



**CONSOLIDATED INTERIM  
FINANCIAL STATEMENTS  
ON THE FIRST QUARTER 2019**

**IMMOFINANZ**

# KEY FIGURES

## Earnings Data

		Q1 2019	Q1 2018	Change in %
Rental income	in MEUR	65.2	59.0	10.5%
Results of asset management	in MEUR	50.4	45.0	11.8%
Results of property sales	in MEUR	1.0	3.5	-71.0%
Results of property development	in MEUR	-4.6	1.8	n. a.
Results of operations	in MEUR	36.8	35.5	3.7%
Revaluations	in MEUR	6.3	-0.9	n. a.
EBIT	in MEUR	43.9	31.7	38.5%
Financial results	in MEUR	-18.4	-4.5	≤ -100.0%
EBT	in MEUR	25.6	27.2	-6.2%
Net profit for the period	in MEUR	30.4	1.0	≥ +100.0%
FFO 1 before tax (sustainable FFO from asset management excl. S IMMO/CA Immo) <sup>1</sup>	in MEUR	28.1	20.8	35.0%
FFO 1 per share before tax adjusted <sup>1</sup>	in EUR	0.26	0.19	36.8%

<sup>1</sup> See calculations in the section on *Business Development*

## Asset Data

		31 March 2019	31 Dec. 2018	Change in %
Balance sheet total	in MEUR	5,987.8	5,837.7	2.6%
Equity as % of the balance sheet total	in %	46.5%	48.0%	n. a.
Net financial liabilities	in MEUR	1,868.5	1,793.5	4.2%
Cash and cash equivalents	in MEUR	672.5	631.8	6.4%
Loan-to-value ratio (net)	in %	38.3%	37.3%	n. a.
Gearing	in %	69.6%	64.1%	n. a.
Total average interest rate incl. costs for derivatives	in %	1.9%	2.1%	n. a.
Average term of financial liabilities	in years	3.8	3.3	13.6%

## Property Data

		31 March 2019	31 Dec. 2018	Change in %
Total number of properties		217	226	-4.0%
Rentable space	in sqm	1,860,913	1,891,627	-1.6%
Occupancy rate	in %	94.9%	95.8%	n. a.
Gross return <sup>1</sup>	in %	6.6%	6.3% <sup>2</sup>	n. a.
Invoiced rents return <sup>1</sup>	in %	6.9%	6.7%	n. a.
Portfolio value <sup>1</sup>	in MEUR	4,414.6	4,338.0	1.8%
Unencumbered investment property	in MEUR	1,429.9	749.0	90.9%

<sup>1</sup> Based on expert appraisals (excl. IFRS 16)

<sup>2</sup> Excl. reclassification effects, among others from IFRS 16

# EPRA Indicators<sup>1</sup>

		31 March 2019	31 Dec. 2018	Change in %
EPRA net asset value	in MEUR	3,074.8	3,086.0	-0.4%
EPRA net asset value per share	in EUR	29.36	28.80	1.9%
EPRA triple net asset value	in MEUR	3,020.7	3,047.7	-0.9%
EPRA triple net asset value per share	in EUR	28.85	28.44	1.4%
EPRA occupancy rate <sup>2</sup>	in %	94.6%	n. a.	n. a.
EPRA vacancy rate <sup>3</sup>	in %	5.4%	n. a.	n. a.

  

		Q1 2019	Q1 2018	Change in %
EPRA earnings	in MEUR	15.8	-0.6	n. a.
EPRA earnings per share	in EUR	0.14	0.00	n. a.
EPRA earnings after company-specific adjustments	in MEUR	13.0	5.5	≥ +100.0%
EPRA earnings per share after company-specific adjustments	in EUR	0.12	0.00	≥ +100.0%
EPRA net initial yield	in %	6.1%	5.5%	n. a.

1 See calculations in the section on *Business Development*

2 EPRA occupancy rate based on the calculation at 100% minus EPRA vacancy rate.

3 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.

# Stock Exchange Data

		31 March 2019	31 Dec. 2018	Change in %
Book value per share	in EUR	26.74	26.29	1.7%
Share price at end of period	in EUR	22.14	20.90	5.9%
Discount of share price to EPRA NAV per share	in %	24.6%	27.4%	n. a.
Total number of shares		112,085,269	112,085,269	0.0%
thereof number of treasury shares		7,372,526	4,942,001	49.2%
Market capitalisation at end of period	in MEUR	2,481.6	2,342.6	5.9%

  

		Q1 2019	Q1 2018	Change in %
Earnings per share (basic)	in EUR	0.28	0.02	≥ +100.0%
Earnings per share (diluted)	in EUR	0.25	0.02	≥ +100.0%

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% or ≤ -100%. 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.

# CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## Business Development

The strong earnings development recorded by IMMOFINANZ in the previous year continued into the first quarter of 2019. Rental income improved by 10.5% (including the effects from the initial application of IFRS 16), respectively by 4.1% (excluding IFRS 16 effects) to EUR 65.2 million. Results of operations rose by 3.7% to EUR 36.8 million and sustainable FFO 1 (before tax) from the standing investment business climbed 35.0% to EUR 28.1 million. Net profit also increased significantly year-on-year to EUR 30.4 million in the reporting period (Q1 2018: EUR 1.0 million).

### INCOME STATEMENT

A condensed version of the consolidated income statement is presented below:

All amounts in TEUR	Q1 2019	Q1 2018
Rental income	65,230	59,008
<b>Results of asset management</b>	<b>50,355</b>	<b>45,041</b>
<b>Results of property sales</b>	<b>1,028</b>	<b>3,544</b>
<b>Results of property development</b>	<b>-4,617</b>	<b>1,756</b>
Other operating income	771	2,206
Other operating expenses	-10,694	-17,017
<b>Results of operations</b>	<b>36,843</b>	<b>35,530</b>
Revaluation result from standing investments and goodwill	7,104	-3,788
<b>Operating profit (EBIT)</b>	<b>43,947</b>	<b>31,742</b>
<b>Financial results</b>	<b>-18,397</b>	<b>-4,508</b>
<b>Earnings before tax (EBT)</b>	<b>25,550</b>	<b>27,234</b>
<b>Net profit for the period from continuing operations</b>	<b>25,566</b>	<b>4,339</b>
Net profit or loss from discontinued operations	4,864	-3,386
<b>Net profit or loss</b>	<b>30,430</b>	<b>953</b>

### RESULTS OF ASSET MANAGEMENT

The results of asset management include rental income, other revenues, operating income and operating costs as well as the expenses directly attributable to investment property. Rental income rose by 10.5%, or EUR 6.2 million, to EUR 65.2 million. After the adjustment of effects totalling EUR 3.8 million from the initial application of IFRS 16, the increase equalled EUR 2.4 million or 4.1%. The decline in rental income from the sale of properties which do not fit in with the corporate strategy was more than offset by completions and acquisitions.

Property expenses declined by 17.3% to EUR -11.3 million (Q1 2018: EUR -13.7 million). This reduction was supported primarily by a decline in fit-out costs (EUR -0.9 million versus EUR -2.2 million). The vacancy costs included in operating expenses fell by 13.3% to EUR -2.1 million.

In total, the increase in rental income and decline in property expenses led to an improvement of 11.8% in the results of asset management to EUR 50.4 million (Q1 2018: EUR 45.0 million).

## RESULTS OF PROPERTY SALES AND PROPERTY DEVELOPMENT

The results of property sales amounted to EUR 1.0 million (Q1 2018: EUR 3.5 million), and the results of property development equalled EUR -4.6 million (Q1 2018: EUR 1.8 million). As previously reported, the sale of the hotel in Cologne which is leased to 25hours and other units in the *Gerling Quartier* closed during Q1 2019. Real estate inventories included EUR 450,000 from the *Gerling Quartier* as of 31 March 2019.

## RESULTS OF OPERATIONS

The results of operations improved by 3.7% to EUR 36.8 million. Other operating expenses fell by 37.2% year-on-year to EUR -10.7 million (Q1 2018: EUR -17.0 million). After an adjustment for the payment of a one-time special bonus of EUR -4.0 million to the Executive Board in 2018 for the successful restructuring of the Group, the cost savings equalled EUR 2.3 million or 17.8%.

