

Portfolio Report

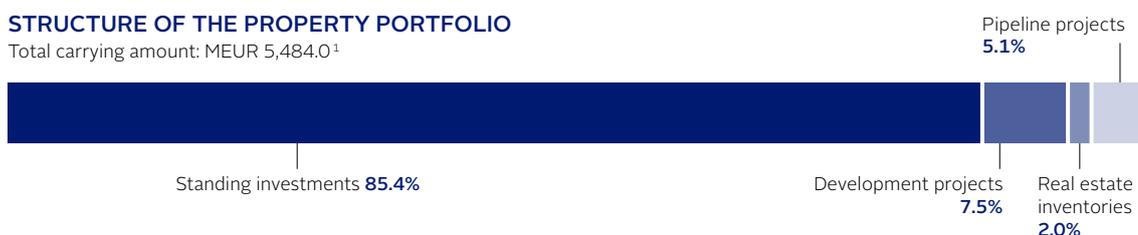
**Eight core markets
in Western and
Eastern Europe**

The core business of IMMOFINANZ covers the management and development of retail and office properties in selected countries of Central and Eastern Europe. The company's activities in the office sector are concentrated on the capital cities of the core countries and on the largest office locations ("Big 7" cities) in Germany. The expansion of the retail portfolio is focused on the STOP SHOP and VIVO! brands, which are designed primarily for secondary and tertiary cities. The company's goal is to create a high-quality, profitable portfolio of commercial properties.

The property portfolio contained 385 properties with a combined value of EUR 5,484.0 million¹ as of 30 April 2016, which are located in the core markets of Austria, Germany, Czech Republic, Slovakia, Hungary, Romania, Poland and Moscow. Standing investments represent the largest component at EUR 4,683.1 million or 85.4% of the total carrying amount and approx. 2.2 million sqm of rentable space. These properties generate steady rental income and are allocated to the Asset Management division. Active development projects comprise EUR 410.0 million or 7.5% of the carrying amount and real estate inventories EUR 112.1 million or 2.0%. A carrying amount of EUR 278.8 million or 5.1% is attributable to pipeline projects, which include future planned development projects and undeveloped land.

STRUCTURE OF THE PROPERTY PORTFOLIO

Total carrying amount: MEUR 5,484.0¹



A geographical analysis shows the main focus of the portfolio in Austria with 21.0%, followed by Russia with 20.4%, Romania with 15.5%, Poland with 11.2% and Germany with 8.8%. Properties in the non-core countries represent 2.1% of the carrying amount of the property portfolio.

PROPERTY PORTFOLIO BY CORE MARKET

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Real estate inventories in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
Austria	151	1,105.0	34.7	0.1	11.4	1,151.2	21.0%
Germany ¹	32	135.9	256.2	92.6	0.0	484.6	8.8%
Czech Republic	24	398.5	21.4	0.0	25.7	445.6	8.1%
Hungary	32	441.0	3.1	0.0	32.0	476.1	8.7%
Poland	27	587.8	11.4	13.9	2.4	615.5	11.2%
Romania	76	640.0	31.2	4.7	176.6	852.5	15.5%
Russia	6	1,114.6	0.0	0.0	4.2	1,118.8	20.4%
Slovakia	17	166.3	44.4	0.0	11.8	222.5	4.1%
Non-core countries ²	20	93.9	7.7	0.8	14.8	117.2	2.1%
IMMOFINANZ	385	4,683.1	410.0	112.1	278.8	5,484.0	100.0%
		85.4%	7.5%	2.0%	5.1%	100.0%	

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

¹ Increase in number of properties due to the allocation of buildings in the Gerling Quartier

² In declining order: Slovenia, Serbia, Croatia, Bulgaria, Ukraine and Moldova

¹ This portfolio report does not include the investment property classified as held for sale as of 30 April 2016, which had a carrying amount of EUR 249.9 million.

*Portfolio concentration
on office and retail*

PROPERTY SALES

The property portfolio was further optimised and focused on the retail and office asset classes in 2015/16. The largest transaction in this process was the sale of the logistics portfolio to Blackstone, which covered 36 standing investments with approx. one million sqm of rentable space as well as three development projects under construction with approx. 65,000 sqm of rentable space which will be completed by IMMOFINANZ and additional land reserves. The purchase price was based on a total property value of approx. EUR 536 million, less outstanding construction cost of approx. EUR 28 million for the three development projects. This value generally corresponds to the carrying amounts as of 31 July 2015. The transaction closed at the beginning of February 2016, whereby EUR 248.5 million were transferred by the end of the reporting year and the remainder is expected to follow by the end of October 2016.

As a result of this sale, the earnings contribution from the logistics properties is reported under net profit from discontinued operations. The logistics properties have not been included in the portfolio report since 31 October 2015.

Other sales during the reporting year involved the subsidiary City Box, which operates the second largest self-storage chain in the Netherlands at 23 locations, as well as several residential properties and a hotel in Vienna and a number of smaller retail properties in Austria.

INVESTMENTS

IMMOFINANZ invested a total of EUR 448.8 million in the property portfolio during 2015/16 (2014/15: EUR 214.5 million).

THE IMMOFINANZ BRANDS

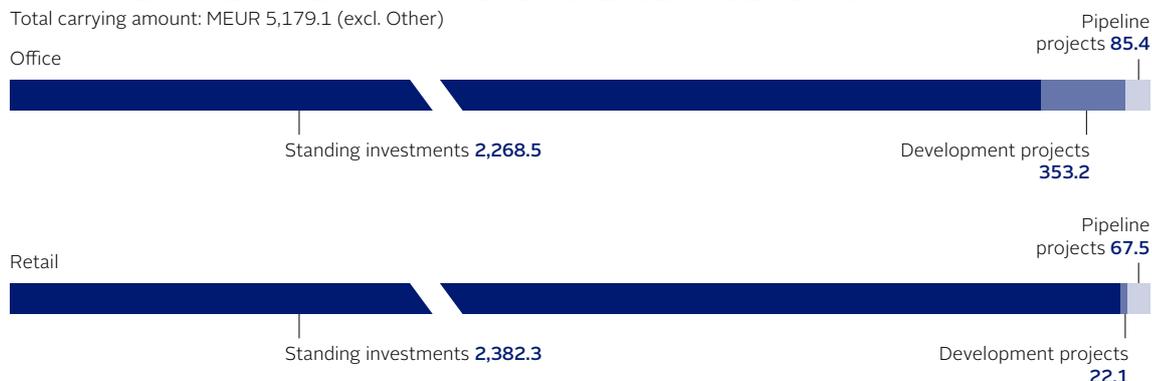
IMMOFINANZ developed the STOP SHOP and VIVO! brands for its retail portfolio in recent years and is now working on a product brand for the office portfolio. This brand strategy is supporting the steady expansion of the company's competitive position. Plans for the 2016 abbreviated financial year call for the roll-out of the VIVO! brand to existing shopping centers and the launch of an IMMOFINANZ office brand. The internal company classification currently covers the following six categories:

