct vacancy costs. This positive development was based, above all, on the reduction of property expenses. The receivables write-offs included in these costs, which resulted from IMMOFINANZ's support for its tenants during the pandemic-related lockdown periods, were significantly reduced year-on-year and totalled EUR -1.7 million (Q1–3 2021: EUR -10.9 million).

For the calculation of the EPRA cost ratio, IMMOFINANZ capitalises only those expenses which will lead to a future economic benefit for the respective property. This is regularly the case for maintenance and expansion costs for real estate assets and for development costs related to property under construction. Overheads and operating costs are generally not capitalised.

EPRA capital expenditure

All amounts in TEUR	Q1–3 2022	Q1–3 2021
Acquisitions	265,006	74,589
Development projects	62,370	57,925
Investment property	19,145	21,222
thereof incremental lettable space	0	0
thereof no incremental lettable space	13,942	20,420
thereof tenant incentives	5,204	802
thereof other material non-allocated types of expenditure	0	0
EPRA capital expenditure	346,521	153,736

Joint ventures are included in capital expenditure in accordance with the EPRA requirements but are not reported because of missing values.

Capital expenditure totalled EUR 346.5 million in the first three quarters of 2022 (Q1–3 2021: EUR 153.7 million) and was concentrated on properties solely owned by IMMOFINANZ. These funds were used, above all, for the company's strategic expansion and development projects.

Acquisitions were related mainly to the purchase of a retail park in Italy (Udine) and to the package purchase of 36 retail properties in the Czech Republic and Poland during September.

The investments in development projects focused, above all, on an office building at the myhive am Wienerberg in Vienna, one STOP SHOP retail park in Croatia and one STOP SHOP retail park in Poland. Additional details on the property portfolio can be found in the "Portfolio Report" beginning on page 20.

EPRA loan-to-value

All amounts in TEUR	IMMOFINANZ as of 30 09 2022	S IMMO ¹ (26.49%) as of 30 06 2022	Combined (proportionated)
Include:			
Borrowings from financial institutions	1,860,865	254,453	2,115,318
Commercial paper		0	0
Hybrid financial instruments (including convertible bonds, preference shares, debt, options and perpetuals)		0	0
Bond loans	424,900	185,164	610,064
Foreign currency derivatives (futures, swaps, options and forwards)		0	0
Net payables		1,188	1,188
Owner-occupied property (debt)		0	0
Current accounts (equity characteristic)		0	0
Exclude:			
Cash and cash equivalents ¹	241,190	153,545	394,735
Net debt	2,044,575	287,259	2,331,834
Include:			
Owner-occupied property	0	767,309	767,309
Investment properties at fair value	4,826,248	65,270	4,891,518
Properties held for sale	323,199	1,987	325,186
Properties under development	349,400	0	349,400
Intangibles		0	0
Net receivables	28,482	0	28,482
Financial assets	1,179	0	1,179
Total property value	5,528,508	834,566	6,363,074
EPRA LTV in %	37.0	34.4	36.6

¹ Internal calculation based on publicly available data

The loan-to-value shows the relation of debt to the fair value of the properties as a percentage. The EPRA LTV is calculated in accordance with EPRA Best Practices Recommendations and has been reported since the first quarter of 2022. This calculation differs from IMMOFINANZ's conventional LTV (net) calculation primarily due to the following points:

	EPRA LTV	IMMOFINANZ net LTV
Financial liabilities	Nominal remaining debt	Carrying amount
Current receivables/liabilities	Net amount is included as an asset or a liability	Not included
Material subsidiaries not included through full consolidation	Assets and liabilities are included as a percentage of total capital	Not included, except for the investment in S IMMO (number of shares multiplied by the EPRA NAV per S IMMO share)

Financing

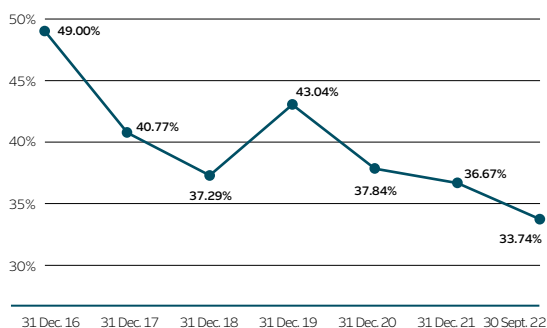
IMMOFINANZ had a robust balance sheet structure as of 30 September 2022 with a stronger equity ratio of 58.0% (31 December 2021: 48.1%) and an improved net loan-to-value ratio (net LTV) of 33.7% (31 December 2021: 36.7%).

Financial liabilities* declined to EUR 2.3 billion as of 30 September 2022 (31 December 2021: EUR 3.1 billion). This reduction resulted, above all, from the repayment of corporate bonds following a change of control event and the resulting cash outflows of EUR 568.8 million as well as the conversion and premature repayment of the convertible bond that was originally scheduled for redemption in 2024. In addition, the acquisition of 36 retail properties from the CPI Property Group was completed in September. The purchase price of EUR 191 million for these properties was financed from internal funds. Cash and cash equivalents, including cash and cash equivalents held for sale, therefore declined to EUR 241.7 million as of 30 September 2022 (31 December 2021: EUR 987.1 million). Net debt, i.e. debt after the deduction of cash and cash equivalents held by the Group, equalled EUR 2.0 billion (31 December 2021: EUR 2.1 billion).

A new, secured bank loan with a volume of EUR 108.0 million was arranged shortly after the end of the reporting period. Including this bank financing, cash and cash equivalents increased to EUR 349.7 million.

The unsecured, revolving corporate credit line of EUR 100.0 million concluded in March 2020 was extended prematurely during the reporting period and can be used at the company's discretion up to 30 June 2024. It was not in use as of the balance sheet date and is therefore available in full.

Development of net LTV



Calculation of net LTV as of 30 September 2022

Amounts in TEUR

Carrying amount of financing ¹	2,289,249.9
- Cash and cash equivalents ²	-241,703.9
Net carrying amount of financing	2,047,546.0
Carrying amount of property ³ and EPRA NAV of S IMMO shares ⁴	6,069,402.1
Net LTV in %⁵	33.7

¹ Including IFRS 5 values, excluding IFRS 16 values

² Cash and cash equivalents, including cash and cash equivalents in assets held for sale

³ Excluding rights of use, values as per IFRS 16

⁴ 19.5 million S IMMO shares at the EPRA NAV of EUR 29.26 per share as of 30 June 2022

⁵ Based on a recommendation of the European Public Real Estate Association (EPRA), the section "EPRA Financial Indicators" was expanded to include a new indicator "EPRA loan-to-value" beginning with the first quarter of 2022 (see page 16).

The average financing costs for IMMOFINANZ, including derivatives, equalled 2.11% per year as of 30 September 2022 (31 December 2021: 1.92% per year). The higher average total financing costs principally reflected the increase in market interest rates. The hedging quota equalled 84.4% (31 December 2021: 88.8%).

