

# Q1-2

## PRESENTATION OF RESULTS

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**01 Highlights / Operational Update**

02 Q1-2 2017 Results

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# Q1-2 2017 – HIGHLIGHTS

## SIGNIFICANT INCREASE IN PORTFOLIO EFFICIENCY

- > Occupancy rate rises to a new high of 92.8%
- > Strong growth of 4.6% in like-for-like rental income
- > Rapid expansion of STOP SHOP portfolio: closing for the acquisition of nine retail parks with approx. 74,000 sqm of space
- > Start of completions in Germany: Cluster Produktionstechnik with 28,000 sqm fully rented and opened
- > Substantial progress in cost efficiency: personnel expenses reduced by approximately 24% to MEUR 17 in first half-year

## IMPROVEMENT IN CREDIT PROFILE

- > IG rating level reached for LTV: loan-to-value<sup>1</sup> ratio improves to 46.0% (31.12.2016: 49.0%)
- > Significant reduction in interest expense:
  - > Multi-stage refinancing reduces volume of historical bonds and cuts annual financing costs by MEUR 21 over the medium-term
  - > Substantial decline in financing costs<sup>1</sup>: 2.62% incl. and 2.27% excl. derivatives (31.12.2016: 3.02% resp. 2.64%)

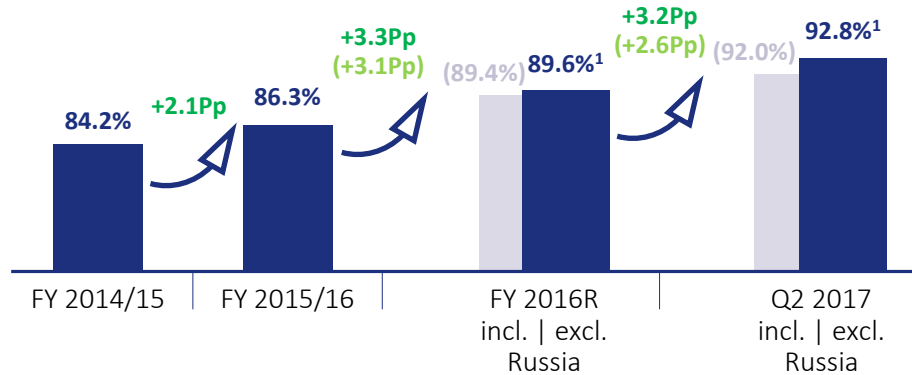
## SETTLEMENT OF PREVIOUS LEGAL DISPUTES

- > End of all historical legal disputes at the shareholders' level: settlement to terminate the review of the exchange ratio applied to the IMMOFINANZ/IMMOEAST merger

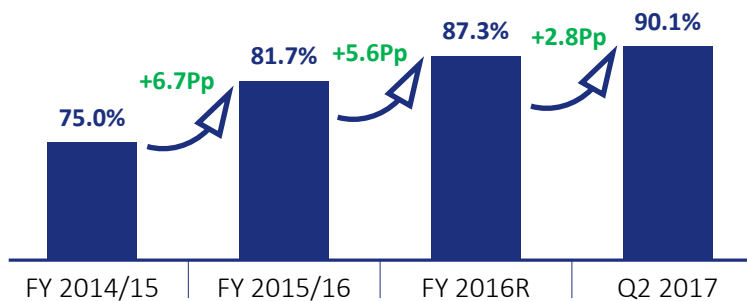
<sup>1</sup> The data are based on IMMOFINANZ's continuing operations, excl. RU; financing costs excl. the corporate bond 2017 which was redeemed on 3 July

# OPERATIONAL UPDATE – RENTAL PERFORMANCE

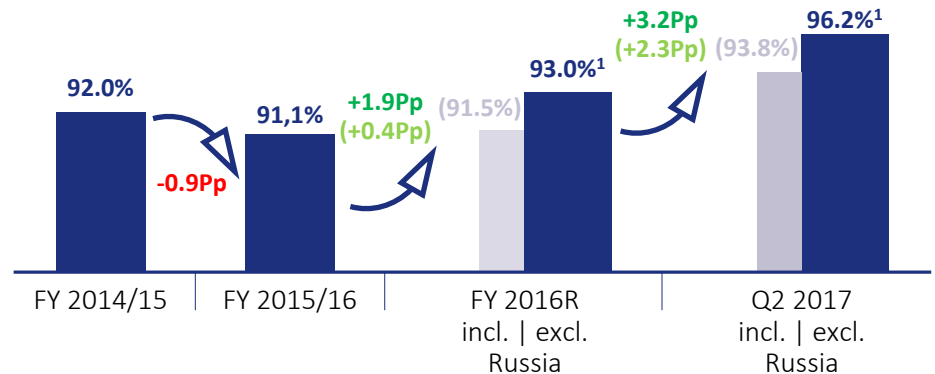
## OCCUPANCY RATE TOTAL



## OCCUPANCY RATE OFFICE



## OCCUPANCY RATE RETAIL



<sup>1</sup> The total occupancy rate and the occupancy rate in the retail portfolio do not include Russia due to the presentation of the retail portfolio Moscow as a discontinued operation (IFRS 5) since 31 December 2006.