CLASSIFICATION AS OF 30 APRIL 2016

OFFICE	Retail
Prime Office	VIVO!/Shopping Center
Functional Office	STOP SHOP /Retail Park
	Retail Moscow
	Other Retail

STRUCTURE OF THE PROPERTY PORTFOLIO BY ASSET CLASS AND CLASSIFICATION

Total carrying amount: MEUR 5,179.1 (excl. Other)



Prime Office: key source of income for IMMOFINANZ

OFFICE

Prime Office covers office properties in the capital cities of the core markets and in the “Big 7” cities of Germany. In addition to high quality, these properties are characterised by a good location and strong service orientation. This category represents an important source of income for IMMOFINANZ with a 32.5% share of the portfolio value and 24.1% of the rental income from standing investments in the fourth quarter of 2015/16. The Prime Office properties include, among others, the *Vienna Twin Tower* and *City Tower Vienna* (Vienna, Austria), *BB Centrum Gamma* (Prague, Czech Republic), *S-Park* (Bucharest, Romania), *Park Postepu* and *Nimbus* (Warsaw, Poland) and *Atrium Park* (Budapest, Hungary).

Functional Office represents efficient office properties with good quality for cost-conscious tenants. This category was responsible for 16.9% of the portfolio value and 17.6% of the rental income from standing investments in the fourth quarter of 2015/16.

VIVO! shopping centers in four markets

RETAIL

VIVO! stands for high-quality shopping centers, primarily on a single level. The tenants are generally a mix of international and local retailers, with a focus on fashion and entertainment. The VIVO! concept is based on high standardisation and is therefore optimally suited for further development projects. In line with current plans, the VIVO! brand will also be rolled out to further shopping centers (excluding Russia). The VIVO!/Shopping Center properties represent 11.4% of the portfolio value and 14.0% of the rental income from standing investments in the fourth quarter of 2015/16. These shopping centers include, among others, the *Polus Center Cluj* (Cluj-Napoca, Romania), the *Tarasy Zamkowe* in Lublin, Poland, which opened in March 2015 and the VIVO! shopping centers in the Polish cities of Piła and Stalowa Wola, which opened in October 2014 and November 2015.

STOP SHOP: retail parks for everyday needs

STOP SHOPS are retail parks with a standardised format and an attractive tenant mix. They amounted to 9.8% of the total portfolio value and 13.1% of the rental income from standing investments in the fourth quarter of 2015/16. The STOP SHOP locations are found primarily in catchment areas with 30,000 to 150,000 residents and have 3,000 to 15,000 sqm of rentable space. This concept is suitable, above all, for secondary and tertiary cities in lower-income regions. The STOP SHOPS are attractive properties with their uniform quality standards, easy-shopping concept for everyday needs and high recognition value.



Tarasy Zamkowe
Lublin | PL | approx. 38,000 sqm
rentable space

*Sale or spin-off
of Retail Moscow
portfolio planned*

The **Retail Moscow** portfolio comprises five shopping centers in Moscow, which represent 20.4% of the total portfolio value and 26.2% of the rental income from standing investments in the fourth quarter of 2015/16. Since the Russian properties have distinct market characteristics and a different risk profile than the remainder of the portfolio, IMMOFINANZ plans to sell or spin off the Moscow shopping centers.

Other Retail, which represents 3.5% of the total portfolio value, includes the retail properties that cannot be allocated to one of the above retail categories because of their size, location or quality.

OTHER

With a 5.6% share of the total portfolio, these properties are not part of IMMOFINANZ's core real estate assets and involve other activities that cannot be allocated to the office or retail business. This category includes, above all, the condominium apartments developed by IMMOFINANZ in Romania (Adama) and Poland as well as the apartments designated for sale in the *Gerling Quartier* in Germany and residential buildings in Austria.

The following table shows the carrying amount of IMMOFINANZ's property portfolio as of 30 April 2016:

PROPERTY PORTFOLIO BY CATEGORY

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Real estate inventories in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
Prime Office	48	1,410.8	346.6	0.0	24.8	1,782.2	32.5%
Functional Office	62	857.7	6.6	0.0	60.6	924.9	16.9%
Office	110	2,268.5	353.2	0.0	85.4	2,707.1	49.4%
VIVO!/Shopping Center	13	608.6	4.7	0.0	9.1	622.4	11.4%
STOP SHOP/Retail Park	66	516.2	17.4	0.0	6.2	539.8	9.8%
Retail Moscow	6	1,114.6	0.0	0.0	4.2	1,118.8	20.4%
Other Retail	109	142.9	0.0	0.0	48.1	190.9	3.5%
Retail	194	2,382.3	22.1	0.0	67.5	2,472.0	45.1%
Other	81	32.3	34.7	112.1	125.9	305.0	5.6%
IMMOFINANZ	385	4,683.1	410.0	112.1	278.8	5,484.0	100.0%

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

The IMMOFINANZ portfolio had a carrying amount of EUR 5,484.0 million as of 30 April 2016. An analysis ranks the Prime Office category first with 32.5%, followed by Retail Moscow with 20.4% and Functional Office with 16.9%.

STANDING INVESTMENTS

With 85.4% of the total property portfolio, the standing investments are the most important source of earnings for IMMOFINANZ. Standing investments are properties held to generate rental income. The most important objectives for the management of these properties include a continuous increase in quality and efficiency, the strengthening of ties with existing tenants and the acquisition of new tenants.

The 267 standing investments had a combined carrying amount of EUR 4,683.1 million as of 30 April 2016. Of this total, 48.4% are attributable to office properties and 50.9% to retail properties. The focal point of the standing investments based on the carrying amount are the markets in Russia (EUR 1,114.6 million), Austria (EUR 1,105.0 million) and Romania (EUR 640.0 million). The standing investments in the non-core countries have a carrying amount of EUR 93.9 million.

The rentable space in the standing investments totals 2,241,587 sqm. Based on annualised rental income¹, the gross return on the portfolio equals 6.2%.

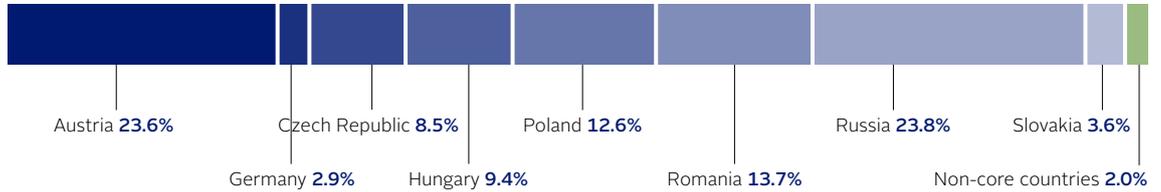
The occupancy rate was increased to 86.3% in 2015/16 (2014/15: 84.2% incl. logistics properties). IMMOFINANZ rented approx. 607,000 sqm of usable space (excl. Other Standing Investments) during the reporting year, including roughly 20% (120,000 sqm) of pre-rentals for development projects. The take-up in the standing investments amounted to approx. 487,000 sqm in 2015/16, or 22% of the rentable space in the standing investment portfolio.

