

**IMMOFINANZ confirms preliminary data:  
improvement in results of operations,  
but net profit negatively influenced by valuation effects**

KEY DATA (in MEUR)*	1 May 2014 - 30 April 2015	Δ in %	1 May 2013 - 30 April 2014
Rental income	426.3	-10.9%	478.5
Results of asset management	313.3	-18.4%	383.9
Results of property sales	43.5	>100%	5.7
Results of property development	11.0	n.a.	-45.0
Other operating expenses	-73.6	-19.1%	-91.1
Results of operations	316.5	17.0%	270.5
Other revaluation results	-100.5	n.a.	199.2
Operating profit (EBIT)	216.0	-54.0%	469.7
Financial results	-565.2	>100%	-248.6
Net profit from continuing operations	-361.4	n.a.	72.0

\* The comparable prior year figures were adjusted accordingly

**IMMOFINANZ generated results of operations totalling EUR 316.5 million in 2014/15, for an increase of 17.0% over the previous financial year (2013/14: EUR 270.5 million). Higher earnings contributions from property sales (EUR 43.5 million versus EUR 5.7 million in 2013/14) and property development (EUR 11.0 million versus EUR -45.0 million in 2013/14) more than offset the expected decline in results of asset management (EUR 313.3 million versus EUR 383.9 million in 2013/14), which reflected the temporary reduction in rental income from Russia and the sale of properties during the year. The increase was also supported by a reduction in overhead costs: other operating expenses were 19.1% lower at EUR -73.6 million for the reporting year.**

In spite of this positive development, net profit for the year is negative at EUR -361.4 million (2013/14: EUR 72.0 million, resp. EUR 176.9 million incl. 100.0% of BUWOG). This development is attributable above all to the current economic conditions in Russia, which were reflected in the valuation of the Moscow shopping centers, and to the write-down of a number of properties in Eastern Europe because of the competitive market environment or pending modernisation projects. These non-cash foreign exchange-adjusted revaluations of EUR -312.3 million (2013/14: EUR -179.7 million) included EUR -197.0 million from the Russian portfolio and led to a reduction in net profit. Financial results were also substantially lower than the previous year (EUR -565.2 million versus EUR -248.6 million in 2013/14), primarily due to negative non-cash foreign exchange effects (EUR -270.6 versus EUR -126.9 million in 2013/14), above all, from the valuation of the USD financing for the Moscow shopping centers and a negative non-cash effect from the valuation of the exchangeable bond for BUWOG shares (EUR -49.3 million). However, this latter factor was contrasted as of 30 April 2015 by undisclosed reserves of approx. EUR 155.7 million<sup>1</sup> in IMMOFINANZ's 49.0% investment in BUWOG.

<sup>1</sup> 48.8 mn BUWOG shares x EUR 18.09 (share price on 30 April 2015) – EUR 14.9 (book value per share on 30 April 2015) x 48.8 mn shares = EUR 155.7 mn

“IMMOFINANZ followed the successful spin-off of BUWOG by further sharpening its profile as a pure commercial property company and continuing its portfolio adjustments with targeted sales during the past financial year. Our exit from Switzerland and the USA during the year and from the Netherlands after the end of April 2015 illustrates this process“, explained Oliver Schumy, CEO of IMMOFINANZ. “We also completed a number of development projects, for example in the retail segment: the Tarasy Zamkowe shopping center in Lublin and the first shopping center in our new VIVO! brand. These achievements are clearly reflected in the results of property sales and property development.“

The deterioration of the economic environment in Russia led, as expected, to a notable decline in the rental income from the Moscow shopping centers and, consequently, also to lower valuation results. Rental income in the Russia segment totalled EUR 140.2 million in 2014/15 (2013/14: EUR 167.3 million) and declined by EUR 36.3 million to EUR 127.2 million on a like-for-like basis.

“However, we are well prepared to deal with this situation. We have granted temporary rental reductions to provide short-term financial relief for our tenants and, at the same time, hold the occupancy in our shopping centers as high as possible“, added Schumy. As the forecasts for future economic developments in Russia are still connected with substantial uncertainty, the temporary rental reductions and fixed exchange rates for the tenants in the Moscow shopping centers can, from the current point of view, be expected to continue on a quarterly basis.

Based on the earnings situation in 2014/15 and the uncertainty connected with future forecasts for Russia, the Executive Board of IMMOFINANZ has decided not to recommend a dividend for the 2014/15 financial year to the annual general meeting. IMMOFINANZ repurchased shares for approx. EUR 102.0 million, i.e. approx. EUR cents 10 per share, in connection with its 2014/15 and 2015 share buyback programmes.

**Detailed information on business development is provided in the Earnings, Balance Sheet and Cash Flow Analysis:**

<http://www.immofinanz.com/de/presse/presseinformationen/>

The annual report of IMMOFINANZ AG for 2014/15 as of 30 April 2015 can be reviewed on the company's website under <http://www.immofinanz.com/en/investor-relations/financial-reports/> starting on 20 August 2015.

**On IMMOFINANZ Group**

*IMMOFINANZ Group is a pure commercial property company with a focus on Europe. Since its founding in 1990, the company has developed a high-quality portfolio that now includes more than 470 properties with a carrying amount of approx. EUR 6.7 billion. IMMOFINANZ Group concentrates its activities in the retail, office and logistics segments of eight regional core markets: Austria, Germany, Czech Republic, Slovakia, Hungary, Romania, Poland and Russia. Its primary business covers the management and development of properties in these core markets. The goal is to create a diversified, risk-optimised and sustainable portfolio of standing investments. IMMOFINANZ AG is listed on the stock exchanges in Vienna (leading ATX index) and Warsaw. Further information under: <http://www.immofinanz.com> / <http://blog.immofinanz.com> / <http://properties.immofinanz.com>*

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