# MYHIVE – MARKET LAUNCH IN FIVE COUNTRIES

- > Roll-out of the brand to 18 locations – already completed in 11 buildings
- > Offering very well received  
-> Occupancy rate in myhive properties exceeds remaining office portfolio
- > Exclusively in capital cities



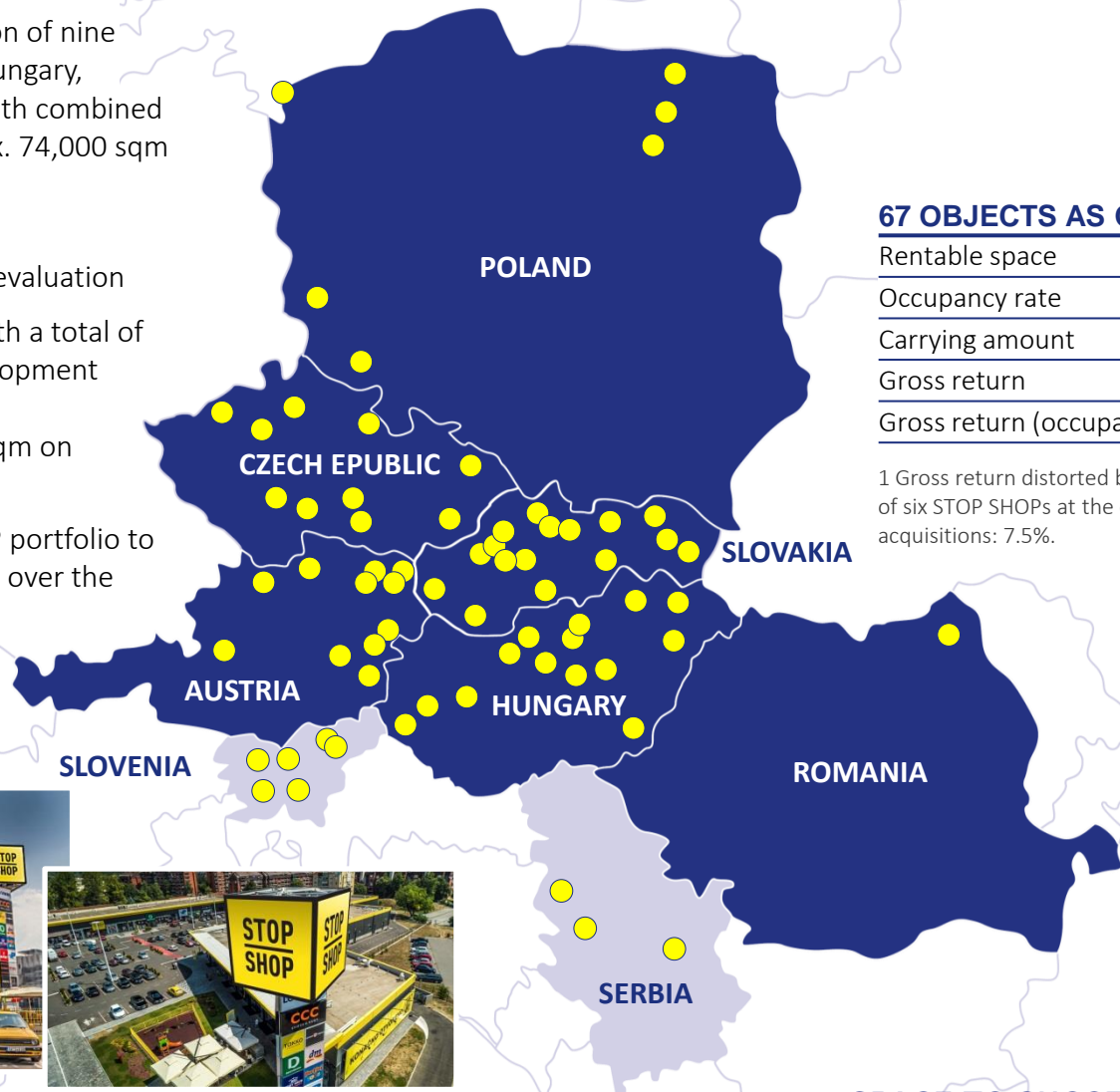
### 18 OBJECTS AS OF 30 JUNE 2017

Rentable space	436,137 sqm
Occupancy rate	91.9%
Carrying amount	MEUR 940.9
Gross return	5.7%
Gross return (occupancy adj.)	6.2%



# STOP SHOP – 67 LOCATIONS IN EIGHT COUNTRIES

- > Closing for the acquisition of nine existing retail parks in Hungary, Slovakia and Romania with combined rentable space of approx. 74,000 sqm in the first half of 2017
- > Poland and Romania: further locations under evaluation
- > Serbia: four locations with a total of 34,000 sqm under development – opening of STOP SHOP Lazarevac with 10,100 sqm on 14 September 2017
- > Expansion of STOP SHOP portfolio to more than 100 locations over the coming years



**67 OBJECTS AS OF 30 JUNE 2017**

Rentable space	455,518 sqm
Occupancy rate	97.7%
Carrying amount	MEUR 639.1
Gross return	6.8% <sup>1</sup>
Gross return (occupancy adj.)	6.9% <sup>1</sup>