*Occupancy rate
rises to 86.3%*

¹ Rental income Q4 times 4

Of this total, approx. 201,000 sqm, or 41%, were new rentals and 286,000 sqm contract extensions with existing tenants. Offices represent roughly 65% of the total rented space in the standing investments.

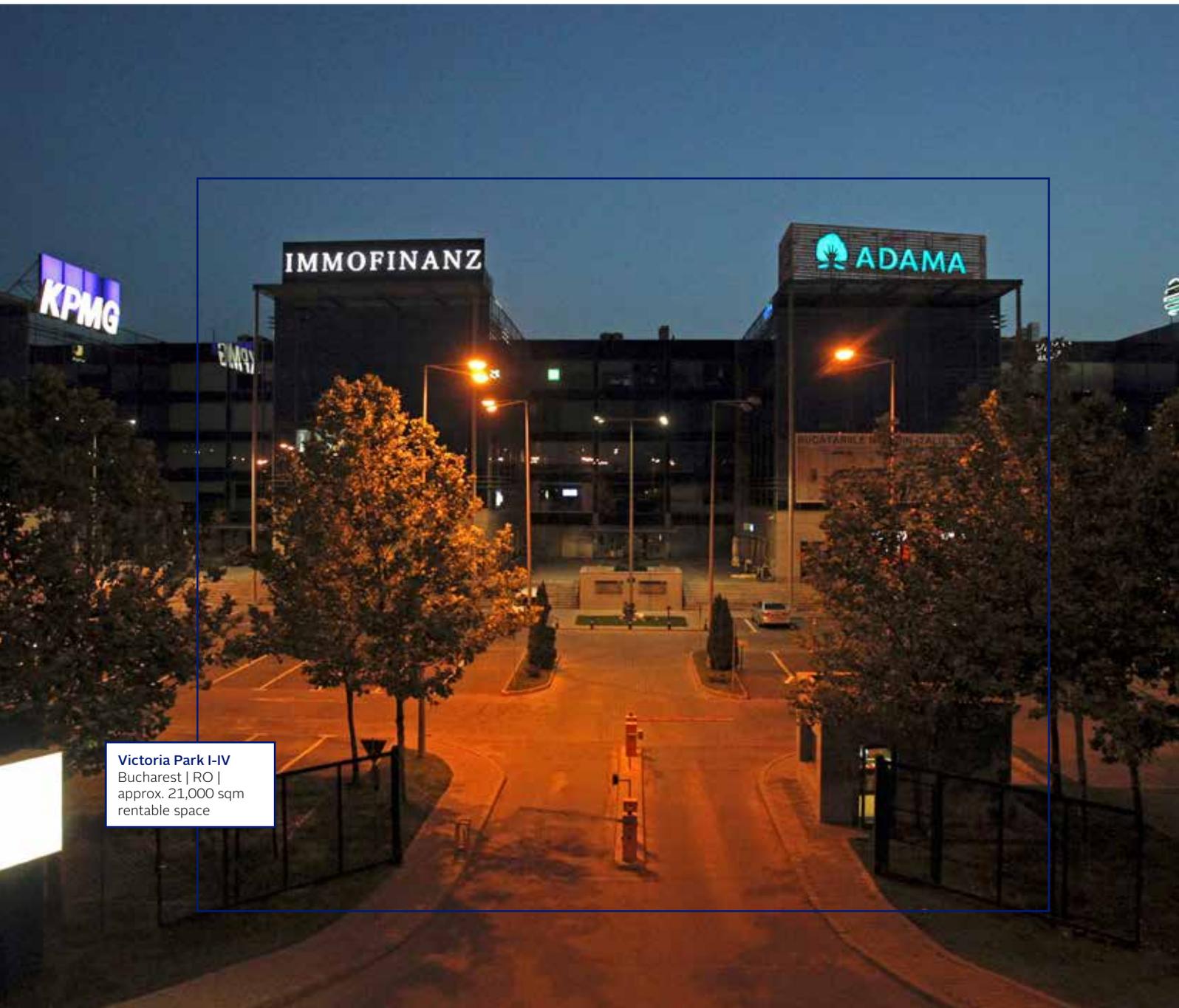
The following graph shows the distribution of IMMOFINANZ's standing investment portfolio as of 30 April 2016, based on the carrying amount:



CONTRACT EXPIRATION PROFILE STANDING INVESTMENTS (TOTAL)

Expiring space up to contract end in relation to the total rented space (only in gross leasable/lettable "GLA" areas)

1 year	2 years	3 years	4 years	5 years	6 years	7 years	8+ years	Unlimited
15%	13%	11%	14%	17%	6%	3%	19%	3%



Victoria Park I-IV
Bucharest | RO |
approx. 21,000 sqm
rentable space

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	144	1,105.0	23.6%	570,841	490,810	86.0%
Germany ³	13	135.9	2.9%	56,956	47,683	83.7%
Czech Republic	21	398.5	8.5%	252,251	206,910	82.0%
Hungary	25	441.0	9.4%	290,546	245,976	84.7%
Poland	18	587.8	12.6%	281,000	253,048	90.1%
Romania	19	640.0	13.7%	344,916	311,886	90.4%
Russia	5	1,114.6	23.8%	278,633	228,240	81.9%
Slovakia	12	166.3	3.6%	90,826	88,627	97.6%
Non-core countries	10	93.9	2.0%	75,617	62,023	82.0%
IMMOFINANZ	267	4,683.1	100.0%	2,241,587	1,935,203	86.3%

Standing investments	Rental income Q4 2015/16 in MEUR ¹	Gross return in % (occupancy-adjusted)	Carrying amount financing in MEUR	Financing costs in % ²	Financing costs incl. derivatives in %	LTV in %
Austria	15.9	5.7% (6.7%)	528.3	1.7%	2.7%	47.8%
Germany ³	1.6	4.6% (5.5%)	101.4	1.7%	1.8%	74.6%
Czech Republic	6.0	6.0% (7.4%)	139.0	2.2%	2.6%	34.9%
Hungary	6.4	5.8% (6.9%)	150.9	2.0%	2.2%	34.2%
Poland	8.2	5.5% (6.2%)	318.4	2.0%	2.1%	54.2%
Romania	10.8	6.7% (7.5%)	201.3	3.4%	4.2%	31.5%
Russia	19.0	6.8% (8.3%)	669.4	7.5%	7.5%	60.1%
Slovakia	3.2	7.7% (7.9%)	73.9	3.1%	3.6%	44.4%
Non-core countries	1.4	6.1% (7.4%)	40.8	3.2%	3.6%	43.5%
IMMOFINANZ	72.5	6.2% (7.2%)	2,223.4	3.8%	4.2%	47.5%