## REVALUATION

Results from the revaluation of investment property and goodwill turned positive and equalled EUR 7.1 million (Q1 2018: EUR -3.8 million). This change was supported, above all, by the revaluation of the *Na Prikope* property in the inner city of Prague. IMMOFINANZ acquired a 50% interest in this revitalised office project during Q1 2019 and is now its sole owner.

## FINANCIAL RESULTS AND TAXES

Financing costs declined by 8.9% to EUR -14.9 million, among others due to a reduction in the Group's expenses for financing (31 March 2019: 1.94% p.a. including derivatives). Other financial results equalled EUR -7.9 million and were lower than the previous year (Q1 2018: EUR 1.2 million), in particular due to the valuation of derivatives.

The share of profit/loss from equity-accounted investments amounted to EUR 4.9 million (Q1 2018: EUR 8.9 million), whereby EUR 4.5 million are attributable to the proportional share of S IMMO earnings. Financial results for Q1 2019 totalled EUR -18.4 million (Q1 2018: EUR -4.5 million).

## NET PROFIT

Net profit from continuing operations increased substantially to EUR 25.6 million (Q1 2018: EUR 4.3 million). The results of discontinued operations were influenced, above all, by tax reimbursements from Russia and equalled EUR 4.9 million (Q1 2018: EUR -3.4 million). As reported in connection with the sale of the Russian portfolio to the FORT Group at the end of 2017, IMMOFINANZ can participate in a positive outcome of ongoing proceedings for the reimbursement of withholding and property taxes.

IMMOFINANZ recorded a significant improvement in net profit to EUR 30.4 million in Q1 2019 (Q1 2018: EUR 1.0 million). Basic earnings per share equalled EUR 0.28 (Q1 2018: EUR 0.02) and diluted earnings per share EUR 0.25 (Q1 2018: EUR 0.02).

## FUNDS FROM OPERATIONS (FFO)

The development of sustainable funds from operations, an important profitability indicator for the real estate branch, underscores IMMOFINANZ's stronger earning power. FFO 1 (before tax) from the standing investment business rose by 35.0% to EUR 28.1 million during the reporting period (Q1 2018: EUR 20.8 million), which represents FFO 1 per share of EUR 0.26 (Q1 2018: EUR 0.19). After the inclusion of future interest payments for the corporate bond 2023 which was issued in January 2019 (coupon: 2.625%, first coupon payment in January 2020), FFO 1 adjusted over the quarters for this effect equals EUR 25.8 million (plus 24.2%) or FFO 1 per share of EUR 0.24 (Q1 2018: EUR 0.19). This FFO 1 does not include the economic interest in S IMMO.

## FUNDS FROM OPERATIONS (FFO)

All amounts in TEUR	P&L Q1 2019	Adjustments	FFO Q1 2019	FFO Q1 2018 (adjusted)
Results of asset management	50,355	297	50,652	45,107
Results of property sales	1,028	-1,028		
Results of property development	-4,617	4,617		
Other operating income	771	-197	574	875
Other operating expenses	-10,694	-45	-10,739	-11,334
Results of operations	36,843	3,644	40,487	34,648
Other revaluation results	7,104	-7,104		
Operating profit (EBIT)	43,947	-3,460	40,487	34,648
Financing costs	-14,301			
Financing income	100			
Foreign exchange differences	-1,106			
Other financial results	-7,943			
Net profit or loss from equity-accounted investments	4,853			
Financial results	-18,397	5,960	-12,437	-13,864
Earnings before tax (EBT) / FFO 1 before tax (excl. CA Immo/S IMMO)	25,550	2,500	28,050	20,784
Net profit or loss from discontinued operations	4,864	-4,864		
FFO 1 before tax (excl. S IMMO/CA Immo)			28,050	20,784
Accrued interest corporate bond 2023		-2,229	-2,229	
FFO 1 before tax (excl. S IMMO/CA Immo) adjusted			25,821	20,784
Number of shares (according to EPS calculation)			109,362,447	111,760,043
FFO 1 per share before tax			0.26	0.19
FFO 1 per share adjusted for accrued interest			0.24	0.19

## BALANCE SHEET

The condensed balance sheet is shown below:

All amounts in TEUR	31 March 2019	in %	31 Dec. 2018	in %
Investment property	4,032,484		3,893,568	
Property under construction	450,985	75.3%	397,540	75.3%
Real estate inventories	800		46,932	
Assets held for sale	26,204		57,162	
Other assets	110,697	1.8%	107,413	1.8%
Equity-accounted investments	405,991	6.8%	397,671	6.8%
Trade and other receivables	288,169	4.8%	305,628	5.2%
Cash and cash equivalents	672,466	11.2%	631,754	10.8%
<b>Assets</b>	<b>5,987,796</b>	<b>100.0%</b>	<b>5,837,668</b>	<b>100.0%</b>
Equity	2,782,680	46.5%	2,800,341	48.0%
Liabilities from convertible bonds	280,052	4.7%	284,638	4.9%
Financial liabilities	2,330,433	38.9%	2,140,884	36.7%
Trade and other payables	185,060	3.1%	199,025	3.4%
Other liabilities	73,527	1.2%	74,050	1.3%
Deferred tax liabilities	336,044	5.6%	338,730	5.8%
<b>Equity and liabilities</b>	<b>5,987,796</b>	<b>100.0%</b>	<b>5,837,668</b>	<b>100.0%</b>

The value of the property portfolio amounted to EUR 4.5 billion and represented 75.3% of total assets as of 31 March 2019. These properties are reported on the balance sheet under the following positions: investment property, property under construction, real estate inventories and non-current assets held for sale. Non-current assets held for sale include properties as well as other assets which will be transferred to the buyer in the event of a sale.

The initial application of IFRS 16 led to an increase of EUR 56.4 million and EUR 13.2 million, respectively, in the balance sheet positions "investment property" and "property under construction".

Of the properties classified as held for sale as of 31 December 2018, three office properties and one property in the other assets class were sold during Q1 2019. These transactions reduced the balance of held-for-sale properties to EUR 26.2 million.

Financial liabilities rose by 8.8% to EUR 2.3 billion as of 31 March 2019. Approximately EUR 70.7 million of this total are attributable to lease liabilities and reflect the initial application of IFRS 16. In addition, an unsecured corporate bond with a volume of EUR 500.0 million was issued in Q1 2019; the net proceeds will be used to refinance existing secured financial liabilities and for general corporate purposes.

## EPRA INDICATORS

### NET ASSET VALUE (NAV) AND TRIPLE NET ASSET VALUE (NNNAV)

EPRA NAV per share equalled EUR 29.36 as of 31 March 2019 (31 December 2018: EUR 28.80), and EPRA NNNAV per share equalled EUR 28.85 (31 December 2018: EUR 28.44).

These EPRA NAV and EPRA NNNAV calculations did not include any potential diluting effects from the conversion of the IMMOFINANZ convertible bond 2024 because the bond was not "in the money" as of 31 March 2019.

The book value per share rose to EUR 26.74 as of 31 March 2019 (31 December 2018: EUR 26.29).

The results of the NAV and NNNAV calculations are shown below:

	31 March 2019		31 March 2018	
	in TEUR	in EUR per share	in TEUR	in EUR per share
<b>Equity excl. non-controlling interests</b>	<b>2,799,893</b>		<b>2,816,934</b>	
<b>Diluted equity excl. non-controlling interests after an adjustment for convertible bonds and the exercise of options</b>	<b>2,799,893</b>		<b>2,816,934</b>	
Undisclosed reserves in real estate inventories	0.0		202	
Fair value of derivative financial instruments	16,935		12,515	
Deferred taxes on investment property	285,738		283,502	
Deferred taxes on real estate inventories and derivative financial instruments	-3,281		-2,641	
Goodwill resulting from deferred taxes	-24,507		-24,507	
<b>Number of shares excl. treasury shares (in 1,000)</b>		<b>104,713</b>		<b>107,143</b>
<b>EPRA NAV</b>	<b>3,074,777</b>	<b>29.36</b>	<b>3,086,005</b>	<b>28.80</b>
Fair value of derivative financial instruments	-16,935		-12,515	
Effect of fair value measurement of financial liabilities	-33,069		-15,499	
Deferred taxes on derivative financial instruments and the fair value measurement of financial liabilities	11,549		6,485	
Deferred taxes on investment property	-15,612		-16,793	
<b>EPRA NNNAV</b>	<b>3,020,710</b>	<b>28.85</b>	<b>3,047,683</b>	<b>28.44</b>

## EPRA EARNINGS PER SHARE

EPRA earnings per share equalled EUR 0.14, respectively EUR 0.12 per share after company-specific adjustments.