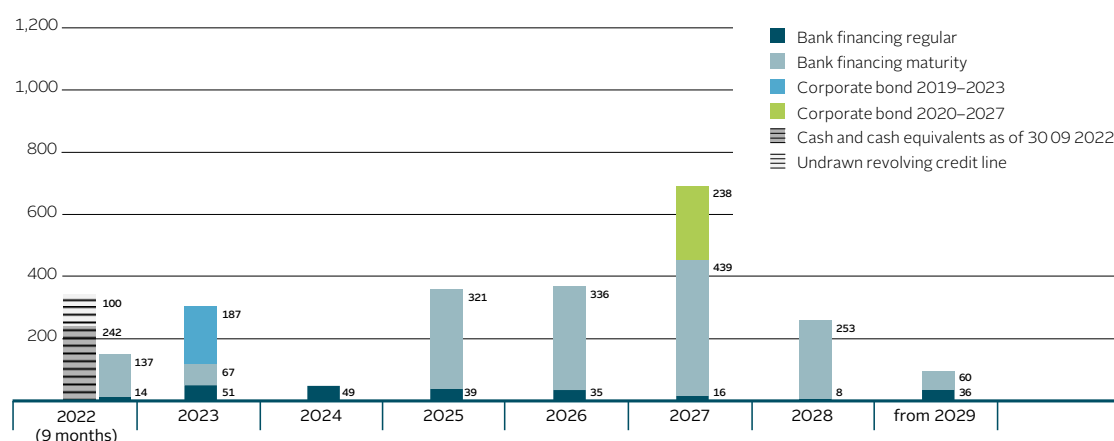
* Excluding lease liabilities of EUR 52.5 million in accordance with the application of IFRS 16; including IFRS 5

Term structure

The weighted average remaining term of financial liabilities increased to 4.00 years (2021: 3.75 years). The following graph shows the term structure of these financial liabilities by year as of 30 September 2022. The maturing financing volume for the 2022 financial year amounted to only EUR 137.0 million as of 30 September 2022. A total of EUR 201.1 million, or roughly 60% of the liabilities scheduled to expire this year, were refinanced over the long term. This long-term financing covered office properties in Warsaw as well as the STOP SHOP portfolio in Slovakia. IMMOFINANZ is in regular contact with its financing banks to discuss the premature extension of expiring financing, in particular for the 2022 and 2023 financial years, in order to further optimise the term structure.

Term structure of financial liabilities by financial year as of 30 September 2022

in MEUR



Unencumbered assets

In addition to properties which carry external financing and are encumbered through standard market collateral (e.g. mortgages, pledge of company shares), EUR 1,709.6 million, or 31.1%, of the total property portfolio were not externally financed and therefore unencumbered as of 30 September 2022 (31 December 2021: EUR 1,476.8 million or 28.6%). Including the S IMMO shares (valued at the EPRA NAV), which are also unencumbered, this value increases to EUR 2,280.2 million or 37.6%.

Composition of financial liabilities

The financial liabilities held by IMMOFINANZ include amounts due to financial institutions as well as liabilities from bonds. The composition of these liabilities as of 30 September 2022 is as follows:

Weighted average interest rate of the financial liabilities	Outstanding liability in TEUR as of 30 09 2022	Total average interest rate incl. expenses for derivatives in % ¹
Corporate bonds	428,130.9	2.56
Bank liabilities ²	1,861,119.0	2.01
IMMOFINANZ	2,289,249.9	2.11

¹ Based on nominal remaining debt

² Including IFRS 5

The remaining balance of the financial liabilities held by IMMOFINANZ totalled EUR 2,289.2 million as of 30 September 2022; this financing is denominated entirely in euros.

Bonds

The outstanding nominal value of the bonds declined significantly to EUR 424.9 million as of 30 September 2022 due to a change of control event (31 December 2021: EUR 1,277.3 million). Included here are two corporate bonds which were issued in January 2019 and October 2020.

Change of control event – corporate bonds

The acquisition of a controlling interest in IMMOFINANZ AG by the CPI Property Group (CPIPG) and the subsequent mandatory offer as defined by § 22 in connection with § 27 of the Austrian Takeover Act triggered a change of control event for both corporate bonds (terms ending in 2023 and 2027) at the beginning of March 2022. It entitled the bondholders to exercise their put right at 101% of the nominal value plus accrued interest up to the sale date on 25 April 2022. A nominal value of EUR 295.7 million was tendered by the holders of the corporate bond 2019–2023, and a nominal value of EUR 262.2 million was tendered by the holders of the corporate bond 2020–2027. Repayment was made on 27 April 2022 and led to cash outflows of EUR 568.8 million.

Convertible bond 2017–2024

IMMOFINANZ was informed on 3 December 2021 through a voting rights announcement in accordance with § 130 of the Austrian Stock Exchange Act of 2018 that CPIPG held an investment, directly and indirectly, of approximately 21.4% in the then share capital of IMMOFINANZ AG. This investment gave CPIPG a controlling interest in IMMOFINANZ AG as defined in § 22 in connection with § 27 of the Austrian Takeover Act. The conversion price was therefore temporarily adjusted to EUR 18.8987 in accordance with the issue terms (before the adjustment: EUR 20.6333) up to the control record date on 19 January 2022.

Conversions totalled EUR 291.3 million in the first half of 2022 and were serviced with 15,375,916 new shares. Due to the substantial reduction in the volume, IMMOFINANZ called the convertible bond for repayment prematurely on 29 April 2022 in accordance with the issue terms. Repayment was made at the end of June 2022 at a nominal amount of EUR 3.2 million (excluding the convertible bonds held by IMMOFINANZ) plus accrued interest.

Bonds	ISIN	Maturity	Coupon in %	Nominal value as of 31 12 2021 in TEUR	Repurchases/ redemptions/ conversions/ new issues 2022 in TEUR	Nominal value as of 30 09 2022 in TEUR
Corporate bond	XS1935128956	27 01 2023	2.63	482,800	-295,700	187,100
Corporate bond	XS2243564478	15 10 2027	2.50	500,000	-262,200	237,800
Convertible bond	XS1551932046	n. a.	1.50	294,500	-294,500	0
IMMOFINANZ			2.56¹	1,277,300	-852,400	424,900

¹ Weighted coupon in % based on the nominal value as of 30 September 2022

In the first quarter of 2019, IMMOFINANZ received a long-term issuer rating of BBB- with stable outlook from S&P Global Ratings. This rating and the outlook were confirmed during the annual review process in January 2022. S&P Global Ratings raised the rating to BBB (outlook: negative) in June 2022 based on IMMOFINANZ's membership in the CPIPG. In October 2022, CPIPG's rating was adjusted to BBB- (outlook: stable) and led to the readjustment of IMMOFINANZ's rating to BBB- (outlook: stable).

In connection with the issue of the corporate bond 2019–2023 and the corporate bond 2020–2027, IMMOFINANZ has committed to comply with the following standard financial covenants. These covenants are calculated on the basis of the consolidated IFRS financial statements.

Financial covenant	Threshold in %	Value as of 30 09 2022 in %
Net Debt to Value Ratio ¹	Max. 60.0	32.5
Secured Net Debt to Value Ratio ¹	Max. 45.0	25.3
Interest Coverage Ratio	Min. 150.0	324.9

¹ The values are based on the latest calculation as per the bond terms on or before 30 September 2022.

Portfolio Report

Focused implementation of updated portfolio strategy

The portfolio strategy followed by IMMOFINANZ is based on clearly defined brands that are supported by flexible and innovative offerings with high customer orientation. Following the majority takeover by the CPI Property Group, IMMOFINANZ presented an updated strategy in June. It calls for the continuation and further expansion of value-creating growth with a strong focus on retail properties and office solutions. Plans also include the strengthening of the company's position on the European retail park market with acquisitions and new construction under the successful and resilient STOP SHOP brand. In view of the recent positive development of retail turnover and visitor traffic, the expansion of the retail portfolio will be supported by investments in regional shopping centers that are compatible with the VIVO! brand. The development of the myhive office portfolio will continue to concentrate on the capital cities in IMMOFINANZ's core markets. Further activities include the sale of properties with a combined value of approximately EUR 1 billion and the investment of the proceeds in higher-yield properties in the IMMOFINANZ core markets or the use for the repayment of liabilities.

IMMOFINANZ's property portfolio grew to EUR 5.5 billion in the first three quarters of 2022 (31 December 2021: EUR 5.2 billion), primarily as the result of acquisitions in the retail business. Strategic sales involved, in particular, an office property in Prague and, after the end of the reporting period, two office buildings in Vienna.