Development and pipeline projects	1.3		308.5	1.9%	2.1%	
In Q4 2015/16: properties sold or reported as held for sale	2.5		0.0	0.0%	0.0%	
Investment financing	0.0		122.0	0.7%	0.7%	
Group financing	0.0		628.5	4.4%	4.4%	
IMMOFINANZ	76.2		3,282.4	3.6%	3.9%	

Market value property portfolio						5,484.0
Market value of BUWOG shares (28.5 million shares) ⁴						523.9
Cash and cash equivalents			-371.6			
Properties / liabilities held for sale (asset & share deals)			178.5			249.9
IMMOFINANZ			3,089.3			49.4%

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

1 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)

2 Financing costs based on nominal outstanding liability

3 Increase in number of properties due to the allocation of buildings in the *Gerling Quartier*

4 28.5 million shares multiplied by the stock exchange price of EUR 18.38 on 30 April 2016

RENTAL INCOME LIKE-FOR-LIKE

A like-for-like analysis (i.e. acquisitions, completions and sales in the current year are deducted to facilitate a comparison with the previous year) shows that rental income fell by EUR 59.9 million to EUR 278.5 million in 2015/16. This decline resulted, above all, from the current situation in Russia, where temporary rent reductions were granted to the tenants in the Moscow shopping centers. In year-on-year comparison, the adjusted rental income from Russia declined by EUR 54.1 million to EUR 82.2 million.

The development of adjusted rental income in Austria and the Czech Republic was influenced primarily by property-specific factors such as a temporary increase in vacancies due to scheduled modernisation. In Warsaw, the production of new space and the competitive situation led to pressure on effective rents.

STANDING INVESTMENTS LIKE-FOR-LIKE BY CORE MARKET

Standing investments like-for-like ¹	Number of properties	Carrying amount 30.4.2016 in MEUR	Carrying amount in %	Carrying amount 30.4.2015 in MEUR	Change in carrying amount 30.4.2015 vs. 30.4.2016 in MEUR
Austria	137	1,100.2	25.6%	1,046.6	53.6
Germany	3	65.6	1.5%	55.7	10.0
Czech Republic	20	377.7	8.8%	385.3	-7.6
Hungary	25	441.0	10.3%	421.7	19.3
Poland	12	333.3	7.8%	343.8	-10.5
Romania	13	627.4	14.6%	626.7	0.7
Russia	5	1,114.6	25.9%	1,536.5	-421.9
Slovakia	12	166.3	3.9%	186.8	-20.5
Non-core countries	8	73.0	1.7%	83.9	-10.9
IMMOFINANZ	235	4,299.1	100%	4,686.9	-387.8

Standing investments like-for-like ¹	Rental income FY 2015/16 in MEUR	Rental income FY 2014/15 in MEUR	Change in rental income FY 2015/16 vs. FY 2014/15 in MEUR	Gross return FY 2015/16 in % (occupancy-adjusted)	Gross return FY 2014/15 in % (occupancy-adjusted)
Austria	62.3	64.3	-2.0	5.7% (6.5%)	6.1% (7.3%)
Germany	2.7	2.5	0.2	4.1% (5.1%)	4.4% (8.2%)
Czech Republic	24.3	26.6	-2.3	6.4% (7.7%)	6.9% (8.2%)
Hungary	25.5	24.7	0.8	5.8% (6.8%)	5.9% (7.2%)
Poland	18.9	21.3	-2.4	5.7% (6.4%)	6.2% (7.9%)
Romania	44.0	43.6	0.4	7.0% (7.7%)	6.9% (8.1%)
Russia	82.2	136.2	-54.1	7.4% (9.0%)	8.9% (10.3%)
Slovakia	13.4	14.0	-0.6	8.0% (8.2%)	7.5% (7.7%)
Non-core countries	5.3	5.3	-0.1	7.2% (9.3%)	6.3% (8.2%)
IMMOFINANZ	278.5	338.4	-59.9	6.5% (7.5%)	7.2% (8.6%)

Rental income from properties sold/acquired in FY 2015/16 and development projects	36.0
IMMOFINANZ	314.5

STANDING INVESTMENTS LIKE-FOR-LIKE BY ASSET CLASS

Standing investments like-for-like ¹	Number of properties	Carrying amount 30.4.2016 in MEUR	Carrying amount in %	Carrying amount 30.4.2015 in MEUR	Change in carrying amount 30.4.2015 vs. 30.4.2016 in MEUR
Office	74	2,131.3	49.6%	2,108.6	22.7
Retail	156	2,158.3	50.2%	2,565.5	-407.3
Other	5	9.5	0.2%	12.8	-3.3
IMMOFINANZ	235	4,299.1	100.0%	4,686.9	-387.8

Standing investments like-for-like ¹	Rental income FY 2015/16 in MEUR	Rental income FY 2014/15 in MEUR	Change in rental income FY 2015/16 vs. FY 2014/15 in MEUR	Gross return FY 2015/16 in % (occupancy-adjusted)	Gross return FY 2014/15 in % (occupancy-adjusted)
Office	115.5	121.6	-6.2	5.4% (6.6%)	5.8% (7.6%)
Retail	162.6	216.4	-53.7	7.5% (8.3%)	8.4% (9.2%)
Other	0.4	0.5	-0.1	4.1% (6.6%)	3.5% (5.0%)
IMMOFINANZ	278.5	338.4	-59.9	6.5% (7.5%)	7.2% (8.6%)

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 financial years. In other words, the calculation excludes new acquisitions, completions and sales.

OFFICE STANDING INVESTMENTS

Office occupancy rate increased to nearly 82%

The carrying amount of the 85 office standing investments totalled EUR 2,268.5 million as of 30 April 2016 and represents 48.4% of the total standing investment portfolio. A regional analysis shows the focal points of these properties in the core markets of Austria (EUR 880.7 million), Poland (EUR 365.3 million) and Romania (EUR 326.3 million).

The office standing investments have 1,100,494 sqm of rentable space. Basis on annualised rental income² (rental income in the fourth quarter of 2015/16: EUR 30.2 million), these properties generated a gross return of 5.3% (2014/15: 5.7%).

The occupancy rate was increased by roughly seven percentage points to almost 82% during the reporting year (2014/15: 75%). The take-up in the office properties totalled approx. 421,000 sqm. Approx. 315,000 sqm of this space is located in standing investments and represents 29% of the total space in these properties. Roughly 40% of the take-up in 2015/16 involves new rentals and contract supplements, while the remaining 60% are attributable to contract extensions by existing tenants. The take-up for development projects amounted to approx. 106,000 sqm, whereby the largest individual new rentals were the leases for the new trivago and Uniper headquarters in Düsseldorf Medienhafen with approx. 26,000 sqm and 28,000 sqm of space, respectively.

The strongest relative take-up was recorded in Slovakia, where nearly 53% of the rentable space (including development projects) was newly rented or extended. This ranking was followed by Hungary (48%), Germany (36%) and Romania (31%).

The office portfolio has a balanced tenant structure. The ten largest tenants are responsible for 17% of the space in the standing investments, and no single tenant has rented more than 3% of the total space in these office properties. Of the total leases for office space, 38% have a term of five years or longer.