All amounts in TEUR	Q1 2019	Q1 2018
<b>Weighted average number of shares (in 1,000)</b>	<b>109,362</b>	<b>1,117,600</b>
<b>Net profit or loss from continuing operations excl. non-controlling interests</b>	<b>25,972</b>	<b>5,469</b>
Revaluation of investment properties and development properties	-6,050	-1,085
Results of property sales	-1,027	-3,544
Goodwill impairment, negative differences and earn-out effects on income	0	100
Changes in fair value of financial instruments	7,028	-1,736
Acquisition costs on share deals	6	0
Taxes in respect of EPRA adjustments	-10,085	169
EPRA adjustment in respect of joint ventures and non-controlling interests	-52	0
<b>EPRA earnings</b>	<b>15,791</b>	<b>-627</b>
<b>EPRA earnings per share</b>	<b>0.144</b>	<b>-0.001</b>
<b>Company-specific adjustments</b>		
Recognition of outside basis difference CA Immo Group	0	6,596
One-time effects in other operating expenses	-4,915	0
Foreign exchange gains and losses	1,107	-393
Deferred taxes in respect of company-specific adjustments	1,036	-50
<b>Company-specific adjusted earnings</b>	<b>13,019</b>	<b>5,526</b>
<b>EPRA earnings per share after company-specific adjustments</b>	<b>0.119</b>	<b>0.005</b>

## EPRA NET INITIAL YIELD

The EPRA net initial yield increased from roughly 5.5% in Q1 2018 to 6.1% in Q1 2019.

All amounts in TEUR	Q1 2019	Q1 2018
Investment property	4,000,789	3,808,103
Investment property – proportional share of joint ventures	1,267	46,268
Less undeveloped land	-171,820	-179,802
Less undeveloped land – proportional share of joint ventures	0	-1,283
<b>Total property portfolio</b>	<b>3,830,236</b>	<b>3,673,286</b>
Allowance for estimated purchasers' costs	72,774	66,119
<b>Gross value of total property portfolio</b>	<b>3,903,011</b>	<b>3,739,406</b>
Annualised cash rental income	266,162	239,051
Annualised cash rental income – proportional share of joint ventures	0	1,889
Non-recoverable property operating expenses	-26,428	-33,695
Non-recoverable property operating expenses – proportional share of joint ventures	-8	-54
<b>Annualised net rental income</b>	<b>239,727</b>	<b>207,191</b>
<b>EPRA net initial yield</b>	<b>6.1%</b>	<b>5.5%</b>



# Financing

Financial liabilities totalled EUR 2.5 billion as of 31 March 2019 (31 December 2018: EUR 2.4 billion) excluding leasing liabilities of EUR 70.7 million in accordance with the initial application of IFRS 16. Cash and cash equivalents, including cash and cash equivalents held for sale, rose to EUR 672.6 million (31 December 2018: EUR 632.0 million). Net debt, i.e. debt after the deduction of cash and cash equivalents held by the Group, equalled EUR 1.9 billion (31 December 2018: EUR 1.8 billion).

IMMOFINANZ has a robust balance sheet structure with an equity ratio of 46.5% (31 December 2018: 48.0%) and a net loan-to-value ratio (net LTV) of 38.3% (31 December 2018: 37.3%).

## CALCULATION OF NET LTV AS OF 31 MARCH 2019

	Amounts in TEUR
Carrying amount of financing	2,541,069.2
– Cash and cash equivalents <sup>1</sup>	-672,577.6
Net carrying amount of financing	1,868,491.6
Carrying amount of property <sup>2</sup> & EPRA NAV of S IMMO shares <sup>3</sup>	4,873,601.0
<b>Net LTV</b>	<b>38.34%</b>

<sup>1</sup> Cash and cash equivalents incl. cash and cash equivalents in assets held for sale

<sup>2</sup> Exclusive right of use, value based on IFRS 16

<sup>3</sup> 19.5 million S IMMO shares at the EPRA NAV of EUR 22.27 per share as of 31 March 2019.

The average financing costs for IMMOFINANZ equalled 1.94% per year as of 31 March 2019 (31 December 2018: 2.14% per year) including derivatives used for interest rate hedging. The hedging quota equalled 89.22% (31 December 2018: 73.75%).

## Unencumbered property

In addition to properties which carry external financing and are encumbered through standard market collateral (e.g. mortgages, pledge of company shares), EUR 1,430.6 million, or 32.23% (31 December 2018: EUR 749.0 million or 17.0%) of the total property carrying amount was not externally financed and therefore unencumbered as of 31 March 2019.

**32.23% of  
property carrying  
amount unencum-  
bered**

## COMPOSITION OF FINANCIAL LIABILITIES

The financial liabilities held by IMMOFINANZ consist of amounts due to financial institutions as well as liabilities from bonds. The composition of these liabilities as of 31 March 2019 is as follows:

	Outstanding liability in TEUR as of 31 March 2019	Total average interest rate incl. expenses for derivatives in % <sup>1</sup>	Thereof floating interest rate in % <sup>1</sup>
Convertible bond in EUR	280,052.0	1.50% <sup>2</sup>	n. a.
Bond in EUR	494,881.5	2.63%	n. a.
Bank liabilities in EUR	1,766,135.7	1.88%	1.43%
<b>IMMOFINANZ</b>	<b>2,541,069.2</b>	<b>1.94%</b>	<b>1.43%</b>

<sup>1</sup> Calculation basis: actual remaining debt (nominal amount)

<sup>2</sup> Including the coupon reduction of 50 basis points as of 24 January 2019 following the receipt of an investment grade rating

The outstanding balance of financial liabilities held by IMMOFINANZ totalled EUR 2,541.1 million as of 31 March 2019. As of that date, all of the financings were denominated in Euros.

**Bonds with a total nominal value of MEUR 797.2**

## BONDS

The outstanding nominal value of the bonds totalled EUR 797.2 million as of 31 March 2019 (31 December 2018: EUR 297.2 million). IMMOFINANZ currently has two outstanding bonds: the convertible bond issued in January 2017, which has a term ending in 2024 and a put option for the investors in 2022, and a corporate bond, which was issued in January 2019 and has a term ending on 27 January 2023.

	ISIN	Maturity	Interest rate in %	Nominal value as of 31 Dec. 2018 in TEUR	Repurchases/redemptions/conversions/new issues 2019 in TEUR	Nominal value as of 31 March 2019 in TEUR
Bond 2019–2023	XS1935128956	27 Jan 2023	2.63%	0	500,000	500,000
Convertible bond 2017–2024	XS1551932046	24 Jan. 2022 <sup>1</sup>	1.50% <sup>2</sup>	297,200	0	297,200
<b>IMMOFINANZ</b>			<b>2.21%</b>	<b>297,200</b>	<b>500,000</b>	<b>797,200</b>

<sup>1</sup> Maturity at put option; term ends in 2024

<sup>2</sup> Including the coupon reduction of 50 basis points as of 24 January 2019 following the receipt of an investment grade rating

IMMOFINANZ AG received a long-term issuer rating of BBB- with stable outlook from S&P Global Ratings in the first quarter of 2019. Based on this investment grade rating, a benchmark bond with a volume of EUR 500 million and a fixed coupon of 2.625% p.a. was issued. The net proceeds from this issue were used during the first quarter of 2019 to refinance existing financial liabilities and for general corporate purposes.

In connection with the issuance of this unsecured bond, IMMOFINANZ AG has committed to comply with financial covenants listed below. These covenants will be calculated on the basis of the consolidated IFRS financial statements:

- > Incurrence of new financial liabilities (Net Debt to Value Ratio)
- > Incurrence of new secured financial liabilities (Secured Debt Ratio)
- > Interest Service Coverage Ratio

Financial Covenant	Threshold	Value as of 31 March 2019
Net Debt to Value Ratio	Max. 60.0%	37.3%
Secured Debt Ratio	Max. 45.0%	21.4%
Interest Service Coverage Ratio	Min. 150.0%	329.4%

# Portfolio Report

The property portfolio covered 217 properties\* as of 31 March 2019 (31 December 2018: 226) with a combined value of EUR 4,414.6 million (31 December 2018: EUR 4,338.0 million) which were located, above all, in the core markets of Austria, Germany, Poland, Czech Republic, Slovakia, Hungary and Romania. Standing investments represented the largest component at EUR 3,771.9 million, or 85.4% of the carrying amount and approximately 1.9 million sqm of rentable space that generates steady rental income. Development projects represented EUR 437.8 million or 9.9% of the carrying amount. A carrying amount of EUR 205.0 million, or 4.6%, is attributable to pipeline projects and includes future planned development projects, undeveloped land, real estate inventories and properties designated for sale.