Active portfolio management ensures that the properties are not only attractive for tenants but also sustainable from a social and environmental standpoint. In this way, IMMOFINANZ will continue to meet the needs of tenants and consumers in the retail area as well as tenants and their employees in the office business.

Property portfolio

The IMMOFINANZ portfolio covered 260 properties* as of 30 September 2022 (31 December 2021: 225 properties) with a combined value of EUR 5,498.8 million (31 December 2021: EUR 5,160.8 million). These properties are located, above all, in the core markets of Austria, Germany, Poland, Czech Republic, Slovakia, Hungary, Romania and Adriatic (Serbia, Slovenia, Italy and Croatia). Standing investments represent the largest component at EUR 4,874.4 million, or 88.6% of the carrying amount, and 2.1 million sqm of rentable space which generate steady rental income. Development projects are responsible for EUR 454.1 million or 8.3% of the carrying amount. Pipeline projects comprise EUR 170.3 million, or 3.1%, and include future planned development projects, undeveloped land and real estate inventories.

The portfolio is focused on clearly defined brands with a high degree of standardisation: **myhive** stands for flexible, international office solutions, **STOP SHOP** for profitable and resilient retail parks and **VIVO!** for regional shopping centers. These three brands were responsible for 81.4% of the carrying amount of the standing investment portfolio at the end of September 2022 and 89.5% of rental income (Q3 2022). A further 9.2% of the carrying amount is attributable to office buildings which are rented to single tenants. The largest of these properties are the City Tower in Vienna, which is leased to the Austrian government, and the FLOAT in Düsseldorf.

The application of IFRS 16 since the first quarter of 2019 leads to differences between the amounts presented in the portfolio report and on the balance sheet. Expert appraisals or internal valuation form the basis for the property values in the portfolio report. The reported property values on the balance sheet also include capitalised rights of use for building rights.

* In contrast to the previous procedure, properties that are held for sale and fall under IFRS 5 have been included in the portfolio report since the first half of 2022 (30 September 2022: EUR 350.9 million; see section 3.3 of the supplementary information). However, these properties are not included in the comparative prior year data.

Property portfolio by core market and classification

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR ¹	Property portfolio in MEUR	Property portfolio in %
Austria	31	877.5	94.4	28.2	1,000.1	18.2
Germany	5	466.7	163.0	0.6	630.3	11.5
Poland	31	1,025.6	7.9	0.0	1,033.4	18.8
Czech Republic	48	666.7	0.0	0.0	666.7	12.1
Hungary	23	385.4	74.5	2.7	462.6	8.4
Romania	37	639.7	69.9	85.8	795.3	14.5
Slovakia	21	334.2	0.0	1.3	335.4	6.1
Adriatic ²	63	478.7	44.5	43.5	566.7	10.3
Other countries ³	1	0.0	0.0	8.5	8.5	0.2
IMMOFINANZ	260	4,874.4	454.1	170.3	5,498.8	100.0
in %		88.6	8.3	3.1	100.0	

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

¹ Including real estate inventories (Cologne and Adama) totalling EUR 0.6 million

² In declining order based on the carrying amount: Serbia, Slovenia, Croatia and Italy

³ Turkey

Acquisitions, investments and sales

IMMOFINANZ continued the strategic expansion of its profitable and resilient STOP SHOP retail park brand in the first three quarters of 2022 and in Udine acquired its second location in the northeast of Italy during March. This acquisition represents the largest retail park in the STOP SHOP portfolio with roughly 33,000 sqm. In September, 53 fully rented retail properties in the Czech Republic, Poland, Slovakia and Hungary were purchased from the CPI Property Group, the majority shareholder of IMMOFINANZ AG, for EUR 324.2 million. The closing for 36 retail properties in the Czech Republic and Poland, which have 108,000 sqm of rentable space in total, took place on 19 September 2022. The purchase price of EUR 191 million for these properties was financed internally. The closing for the two retail parks in Hungary, which have roughly 33,600 sqm of rentable space, occurred in mid-October after the end of the reporting period. The acquisition of the 15 properties in Slovakia is expected to take place in the coming months. Since the CPI Property Group holds roughly 77% of the IMMOFINANZ shares, this package acquisition represents a “transaction with related parties” from a legal standpoint. These types of transactions are subject to high transparency and compliance requirements, and IMMOFINANZ is committed to maintaining the highest corporate governance standards.

Investments in the real estate portfolio totalled EUR 350.2 million in the first three quarters of 2022 (Q1-3 2021: EUR 156.4 million).

Properties with a combined value of EUR 100.2 million were sold during the reporting period (Q1–3 2021: EUR 259.6 million). Included here are the BBC Gamma office building in Prague, which was sold to the Passerinvest Group, and non-core land sites in Turkey. In November, after the end of the reporting period, two office buildings in Vienna were sold to the Austrian Winegg Group at an attractive market price of approximately EUR 60.0 million.

Standing investments

The 195 standing investments had a combined carrying amount of EUR 4,874.4 million as of 30 September 2022 (31 December 2021: 153 standing investments with a carrying amount of EUR 4,506.2 million). Of this total, 56.1% are attributable to office properties and 43.6% to retail properties. The focal point of the standing investments based on the carrying amount are the markets in Poland (EUR 1,025.6 million), Austria (EUR 877.5 million) and the Czech Republic (EUR 666.7 million). The rentable space in this portfolio totalled 2,103,809 sqm at the end of September (31 December 2021: 1,939,581 sqm). The standing investment portfolio had a gross return* of 6.0% based on IFRS rental income and a return* of 6.4% based on invoiced rents. The difference is explained by the accrual of rental incentives – e.g. the standard market practice of granting rent-free periods or allowances for fit-out costs. These incentives must be accrued on a straight-line basis over the contract term in accordance with IFRS (basis for gross return under IFRS) but are not included in the invoiced rent. The return was adjusted to reflect the acquisition of retail properties in September.

The occupancy rate remained high at 94.0% (31 December 2021: 95.1%; 30 September 2021: 94.1%). According to the EPRA's calculation formula, the vacancy rate equalled 6.3% (31 December 2021: 5.1%; 30 September 2021: 6.3%). The EPRA vacancy rate is based on the ratio of the estimated market rent for the vacant space in the standing investments to the total estimated market rent for the standing investment portfolio (additional information on the EPRA financial indicators can be found beginning on page 11). Take-up in standing investments and development projects totalled roughly 182,200 sqm in the first three quarters of 2022 (excluding standing investments in the Other asset class). The take-up includes 87,000 sqm of new rentals and 95,200 sqm of contract extensions. The average unexpired lease term weighted by rental income (WAULT**) equalled 3.4 years as of 30 September 2022 (31 December 2021: 4.3 years).

Contract expiration profile: standing investments (total)

Expiring rental contracts as of the earliest possible contract end in relation to the total rented space (only GLA space¹):

1 year in %	2 years in %	3 years in %	4 years in %	5 years in %	> 5 years in %	> 10 years in %
13	15	15	18	13	24	2

¹ Gross lettable area: the total area available to tenants for their exclusive use; excludes common areas, e.g. traffic, parking and service areas, etc.

* The return was adjusted to reflect the retail property acquisitions made in September.