CONTRACT EXPIRATION OFFICE SECTOR

Expiring space up to contract end in relation to the total rented space (only in gross leasable/lettable "GLA" areas)

<u>1 year</u>	<u>2 years</u>	<u>3 years</u>	<u>4 years</u>	<u>5 years</u>	<u>6 years</u>	<u>7 years</u>	<u>8+ years</u>	<u>Unlimited</u>
17%	15%	13%	14%	15%	7%	2%	14%	3%

The ten largest standing investments in the office portfolio based on the carrying amount (in declining order) are the *Business Park Vienna*, *Vienna Twin Tower* and *City Tower Vienna* (Vienna), *Iride* incl. *Iride 19* (Bucharest), *BB Centrum Gamma* (Prague), *S-Park* (Bucharest), *Park Postępu* (Warsaw), *Atrium Park* (Budapest), *IO-1* (Warsaw) and *Haller Gardens* (Budapest).

² Rental income Q4 times 4

Key data on the individual categories as of 30 April 2016 is presented in the following table:

OFFICE STANDING INVESTMENTS BY CATEGORY

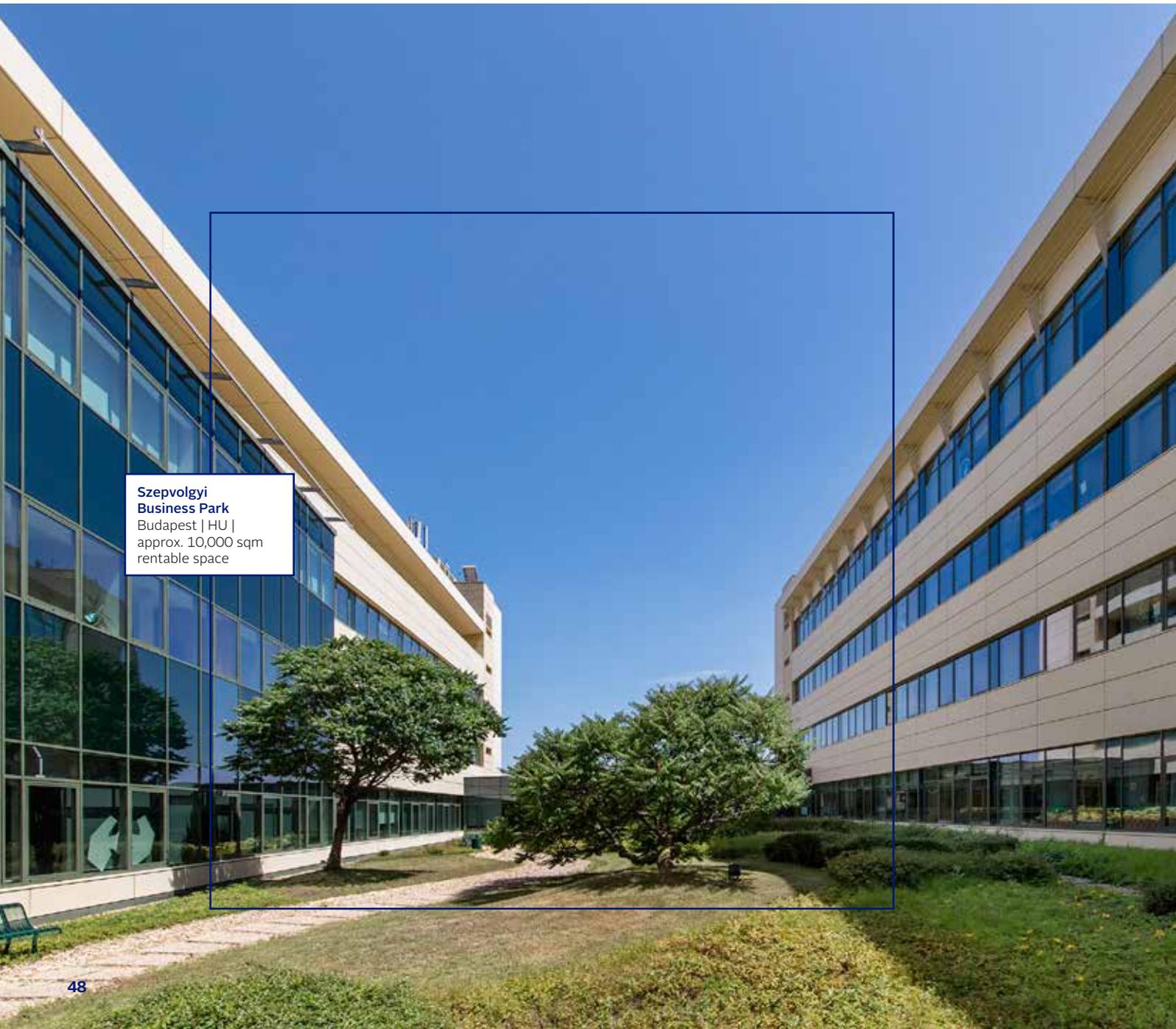
Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Prime Office	32	1,410.8	62.2%	564,061	475,225	84.3%
Functional Office	53	857.7	37.8%	536,433	424,350	79.1%
IMMOFINANZ	85	2,268.5	100.0%	1,100,494	899,575	81.7%

Standing investments	Rental income Q4 2015/16 in MEUR ¹	Gross return in % (occupancy-adjusted)	Carrying amount financing in MEUR	Financing costs in % ²	Financing costs incl. derivatives in %	LTV in %
Prime Office	17.5	5.0% (5.9%)	711.7	1.9%	2.6%	50.4%
Functional Office	12.8	5.9% (7.5%)	355.1	2.3%	3.2%	41.4%
IMMOFINANZ	30.2	5.3% (6.5%)	1,066.9	2.0%	2.8%	47.0%

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

1. 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)

2. Financing costs based on nominal outstanding liability





THE OFFICE SECTOR IN THE IMMOFINANZ CORE MARKETS

Share of the standing investment portfolio
(based on the carrying amount of MEUR 2,268.5)

5.6%
Germany

16.1%
Poland

11.8%
Czech Republic

38.8%
Austria

12.0%
Hungary

14.4%
Romania

AUSTRIA	38.8%
Number of properties	32
Carrying amount in MEUR	880.7
Rentable space in sqm	354,652
Occupancy rate in %	82.5%
Rental income Q4 15/16 (MEUR) ¹	11.0
Gross return in %	5.0%
Gross return in % (occupancy-adjusted)	6.1%

POLAND	16.1%
Number of properties	10
Carrying amount in MEUR	365.3
Rentable space in sqm	162,063
Occupancy rate in %	88.4%
Rental income Q4 15/16 (MEUR) ¹	5.1
Gross return in %	5.5%
Gross return in % (occupancy-adjusted)	6.3%