**Portfolio value  
of EUR 4.4 billion**

A geographical analysis shows 47.9% of the property portfolio in Austria, Germany and Poland, i.e. in so-called "developed markets" as defined by FTSE EPRA/NAREIT.

The initial application of IFRS 16 in the first quarter of 2019 led to differences between the amounts presented in the portfolio report and on the balance sheet. The property values included in the portfolio report were determined on the basis of expert appraisals or internal valuation. The property values reported on the balance sheet also include capitalised rights of use for leaseholds.

## PROPERTY PORTFOLIO BY CORE MARKET AND CLASSIFICATION

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR <sup>2</sup>	Property portfolio in MEUR	Property portfolio in %
Austria	31	681.7	89.3	41.8	812.8	18.4%
Germany	8	279.9	259.4	0.5	539.8	12.2%
Poland	32	716.7	43.6	0.0	760.3	17.2%
Czech Republic	18	437.2	8.2	0.0	445.4	10.1%
Hungary	28	495.6	2.6	23.5	521.8	11.8%
Romania	50	634.9	31.3	100.4	766.5	17.4%
Slovakia	21	303.8	0.0	1.2	304.9	6.9%
Non-core countries <sup>1</sup>	29	222.1	3.3	37.8	263.1	6.0%
<b>IMMOFINANZ</b>	<b>217</b>	<b>3,771.9</b>	<b>437.8</b>	<b>205.0</b>	<b>4,414.6</b>	<b>100.0%</b>
		<b>85.4%</b>	<b>9.9%</b>	<b>4.6%</b>	<b>100.0%</b>	

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

<sup>1</sup> In declining order based on the carrying amount: Serbia, Slovenia, Croatia, Turkey and Bulgaria  
<sup>2</sup> Including real estate inventories (Cologne and Adama) with a total value of EUR 800,000.0.

## STANDING INVESTMENTS

The 153 standing investments had a carrying amount of EUR 3,771.9 million as of 31 March 2019 (31 December 2018: 157 standing investments and EUR 3,719.1 million). Of this total, 60.9% were attributable to office properties and 38.9% to retail properties. The focal point of the standing investments based on the carrying amount are the markets in Poland (EUR 716.7 million), Austria (EUR 681.7 million) and Romania (EUR 634.9 million).

**Standing investments are the most important source of earnings**

These properties have 1,860,913 sqm of rentable space (31 December 2018: 1,891,627 sqm). Based on annualised rental income (Q1 2019: EUR 61.8 million), the portfolio had a gross return of 6.6% and a return of 6.9% 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 – which 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 occupancy rate equalled 94.9% as of 31 March 2019 (31 March 2018: 94.2%; 31 December 2018: 95.8%). The calculation formula defined by the EPRA results in a vacancy rate of 5.4%, which represents an EPRA occupancy rate of 94.6%. The EPRA vacancy rate is based on the ratio of the estimated market rent

**Standing investment portfolio: occupancy rate of 94.9%**

\* Properties that are held for sale and fall under IFRS 5 were, as in the past, not included in the portfolio report (see section 3.3 in the supplementary information).

for the vacant space in the standing investments to the total estimated market rent for the standing investment portfolio. The average unexpired lease term (WAULT\*) weighted by rental income equalled nearly four years as of 31 March 2019.

### 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 (EPRA occupancy rate <sup>1</sup> ) in %
Austria	25	681.7	18.1%	250,375	232,175	92.7% (93.4%)
Germany	4	279.9	7.4%	73,322	72,887	99.4% (99.5%)
Poland	26	716.7	19.0%	377,121	350,868	93.0% (92.7%)
Czech Republic	17	437.2	11.6%	187,852	181,649	96.7% (96.5%)
Hungary	24	495.6	13.1%	294,129	283,503	96.4% (96.2%)
Romania	17	634.9	16.8%	342,588	316,638	92.4% (92.2%)
Slovakia	20	303.8	8.1%	177,161	170,219	96.1% (95.3%)
Non-core countries	20	222.1	5.9%	158,364	157,364	99.4% (99.3%)
<b>IMMOFINANZ</b>	<b>153</b>	<b>3,771.9</b>	<b>100.0%</b>	<b>1,860,913</b>	<b>1,765,302</b>	<b>94.9% (94.6%)</b>

Standing investments	Rental income Q1 2019 in MEUR <sup>2</sup>	Gross return (invoiced rents return) in %	Carrying amount financing in MEUR	Financing costs floating interest in % <sup>3</sup>	Financing costs incl. derivatives in %	LTV in %
Austria	9.4	5.5% (5.4%)	304.1	1.5%	2.2%	44.6%
Germany	3.7	5.3% (5.4%)	199.0	0.6%	1.0%	71.1%
Poland	11.6	6.5% (7.5%)	371.5	1.6%	2.1%	51.8%
Czech Republic	6.2	5.7% (5.7%)	254.8	1.6%	1.8%	58.3%
Hungary	8.3	6.7% (7.1%)	231.9	1.8%	2.2%	46.8%
Romania	12.6	7.9% (8.3%)	0.0	0.0%	0.0%	0.0%
Slovakia	5.5	7.2% (7.6%)	147.1	2.0%	2.2%	48.4%
Non-core countries	4.6	8.2% (8.5%)	45.5	2.7%	2.7%	20.5%
<b>IMMOFINANZ</b>	<b>61.8</b>	<b>6.6% (6.9%)</b>	<b>1,554.0</b>	<b>1.5%</b>	<b>2.0%</b>	<b>41.2%</b>

Development projects and pipeline projects	3.2		212.1	0.6%	0.7%	
Rental income from sold properties and adjustments	0.2		0.0	0.0%	0.0%	
Group financing	0.0		774.9	0.0%	2.2%	
<b>IMMOFINANZ</b>	<b>65.2</b>		<b>2,541.1</b>	<b>1.4%</b>	<b>1.9%</b>	

Market value property portfolio						4,414.6
EPRA NAV S IMMO shares (19.5 million shares) <sup>4</sup>						434.3
Cash and cash equivalents <sup>5</sup>			-672.6			
Properties/liabilities held for sale (asset & share deals)			0.0			24.7
<b>IMMOFINANZ</b>			<b>1,868.5</b>			<b>4,873.6</b>
<b>Net LTV</b>						<b>38.3%</b>

1 EPRA occupancy rate based on the calculation at 100% minus EPRA vacancy rate.

2 Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

3 Financing costs based on nominal outstanding liability.

4 19.5 million S IMMO shares at the EPRA NAV of EUR 22.27 per share as of 31 March 2019.

5 Cash and cash equivalents, incl. cash and cash equivalents from assets held for sale.

\* Average unexpired lease term weighted by rental income, excl. open-ended contracts.

## LIKE-FOR-LIKE RENTAL INCOME STABLE

A like-for-like analysis (i.e. acquisitions, completions and sales are deducted to facilitate comparison with the first quarter of 2018) shows that rental income remained stable at EUR 52.9 million in the first quarter of 2019. The increase in the retail sector equalled 1.2%, while the rental income from office properties declined by a slight 0.7% primarily due to temporary vacancies which resulted from tenant turnover in a number of office buildings.