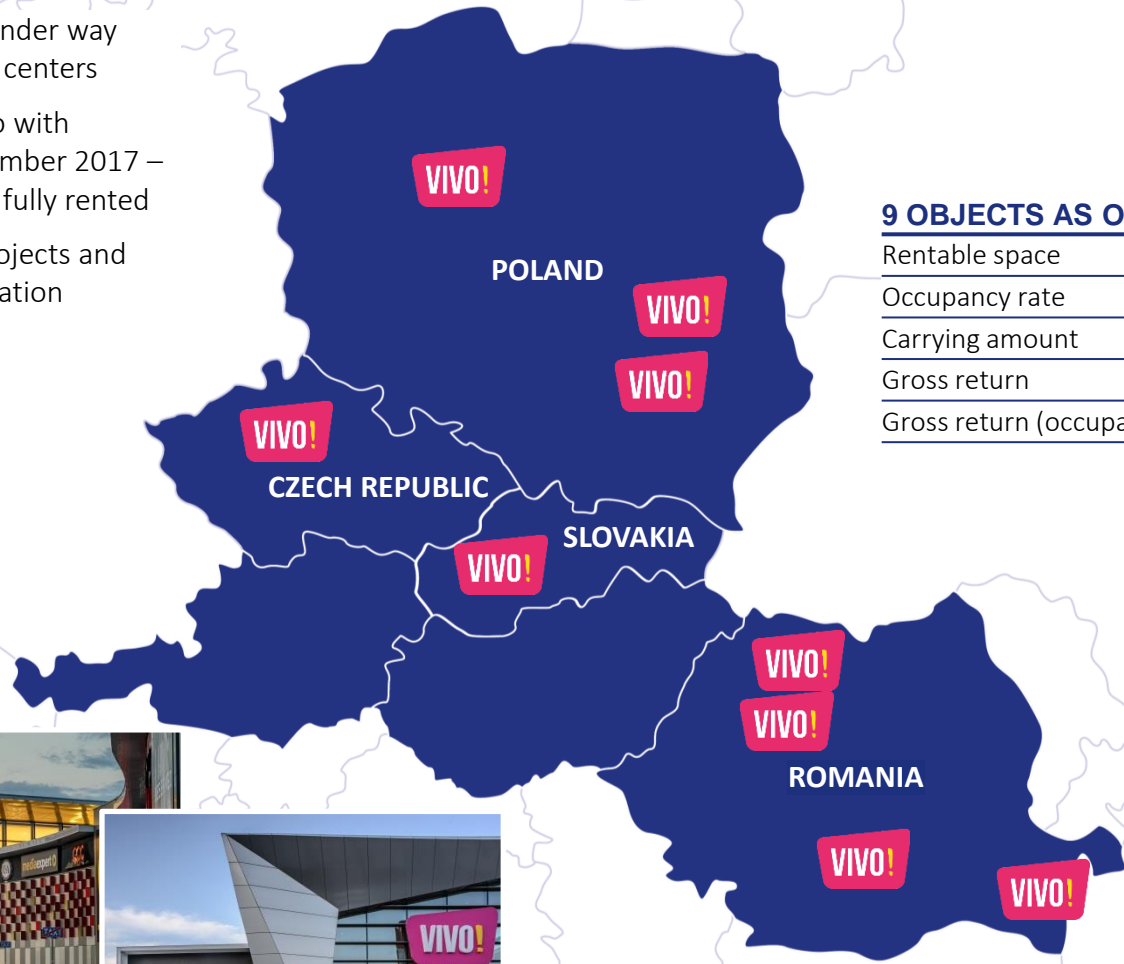
<sup>1</sup> Gross return distorted by closing for the acquisition of six STOP SHOPS at the end of June. Excluding these acquisitions: 7.5%.





# VIVO! – ROLLOUT TO FURTHER LOCATIONS

- > Rollout of VIVO! brand under way across existing shopping centers
- > Opening of VIVO! Krosno with 21,000 sqm on 29 September 2017 – shopping center already fully rented
- > Further development projects and acquisitions under evaluation



### 9 OBJECTS AS OF 30 JUNE 2017

Rentable space	293,464 sqm
Occupancy rate	94.0%
Carrying amount	MEUR 613.2
Gross return	6.9%
Gross return (occupancy adj.)	7.4%



# OPERATIONAL UPDATE DEVELOPMENTS

## PROJECTS IN GERMANY REACH COMPLETION STAGE



- > trivago headquarters, Düsseldorf (DE)
- > Office; 26,000 sqm
- > Completion: Q3 2018
- > Occupancy rate: 100%



- > FLOAT (HQ Uniper), Düsseldorf (DE)
- > Office; 30,000 sqm
- > Completion: Q3 2018
- > Occupancy rate: 95%



- > Production Technology Cluster, Aachen (DE)
- > Office (Coop. RWTH Aachen); 28,000 sqm
- > Completion: Q2 2017
- > Occupancy rate: 97% (as of 08/2017)

### 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	30.0	6.9%	0.0 <sup>2</sup>	0 <sup>2</sup>	30.0 <sup>2</sup>	0.0 <sup>2</sup>	0.0%
Germany	5	308.3	71.1%	110.6	102,133	433.9	20.4	4.9%
Poland	3	16.1	3.7%	21.7	25,132	42.6	3.5	9.2%
Romania	3	48.6	11.2%	10.1	30,793	58.6	5.2	8.8%
Slovakia	1	22.9	5.3%	6.3	18,744	29.2	2.8	9.5%
Non-core countries	2	7.5	1.7%	4.5	10,384	13.2	1.1	9.6%
<b>IMMOFINANZ</b>	<b>16</b>	<b>433.4</b>	<b>100.0%</b>	<b>153.2</b>	<b>187,187</b>	<b>607.6</b>	<b>32.9<sup>3</sup></b>	<b>5.6%</b>

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

<sup>2</sup> Projects in the planning stage, therefore no outstanding construction costs; rental income based on current use