ROMANIA	14.4%
Number of properties	8
Carrying amount in MEUR	326.3
Rentable space in sqm	188,748
Occupancy rate in %	88.3%
Rental income Q4 15/16 (MEUR) ¹	5.3
Gross return in %	6.5%
Gross return in % (occupancy-adjusted)	7.4%

HUNGARY	12.0%
Number of properties	12
Carrying amount in MEUR	271.8
Rentable space in sqm	165,785
Occupancy rate in %	79.2%
Rental income Q4 15/16 (MEUR) ¹	3.5
Gross return in %	5.1%
Gross return in % (occupancy-adjusted)	6.4%

CZECH REPUBLIC	11.8%
Number of properties	9
Carrying amount in MEUR	268.5
Rentable space in sqm	146,652
Occupancy rate in %	71.1%
Rental income Q4 15/16 (MEUR) ¹	3.5
Gross return in %	5.3%
Gross return in % (occupancy-adjusted)	7.4%

GERMANY	5.6%
Number of properties	12
Carrying amount in MEUR	126.0
Rentable space in sqm	56,956
Occupancy rate in %	83.7%
Rental income Q4 15/16 (MEUR) ¹	1.3
Gross return in %	4.3%
Gross return in % (occupancy-adjusted)	5.1%

NON-CORE COUNTRIES²	1.3%
Number of properties	2
Carrying amount in MEUR	29.9
Rentable space in sqm	25,638
Occupancy rate in %	54.4%
Rental income Q4 15/16 (MEUR) ¹	0.5
Gross return in %	6.3%
Gross return in % (occupancy-adjusted)	11.5%

IMMOFINANZ	100.0%
Number of properties	85
Carrying amount in MEUR	2,268.5
Rentable space in sqm	1,100,494
Occupancy rate in %	81.7%
Rental income Q4 15/16 (MEUR) ¹	30.2
Gross return in %	5.3%
Gross return in % (occupancy-adjusted)	6.5%

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

¹ 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)

² Non-core countries: Croatia and Bulgaria

RETAIL STANDING INVESTMENTS

The carrying amount of the 167 standing investments in the retail sector totalled EUR 2,382.3 million as of 30 April 2016 and represents 50.9% of the total standing investment portfolio. The largest regional markets are Russia with EUR 1,114.6 million, Romania with EUR 301.1 million and Poland with EUR 222.5 million.

The retail standing investments have 1,127,693 sqm of rentable space. Based on annualised rental income³ (rental income in the fourth quarter of 2015/16: EUR 41.9 million), these properties generated a gross return of 7.0% (2014/15: 8.4%). The year-on-year decline is attributable primarily to lower rental income from Russia.

Attractive tenant mix

The occupancy rate in the retail portfolio equalled 91.1% as of 30 April 2016 and was slightly lower than on 30 April 2015 (92.0%). Excluding Russia, the occupancy rate remained stable at 94.1%. The take-up in the retail properties amounted to roughly 186,000 sqm in 2015/16. Approx. 172,000 sqm of this take-up involves standing investments and corresponds to roughly 15% of the total space in the retail standing investments. Roughly 44% of the take-up in 2015/16 involves new rentals and contract supplements, while the remaining 56% are attributable to contract extensions by existing tenants. The take-up for development projects amounted to approx. 14,000 sqm, whereby the largest individual new rental was the lease with Hamley's for nearly 6,000 sqm in the *Na Příkopě* commercial building in Prague. The strongest take-up was recorded in Serbia, where roughly 53% of the rentable space was newly rented or extended, followed by Poland and Slovenia with approx. 27% each.

IMMOFINANZ relies on a balanced tenant mix and the inclusion of recreational and entertainment opportunities to create an optimal environment for retailers and their customers. All of the larger IMMOFINANZ retail properties have numerous solid international and local anchor tenants. Retailers from the fashion sector are the largest tenant group based on rented space, followed by food products. Other important tenant groups are entertainment, health & beauty and electronics. Of the total rental contracts, 51% have a term of five years or longer.

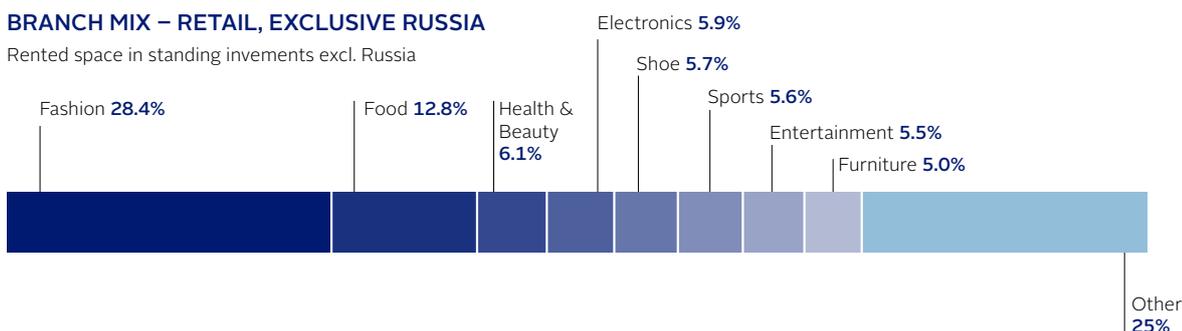
CONTRACT EXPIRATION RETAIL SECTOR

Expiring space up to contract end in relation to the total rented space (only in gross leasable/lettable "GLA" areas)

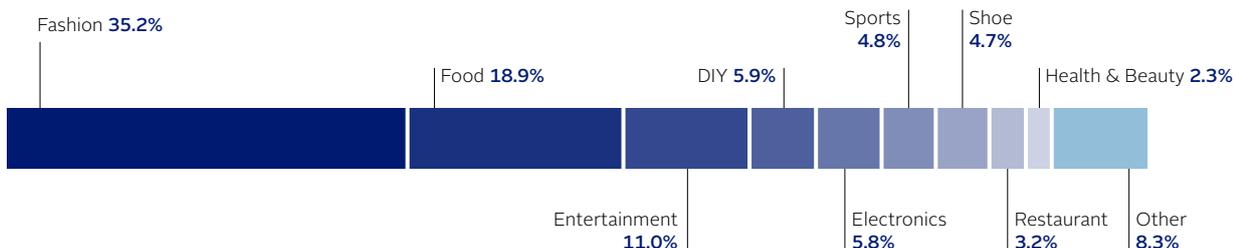
1 year	2 years	3 years	4 years	5 years	6 years	7 years	8+ years	Unlimited
12%	12%	9%	13%	19%	5%	4%	23%	2%

BRANCH MIX – RETAIL, EXCLUSIVE RUSSIA

Rented space in standing investments excl. Russia



BRANCH MIX – RETAIL, RUSSIA



Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.
3 Rental income Q4 times 4

The ten largest standing investments in the retail portfolio based on the carrying amount (in declining order) are: the *Golden Babylon Rostokino* (Moscow), *Polus Center Cluj* (Cluj-Napoca, Romania), *GOODZONE* (Moscow), *Tarasy Zamkowe* (Lublin, Poland), *Golden Babylon I* (Moscow), *Polus City Center* (Bratislava), *Maritimo Shopping Center* (Constanta, Romania), *Fifth Avenue* (Moscow), *Gold Plaza Baia Mare* (Romania) and *VIVO! Stalowa Wola* (Poland).