## STANDING INVESTMENTS LIKE-FOR-LIKE BY CORE MARKET

Standing investments like-for-like <sup>1</sup>	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rental income Q1 2019 in MEUR	Rental income Q1 2018 in MEUR	Change in rental income Q1 2019 to Q1 2018 in MEUR
Austria	25	681.7	20.1%	9.0	9.2	-0.2
Germany	2	116.9	3.4%	1.7	1.5	0.2
Poland	26	716.7	21.1%	10.5	10.9	-0.4
Czech Republic	16	323.4	9.5%	4.9	4.9	0.0
Hungary	24	495.6	14.6%	7.7	7.4	0.3
Romania	17	634.9	18.7%	11.3	11.5	-0.2
Slovakia	20	303.8	8.9%	5.3	5.1	0.2
Non-core countries	11	121.7	3.6%	2.4	2.3	0.1
<b>IMMOFINANZ</b>	<b>141</b>	<b>3,394.6</b>	<b>100.0%</b>	<b>52.9</b>	<b>52.8</b>	<b>0.1</b>
Rental income from properties sold/ acquired, adjustments on IFRS 15 & 16 and development projects				12.4		
<b>IMMOFINANZ</b>				<b>65.2</b>		

## STANDING INVESTMENTS LIKE-FOR-LIKE BY ASSET CLASS AND BRAND

Standing investments like-for-like <sup>1</sup>	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rental income Q1 2019 in MEUR	Rental income Q1 2018 in MEUR	Change in rental income Q1 2019 to Q1 2018 in MEUR
<b>Office</b>	<b>56</b>	<b>2,028.3</b>	<b>59.8%</b>	<b>27.5</b>	<b>27.7</b>	<b>-0.2</b>
thereof myhive	22	1,098.5	32.4%	14.2	14.6	-0.4
<b>Retail</b>	<b>82</b>	<b>1,365.5</b>	<b>40.2%</b>	<b>25.4</b>	<b>25.1</b>	<b>0.3</b>
thereof VIVO!/Shopping Center	10	658.1	19.4%	11.7	11.9	-0.2
thereof STOP SHOP/Retail Park	71	702.2	20.7%	13.6	13.1	0.4
Others	3	0.8	0.0%	0.0	0.0	0.0
<b>IMMOFINANZ</b>	<b>141</b>	<b>3,394.6</b>	<b>100.0%</b>	<b>52.9</b>	<b>52.8</b>	<b>0.1</b>

<sup>1</sup> 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 58 office standing investments totalled EUR 2,297.9 million as of 31 March 2019 (31 December 2018: 60 standing investments and EUR 2,235.4 million). These assets represented 60.9% of the standing investment portfolio and 52.4% of the rental income of the standing investments in the first quarter of 2019. A regional analysis shows the focal points of the office properties in the capital cities of the core markets of Austria (EUR 566.6 million), Poland (EUR 450.6 million) and Romania (EUR 317.2 million).

The office standing investments have 986,933 sqm of rentable space (31 December 2018: 1,003,941 sqm). Based on annualised rental income (Q1 2019: EUR 32.4 million), the office portfolio generated a gross return of 5.6% and a return of 6.1% based on invoiced rents. The office properties in the myhive brand represent a carrying amount of EUR 1,098.5 million and generated a gross return of 5.5%, respectively 6.2% based on invoiced rents. The occupancy rate in the office portfolio equalled 92.5% as of 31 March 2019 (31 March 2018: 92.2%; 31 December 2018: 93.7%) and 93.0% based on the EPRA calculation. The occupancy rate in the myhive offices equals 92.3%. The WAULT\* equalled 4.5 years as of 31 March 2019.

**myhive office  
occupancy rate:  
92.3%**

\* Average unexpired lease term weighted by rental income, excl. open-ended contracts.

### 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 (EPRA occupancy rate <sup>1</sup> ) in %
<b>IMMOFINANZ</b>	<b>58</b>	<b>2,297.9</b>	<b>100.0%</b>	<b>986,933</b>	<b>913,212</b>	<b>92.5% (93.0%)</b>
thereof myhive	22	1,098.5	47.8%	482,490	445,286	92.3% (92.2%)
Standing investments	Rental income Q1 2019 in MEUR <sup>2</sup>	Gross return (invoiced rents return) in %	Carrying amount financing in MEUR	Financing costs floating interest in % <sup>3</sup>	Financing costs incl. derivatives in %	LTV in %
<b>IMMOFINANZ</b>	<b>32.4</b>	<b>5.6% (6.1%)</b>	<b>955.7</b>	<b>1.3%</b>	<b>1.8%</b>	<b>41.6%</b>
thereof myhive	15.2	5.5% (6.2%)	458.8	1.6%	2.1%	41.8%

1 EPRA occupancy rate based on the calculation at 100% minus EPRA vacancy rate.

2 Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible).

3 Financing costs based on nominal outstanding liability.

### RETAIL STANDING INVESTMENTS

The carrying amount of the 91 standing investments in the retail sector totalled EUR 1,465.9 million as of 31 March 2019 (31 December 2018: 93 standing investments and EUR 1,475.5 million). These properties represent 38.9% of the standing investment portfolio and generated 47.4% of rental income in the first quarter of 2019. The largest regional markets are Romania with EUR 316.9 million, Poland with EUR 266.1 million and Slovakia with EUR 247.3 million. The STOP SHOP retail parks have a carrying amount of EUR 802.6 million and a gross return of 8.1%, respectively 8.2% based on invoiced rents. The VIVO! shopping centers have a carrying amount of EUR 658.1 million; they generated a gross return of 7.9% and an invoiced rental return of 8.3%.

The retail standing investments have 873,980 sqm of space (31 December 2018: 887,685 sqm). Based on annualised rental income (Q1 2019: EUR 29.3 million) the retail portfolio had a gross return 8.0% and a return of 8.2% based on invoiced rents.

#### Retail portfolio occupancy rate: 97.5%

The occupancy rate in the retail properties equalled 97.5% at the end of March 2019 (31 March 2018: 96.6%; 31 December 2018: 98.2%). The occupancy rates in the STOP SHOPS and VIVO!s equalled 98.7% and 95.4%, respectively. The WAULT\* equalled 3.5 years as of 31 March 2019.

### 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 (EPRA occupancy rate <sup>1</sup> ) in %
<b>IMMOFINANZ</b>	<b>91</b>	<b>1,465.9</b>	<b>100.0%</b>	<b>873,980</b>	<b>852,090</b>	<b>97.5% (96.7%)</b>
thereof VIVO!/ Shopping Center	10	658.1	44.9%	305,465	291,329	95.4% (94.4%)
thereof STOP SHOP/ Retail Park	80	802.6	54.8%	564,082	556,990	98.7% (98.8%)
Standing investments	Rental income Q1 2019 in MEUR <sup>2</sup>	Gross return (invoiced rents return) in %	Carrying amount financing in MEUR	Financing costs floating interest in % <sup>3</sup>	Financing costs incl. derivatives in %	LTV in %
<b>IMMOFINANZ</b>	<b>29.3</b>	<b>8.0% (8.2%)</b>	<b>596.3</b>	<b>1.9%</b>	<b>2.2%</b>	<b>40.7%</b>
thereof VIVO!/ Shopping Center	13.0	7.9% (8.3%)	210.2	1.8%	2.1%	31.9%
thereof STOP SHOP/ Retail Park	16.2	8.1% (8.2%)	386.0	2.0%	2.3%	48.1%

1 EPRA occupancy rate based on the calculation at 100% minus EPRA vacancy rate.

2 Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible).

3 Financing costs based on nominal outstanding liability.

\* Average unexpired lease term weighted by rental income, excl. open-ended contracts.

## DEVELOPMENT PROJECTS

The development projects had a carrying amount of EUR 437.8 million as of 31 March 2019, which represents 9.9% of the total property portfolio. This amount includes EUR 346.9 million of active development projects and EUR 90.8 million of projects in the preparation or concept phase which are expected to be reclassified as active projects in the coming quarters but for which outstanding construction costs are not yet available.

**Active development projects with a carrying amount of MEUR 346.9**

The expected fair value of the active projects on completion amounts to EUR 456.8 million. At EUR 318.5 million, the core market Germany represents the focus of these activities based on the expected fair value after completion. The two active development projects in Germany are the completed *FLOAT* office building in Düsseldorf (which is expected to be reclassified to the standing investment portfolio at the end of the second quarter of 2019) and the *myhive Medienhafen*, which is also located in the Medienhafen Düsseldorf. This second project will have approximately 22,000 sqm of rentable space and is scheduled for completion in 2021.