<sup>3</sup> Approx. EUR 2.3 million included in H1 2017



# MEDIENHAFEN – TRIVAGO CAMPUS AND FLOAT



(C) euroluftbild.de/Hans Blossey

# OPERATIONAL UPDATE – MEDIUM-TERM SALE PROGRAMME

## PLANNED SALES (excluding Russia)

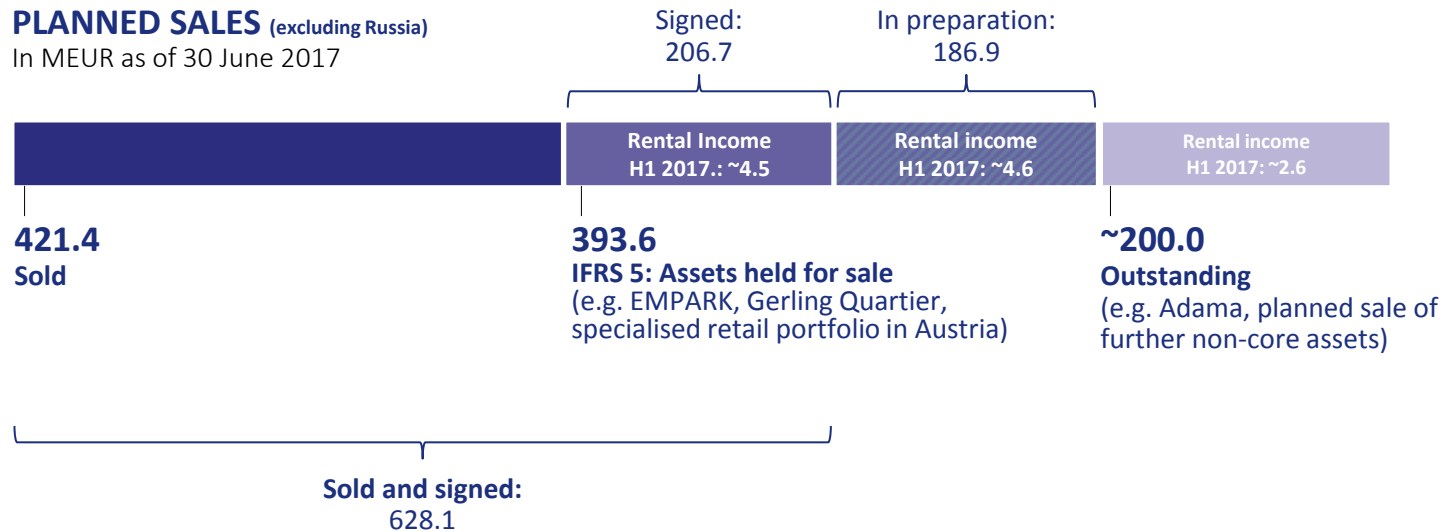
In MEUR as of 30 April 2016



Total  
MEUR  
~1,000.0

## PLANNED SALES (excluding Russia)

In MEUR as of 30 June 2017



> Proceeds will finance development activities & portfolio growth

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# P&L Q1-2 2017 VS. Q1-2 2016

AMOUNTS IN MEUR AS OF 30 JUNE 2017		Q1-2 2017	Q1-2 2016 <sup>1</sup>	CHANGE ABSOLUTE	CHANGE IN %	COMMENTS
<b>Rental income</b>	1	114.9	115.9	-1.0	-0.9%	<ol style="list-style-type: none"> <li>Sale-related decline offset by completions and new rentals (rental income office: +1.7%; retail: -2.0% due to portfolio adjustments in Austria)</li> <li>Maintenance + fit-out costs stable despite myhive rebranding (MEUR -15.3 vs. MEUR -15.8), decline in operating costs charged to building owners (MEUR -6.0 vs. MEUR -10.6)</li> <li>Additional costs for Gerling Quartier and outstanding obligations following sale of Cologne properties. Net effect of sale and development results from Cologne exit in Q2: MEUR -17.8</li> <li>Absence of one-off effects from prior year</li> <li>Decline in legal, audit and consulting expenses (MEUR -6.0 vs. MEUR -9.3)</li> <li>Prior year: negative effects primarily from RO and non-core countries</li> <li>Reduction of financing costs due to partial conversion and exchange of CB 2018 (MEUR 2.6); decline in financing income (MEUR 2.8 vs. MEUR 4.2)</li> <li>Incentivised conversion of CB 2018 (MEUR -12.6); valuation of derivatives</li> <li>Proportional share of earnings from CA Immo (MEUR 28.3) plus increase in value (MEUR 91.9), sale of 4.5 million BUWOG shares and revaluation of remaining BUWOG stake (MEUR 43.9)</li> <li>Current income tax: MEUR -7.2; deferred taxes: MEUR -19.8, thereof MEUR -14.8 from write-off of inter company receivables from Gerling Quartier</li> <li>Results from Russia: rental income MEUR 43.4 vs. MEUR 38.1; foreign exchange-adjusted revaluation MEUR 6.5 vs. MEUR -65.9</li> </ol>
Operating costs charged to tenants		41.7	40.8	0.9	2.2%	
Other revenues		3.5	3.5	0.0	-1.2%	
<b>Revenues</b>		<b>160.1</b>	<b>160.3</b>	<b>-0.1</b>	<b>-0.1%</b>	
Expenses from investment property	2	-41.7	-50.0	8.3	16.6%	
Operating expenses		-39.4	-38.4	-1.0	-2.5%	
<b>Results of asset management</b>		<b>79.1</b>	<b>71.9</b>	<b>7.2</b>	<b>10.0%</b>	
<b>Results of property sales</b>		<b>2.0</b>	<b>-12.6</b>	<b>14.6</b>	<b>n/a</b>	
<b>Results of property development</b>	3	<b>-28.9</b>	<b>7.3</b>	<b>-36.3</b>	<b>n/a</b>	
Other operating income	4	5.4	9.2	-3.8	-41.1%	
Other operating expenses	5	-23.8	-26.0	2.2	8.6%	
<b>Results of operations</b>		<b>33.8</b>	<b>49.8</b>	<b>-16.0</b>	<b>-32.2%</b>	
Revaluation of investment properties adjusted for foreign exchange effects	6	3.5	-93.4	96.9	n/a	
Revaluation of investment properties resulting from foreign exchange effects		-0.8	0.2	-1.1	n/a	
Goodwill impairment and other revaluation results		-0.7	-25.2	24.5	97.1%	
<b>Operating profit (EBIT)</b>		<b>35.8</b>	<b>-68.5</b>	<b>104.3</b>	<b>n/a</b>	
Net financing costs	7	-49.4	-50.4	1.0	2.0%	
Foreign exchange differences		0.0	-5.9	5.9	n/a	
Other financial results	8	-10.4	-2.6	-7.8	≤ -100.0%	
Gains/losses from equity-accounted investments	9	164.2	0.9	163.2	≥ +100.0%	
Taxes	10	-27.0	2.7	-29.7	n/a	
<b>Net profit for the period from continuing operations</b>		<b>113.1</b>	<b>-123.9</b>	<b>237.0</b>	<b>n/a</b>	
Net profit for the period from discontinued operations	11	-7.9	-119.4	111.6	93.4%	
<b>Net profit for the period</b>		<b>105.3</b>	<b>-243.3</b>	<b>348.6</b>	<b>n/a</b>	

