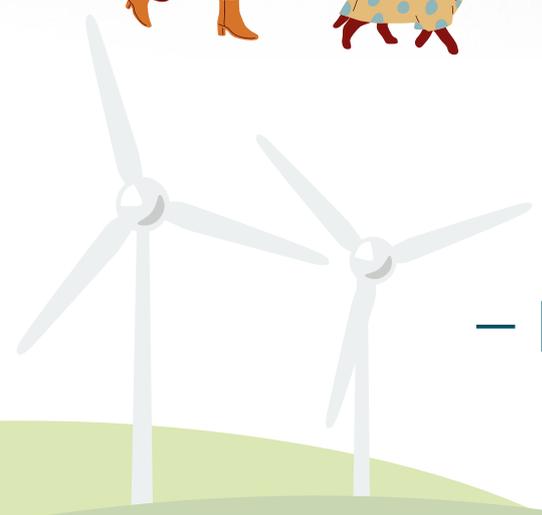


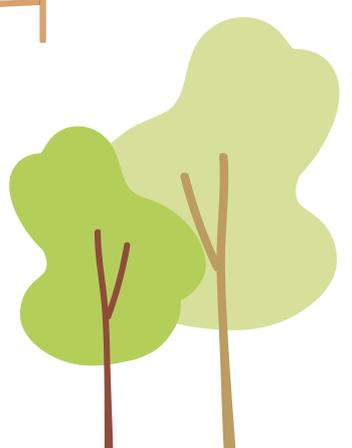


1st – 3rd Quarter 2023

Consolidated Interim Financial Report



– IMMOFINANZ –
GROUP



Doing Business Together



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Earnings

		Q1–3 2023	Q1–3 2022	Change in %
Rental income	in MEUR	389.2	216.9	79.4
Results of asset management	in MEUR	323.7	168.4	92.2
Results of property sales	in MEUR	-54.0	5.0	n. a.
Results of property development	in MEUR	-6.9	-7.8	10.7
Results of operations	in MEUR	209.1	117.8	77.6
Revaluations	in MEUR	-219.5	79.5	n. a.
EBIT	in MEUR	-1.4	186.6	n. a.
Financial results	in MEUR	-99.2	122.4	n. a.
EBT	in MEUR	-100.6	308.9	n. a.
Net profit for the period	in MEUR	-105.9	248.6	n. a.
FFO 1 before tax ¹	in MEUR	214.4	103.2	≥ +100.0

¹ See calculations in the section "Business Development".

Assets

		30 09 2023	31 12 2022	Change in %
Balance sheet total	in MEUR	9,390.7	9,890.4	-5.1
Equity as % of the balance sheet total	in %	50.0	47.9	n. a.
Net financial liabilities	in MEUR	3,022.1	3,501.1	-13.7
Cash and cash equivalents ¹	in MEUR	831.5	684.7	21.4
Loan-to-value ratio (net)	in %	37.8	40.7	n. a.
Gearing	in %	65.7	75.1	n. a.
Total average interest rate including costs for derivatives	in %	2.8	2.6	n. a.
Average term of financial liabilities	in years	4.0	4.3	-7.0

¹ Including cash and cash equivalents held for sale

Investment property

		30 09 2023	31 12 2022	Change in %
Total number of properties		501	627	-20.1
Rentable space	in sqm	3,334,197	3,531,706	-5.6
Occupancy rate	in %	92.3	92.9	n. a.
Gross return ¹	in %	7.0	6.5	n. a.
Portfolio value ¹	in MEUR	7,762.8	8,363.8	-7.2
Unencumbered investment property	in MEUR	2,018.8	2,016.8	0.1

¹ Based on data in the "Portfolio Report"

EPRA

		30 09 2023	31 12 2022	Change in %
EPRA net reinstatement value ¹	in MEUR	4,346.5	4,554.4	-4.6
EPRA net reinstatement value per share ¹	in EUR	31.50	33.01	-4.6
EPRA net tangible assets ¹	in MEUR	3,932.8	4,114.4	-4.4
EPRA net tangible assets per share ¹	in EUR	28.50	29.82	-4.4
EPRA net disposal value ¹	in MEUR	3,781.2	3,832.8	-1.3
EPRA net disposal value per share ¹	in EUR	27.41	27.78	-1.3
EPRA vacancy rate ²	in %	6.5	6.5	n. a.
EPRA loan-to-value ratio	in %	39.4	42.5	n. a.
		Q1-3 2023	Q1-3 2022	Change in %
EPRA earnings	in MEUR	115.1	78.8	46.0
EPRA earnings per share	in EUR	0.83	0.58	44.4
EPRA earnings after company-specific adjustments	in MEUR	115.5	86.9	32.9
EPRA earnings per share after company-specific adjustments	in EUR	0.84	0.64	31.5
EPRA net initial yield	in %	6.5	5.3	n. a.
EPRA "topped-up" net initial yield	in %	6.7	5.6	n. a.
EPRA cost ratio including direct vacancy costs	in %	15.4	20.1	n. a.
EPRA cost ratio excluding direct vacancy costs	in %	13.9	16.8	n. a.
EPRA capital expenditure	in MEUR	270.2	346.5	-22.0

¹ The comparative data was adjusted.