** Average unexpired lease term weighted by rental income, excluding open-ended contracts

Standing investments by core market

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Austria	25	877.5	18.0	246,786	240,040	97.3
Germany	2	466.7	9.6	65,945	52,751	80.0
Poland	30	1,025.6	21.0	436,403	422,520	96.8
Czech Republic	48	666.7	13.7	279,191	271,655	97.3
Hungary	19	385.4	7.9	225,634	218,440	96.8
Romania	15	639.7	13.1	339,553	278,207	81.9
Slovakia	20	334.2	6.9	187,959	179,605	95.6
Adriatic ¹	36	478.7	9.8	322,339	313,588	97.3
IMMOFINANZ	195	4,874.4	100.0	2,103,809	1,976,806	94.0

Standing investments	Rental income Q3 2022 in MEUR	Gross return (invoiced rents return) in %	Carrying amount financing in MEUR	Financing costs floating interest in % ²	Financing costs incl. derivatives in %	LTV in %
Austria	10.1	4.6 (4.8)	355.2	2.4	1.6	40.5
Germany	3.2	2.8 (3.0)	209.1	2.4	1.8	44.8
Poland	15.9	6.4 (6.8) ⁵	490.0	3.0	2.4	47.8
Czech Republic	6.9	5.5 (5.8) ⁵	253.9	2.5	1.5	38.1
Hungary	6.9	7.1 (7.5)	189.7	3.1	1.9	49.2
Romania	11.0	6.9 (8.3)	0.0	0.0	0.0	0.0
Slovakia	5.9	7.0 (7.4)	186.0	2.4	2.2	55.7
Adriatic ¹	10.4	8.7 (8.9)	95.5	3.1	2.9	20.0
IMMOFINANZ	70.4	6.0 (6.4)⁵	1,779.6	2.7	2.0	36.5
Development projects and pipeline projects	1.5		81.6	3.1	2.4	
Rental income from sold properties and adjustments	0.8		0.0	0.0	0.0	
Group financing	0.0		428.1	0.0	2.6	
IMMOFINANZ	72.7		2,289.2	2.7	2.1	
Market value property portfolio in MEUR						5,498.8
EPRA NAV S IMMO shares (19.5 million shares) ³ in MEUR						570.6
Cash and cash equivalents ⁴ in MEUR			-241.7			
IMMOFINANZ in MEUR			2,047.5			6,069.4
Net LTV in %						33.7

¹ In declining order based on the carrying amount: Serbia, Slovenia, Italy and Croatia

² Financing costs based on nominal outstanding liability

³ 19.5 million S IMMO shares at the EPRA NAV of EUR 29.26 per share as of 30 June 2022

⁴ Cash and cash equivalents including cash and cash equivalents in assets held for sale

⁵ The return was adjusted to reflect the retail property acquisitions made in September.

Further 8% growth in like-for-like rental income

A like-for-like analysis (i.e. acquisitions, completions and sales are deducted to facilitate comparison with prior periods) shows a further sound improvement of 7.9% in rental income from EUR 63.8 million in the third quarter of 2021 to EUR 68.8 million during the third quarter of 2022. All core markets – led by Austria – recorded positive development. Like-for-like rental income rose by 7.0% in the office business and by 8.7% in the retail business, whereby the main driving factors included higher turnover-based rents in retail properties and index adjustments to rents.

A comparison of the first three quarters of 2022 with the previous year show an increase of EUR 12.5 million, or 6.6%, in like-for-like rental income to EUR 202.3 million (office: +6.3%; retail: +6.8%).

Standing investments like-for-like by core market

Standing investments like-for-like ¹	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rental income Q3 2022 in MEUR	Rental income Q3 2021 in MEUR	Change in rental income in MEUR
Austria	24	842.9	18.8	10.0	8.6	1.3
Germany	2	466.7	10.4	3.2	2.9	0.3
Poland	24	998.4	22.2	15.9	14.7	1.2
Czech Republic	18	501.5	11.2	6.9	6.3	0.6
Hungary	19	385.4	8.6	6.9	6.7	0.2
Romania	13	599.1	13.4	12.0	11.1	0.9
Slovakia	20	334.2	7.4	5.9	5.7	0.2
Adriatic	33	359.1	8.0	8.1	7.8	0.3
IMMOFINANZ	153	4,487.3	100.0	68.8	63.8	5.0
Rental income from properties sold/ acquired, IFRS 15 and IFRS 16 adjustments and development projects				3.9		
IMMOFINANZ				72.7		

Standing investments like-for-like by asset class and brand

Standing investments like-for-like ¹	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rental income Q3 2022 in MEUR	Rental income Q3 2021 in MEUR	Change in rental income in MEUR
Office	43	2,671.8	59.5	31.5	29.5	2.1
thereof myhive	28	1,844.0	41.1	23.0	21.4	1.6
thereof office other	15	827.8	18.4	8.6	8.1	0.4
Retail	110	1,815.5	40.5	37.3	34.3	3.0
thereof VIVO!/shopping center	10	692.7	15.4	14.7	12.8	1.9
thereof STOP SHOP/retail park	98	1,111.2	24.8	22.4	21.2	1.1
IMMOFINANZ	153	4,487.3	100.0	68.8	63.8	5.0

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

¹ This calculation only includes the properties which were fully owned by IMMOFINANZ during both periods. In other words, the calculation excludes new acquisitions, completions and sales.

Office standing investments

The carrying amount of the 45 office standing investments totalled EUR 2,733.3 million as of 30 September 2022 (31 December 2021: 42 standing investments with a carrying amount of EUR 2,713.0 million). These assets represented 56.1% of the standing investment portfolio and 32.2% of the rental income from standing investments in the third quarter of 2022. A regional analysis shows the focal point of the IMMOFINANZ office properties in the core markets of Austria (EUR 724.1 million), Poland (EUR 716.0 million) and Germany (EUR 466.7 million).

The office portfolio had 869,778 sqm of rentable space as of 30 September 2022 (31 December 2021: 866,700 sqm). Based on annualised rents (Q3 2022: EUR 32.2 million), the office portfolio generated a gross return of 4.7% and a return of 5.0% based on invoiced rents. The office properties in the myhive brand represent a carrying amount of EUR 1,905.6 million and generated a gross return of 5.0%, respectively 5.3% based on invoiced rents.

The occupancy rate in the office portfolio equalled 89.1% at the end of September (31 December 2021: 90.6%; 30 September 2021: 90.2%). The core markets of Austria, Poland, Hungary, Czech Republic, Slovakia and Adriatic (Croatia) have very high occupancy rates ranging from 91.4% (Slovakia) to 100.0% (Adriatic). The lower occupancy rate in Germany is attributable to the reduction of space by an individual tenant who was hard hit by the COVID-19 pandemic; part of this space is currently undergoing renovation. In Romania, the exit of two large tenants was mainly responsible for the temporary decline in the occupancy rate. Based on the EPRA's calculation formula, the vacancy rate in the office portfolio equalled 9.8% (31 December 2021: 8.6%). Take-up in the standing investments and development projects in the office portfolio totalled 105,800 sqm in the first three quarters of 2022. Approximately 47,500 sqm represented new rentals and roughly 58,300 sqm contract extensions.

The tenant structure in the office portfolio remains balanced. The ten largest tenants were responsible for 21.5% of the space in the office standing investments, and no single tenant has rented more than 3.3% of the total space in these properties. The WAULT* equalled 3.5 years as of 30 September 2022 (31 December 2021: 4.0 years).

Contract expiration profile: office standing investments

Expiring rental contracts as of the earliest possible contract end in relation to the total rented space (only GLA space¹):

1 year in %	2 years in %	3 years in %	4 years in %	5 years in %	> 5 years in %	> 10 years in %
16	15	16	16	11	24	2

¹ Gross lettable area: the total area available to tenants for their exclusive use; excludes common areas, e.g. traffic, parking and service areas, etc.

An overview of the IMMOFINANZ office properties can be found under <https://immofinanz.com/en/office/office-search>.