<sup>1</sup> The comparative data were adjusted (unaudited)

# LIKE-FOR-LIKE – RENTAL INCOME

A like-for-like analysis of rental income for the first half of 2017 shows a year-on-year increase of 4.6% to MEUR 92.4. Higher occupancy led to an increase of MEUR 1.2 to MEUR 23.5 in Romania, MEUR 1.0 to MEUR 13.6 in Hungary, MEUR 0.7 to MEUR 22.9 in Austria and MEUR 0.3 to MEUR 10.9 in the Czech Republic.

STANDING INVESTMENTS <sup>1</sup> , AMOUNTS IN MEUR AS OF 30 JUNE 2017	NUMBER OF PROPERTIES	CARRYING AMOUNT 30 JUNE 2017	CARRYING AMOUNT IN PERCENT	RENTAL INCOME H1 2017	RENTAL INCOME H1 2016	H1 2017 VS. H1 2016
Austria	31	848.1	28.8%	22.9	22.1	0.7
Germany	1	40.3	1.4%	1.0	0.9	0.1
Czech Republic	19	361.3	12.3%	10.9	10.6	0.3
Hungary	23	444.3	15.1%	13.6	12.6	1.0
Poland	14	376.1	12.8%	11.4	10.8	0.6
Romania	16	619.4	21.0%	23.5	22.3	1.2
Slovakia	12	181.9	6.2%	6.7	6.4	0.3
Non-core countries	7	71.4	2.4%	2.4	2.5	-0.1
<b>IMMOFINANZ continuing</b>	<b>123</b>	<b>2,942.8</b>	<b>100.0%</b>	<b>92.4</b>	<b>88.3</b>	<b>4.1</b>
Rental income from properties sold/acquired and development projects				22.5		
<b>IMMOFINANZ continuing</b>				<b>114.9</b>		
Russia <sup>2</sup>	5	976.4		43.4	38.1	5.3
Office	54	1,928.0	65.5%	54.3	51.8	2.4
Retail	63	1,006.2	34.2%	37.9	36.5	1.4
Others	6	8.6	0.3%	0.3	0.0	0.2
<b>IMMOFINANZ continuing</b>	<b>123</b>	<b>2,942.8</b>	<b>100.0%</b>	<b>92.4</b>	<b>88.3</b>	<b>4.1</b>

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

2 The Russian portfolio is presented as a discontinued operation due to the planned sale or spin-off and is therefore not included in the total

# LIKE-FOR-LIKE – PROPERTY VALUATION

Like-for-like valuation results totalled MEUR 5.1 in H1 2017. Value increases resulting from an improvement in the market environment or higher retail occupancy in Hungary, the Czech Republic and Slovakia were contrasted by slight value declines in Poland and Romania (above all due to expenses connected with the myhive roll-out). Another negative factor was the relocation of a larger tenant from an office property in Austria and Romania.

STANDING INVESTMENTS <sup>1</sup> , AMOUNTS IN MEUR AS OF 30 JUNE 2017	NUMBER OF PROPERTIES	CARRYING AMOUNT 30 JUNE 2017	VALUATION RESULT H1 2017	COMMENTS
Austria	31	848.1	-3.6	Move out of a larger office tenant – new rental in progress
Germany	1	40.3	0.1	
Czech Republic	19	361.3	5.3	Improvement in market environment
Hungary	23	444.3	7.4	Improvement in market environment and higher occupancy in retail properties
Poland	14	376.1	-4.2	Increased capex for repositioning of retail property
Romania	16	619.4	-3.7	Move out of a larger office tenant – new rental in progress
Slovakia	12	181.9	3.2	Improvement in market environment
Non-core countries	7	71.4	0.6	
<b>IMMOFINANZ continuing</b>	<b>123</b>	<b>2,942.8</b>	<b>5.1</b>	
Russia	5	976.4	6.5	
Office	54	1,928.0	-4.5	Move out of a larger office tenant – new rental in progress
Retail	63	1,006.2	9.7	Improvement in market environment and higher occupancy in Hungary
Others	6	8.6	0.0	
<b>IMMOFINANZ</b>	<b>123</b>	<b>2,942.8</b>	<b>5.1</b>	