VIVO!
Stalowa Wola | PL |
approx. 23,000 sqm
rentable space

Key data on the individual categories as of 30 April 2016 is presented in the following table:

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 %
VIVO!/Shopping Center	10	608.6	25.5%	284,681	267,372	93.9%
STOP SHOP/Retail Park	55	516.2	21.7%	367,002	352,478	96.0%
Retail Moscow	5	1,114.6	46.8%	278,633	228,240	81.9%
Other Retail	97	142.9	6.0%	197,377	179,203	90.8%
IMMOFINANZ	167	2,382.3	100.0%	1,127,693	1,027,292	91.1%

Standing investments	Rental income Q4 2015/16 in MEUR ¹	Gross return in % (occupancy-adjusted)	Carrying amount financing in MEUR	Financing costs in % ²	Financing costs incl. derivatives in %	LTV in %
VIVO!/Shopping Center	10,1	6.7% (7.1%)	233.2	2.8%	2.9%	38.3%
STOP SHOP/Retail Park	9,5	7.4% (7.7%)	220.9	2.2%	2.6%	42.8%
Retail Moscow	19,0	6.8% (8.3%)	669.4	7.5%	7.5%	60.1%
Other Retail	3,3	9.1% (10.0%)	14.0	1.6%	1.7%	9.8%
IMMOFINANZ	41,9	7.0% (7.7%)	1,137.6	5.5%	5.5%	47.8%

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.
 1. 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)
 2. Financing costs based on nominal outstanding liability



BB Centrum Gamma
Prague | CZ |
approx. 31,000 sqm
rentable space



THE RETAIL SECTOR IN THE IMMOFINANZ CORE MARKETS

Share of the standing investment portfolio
(based on the carrying amount of MEUR 2,382.3)

46.8%
Russia

9.3%
Poland

5.5%
Czech Republic

7.0%
Slovakia

9.0%
Austria

7.1%
Hungary

12.6%
Romania

RUSSIA	46.8%
Number of properties	5
Carrying amount in MEUR	1,114.6
Rentable space in sqm	278,633
Occupancy rate in %	81.9%
Rental income Q4 15/16 (MEUR) ¹	19.0
Gross return in %	6.8%
Gross return in % (occupancy-adjusted)	8.3%

ROMANIA	12.6%
Number of properties	5
Carrying amount in MEUR	301.1
Rentable space in sqm	147,252
Occupancy rate in %	95.2%
Rental income Q4 15/16 (MEUR) ¹	5.5
Gross return in %	7.3%
Gross return in % (occupancy-adjusted)	7.6%

POLAND	9.3%
Number of properties	8
Carrying amount in MEUR	222.5
Rentable space in sqm	118,937
Occupancy rate in %	92.3%
Rental income Q4 15/16 (MEUR) ¹	3.1
Gross return in %	5.6%
Gross return in % (occupancy-adjusted)	6.0%

AUSTRIA	9.0%
Number of properties	104
Carrying amount in MEUR	214.6
Rentable space in sqm	211,705
Occupancy rate in %	92.1%
Rental income Q4 15/16 (MEUR) ¹	4.8
Gross return in %	8.9%
Gross return in % (occupancy-adjusted)	9.6%

HUNGARY	7.1%
Number of properties	13
Carrying amount in MEUR	169.2
Rentable space in sqm	124,761
Occupancy rate in %	92.0%
Rental income Q4 15/16 (MEUR) ¹	3.0
Gross return in %	7.0%
Gross return in % (occupancy-adjusted)	7.6%

SLOVAKIA	7.0%
Number of properties	12
Carrying amount in MEUR	166.3
Rentable space in sqm	90,826
Occupancy rate in %	97.6%
Rental income Q4 15/16 (MEUR) ¹	3.2
Gross return in %	7.7%
Gross return in % (occupancy-adjusted)	7.9%

CZECH REPUBLIC	5.5%
Number of properties	12
Carrying amount in MEUR	130.0
Rentable space in sqm	105,599
Occupancy rate in %	97.2%
Rental income Q4 15/16 (MEUR) ¹	2.5
Gross return in %	7.6%
Gross return in % (occupancy-adjusted)	7.8%

NON-CORE COUNTRIES²	2.7%
Number of properties	8
Carrying amount in MEUR	64.0
Rentable space in sqm	49,979
Occupancy rate in %	96.2%
Rental income Q4 15/16 (MEUR) ¹	1.0
Gross return in %	6.0%
Gross return in % (occupancy-adjusted)	6.3%

IMMOFINANZ	100.0%
Number of properties	167
Carrying amount in MEUR	2,382.3
Rentable space in sqm	1,127,693
Occupancy rate in %	91.1%
Rental income Q4 15/16 (MEUR) ¹	41.9
Gross return in %	7.0%
Gross return in % (occupancy-adjusted)	7.7%

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

¹ 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)

² Non-core countries: Slovenia and Serbia

OTHER STANDING INVESTMENTS

The other standing investments had a carrying amount of EUR 32.3 million as of 30 April 2016 and comprise 0.7% of the total standing investment portfolio. Based on annualised rental income⁴ (rental income in the fourth quarter of 2015/16: EUR 0.3 million), these properties generated a gross return of 4.1% (2014/15: 3.2%).

The other standing investments consist primarily of residential properties held by the Romanian subsidiary Adama and a number of residential properties in Austria.

Key data on this category as of 30 April 2016 is presented in the following table:

OTHER STANDING INVESTMENTS

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Other	15	32.3	100.0%	13,400	8,335	62.2%

Standing investments	Rental income Q4 2015/16 in MEUR ¹	Gross return in % (occupancy-adjusted)	Carrying amount financing in MEUR	Financing costs in % ²	Financing costs incl. derivatives in %	LTV in %
Other	0.3	4.1% (6.7%)	18.9	2.7%	2.7%	58.7%

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

¹ 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)

² Financing costs based on nominal outstanding liability

DEVELOPMENT PROJECTS

With the development of office and retail properties in the core markets, IMMOFINANZ strengthens its standing investment portfolio and safeguards organic growth. The company covers the entire value chain on these projects – from site preparation to property rental.

Active development projects with a carrying amount of EUR 410.0 million

The active development projects had a carrying amount of EUR 410.0 million as of 30 April 2016, which represents 7.5% of the total property portfolio. The expected fair value on completion amounts to EUR 910.8 million. Activities are currently focused on the core markets of Germany, Romania and Poland. Germany is responsible for 68.5% of the expected fair value after completion (EUR 624.3 million), Romania for 11.7% (EUR 106.6 million) and Poland for 5.2% (EUR 47.2 million). The development projects also include extensive modernisation to existing properties, which will be reclassified to the standing investment portfolio after completion. Modernisation projects were ongoing in four buildings as of 30 April 2016.