### DEVELOPMENT PROJECTS BY CORE MARKET

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	Yield on cost in % <sup>1</sup>
Austria	2	74.7	21.5%	18.9	26,991	98.8	5.4	5.8%
Germany	2	258.6	74.5%	43.9	52,364	318.5	14.0	4.6%
Poland	2	2.2	0.6%	16.9	15,857	21.0	1.6	8.6%
Czech Republic	1	8.2	2.4%	1.5	6,615	9.7	0.8	8.1%
Non-core countries <sup>2</sup>	1	3.3	1.0%	5.0	7,006	8.8	0.8	9.7%
<b>Active projects</b>	<b>8</b>	<b>346.9</b>	<b>100.0%</b>	<b>86.2</b>	<b>108,833</b>	<b>456.8</b>	<b>22.7</b>	<b>5.2%</b>
Projects in preparation	11	90.8						
<b>IMMOFINANZ</b>	<b>19</b>	<b>437.8</b>						

<sup>1</sup> Expected rental income after completion in relation to the current carrying amount, including outstanding construction costs. The current carrying amount includes previously realised valuation gains.  
<sup>2</sup> Serbia

## PIPELINE PROJECTS

Pipeline projects include planned development projects, undeveloped land and/or temporarily suspended projects. The closing for the hotel in the *Gerling Quartier* in Cologne, which was sold through a forward purchase, took place during the first quarter of 2019, and the remaining properties in Cologne and from Adama (EUR 800,000.0) are therefore no longer reported separately, but together with the other pipeline projects. The pipeline projects had a carrying amount of EUR 205.0 million as of 31 March 2019 (31 December 2018 including real estate inventories: EUR 221.4 million). The core market Romania represents the focal point of these activities at EUR 100.4 million.

**Pipeline projects with a carrying amount of MEUR 205.0**

## ASSETS HELD FOR SALE

The assets held for sale totalled EUR 26.0 million (incl. capitalised rights of use for leaseholds) as of 31 March 2019 and are not included in this portfolio report (31 December 2018: EUR 56.7 million). Concrete sale plans have been approved for these properties, and their sale is intended in the near future. Details are provided in note 3.3 of the supplementary information.

# Consolidated Balance Sheet

All amounts in TEUR	Notes	31 3 2019	31 12 2018
Investment property	3.1	4,032,484	3,893,568
Property under construction		450,985	397,540
Other tangible assets		2,102	1,109
Intangible assets		24,893	24,926
Equity-accounted investments	3.2	405,991	397,671
Trade and other receivables		52,230	88,185
Income tax receivables		156	82
Other financial assets		11,326	11,969
Deferred tax assets		60,015	58,697
<b>Non-current assets</b>		<b>5,040,182</b>	<b>4,873,747</b>
Trade and other receivables		235,939	217,443
Income tax receivables		12,205	10,630
Assets held for sale	3.3	26,204	57,162
Real estate inventories		800	46,932
Cash and cash equivalents		672,466	631,754
<b>Current assets</b>		<b>947,614</b>	<b>963,921</b>
<b>Assets</b>		<b>5,987,796</b>	<b>5,837,668</b>
Share capital	3.4	112,085	112,085
Capital reserves	3.4	4,465,234	4,465,259
Treasury shares	3.4	-160,744	-106,414
Accumulated other equity		-176,846	-183,324
Retained earnings		-1,439,836	-1,470,672
<b>Equity attributable to owners of IMMOFINANZ AG</b>		<b>2,799,893</b>	<b>2,816,934</b>
Non-controlling interests		-17,213	-16,593
<b>Equity</b>		<b>2,782,680</b>	<b>2,800,341</b>
Liabilities from convertible bonds		275,585	278,694
Financial liabilities		2,213,363	1,802,563
Trade and other payables		45,206	40,902
Income tax liabilities		3	92
Provisions		18,426	17,936
Deferred tax liabilities		336,044	338,730
<b>Non-current liabilities</b>		<b>2,888,627</b>	<b>2,478,917</b>
Liabilities from convertible bonds		4,467	5,944
Financial liabilities		117,070	338,321
Trade and other payables		139,854	158,123
Income tax liabilities		14,789	16,028
Provisions		37,787	38,433
Liabilities held for sale	3.3	2,522	1,561
<b>Current liabilities</b>		<b>316,489</b>	<b>558,410</b>
<b>Equity and liabilities</b>		<b>5,987,796</b>	<b>5,837,668</b>



# Consolidated Income Statement

All amounts in TEUR	Notes	Q1 2019	Q1 2018
<b>Rental income</b>	4.1	65,230	59,008
Operating costs charged to tenants		21,257	22,487
Other revenues		201	1,142
<b>Revenues</b>		<b>86,688</b>	<b>82,637</b>
Expenses from investment property	4.2	-11,317	-13,683
Operating expenses		-25,016	-23,913
<b>Results of asset management</b>		<b>50,355</b>	<b>45,041</b>
<b>Results of property sales</b>	4.3	<b>1,028</b>	<b>3,544</b>
<b>Results of property development</b>	4.4	<b>-4,617</b>	<b>1,756</b>
Other operating income	4.5	771	2,206
Other operating expenses	4.6	-10,694	-17,017
<b>Results of operations</b>		<b>36,843</b>	<b>35,530</b>
<b>Revaluation result from standing investments and goodwill</b>		<b>7,104</b>	<b>-3,788</b>
<b>Operating profit (EBIT)</b>		<b>43,947</b>	<b>31,742</b>
Financing costs	4.7	-14,944	-16,406
Financing income	4.7	743	1,378
Foreign exchange differences		-1,106	392
Other financial results	4.7	-7,943	1,249
Net profit or loss from equity-accounted investments		4,853	8,879
<b>Financial results</b>	4.7	<b>-18,397</b>	<b>-4,508</b>
<b>Earnings before tax (EBT)</b>		<b>25,550</b>	<b>27,234</b>
Current income tax		-3,842	-7,706
Deferred tax		3,858	-15,189
<b>Net profit or loss from continuing operations</b>		<b>25,566</b>	<b>4,339</b>
Net profit or loss from discontinued operations		4,864	-3,386
<b>Net profit or loss</b>		<b>30,430</b>	<b>953</b>
<b>Thereof attributable to owners of IMMOFINANZ AG</b>		<b>30,836</b>	<b>2,083</b>
<b>Thereof attributable to non-controlling interests</b>		<b>-406</b>	<b>-1,130</b>
<b>Basic earnings per share in EUR</b>		<b>0.28</b>	<b>0.02</b>
<b>Net profit or loss from continuing operations per share in EUR</b>		<b>0.28</b>	<b>0.05</b>
<b>Net profit or loss from discontinued operations per share in EUR</b>		<b>0.00</b>	<b>-0.03</b>
<b>Diluted earnings per share in EUR</b>		<b>0.25</b>	<b>0.02</b>
<b>Net profit or loss from continuing operations per share in EUR</b>		<b>0.25</b>	<b>0.05</b>
<b>Net profit or loss from discontinued operations per share in EUR</b>		<b>0.00</b>	<b>-0.03</b>

# Consolidated Statement of Comprehensive Income

All amounts in TEUR	Notes	Q1 2019	Q1 2018
<b>Net profit or loss</b>		<b>30,430</b>	<b>953</b>
<b>Other comprehensive income (reclassifiable)</b>			
Currency translation adjustment		-2,197	-8,165
Thereof changes during the financial year		-1,082	-1,847
Thereof reclassification to profit or loss		-1,115	-6,318
Other comprehensive income from equity-accounted investments	3.2	-1,380	-135
Thereof changes during the financial year		-1,776	-135
Thereof income taxes		396	0
<b>Total other comprehensive income (reclassifiable)</b>		<b>-3,577</b>	<b>-8,300</b>
<b>Other comprehensive income (not reclassifiable)</b>			
Other comprehensive income from equity-accounted investments	3.2	9,841	-429
Thereof changes during the financial year		13,122	-470
Thereof income taxes		-3,281	41
<b>Total other comprehensive income (not reclassifiable)</b>		<b>9,841</b>	<b>-429</b>
<b>Total other comprehensive income after tax</b>		<b>6,264</b>	<b>-8,729</b>
<b>Total comprehensive income</b>		<b>36,694</b>	<b>-7,776</b>
Thereof attributable to owners of IMMOFINANZ AG		37,314	-5,960
Thereof attributable to non-controlling interests		-620	-1,816