Key data on the office standing investments by category

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
IMMOFINANZ	45	2,733.3	100.0	869,778	775,119	89.1
thereof myhive	30	1,905.6	69.7	649,459	585,140	90.1
thereof office other	15	827.8	30.3	220,319	189,979	86.2
Standing investments	Rental income Q3 2022 in MEUR	Gross return (invoiced rents return) in %	Carrying amount financing in MEUR	Financing costs floating interest in % ¹	Financing costs incl. derivatives in %	LTV in %
IMMOFINANZ	32.2	4.7 (5.0)	1,104.4	2.7	1.9	40.4
thereof myhive	23.6	5.0 (5.3)	783.7	2.9	2.1	41.1
thereof office other	8.6	4.1 (4.4)	320.7	2.3	1.2	38.7

¹ Financing costs based on nominal outstanding liability

* Average unexpired lease term weighted by rental income, excluding open-ended contracts

Retail standing investments

The carrying amount of the 149 standing investments in the retail portfolio totalled EUR 2,127.4 million as of 30 September 2022 (31 December 2021: 111 standing investments with a carrying amount of EUR 1,793.1 million). These properties represented 43.6% of the standing investment portfolio and generated 39.6% of the rental income from standing investments in the third quarter of 2022. The largest regional markets were the Adriatic (Serbia, Slovenia, Italy and Croatia) with EUR 450.4 million, the Czech Republic with EUR 371.6 million and Romania with EUR 361.8 million. The STOP SHOP retail parks had a carrying amount of EUR 1,369.0 million and a gross return* of 8.0%, respectively 8.2% based on invoiced rents*. The VIVO! shopping centers had a carrying amount of EUR 692.7 million; they generated a gross return of 8.5% and an invoiced rent return of 8.9%.

Based on annualised rents (Q3 2022: EUR 39.6 million), the retail portfolio had a gross return* of 8.2% and an invoiced rent return* of 8.5%. The return was adjusted to reflect the retail property acquisitions made in September. The acquisition of retail properties in the Czech Republic and Poland as well as the transfer of two STOP SHOP development projects to the standing investment portfolio increased the rentable space to 1,222,795 sqm (31 December 2021: 1,072,881 sqm). The occupancy rate in the retail properties remained high at 98.3% as of 30 September 2022 (31 December 2021: 98.7%; 30 September 2021: 97.4%). The STOP SHOP retail parks and VIVO! shopping centers reported occupancy rates of 98.4% and 97.9%, respectively. Take-up in the standing investments and development projects in the retail portfolio totalled 76,400 sqm in the first three quarters of 2022, whereby roughly 39,500 sqm were attributable to new rentals and 36,900 sqm to contract extensions.

IMMOFINANZ relies on a balanced tenant mix to create an optimal environment for retailers and their customers. All larger retail properties have solid international and local anchor tenants, but no single retailer has rented more than 4.1% of the total space in these properties. The WAULT** equalled 3.3 years as of 30 September 2022 (31 December 2021: 4.6 years).

Contract expiration profile: retail standing investments

Expiring rental contracts as of the earliest possible contract end in relation to the total rented space (only GLA space¹):

1 year in %	2 years in %	3 years in %	4 years in %	5 years in %	> 5 years in %	> 10 years in %
11	14	14	19	14	25	1

¹ Gross lettable area: the total area available to tenants for their exclusive use; excludes common areas, e.g. traffic, parking and service areas, etc.

An overview of the IMMOFINANZ retail properties can be found under <https://immofinanz.com/en/retail/retail-search>.

* The return was adjusted to reflect the retail property acquisitions made in September.

** Average unexpired lease term weighted by rental income, excluding open-ended contracts

Key data on the retail standing investments by category

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
IMMOFINANZ	149	2,127.4	100.0	1,222,795	1,201,687	98.3
thereof VIVO!/ shopping center	10	692.7	32.6	312,227	305,534	97.9
thereof STOP SHOP/ retail park	122	1,369.0	64.3	864,767	850,642	98.4
Standing investments	Rental income Q3 2022 in MEUR	Gross return (invoiced rents return) in %	Carrying amount financing in MEUR	Financing costs floating interest in % ²	Financing costs incl. derivatives in %	LTV in %
IMMOFINANZ	39.6	8.2 (8.5)¹	675.2	2.7	2.2	31.7
thereof VIVO!/ shopping center	14.7	8.5 (8.9)	210.4	2.9	2.2	30.4
thereof STOP SHOP/ retail park	24.7	8.0 (8.2) ¹	464.8	2.5	2.2	34.0

¹ The return was adjusted to reflect the retail property acquisitions made in September.

² Financing costs based on nominal outstanding liability

Development projects

The development projects had a carrying amount of EUR 454.1 million as of 30 September 2022, which represents 8.3% of the total property portfolio (31 December 2021: EUR 474.3 million and 9.2%). Of this total, EUR 379.7 million are active development projects and EUR 74.4 million are projects in the preparation or conception phase for which outstanding construction costs are not yet available. Included here are five STOP SHOP projects. The expected fair value of the active projects on completion amounts to EUR 457.5 million. The core markets of Germany and Austria represent the focus of these activities based on an expected fair value of EUR 168.3 million and EUR 81.3 million, respectively, followed by Hungary with EUR 79.7 million. The active development projects include, among others, an office building in the Düsseldorf Medienhafen and the modernisation of an existing office property in Vienna (myhive Urban Garden) where completion is planned for 2023. In Hungary, the myhive Haller Garden office building in Budapest was modernised. The standing investment myhive Victoria Park in Bucharest is also undergoing extensive modernisation and will then be integrated in the flexible myhive office concept. Projects in the Adriatic region include the development of five new retail parks under the STOP SHOP brand in the Croatian cities of Velika Gorica (opened in November), Daruvar, Gospić, Pazin and Vinkovci. In addition, the STOP SHOP location in the Croatian city of Ludbreg was expanded from roughly 3,000 sqm to over 6,000 sqm and opened in October 2022. The STOP SHOP in the Serbian city of Vršac is also undergoing expansion.

Development projects	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable space in sqm	Expected fair value after completion in MEUR	Expected rental income at full occupancy in MEUR	Expected yield after completion in % ¹
Austria	1	63.7	16.8	17.6	20,285	81.3	3.7	4.5
Germany	1	163.0	42.9	5.4	21,707	168.3	6.5	3.9
Poland	1	7.9	2.1	0.1	6,732	8.0	0.7	9.2
Hungary	1	74.5	19.6	4.2	33,895	79.7	5.9	7.5
Romania	1	39.0	10.3	6.2	21,127	45.2	3.4	7.5
Adriatic ²	7	31.7	8.4	39.6	48,997	75.0	5.9	8.3
Active projects	12	379.7	100.0	73.1	152,743	457.5	26.1	5.8
Projects in preparation	9	74.4						
IMMOFINANZ	21	454.1						

¹ Expected rental income after completion in relation to the current carrying amount, including outstanding construction costs

² Croatia and Serbia

Pipeline projects

Pipeline projects include future planned development projects, undeveloped land and/or temporarily suspended projects. These projects had a carrying amount of EUR 170.3 million as of 30 September 2022, or 3.1% of the total property portfolio (31 December 2021: EUR 180.3 million and 3.5%). Romania represents the focal point of these projects at EUR 85.8 million. Plans call for the further reduction of pipeline projects – above all land reserves in Romania – through sales in line with IMMOFINANZ's strategy.

Assets held for sale

The assets held for sale totalled EUR 350.9 million as of 30 September 2022 and include, among others, six office properties in Budapest and two office properties in Vienna. In September, IMMOFINANZ signed a letter of intent for the sale of its Hungarian office properties to S IMMO. The closing for the sale of the two office properties in Vienna took place in the fourth quarter. The assets held for sale have been included in the portfolio report since the first half of 2022 (31 December 2021: EUR 9.0 million). However, these properties, for which purchase contracts have already been signed, are not included in the comparative prior-year data. Additional details are provided in section 3.3 of the supplementary information.