CURRENT FOCUS OF DEVELOPMENT ACTIVITIES

GERMANY

Düsseldorf

The new global headquarters for trivago is currently under construction in the Düsseldorf Medienhafen with approx. 26,000 sqm of rentable office space in the first building section. This six-storey, horizontally structured building opens towards the harbour basin, which creates an expansive campus with a welcoming atmosphere. Construction started during spring 2016 and the first section is scheduled for completion in mid-2018. Additional expansion areas can be realised in the second section (up to approx. 20,400 sqm).

Also under development in the Medienhafen is the *FLOAT*, an office ensemble with six buildings designed by the star architect Renzo Piano. The utility company Uniper has leased the entire office space of approx. 28,000 sqm and will use the building as its new headquarters starting in mid-2018.

Cologne

The *Gerling Quartier* is a high-quality urban quarter development project which includes apartments for sale and approx. 30,000 sqm of rentable office and commercial space. The first phase of construction is almost complete and, in the second section, construction is currently in progress on a hotel which will be operated by 25hours. Completion is scheduled for the beginning of 2018.

⁴ Rental income Q4 times 4

The centrally located *Hohenzollernring* standing investment on Friesenplatz in Cologne is currently undergoing extensive renovation. Plans call for 8,000 to 9,000 sqm office space, which should be completed during the second quarter of 2018.

Aachen

The *Cluster Produktionstechnik* with approx. 28,000 sqm of rentable space is the largest technology cluster in the RWTH (Rheinisch-Westfälische-Technische Hochschule) Aachen expansion project. Construction is expected to be completed during the second quarter of 2017, and pre-rentals have already reached roughly 90%.

POLAND

In Poland, IMMOFINANZ is continuing the expansion with its STOP SHOP and VIVO! brands. The *VIVO! Stalowa Wola* shopping center was opened in November 2015. The first section has approx. 22,500 sqm of rentable space for roughly 80 shops, and the second stage of construction is expected to add a further 10,000 sqm of rentable space. The STOP SHOPS in Świnoujście (3,600 sqm of rentable space) and Szczytno (3,600 sqm) were completed after the end of the reporting year. These two projects raise the number of retail parks in Poland to six. Five other locations in Poland – including the cities of Pultusk and Gdynia – are now under evaluation or preparation.

Focus of development projects in Germany, Romania and Poland

SERBIA

Market entry in 2015 was followed by the second STOP SHOP in Serbia, which opened in Niš during April 2015 with approx. 13,000 sqm of rentable space. The 58th STOP SHOP will follow in early autumn 2016 in the Serbian city of Valjevo and other locations this country are being evaluated.

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 % at full occupancy
Austria	2	34.7	8.5%	0.0	21,691	34.7	2.4	6.9%
Germany ¹	11	256.2	62.5%	312.4	134,881	624.3	30.6	5.4%
Czech Republic	1	21.4	5.2%	8.1	21,803	29.5	3.0	10.1%
Hungary ²	0	3.1	0.8%	0.0	2,081	3.1	0.2	7.5%
Poland	3	11.4	2.8%	30.2	28,708	47.2	3.8	9.2%
Romania	2	31.2	7.6%	61.3	57,921	106.6	9.7	10.5%
Slovakia ³	2	44.4	10.8%	11.2	38,518	55.6	5.5	10.0%
Non-core countries	2	7.7	1.9%	1.5	6,108	9.8	0.8	8.6%
IMMOFINANZ	23	410.0	100.0%	424.7	311,711	910.8	56.0	6.7%

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

¹ Increase in number of properties due to the allocation of buildings in the *Gerling Quartier*

² Expansion of an existing STOP SHOP

³ Modernisation of two existing office properties

DEVELOPMENT PROJECTS BY CATEGORY

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 % at full occupancy
Prime Office	15	346.6	84.5%	387.2	243,213	801.0	47.5	6.5%
Functional Office	1	6.6	1.6%	5.8	9,910	15.0	1.4	11.1%
VIVO!/ Shopping Center	1	4.7	1.2%	27.5	21,491	37.8	3.1	9.5%
STOP SHOP/ Retail Park	4	17.4	4.2%	4.1	15,406	22.3	1.8	8.2%
Sonstige	2	34.7	8.5%	0.0	21,691	34.7	2.4	6.9%
IMMOFINANZ	23	410.0	100.0%	424.7	311,711	910.8	56.0	6.7%

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

Based on the expected fair value after completion, the most important development projects as of 30 April 2016 are as follows:

SELECTED DEVELOPMENT PROJECTS UNDER CONSTRUCTION

Largest projects in Germany	Primary use	Planned rentable/sellable space in sqm (rounded)	Pre-rental rate in %	Scheduled completion (calendar quarter)
Gerling Quartier	Office/hotel	30,000	73%	Q4 2016 to Q1 2018
FLOAT	Office	30,000	95%	Q3 2018
RWTH Aachen	Office	28,000	90%	Q2 2017
trivago ¹	Office	26,000	100%	Q3 2018

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

1. Office Phase I

REAL ESTATE INVENTORIES

Real estate inventories are apartments that are intended for sale after completion.

Real estate inventories	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned sellable space in sqm	Expected fair value after completion in MEUR
Austria	1	0.1	0.0%	0.0	0	0.1
Germany ¹	8	92.6	22.6%	57.7	25,789	184.8
Poland	5	13.9	3.4%	16.4	20,749	35.0
Romania	9	4.7	1.1%	0.0	4,577	4.7
Non-core countries	2	0.8	0.2%	0.0	3,216	1.1
IMMOFINANZ	25	112.1	27.3%	74.0	54,330	225.7

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

1. Increase in number of properties due to the allocation of buildings in the Gerling Quartier

PIPELINE PROJECTS

Pipeline projects with a carrying amount of EUR 278.8 million

Pipeline projects include planned development projects, undeveloped land and/or temporarily suspended projects.

The pipeline projects had a carrying amount of EUR 278.8 million as of 30 April 2016. They are evaluated quarterly for possible transfer to an active development status. IMMOFINANZ intends to reduce the number of pipeline projects in the property portfolio through selected sales.

PIPELINE PROJECTS BY CORE MARKET

Pipeline projects	Number of properties	Carrying amount in MEUR	Carrying amount in %
Austria	4	11.4	4.1%
Germany	0	0.0	0.0%
Czech Republic	2	25.7	9.2%
Hungary	7	32.0	11.5%
Poland	1	2.4	0.9%
Romania	46	176.6	63.3%
Russia	1	4.2	1.5%
Slovakia	3	11.8	4.2%
Non-core countries	6	14.8	5.3%
IMMOFINANZ	70	278.8	100.0%

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

ASSETS HELD FOR SALE

The assets held for sale totalled EUR 323.2 million as of 30 April 2016 and are not included in this portfolio report. Concrete sale plans have been approved for these properties, and their sale is intended in the near future.