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

# FUNDS FROM OPERATIONS I & II

AMOUNTS IN MEUR AS OF 30 JUNE 2017	Q1-2 2017	Q1-2 2016 <sup>1</sup>	CHANGE ABSOLUTE	CHANGE IN %
Gross cash flow before tax	87.1	70.3	16.8	23.9%
Gross cash flow before tax from discontinued operations	-27.8	-22.6	-5.2	23.0%
<b>Gross cash flow before tax from continuing operations</b>	<b>59.2</b>	<b>47.7</b>	<b>11.6</b>	<b>24.3%</b>
Ancillary costs for property sales (included in gross cash flow, recognised through profit or loss)	2.5	2.8	-0.3	-10.1%
Results of property development (included in gross cash flow, recognised through profit or loss)	-0.5	8.8	-9.4	n/a
Dividends received from equity-accounted investments	1.7	0.0	1.7	n/a
Economic interest in FFO I of CA Immo Group <sup>2</sup>	15.5	0.0	15.5	n/a
Interest or dividends received from financial instruments	1.3	3.8	-2.4	-64.6%
Interest paid	-29.8	-40.3	10.5	26.1%
Derivatives	-6.6	-12.4	5.8	47.1%
<b>FFO1</b>	<b>43.3</b>	<b>10.3</b>	<b>33.0</b>	<b>≥ +100.0%</b>
Results of property sales	2.0	-12.6	14.6	n/a
<b>FFO2</b>	<b>45.4</b>	<b>-2.2</b>	<b>47.6</b>	<b>n/a</b>

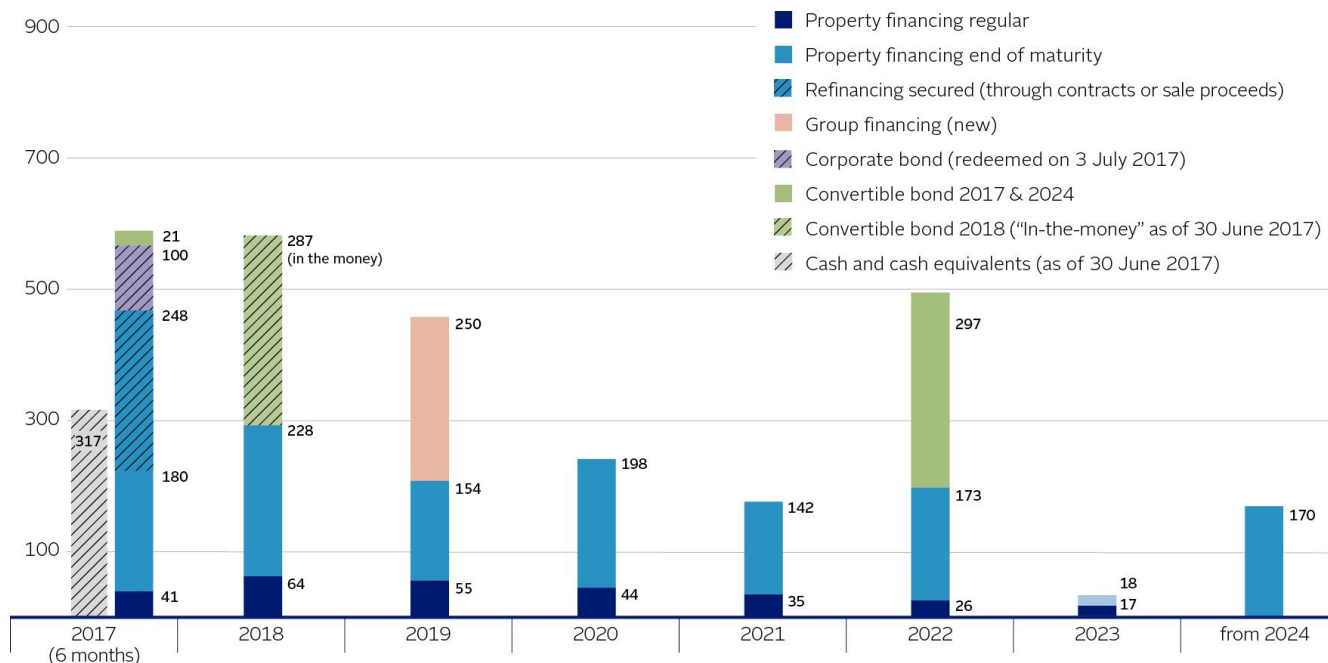
In order to show sustainable FFO I from standing investments, results of property sales and property development have been deducted in full

<sup>1</sup> The comparative data were adjusted.

<sup>2</sup> The economic interest in the CA Immo Group is based on the investment held by IMMOFINANZ in relation to the number of CA Immo shares outstanding during a six-month period – similar to the recognition of the proportional share of earnings under the equity method.

# FINANCING – MATURITY SCHEDULES

## TERM STRUCTURE OF FINANCIAL LIABILITIES (EXCL. RUSSIA) AS OF 30 JUNE 2017



### AVERAGE FINANCING COSTS AS OF 30 JUNE 2017

	IMMOFINANZ CONTINUING	INCL. RUSSIA
Including derivatives	2.72%	3.78%
Excluding derivatives	2.38%	3.51%
Including derivatives, excluding corporate bond 2017 <sup>1</sup>	2.62%	3.74%
Excluding derivatives, excluding corporate bond 2017 <sup>1</sup>	2.27%	3.46%
Net LTV <sup>2</sup>	46.0%	49.5%
Hedged component	68.04%	54.62%
Average weighted term to maturity	3 (3.80 <sup>3</sup> ) years	3.25 (3.87 <sup>3</sup> ) years

<sup>1</sup> The corporate bond 2017 was redeemed at 100% of the nominal amount on 3 July 2017.