# Consolidated Cash Flow Statement

All amounts in TEUR	Notes	Q1 2019	Q1 2018
Earnings before tax (EBT)		25,550	27,234
Earnings before tax (EBT) from discontinued operations		0	-3,216
Revaluations of investment properties		-6,344	944
Write-downs and write-ups on real estate inventories (including impending losses from forward sales)	4.4	1,001	797
Write-downs and write-ups on receivables and other assets		1,501	731
Net profit or loss from equity-accounted investments		-4,853	-8,878
Foreign exchange differences and fair value measurement of financial instruments		8,148	-2,047
Net interest income/expense		13,558	15,030
Results from deconsolidation		-1,527	-6,779
Other non-cash income/expense/reclassifications		4,938	-253
<b>Gross cash flow before tax</b>		<b>41,972</b>	<b>23,563</b>
Income taxes paid		-3,875	-1,780
<b>Gross cash flow after tax</b>		<b>38,097</b>	<b>21,783</b>
Change in real estate inventories		55,360	-9,754
Change in trade and other receivables		-5,501	-11,510
Change in trade payables and other liabilities		-7,927	-3,669
Change in provisions		170	-1,328
<b>Cash flow from operating activities</b>		<b>80,199</b>	<b>-4,478</b>
Acquisition of investment property and property under construction		-35,056	-44,739
Business combinations and other acquisitions, net of cash and cash equivalents		-8,360	0
Consideration paid for business combinations in prior periods		0	0
Consideration transferred from disposal of discontinued operations, net of cash and cash equivalents		0	5,135
Consideration transferred from disposal of subsidiaries, net of cash and cash equivalents		1,922	46,047
Acquisition of other non-current assets		-142	-92
Disposal of investment property and property under construction		36,544	12,314
Disposal of other non-current assets		0	12,679
Disposal of equity-accounted investments and cash flows from other net investment positions		7	0
Dividends received from equity-accounted investments	3.2	2,569	3,520
Interest or dividends received from financial instruments		63	62
<b>Cash flow from investing activities</b>		<b>-2,453</b>	<b>34,926</b>
Increase in financial liabilities plus decrease in blocked cash and cash equivalents		674,882	69,288
Repayment of financial liabilities plus increase in blocked cash and cash equivalents		-639,351	-28,739
Redemption of convertible bonds		0	-17,286
Derivatives		-4,899	-2,746
Interest paid		-12,643	-14,816
Transactions with non-controlling interest owners		0	-1,850
Share buyback	3.4	-54,355	-3,166
<b>Cash flow from financing activities</b>		<b>-36,366</b>	<b>685</b>
Net foreign exchange differences		-810	-801
<b>Change in cash and cash equivalents</b>		<b>40,570</b>	<b>30,332</b>
Cash and cash equivalents at the beginning of the period (consolidated balance sheet item)		631,754	477,889
Plus cash and cash equivalents in discontinued operations and disposal groups		252	1,378
Cash and cash equivalents at the beginning of the period		632,006	479,267
Cash and cash equivalents at the end of the period		672,576	509,599
Less cash and cash equivalents in discontinued operations and disposal groups	3.3	110	185
<b>Cash and cash equivalents at the end of the period (consolidated balance sheet item)</b>		<b>672,466</b>	<b>509,414</b>

# Consolidated Statement of Changes in Equity

All amounts in TEUR	Notes	Share capital	Capital reserves	Treasury shares
Balance on 31 December 2018		112,085	4,465,259	-106,414
Other comprehensive income	3.4			
Net profit or loss				
Total comprehensive income				
Share buyback	3.4		-25	-54,330
<b>Balance on 31 March 2019</b>		<b>112,085</b>	<b>4,465,234</b>	<b>-160,744</b>
Balance on 31 December 2017		1,116,174	3,452,324	0
Effects of the initial application of IFRS 9				
Effects of the initial application of IFRS 15				
Balance on 1 January 2018		1,116,174	3,452,324	0
Other comprehensive income				
Net profit or loss				
Total comprehensive income				
Share buyback				-3,164
Issue of shares (for incentivised conversion of the convertible bond 2011–2018)		4,678	4,229	
Distributions				
Transactions with non-controlling interest owners				
<b>Balance on 31 March 2018</b>		<b>1,120,852</b>	<b>3,456,553</b>	<b>-3,164</b>

	Revaluation reserve (former AFS reserve)	IAS 19 reserve	Accumulated other equity		Retained earnings	Total	Non-controlling interests	Total equity
			Hedge accounting reserve	Currency translation reserve				
	-8,886	-385	-925	-173,128	-1,470,672	2,816,934	-16,593	2,800,341
	9,841		-1,738	-1,625		6,478	-214	6,264
					30,836	30,836	-406	30,430
	9,841		-1,738	-1,625	30,836	37,314	-620	36,694
						-54,355		-54,355
	955	-385	-2,663	-174,753	-1,439,836	2,799,893	-17,213	2,782,680
	4,323	-414	0	-133,870	-1,617,016	2,821,521	-13,478	2,808,043
	-1,096				2,723	1,627		1,627
					4,633	4,633		4,633
	3,227	-414	0	-133,870	-1,609,660	2,827,781	-13,478	2,814,303
	-429			-7,614		-8,043	-686	-8,729
					2,083	2,083	-1,130	953
	-429			-7,614	2,083	-5,960	-1,816	-7,776
						-3,164		-3,164
						8,907		8,907
						0	-90	-90
					-1,277	-1,277	-574	-1,851
	2,798	-414	0	-141,484	-1,608,854	2,826,287	-15,958	2,810,329

# SUPPLEMENTARY INFORMATION

## 1. Basis of Preparation

The consolidated interim financial statements of IMMOFINANZ as of 31 March 2019 were prepared for the period from 1 January 2019 to 31 March 2019 (Q1 2019).

The scope of quarterly reporting was reduced beginning with the first quarter of 2019 based on a change in the rules issued by the Vienna Stock Exchange for the Prime Market. Consequently, IMMOFINANZ's consolidated interim financial report 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 2018, which forms 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.

### FIRST-TIME APPLICATIONS OF STANDARDS AND INTERPRETATIONS

#### IFRS 16: Leases

IFRS 16 replaced the existing rules for the accounting treatment of leases (IAS 17) as of 1 January 2019. This new standard introduced extensive changes to lease accounting for the lessee, while the rules for lessors remained largely unchanged. The changeover was based on the modified retrospective approach.

The application of the new standard led to the recognition of the following rights of use as of 31 March 2019: EUR 56.4 million for investment property, EUR 13.2 million for property under construction and EUR 1.1 million for tangible assets. The related current lease liabilities equal EUR 0.9 million, and non-current lease liabilities amount to EUR 69.8 million.

In addition, rights of use totalling EUR 1.3 million and an equal amount of lease liabilities were reclassified to assets, respectively liabilities held for sale. Scheduled depreciation of EUR 0.1 million and revaluations of EUR 1.3 million were recognised in connection with the capitalised rights of use. The interest expense for the lease liabilities amounted to EUR 0.6 million and was calculated according to the effective interest method.

The initial application of IFRS 16 also resulted in reclassifications of EUR 3.8 million to rental income. The reclassifications were made within the results of asset management and, consequently, had no effect on the Group's net profit or the calculation of FFO.

## 2. Development of the Scope of Consolidation

The following table shows the development of the scope of consolidation in Q1 2019:

Scope of consolidation	Subsidiaries full consolidation	Joint ventures at equity	Associates at equity	Total
<b>Balance on 31 December 2018</b>	<b>281</b>	<b>6</b>	<b>12</b>	<b>299</b>
Companies initially included				
Other acquisitions	1	-1	0	0
Companies no longer included				
Sales	-2	0	0	-2
Mergers	-3	0	0	-3
Liquidations	-5	0	0	-5
<b>Balance on 31 March 2019</b>	<b>272</b>	<b>5</b>	<b>12</b>	<b>289</b>
Thereof foreign companies	175	4	5	184
Thereof in liquidation	19	0	1	20

## 3. Notes to the Consolidated Balance Sheet

### 3.1 INVESTMENT PROPERTY

All amounts in TEUR	Q1 2019
<b>Beginning balance</b>	<b>3,893,568</b>
Deconsolidations	-9,480
Change in scope of consolidation	106,480
Currency translation adjustments	-533
Additions	62,705
Disposals	-11,674
Revaluation	7,591
Reclassifications	-15,853
Reclassification to IFRS 5	-320
<b>Ending balance</b>	<b>4,032,484</b>

The reclassification to assets held for sale involves one property in Hungary which is assigned to the retail asset class.

The additions to investment property in the first quarter of 2019 resulted primarily from the initial application of IFRS 16 (right-of-use assets).