Consolidated Interim Financial Report

Consolidated Balance Sheet

All amounts in TEUR	Notes	30 09 2022	31 12 2021
Investment property	3.1	4,877,918	4,736,375
Property under construction		349,400	474,311
Other tangible assets		7,061	5,836
Intangible assets		17,530	24,120
Equity-accounted investments	3.2.	555,104	521,476
Trade and other receivables		39,005	38,663
Income tax receivables		9	8
Other financial assets		143,976	17,382
Deferred tax assets		7,186	6,380
Non-current assets		5,997,189	5,824,551
Trade and other receivables		93,486	130,305
Income tax receivables		8,011	7,057
Assets held for sale	3.3	350,932	9,030
Real estate inventories		619	619
Cash and cash equivalents		237,660	987,146
Current assets		690,708	1,134,157
Assets		6,687,897	6,958,708
Share capital		138,670	123,294
Capital reserves		4,838,377	4,565,709
Treasury shares		-10,149	-23
Accumulated other equity		-190,331	-190,119
Retained earnings		-871,547	-1,115,317
Equity attributable to owners of IMMOFINANZ AG		3,905,020	3,383,544
Non-controlling interests		-28,250	-32,926
Equity	3.4	3,876,770	3,350,618
Financial liabilities		1,847,104	2,441,603
Trade and other payables		24,581	28,006
Income tax liabilities		2	2
Provisions		17,190	16,776
Deferred tax liabilities		278,776	274,213
Non-current liabilities		2,167,653	2,760,600
Liabilities from convertible bonds		0	283,216
Financial liabilities		382,228	411,820
Trade and other payables		79,945	110,978
Income tax liabilities		10,697	10,719
Provisions		28,947	30,757
Liabilities held for sale		141,657	0
Current liabilities		643,474	847,490
Equity and liabilities		6,687,897	6,958,708

Consolidated Income Statement

All amounts in TEUR	Notes	Q3 2022	Q1–3 2022	Q3 2021	Q1–3 2021
Rental income	4.1	72,748	216,902	71,399	216,387
Operating costs charged to tenants		31,333	85,837	22,173	64,533
Other revenues		566	1,740	156	656
Revenues		104,647	304,479	93,728	281,576
Expenses from investment property	4.2	-10,555	-37,478	-11,842	-43,424
Operating expenses		-35,730	-98,643	-25,626	-75,085
Results of asset management		58,362	168,358	56,260	163,067
Results of property sales	4.3	16,790	4,965	27,734	24,057
Results of property development	4.4	20	-7,775	2,086	24,060
Other operating income	4.5	1,168	3,188	322	1,514
Other operating expenses	4.6	-14,884	-50,941	-9,369	-32,336
Results of operations		61,456	117,795	77,033	180,362
Revaluation result from standing investments and goodwill	4.7	-5,931	68,757	1,503	54,045
Operating profit (EBIT)		55,525	186,552	78,536	234,407
Financing costs	4.8	-15,464	-56,509	-19,726	-61,883
Financing income	4.8	223	1,474	515	1,629
Foreign exchange differences		401	718	166	203
Other financial results	4.8	58,831	139,701	11,836	20,294
Net profit or loss from equity-accounted investments		9,568	37,001	7,424	131,538
Financial results	4.8	53,559	122,385	215	91,781
Earnings before tax (EBT)		109,084	308,937	78,751	326,188
Current income tax		-11,157	-20,519	-2,729	-8,479
Deferred tax		-12,002	-39,773	-8,985	-22,048
Net profit or loss from continuing operations		85,925	248,645	67,037	295,661
Net profit or loss from discontinued operations		0	0	0	0
Net profit or loss		85,925	248,645	67,037	295,661
thereof attributable to owners of IMMOFINANZ AG		85,967	248,802	67,119	295,779
thereof attributable to non-controlling interests		-42	-157	-82	-118
Basic earnings per share in EUR		0.62	1.82	0.55	2.40
Diluted earnings per share in EUR		0.62	1.82	0.51	2.20

Consolidated Statement of Comprehensive Income

All amounts in TEUR	Notes	Q3 2022	Q1–3 2022	Q3 2021	Q1–3 2021
Net profit or loss		85,925	248,645	67,037	295,661
Other comprehensive income (reclassifiable)					
Currency translation adjustment		-3,257	-4,218	369	6,595
thereof changes during the financial year		-363	-1,703	64	-2,045
thereof reclassification to profit or loss		-2,894	-2,515	305	8,640
Other comprehensive income from equity-accounted investments		4,554	10,958	515	1,358
thereof changes during the financial year		5,301	12,937	579	1,712
thereof income taxes		-747	-1,979	-64	-354
Total other comprehensive income (reclassifiable)		1,297	6,740	884	7,953
Other comprehensive income (not reclassifiable)					
Financial instruments at fair value through other comprehensive income		-336	-2,118	-52	-877
thereof changes during the financial year		-443	-2,781	-70	-1,170
thereof income taxes		107	663	18	293
Other comprehensive income from equity-accounted investments		-178	2,363	7,561	18,902
thereof changes during the financial year		-264	3,124	10,082	25,203
thereof income taxes		86	-761	-2,521	-6,301
Total other comprehensive income (not reclassifiable)		-514	245	7,509	18,025
Total other comprehensive income after tax		783	6,985	8,393	25,978
Total comprehensive income		86,708	255,630	75,430	321,639
thereof attributable to owners of IMMOFINANZ AG		86,750	255,787	75,512	321,757
thereof attributable to non-controlling interests		-42	-157	-82	-118

Consolidated Cash Flow Statement

All amounts in TEUR	Notes	Q1–3 2022	Q1–3 2021
Earnings before tax (EBT)		308,937	326,188
Revaluations of investment properties	4.7	-79,510	-82,732
Goodwill impairment and subsequent price adjustments		236	117
Write-downs and write-ups on receivables and other assets		15,755	10,925
Net profit or loss from equity-accounted investments		-37,001	-131,538
Foreign exchange differences and fair value measurement of financial instruments		-147,116	-14,756
Net interest income/expense		56,271	62,349
Results from deconsolidation		-4,611	-25,378
Other non-cash income/expense/reclassifications		-10,593	-10,904
Gross cash flow before tax		102,368	134,271
Income taxes paid		-9,389	-5,613
Gross cash flow after tax		92,979	128,658
Change in real estate inventories		16	44
Change in trade and other receivables		7,499	-116,679
Change in trade payables and other liabilities		-36,177	73,827
Change in provisions		-1,917	216
Cash flow from operating activities		62,400	86,066
Acquisition of investment property and property under construction		-150,083	-111,657
Business combinations and other acquisitions, net of cash and cash equivalents		-101,857	-23,765
Acquisition/sale of current assets		0	-1,000
Consideration transferred/paid from disposal of discontinued operations, net of cash and cash equivalents		214	97
Consideration transferred from disposal of subsidiaries, net of cash and cash equivalents		38,349	135,386
Acquisition of other non-current assets		-3,367	-2,765
Disposal of investment property and property under construction		5,498	52,608
Dividends received from equity-accounted investments	3.2	16,695	3,439
Interest or dividends received from financial instruments		1,276	1,089
Cash flow from investing activities		-193,275	53,432
Increase in financial liabilities plus decrease in blocked cash and cash equivalents		395,472	197,737
Repayment of financial liabilities plus increase in blocked cash and cash equivalents		-949,066	-308,593
Payments and conversion of convertible bonds		-3,200	0
Derivatives		-7,627	-11,636
Interest paid		-37,509	-37,852
Payments on mandatory convertible bond		0	-4,800
Transactions with non-controlling interest owners		-200	-8,501
Share buyback		-10,126	0
Cash flow from financing activities		-612,256	-173,645
Net foreign exchange differences		-2,311	-392
Change in cash and cash equivalents		-745,442	-34,539
Cash and cash equivalents at the beginning of the period (consolidated balance sheet item)		987,146	1,047,085
Plus cash and cash equivalents in disposal groups		0	4,333
Cash and cash equivalents at the beginning of the period		987,146	1,051,418
Cash and cash equivalents at the end of the period		241,704	1,016,879
Less cash and cash equivalents in disposal groups	3.3	4,044	0
Cash and cash equivalents at the end of the period (consolidated balance sheet item)		237,660	1,016,879