<sup>2</sup> Net LTV = Total debt less cash and cash equivalents in relation to property value plus market value of BUWOG and EPRA NAV of CA Immo shares | Net LTV after the hypothetical conversion of the CB 2018: 41.5%

<sup>3</sup> Excluding the corporate bond 2017, CB 2017 and CB 2018 as well as the repayment of financing for the Friesen-/Gerling Quartier.



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# OUTLOOK

## SEPARATION OF THE RUSSIAN PORTFOLIO

- > Advanced talks with potential buyers
- > Separation of Moscow portfolio should be completed by year-end 2017

## COMBINATION OF IMMOFINANZ AND CA IMMO

- > Resumption of detailed work with CA Immo after decision on Russia
- > Coordination with CA Immo to present new schedule for merger

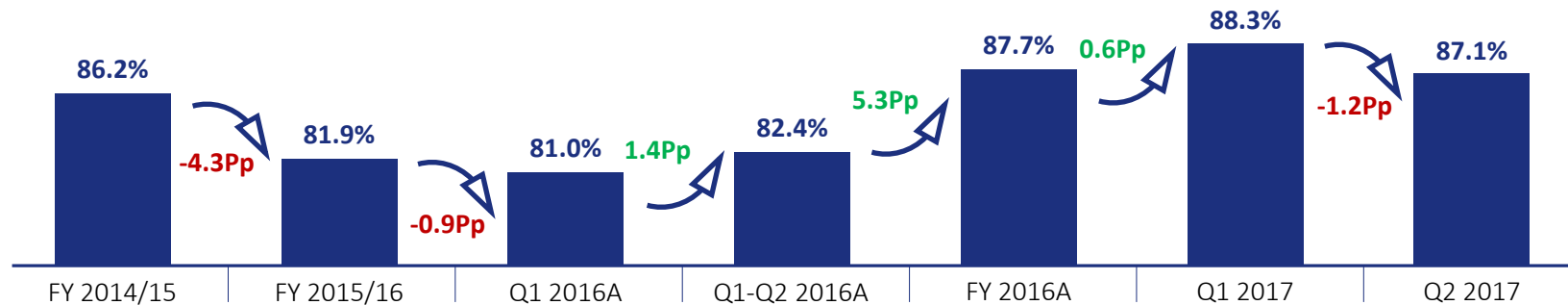
## DISTRIBUTION POLICY

- > Sustainable dividend policy:  
Ordinary dividend of EUR 0.06 per share for FY 2017 planned  
(after EUR 0.06 each for 2015/16 and 2016A)
- > Share buyback programme for 20 million shares started in March 2017

# APPENDIX

# OPERATIONAL UPDATE RETAIL – RUSSIA

## OCCUPANCY RATE



### KEY FIGURES

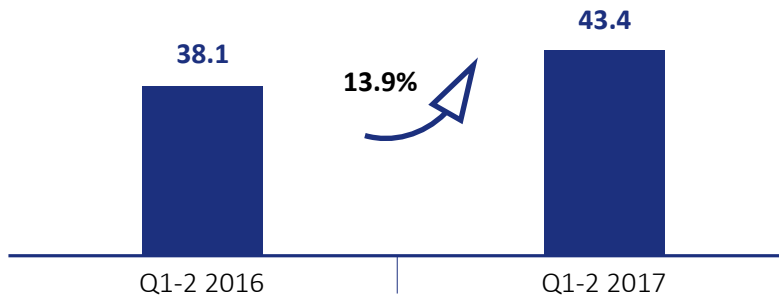
	H1 2017	H1 2016
Rental income (MEUR)	43.4	38.1
Carrying amount (MEUR)	976.4	1,024.1 <sup>1</sup>
Gross return	8.7%	7.3% <sup>1</sup>
Gross return (adjusted for occupancy)	10.0%	8.4% <sup>1</sup>
LTV	69.1%	70.5% <sup>1</sup>

<sup>1</sup> Data as of 31 December 2016

# BUSINESS UPDATE: RUSSIA AS OF 30 JUNE 2017

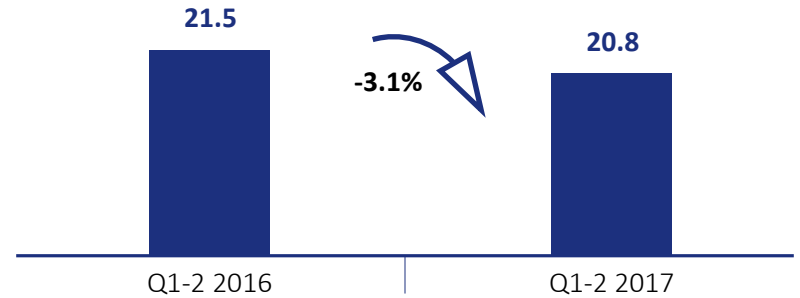
## RENTAL INCOME (LIKE-FOR-LIKE)

