

Press Release

Vienna, 9 November 2010

## **IMMOFINANZ AG launches share repurchase program 2010-2011**

The executive board of IMMOFINANZ AG has resolved to carry out a repurchase program of treasury shares pursuant to section 65 para 1 item 8 Austrian Stock Corporation Act based on the authorisation by the 17th Ordinary Shareholders' Meeting of 28 September 2010. In the course of the resolved program up to 47,350,248 ordinary bearer shares of IMMOFINANZ AG (ISIN AT0000809058) may be purchased by IMMOFINANZ Group (IMMOFINANZ AG respectively its 100% subsidiary IMBEA IMMOEAST Beteiligungsverwaltung GmbH) between 12 November 2010 and 12 April 2011. The consideration per share to be paid shall not be higher than 15% of the average of the volume weighted daily closing prices of the shares of the previous ten trading days at the Vienna Stock Exchange. The minimum consideration per share corresponds to the pro rate amount of one share of the nominal share capital and thus amounts to EUR 1.04. The purchase of shares by IMMOFINANZ Group will be carried out via the stock exchange.

Prior to the repurchase program IMMOFINANZ Group already holds approximately 57 million treasury shares (approximately 5.47% of the share capital), which have been acquired in the course of the closing of the agreements with Constantia Packaging B.V. and Aviso Zeta Bank AG. In the course of the repurchase program the amount of treasury shares held by IMMOFINANZ-Group may increase up to overall 104 million shares or 10% of the share capital respectively.

The purpose of the repurchase program is to use treasury shares for capital market instruments for the refinancing of the Convertible Bonds 2007-2014 and 2007-2017, for which the holders have a put option exercisable in the year 2012. In case of utilisation of the total volume of the share repurchase program approximately 104 million shares would be available. In addition, convertible bonds combined with subscription rights on up to 20.6 million shares may be issued in accordance with the authorisation of the Ordinary Shareholders' Meeting of 2007.

In total, liabilities outstanding in connection with convertible bonds as per 31 October 2010 are as follows:

|                            | ISIN         | Maturity    | Conversion price | Par value per 30 April 2010 | Repurchase in financial year 2010/11 until 31 Oct 2010 | Par value per 31 Oct 2010 |
|----------------------------|--------------|-------------|------------------|-----------------------------|--|---------------------------|
| Convertible Bond 2007-2014 | XS0283649977 | 19 Jan 2012 | 14.6800          | 654,300,000.00              | 89,000,000.00  | 565,300,000.00            |
| Convertible Bond 2007-2017 | XS0332046043 | 19 Nov 2012 | 9.2602           | 212,300,000.00              | 4,300,000.00   | 208,000,000.00            |
| Convertible Bond 2009-2011 | XS0416178530 | 22 Dec 2011 | 2.0000           | 194,200,000.00              |  | 194,200,000.00            |
| <b>TOTAL</b>               |              |             |                  | <b>1,060,800,000.00</b>     | <b>93,300,000.00</b>                                   | <b>967,500,000.00</b>     |

Through the repurchase program the basis for the refinancing of the convertible bonds will be created. In total approximately 125 million shares would be available for the conversion option of a bond to be newly issued. A side effect beneficial to the shareholders is the increase of the NAV (Net Asset Value) which is associated to the repurchase. Through the acquisition of IMMOFINANZ-shares below its intrinsic value a significant value added can be created for the shareholders.

The refinancing of the Convertible Bonds 2014 and 2017 is planned for the first quarter 2011 and constitutes one of the basic prerequisites for a potential payment of dividends for the current financial year 2010/11.

Eduard Zehetner, CEO of IMMOFINANZ Group comments: "Through the repurchase program we achieve several effects: on the one hand we create the basis for the refinancing of the Convertible Bonds 2014 and 2017, on the other hand in doing so we increase the NAV."

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