### 3.2 EQUITY-ACCOUNTED INVESTMENTS

The carrying amount of the equity-accounted investments totalled EUR 405,990,215.30 as of 31 March 2019, whereby EUR 404,529,825.47 are attributable to S IMMO AG. Based on the 19,499,437 shares held by IMMOFINANZ, the book value of the S IMMO share equalled EUR 20.75 as of that date. The income statement shows profit of EUR 4,853,362.98 from the equity-accounted investments; of this total, EUR 4,524,653.10 are attributable to S IMMO AG.

As of 31 March 2019 there were no objective indications of impairment to the S IMMO investment.

### 3.3 ASSETS AND SPECIFIC LIABILITIES HELD FOR SALE

Of the assets and liabilities held for sale as of 31 December 2018, three retail properties, three office properties and one property in the asset class Other were sold during Q1 2019. No assets or liabilities from the *Gerling Quartier* were classified as held for sale as of 31 March 2019.

The sale plans remain in effect for the assets and liabilities which were classified as held for sale as of 31 December 2018 but which had not been sold as of 31 March 2019.

The assets and liabilities held for sale as of 31 March 2019 are summarised as follows:

All amounts in TEUR	Carrying amount as of 31 3 2019	Carrying amount as of 31 12 2018
Investment property	26,023	30,916
Property under construction	0	20,766
Real estate inventories	0	5,026
Trade and other receivables	71	202
Cash and cash equivalents	110	252
<b>Assets held for sale</b>	<b>26,204</b>	<b>57,162</b>
<b>Reclassifiable reserves</b>	<b>376</b>	<b>682</b>
Financial liabilities	1,315	0
Trade and other payables	294	366
Provisions	164	14
Deferred tax liabilities	749	1,181
<b>Liabilities held for sale</b>	<b>2,522</b>	<b>1,561</b>

### 3.4 EQUITY

On 2 July 2018, the Executive Board and Supervisory Board of IMMOFINANZ AG approved the use of an authorisation by 25th annual general meeting on 11 May 2018 to carry out a share buyback programme (share buyback programme 2018/19) in accordance with § 65 (1) No. 8 of the Austrian Stock Corporation Act. This authorisation covers up to 10% of the company's share capital. The share buyback programme 2018/19 has a volume up to 9.7 million IMMOFINANZ shares, which represent 8.66% of the current share capital. The share buyback started on 16 July 2018. A total of 5.9 million IMMOFINANZ shares were repurchased for EUR 129.2 million by 31 March 2019, including 2.4 million shares for EUR 54.3 million during the first quarter of this year.

IMMOFINANZ held 7,372,526 treasury shares as of 31 March 2019 (31 December 2018: 4,942,001 shares).

The 26th annual general meeting on 22 May 2019 approved a dividend payment of EUR 0.85 per share for the 2018 financial year. A total of EUR 88.1 million was distributed on 28 May 2019 to external shareholders.



## 4. Notes to the Consolidated Income Statement

### 4.1 RENTAL INCOME

All amounts in TEUR	Q1 2019	Q1 2018
Office	28,380	27,494
Retail	31,075	26,466
Other	5,775	5,048
<b>Total</b>	<b>65,230</b>	<b>59,008</b>

### 4.2 EXPENSES FROM INVESTMENT PROPERTY

All amounts in TEUR	Q1 2019	Q1 2018
Commission expenses	-121	-126
Maintenance	-3,097	-3,215
Operating costs charged to building owners	-3,960	-3,931
Property marketing	-1,373	-938
Personnel expenses from asset management	-1,222	-1,475
Other expenses from asset management	-462	-661
Rental and lease payments	0	-550
Fit-out costs	-881	-2,241
Write-off of receivables from asset management	-599	-246
Other expenses	398	-300
<b>Total</b>	<b>-11,317</b>	<b>-13,683</b>

### 4.3 PROCEEDS FROM THE SALE OF PROPERTIES

All amounts in TEUR	Q1 2019	Q1 2018
Office	28,132	0
Retail	6,128	2,349
Other	2,279	0
<b>Proceeds from property sales</b>	<b>36,539</b>	<b>2,349</b>
Less carrying amount of sold properties	-36,539	-2,349
<b>Net gain/loss from property sales</b>	<b>0</b>	<b>0</b>
<b>Gains/losses from deconsolidation</b>	<b>1,528</b>	<b>6,594</b>
Sales commissions	-86	0
Personnel expenses from property sales	-347	-339
Legal, auditing and consulting fees from property sales	-304	-297
VAT adjustments from the sale of properties	0	-13
Other expenses	-56	-372
<b>Expenses from property sales</b>	<b>-793</b>	<b>-1,021</b>
Revaluation results from properties sold and held for sale	293	-2,029
<b>Total</b>	<b>1,028</b>	<b>3,544</b>

## 4.4 RESULTS OF PROPERTY DEVELOPMENT

All amounts in TEUR	Q1 2019	Q1 2018
<b>Proceeds from the sale of real estate inventories</b>	<b>52,964</b>	<b>2,704</b>
<b>Cost of real estate inventories sold</b>	<b>-52,597</b>	<b>-2,704</b>
Other costs to sell for real estate inventories	-513	-803
Write-down related reversals of real estate inventories	204	290
Write-down of real estate inventories	-1,205	-1,676
Impending losses from the forward sale of real estate inventories	0	589
Operating costs charged to building owners-inventories	-61	-94
Other expenses from real estate inventories	-1,065	0
<b>Expenses from real estate inventories</b>	<b>-2,640</b>	<b>-1,694</b>
<b>Expenses from property development</b>	<b>-1,291</b>	<b>-1,323</b>
<b>Revaluation results from properties under construction</b>	<b>-1,053</b>	<b>4,773</b>
<b>Total</b>	<b>-4,617</b>	<b>1,756</b>

The proceeds from the sale of properties (EUR 53 million) and the production costs of the sold properties (EUR -52.6 million) resulted primarily from the sale of the hotel leased to 25hours and the related underground garage as well as further units in the *Gerling Quartier* in Cologne.

## 4.5 OTHER OPERATING INCOME

All amounts in TEUR	Q1 2019	Q1 2018
Expenses charged on	34	3
Insurance compensation	23	147
Income from derecognised liabilities	61	1,185
Reimbursement for penalties	305	0
Miscellaneous	348	871
<b>Total</b>	<b>771</b>	<b>2,206</b>

## 4.6 OTHER OPERATING EXPENSES

All amounts in TEUR	Q1 2019	Q1 2018
Administrative expenses	-41	-72
Legal, auditing and consulting fees	-1,471	-2,282
Penalties	-27	-314
Levies	-350	-2,510
Advertising	-593	-377
Expenses charged on	0	-4
Rental and lease expenses	0	-150
EDP and communications	-620	-788
Expert opinions	-137	-114
Personnel expenses	-5,469	-9,472
Other write-downs	-264	-171
Miscellaneous	-1,722	-763
<b>Total</b>	<b>-10,694</b>	<b>-17,017</b>

The year-on-year decline in personnel expenses during the first quarter of 2019 resulted from a one-off special bonus of EUR 4.0 million for the Executive Board which was approved by the Supervisory Board.

## 4.7 FINANCIAL RESULTS

All amounts in TEUR	Q1 2019	Q1 2018
For financial liabilities AC	-13,169	-14,188
For derivative financial instruments	-1,775	-2,218
<b>Total financing costs</b>	<b>-14,944</b>	<b>-16,406</b>
For financial receivables AC	697	1,376
For derivative financial instruments	46	2
<b>Total financing income</b>	<b>743</b>	<b>1,378</b>
<b>Foreign exchange differences</b>	<b>-1,106</b>	<b>392</b>
Profit or loss on other financial instruments and proceeds on the disposal of financial instruments	-5	75
Valuation of financial instruments at fair value through profit or loss	-7,036	1,660
Valuation adjustments and impairment of receivables	-902	-486
<b>Other financial results</b>	<b>-7,943</b>	<b>1,249</b>
<b>Net profit or loss from equity-accounted investments</b>	<b>4,853</b>	<b>8,879</b>
<b>Total</b>	<b>-18,397</b>	<b>-4,508</b>

AC: financial assets/liabilities measured at amortised cost

Valuation of financial instruments at fair value through profit or loss consists chiefly of the valuation of derivative financial instruments (interest rate swaps).

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

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