Consolidated Statement of Changes in Equity

All amounts in TEUR	Notes	Share capital	Capital reserves	Treasury shares	
Balance on 31 December 2021		123,294	4,565,709	-23	
Other comprehensive income			7,197		
Net profit or loss					
Total comprehensive income			7,197		
Capital increase from the conversion of convertible bonds		15,376	265,471		
Share buyback				-10,126	
Transactions with non-controlling interest owners					
Balance on 30 September 2022		138,670	4,838,377	-10,149	
Balance on 31 December 2020		123,294	4,702,527	-156,328	
Other comprehensive income			19,487		
Net profit or loss					
Total comprehensive income			19,487		
Transactions with non-controlling interest owners					
Disposal of non-controlling interests					
Balance on 30 September 2021		123,294	4,722,014	-156,328	

Accumulated other equity								
	Revaluation reserve	IAS 19 reserve	Hedge accounting reserve	Currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	-6,669	-408	-2,462	-180,580	-1,115,317	3,383,544	-32,926	3,350,618
	-6,938	-14	10,161	-3,421		6,985		6,985
					248,802	248,802	-157	248,645
	-6,938	-14	10,161	-3,421	248,802	255,787	-157	255,630
						280,847		280,847
						-10,126		-10,126
					-5,032	-5,032	4,833	-199
	-13,607	-422	7,699	-184,001	-871,547	3,905,020	-28,250	3,876,770
	-12,522	-408	-3,843	-177,909	-1,367,228	3,107,583	-23,876	3,083,707
	-1,462		1,381	6,572		25,978		25,978
					295,779	295,779	-118	295,661
	-1,462		1,381	6,572	295,779	321,757	-118	321,639
					-2,670	-2,670	-5,834	-8,504
						0	-2,002	-2,002
	-13,984	-408	-2,462	-171,337	-1,074,119	3,426,670	-31,830	3,394,840

Supplementary Information

1. Basis of Preparation

The consolidated interim financial report of IMMOFINANZ as of 30 September 2022 was prepared for the period from 1 January to 30 September 2022 (Q3 2022).

This consolidated interim financial report on IMMOFINANZ does not represent a report prepared in accordance with IAS 34. Information on the applied IFRS, significant accounting policies and further information and disclosures can be found in IMMOFINANZ's consolidated financial statements as of 31 December 2021, which form the basis for this consolidated interim financial report.

The consolidated interim financial report is presented in thousand euros ("TEUR", rounded). The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

2. Development of the Scope of Consolidation

The following table shows the development of the scope of consolidation in Q3 2022:

Scope of consolidation	Subsidiaries full consolidation	Joint ventures at equity	Associates at equity	Total
Balance on 31 December 2021	176	0	7	183
Companies initially included				
Other acquisitions	19	0	0	19
New foundations	1	0	0	1
Companies no longer included				
Sales	-3	0	0	-3
Mergers	-3	0	0	-3
Liquidations	-7	0	0	-7
Balance on 30 September 2022	183	0	7	190
thereof foreign companies	137	0	0	137
thereof in liquidation	1	0	0	1
thereof intragroup merger resolution adopted	7	0	0	7

3. Notes to the Consolidated Balance Sheet

3.1 Investment property

All amounts in TEUR	Q1–3 2022
Beginning balance	4,736,375
Disposals following the sale of subsidiaries	-95,379
Currency translation adjustments	-1,521
Additions	287,793
Disposals	-4,838
Revaluation	76,655
Reclassifications	86,883
Reclassification to assets held for sale	-208,050
Ending balance	4,877,918

The additions to investment property resulted primarily from the purchase of a retail park at the Terminal North in Italy and the acquisition of 36 retail properties in the Czech Republic and Poland. The reclassifications involve transfers from property under construction to investment property in Austria, Croatia and Romania as well as transfers of office properties in Budapest and Vienna to assets held for sale. Disposals represent the sale of land in Turkey. Disposals following the sale of subsidiaries involve the sale of the BBC Gamma office building in Prague through a share deal. Information on revaluation is provided under section 4.7.

3.2 Equity-accounted investments

The carrying amount of the equity-accounted investments totalled EUR 555.1 million as of 30 September 2022, whereby EUR 548.5 million are attributable to S IMMO AG. Based on the 19,499,437 shares held by IMMOFINANZ, the book value per share of S IMMO AG equals EUR 28.13. The share of results from equity-accounted investments reported on the income statement amounts to EUR 37.0 million, whereby EUR 33.1 million are attributable to S IMMO AG.

As of 30 September 2022, there were no objective indications of impairment to the S IMMO investment. The fair value used for the recoverability test was based on the market price of the S IMMO share plus a package premium. The package premium equalled 0% as of 30 September 2022 because the ongoing takeover offer by the CPI Property Group to the shareholders of S IMMO AG supports the assumption that the market would not be prepared to pay a package premium over the current market price for a non-controlling share package at the present time.

3.3 Assets and liabilities held for sale

Of the assets and liabilities held for sale as of 31 December 2021 no properties were sold during the first three quarters of 2022. Management's plans to sell remain in effect for the assets and liabilities which were classified as held for sale as of 31 December 2021, but which had not been sold as of 30 September 2022.

The assets and liabilities held for sale as of 30 September 2022 are summarised as follows:

All amounts in TEUR	Carrying amount as of 30 09 2022	Carrying amount as of 31 12 2021
Investment property	217,870	9,030
Property under construction	104,710	0
Other tangible assets	32	0
Intangible assets	2,183	0
Deferred tax assets	457	0
Trade and other receivables	7,103	0
Other financial assets	14,533	0
Cash and cash equivalents	4,044	0
Assets held for sale	350,932	9,030
Financial liabilities	112,386	0
Trade and other payables	11,189	0
Deferred tax liabilities	18,082	0
Liabilities held for sale	141,657	0

3.4 Equity

Capital increase from the conversion of the convertible bond 2017–2024

IMMOFINANZ was informed through a voting rights notification on 3 December 2021 in accordance with § 130 of the Austrian Stock Exchange Act of 2018 that the CPI Property Group (CPIPG) directly and indirectly held an investment of approximately 21.4% in the then share capital of IMMOFINANZ AG. Consequently, CPIPG was considered to have attained a controlling interest in IMMOFINANZ AG as defined in § 22 in connection with § 27 of the Austrian Takeover Act. The conversion price was therefore adjusted temporarily based on the issue terms to EUR 18.8987 (EUR 20.6333 before the adjustment) up to the control record date on 19 January 2022.

The capital increase from the conversion totalled EUR 280.8 million in the first three quarters of 2022, whereby 15,375,916 new shares were issued. Due to the substantial reduction in the volume (the nominal value outstanding after the conversion amounted to EUR 3.2 million), IMMOFINANZ called the convertible bond for repayment prematurely on 29 April 2022 in accordance with the issue terms.

Repurchase of treasury shares

The Executive Board and Supervisory Board approved a buyback programme for treasury shares based on an authorisation of the 27th annual general meeting on 1 October 2020 in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act (which was renewed by an authorisation of the 29th annual general meeting on 12 July 2022). A total of 694,557 shares were repurchased over the stock exchange between 20 June 2022 and 29 July 2022 for a weighted average price of EUR 14.58 per share. The share buyback programme ended on 31 July 2022.

IMMOFINANZ held 695,585 treasury shares as of 30 September 2022 (31 December 2021: 1,028 treasury shares).