Values in MEUR

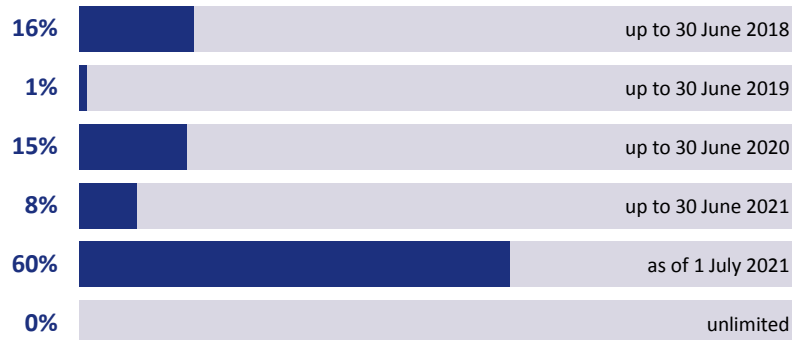


## FOOTFALL

Values in million

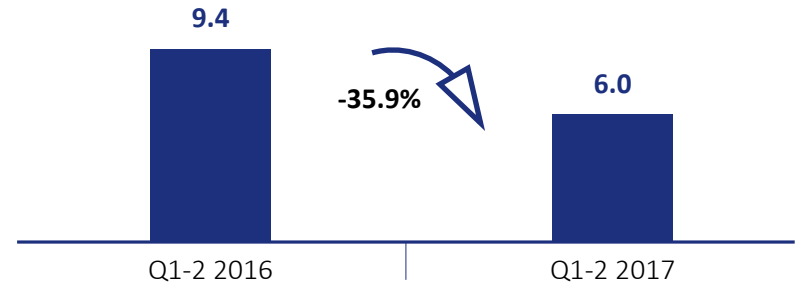


## CONTRACT EXPIRATION PROFILE RUSSIA



## RENT RECEIVABLES RUSSIA

Values in MEUR

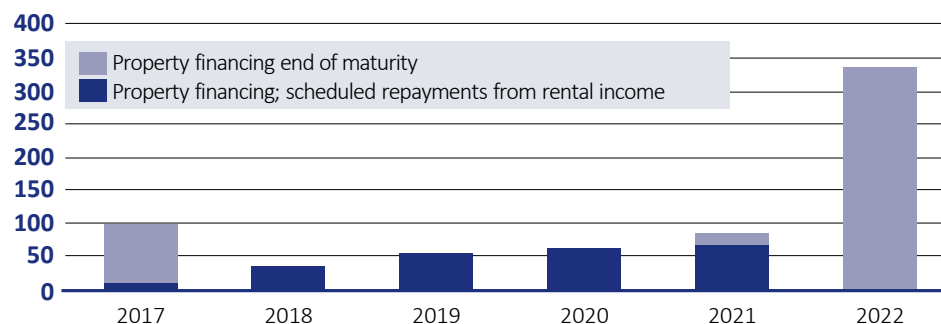


# BUSINESS UPDATE:

## RUSSIA AS OF 30 JUNE 2017

### TERM STRUCTURE OF FINANCIAL LIABILITIES

Values in MEUR



The Russian financial liabilities amounted to MEUR 674.7 at the end of June 2017. An agreement for the full suspension of scheduled repayments was concluded with SBERBANK, which covers the period up to and including the first quarter of 2018. A waiver agreement was also concluded which suspends the calculation of financial covenants up to and including the first quarter of 2018.

### PROPERTY APPRAISAL

Standing investments

	30 APR 2014	30 APR 2015	EXTRAORDINARY APPRAISAL AS OF 31 JAN 2016	30 APR 2016	31 OCT 2016	31 DEC 2016	30 JUNE 2017
Appraiser	JLL	JLL	CBRE	CBRE	CBRE	CBRE	CBRE
Prime yield	9.3-9.5%	10.8%	10.0%	10.0%	10.0%	10.0%	10.0%
Discount rate	11.50-12.50%	12.50-13.75%	12.50-13.75%	12.50-13.75%	12.50-13.75%	12.50-14.25%	12.50-14.25%
Exit yield	10.50-11.50%	11.50-12.25%	11.00-12.25%	11.00-12.25%	11.00-12.25%	10.75-12.00%	10.75-12.00%
Occupancy rate	93.3%	86.2%	84.5%	81.9%	82.4%	87.7%	87.1%
Fair value (MEUR)	1,710.2	1,536.5	1,234.7	1,114.6	1,072.8	1,024.1	976.4
LTV	37.7%	48.0%	59.2%	60.1%	65.3%	70.5%	69.1%
Gross yield	9.7%	8.9%	6.4%	6.8%	6.6%	7.3%	8.7%
Gross return (occupancy-adj.)	10.4%	10.3%	7.6%	8.3%	8.1%	8.4%	10.0%

# CONTACT AND FINANCIAL CALENDAR

## INVESTOR RELATIONS

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## FINANCIAL CALENDAR

<b>HY 2017 Results</b>	29 August 2017 <sup>1</sup>
<b>HY 2017 Report</b>	30 August 2017
<b>Q3 2017 Results</b>	28 November 2017 <sup>1</sup>
<b>Q3 2017 Report</b>	29 November 2017

## TICKER SYMBOLS

Vienna Stock Exchange	IIA
Warsaw Stock Exchange	IIA
ISIN	AT0000809058
Reuters	IMFI.VI
Bloomberg	IIA AV

## ADR PROGRAMM

Ticker symbol: IMNZY      CUSIP: 45253U201      ISIN: US45253U2015      ADR-Ratio: 1 ADR: 4 Ordinary Shares  
 Depository bank: Deutsche Bank Trust Company Americas

ADR-Broker Hotline:      E-Mail: [adr@db.com](mailto:adr@db.com)  
 New York: +1 212 250 9100      ADR Website: [www.adr.db.com](http://www.adr.db.com)  
 London: +44 207 547 6500      Depository bank's local custodian: Deutsche Bank, Frankfurt

<sup>1</sup> Publication is scheduled after the close of trading on the Vienna Stock Exchange