4. Notes to the Consolidated Income Statement

4.1 Rental income

All amounts in TEUR	Office	Retail	Other	Q1–3 2022 Total
Office space	80,027	115	-601	79,541
Retail space	4,584	107,397	13	111,994
Other space	14,591	2,533	4	17,128
thereof parking areas	8,650	329	0	8,979
thereof warehouse space	2,863	276	-15	3,124
thereof hotel	1,308	0	0	1,308
thereof advertising and telecommunications	998	1,802	6	2,806
thereof other	772	126	13	911
Income from non-performance-related components of operating costs	4,190	3,945	104	8,239
Total	103,392	113,990	-480	216,902

All amounts in TEUR	Office	Retail	Other	Q1–3 2021 Total
Office space	89,768	160	188	90,116
Retail space	3,651	95,763	0	99,414
Other space	15,416	2,423	215	18,054
thereof parking areas	9,564	251	189	10,004
thereof warehouse space	3,067	280	1	3,348
thereof hotel	660	0	0	660
thereof advertising and telecommunications	1,091	1,767	6	2,864
thereof other	1,034	125	19	1,178
Income from non-performance-related components of operating costs	4,914	3,862	27	8,803
Total	113,749	102,208	430	216,387

The decline in the rental income from office space resulted primarily from a non-recurring compensation payment received for prematurely terminated rental agreements in the 2021 financial year.

4.2 Expenses from investment property

All amounts in TEUR	Q1–3 2022	Q1–3 2021
Commission expenses	-222	-259
Maintenance	-12,966	-8,488
Operating costs charged to building owners	-9,796	-9,670
Property marketing	-4,301	-3,036
Personnel expenses from asset management	-4,562	-3,613
Other expenses from asset management	-1,853	-1,747
Fit-out costs	-2,059	-4,990
Write-off of receivables from asset management	-1,681	-10,925
Other expenses	-38	-696
Total	-37,478	-43,424

The decline in receivables write-offs in 2022 is attributable to the COVID-19-related increase in write-offs during the previous year.

4.3 Result of property sales

All amounts in TEUR	Q1–3 2022	Q1–3 2021
Office	2,513	37,370
Retail	19	2,000
Other	2,283	12,164
Proceeds from property sales	4,815	51,534
Less carrying amount of sold properties	-4,815	-51,534
Net gain/loss from property sales	0	0
Results from deconsolidation	4,610	25,378
Sales commissions	-280	-1,898
Personnel expenses from property sales	-239	-244
Legal, auditing and consulting fees from property sales	-213	-1,623
Write-off of receivables from property sales	-12,945	0
VAT adjustments from the sale of properties	0	-534
Other expenses	-48	-63
Expenses from property sales	-13,725	-4,362
Revaluation results from properties sold and held for sale (see 4.7)	14,080	3,041
Total	4,965	24,057

The result of property sales totalled EUR 5.0 million in the first three quarters (Q1–3 2021: EUR 24.1 million) and were negatively influenced, above all, by the write-off in full of a EUR -12.9 million purchase price receivable from Russia. Sale transactions involved land in Turkey and the Czech company Gamma Building s.r.o.

4.4 Result of property development

All amounts in TEUR	Q1–3 2022	Q1–3 2021
Cost of real estate inventories sold	-3	-4
Write-down of real estate inventories	-1	0
Income and expenses related to written-off purchase price receivables from the sale of real estate inventories	-278	-128
Other expenses from real estate inventories	-1,158	118
Expenses from real estate inventories	-1,437	-10
Expenses from property development	-2,921	-1,473
Revaluation results from properties under construction (see 4.7)	-3,414	25,547
Total	-7,775	24,060

4.5 Other operating income

All amounts in TEUR	Q1–3 2022	Q1–3 2021
Expenses charged on	166	72
Insurance compensation	1,417	98
Income from derecognised liabilities	938	498
Reimbursement for penalties	27	5
Miscellaneous	640	841
Total	3,188	1,514

4.6 Other operating expenses

All amounts in TEUR	Q1–3 2022	Q1–3 2021
Administrative expenses	-972	-87
Legal, auditing and consulting fees	-15,320	-7,375
Penalties	-34	-547
Taxes and levies	-1,533	-812
Advertising	-2,675	-2,537
EDP and communications	-1,542	-1,106
Expert opinions	-472	-467
Personnel expenses	-22,408	-15,875
Other write-downs	-1,503	-1,242
Miscellaneous	-4,482	-2,288
Total	-50,941	-32,336

The increase in legal, auditing and consulting fees resulted primarily from a Group-wide digitalisation project and from expenses related to the takeover offers by the CPI Property Group and S IMMO.

The year-on-year increase in personnel expenses is based chiefly on one-off payments in connection with the departure of Dietmar Reindl and Stefan Schönauer from the Executive Board as of 8 June 2022.

4.7 Revaluation results from investment property and goodwill

All amounts in TEUR	Q1–3 2022			Q1–3 2021		
	Revaluation gains	Revaluation losses	Total	Revaluation gains	Revaluation losses	Total
Investment property	97,120	-28,277	68,843	79,483	-25,339	54,144
Property under construction	8,801	-12,215	-3,414	35,214	-9,667	25,547
Properties sold and held for sale	20,087	-6,007	14,080	4,792	-1,751	3,041
Total	126,008	-46,499	79,509	119,489	-36,757	82,732

4.8 Financial results

All amounts in TEUR	Q1–3 2022	Q1–3 2021
For financial liabilities AC	-50,561	-55,112
For derivative financial instruments	-5,948	-6,771
Total financing costs	-56,509	-61,883
For financial receivables AC	1,469	1,629
For derivative financial instruments	5	0
Total financing income	1,474	1,629
Foreign exchange differences	718	203
Profit or loss on other financial instruments and proceeds on the disposal of financial instruments	-6,127	7,006
Valuation of financial instruments at fair value through profit or loss	146,542	15,035
Distributions	798	935
Valuation adjustments and impairment of receivables	0	2
Negative interest on cash and cash equivalents	-1,512	-2,684
Other financial results	139,701	20,294
Net profit or loss from equity-accounted investments	37,001	131,538
Total	122,385	91,781

AC: financial assets/liabilities measured at amortised cost

The profit or loss on other financial instruments and proceeds on the disposal of financial instruments primarily represent the expenses from the repurchase of the corporate bonds, which were redeemed at 101% of the nominal value.

The valuation of financial instruments at fair value through profit or loss consists primarily of results from the measurement of derivative financial instruments (interest rate swaps).

Information on the net profit or loss from equity-accounted investments is provided in section 3.2.

5. Subsequent Events

IMMOFINANZ successfully completed the sale of two office properties in Vienna on 3 November 2022. The properties at Franz Josef Kai 27 and Schreyvogelgasse 2 were sold to the Austrian Winegg Group for roughly EUR 60 million.

On 21 November 2022, IMMOFINANZ announced that it had entered into negotiations with the CPI Property Group on the purchase of S IMMO shares. The potential transaction would involve at least 17,305,012 S IMMO shares and give IMMOFINANZ a majority stake in S IMMO. The possible purchase would presumably take place by the end of the 2022 financial year at an appropriate market price.

Financial Calendar 2023

30 March 2023 ¹	Announcement of the annual results 2022
25 May 2023 ¹	Announcement of results for the first quarter of 2023
16 June 2023	Record date for participation in the 30th annual general meeting
26 June 2023	30th annual general meeting
28 June 2023	Expected ex-dividend date
29 June 2023	Expected date for the determination of dividend rights (record date)
30 June 2023	Expected dividend payment date
30 August 2023 ¹	Announcement of results for the first half of 2023
29 November 2023 ¹	Announcement of results for the first three quarters of 2023

¹ Publication after the close of trading on the Vienna Stock Exchange.

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