² The EPRA vacancy rate (excluding S IMMO) 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

		30 09 2023	31 12 2022	Change in %
Book value per share	in EUR	27.31	27.47	-0.6
Share price at end of period	in EUR	18.38	11.62	58.2
Discount of share price to EPRA NTA diluted per share	in %	35.5	61.0	n. a.
Total number of shares		138,669,711	138,669,711	0.0
thereof number of treasury shares		695,585	695,585	0.0
Market capitalisation at end of period	in MEUR	2,548.7	1,611.3	58.2
		Q1-3 2023	Q1-3 2022	Change in %
Earnings per share (basic) ¹	in EUR	-0.48	1.82	n. a.
Earnings per share (diluted) ¹	in EUR	-0.48	1.82	n. a.

¹ Number of shares for the calculation (basic/diluted): 137,974,126 for Q1-3 2023 and 136,493,246 for Q1-3 2022

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 $\geq +100.0\%$ or $\leq -100.0\%$. 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. Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates. References to persons in this financial report refer to all genders equally.

Consolidated Interim Financial Report

Business Development

IMMOFINANZ Group recorded strong growth in rental income and operating results in the first three quarters of 2023, which was supported primarily by the full consolidation of S IMMO and by property acquisitions. Rental income rose by roughly 79% to EUR 389.2 million, and the results of asset management were 92.2% higher than the previous year at EUR 323.7 million. The results of property sales totalled EUR -54.0 million (Q1–3 2022: EUR 5.0 million) and were influenced, above all, by the reclassification to profit or loss of historical foreign exchange effects following the deconsolidation of a subsidiary in Turkey during the second quarter of 2023 (EUR -45.8 million). In spite of these effects, the results of operations rose substantially by nearly 78% to EUR 209.1 million. Sustainable FFO 1 from the standing investment business (before tax) more than doubled to EUR 214.4 million. Revaluations (including property development and property sales) totalled EUR -219.5 million, compared with EUR 79.5 million in the first three quarters of 2022. This reduction reflects the challenging market environment, which is influenced by rising interest rates. Financial results also turned negative at EUR -99.2 million (Q1–3 2022: EUR 122.4 million), primarily due to the absence of positive non-cash valuation effects in Q1–3 2022. In addition, the earnings contributions from S IMMO are no longer included under financial results due to the full consolidation. Net profit recorded by IMMOFINANZ Group for the first three quarters of 2023 amounted to EUR -105.9 million, respectively to earnings per share of EUR -0.48.

Outlook

Based on results for the first three quarters of 2023, IMMOFINANZ Group expects FFO 1 from the standing investment business (before tax) of more than EUR 275 million for the 2023 financial year.

Income statement

All amounts in TEUR	Q1–3 2023	Q1–3 2022
Rental income	389,159	216,902
Results of asset management	323,650	168,358
Results of owner-operated properties	3,545	0
Results of property sales	-54,002	4,965
Results of property development	-6,943	-7,775
Other operating income	6,078	3,188
Other operating expenses	-63,182	-50,941
Results of operations	209,146	117,795
Revaluation result from standing investments and goodwill	-210,557	68,757
Operating profit (EBIT)	-1,411	186,552
Financial results	-99,167	122,385
Earnings before tax (EBT)	-100,578	308,937
Net profit or loss	-105,855	248,645

Rental income recorded by IMMOFINANZ Group rose by 79.4% year-on-year to EUR 389.2 million in the first three quarters of 2023. This increase is chiefly attributable to the full consolidation of S IMMO and the acquisition of retail properties in the previous year as well as a substantial improvement in like-for-like rental income. The improvement in the results of asset management exceeded the increase in rental income with a plus of 92.2% to EUR 323.7 million (Q1–3 2022: EUR 168.4 million).

IMMOFINANZ Group continued its strategic property sales during the first three quarters of 2023 with a volume of EUR 648.7 million. These sales consisted primarily of transactions by S IMMO in Germany and also included the sale of a Vienna office property by IMMOFINANZ. The results of property sales amounted to EUR -54.0 million (Q1–3 2022: EUR 5.0 million). These results were negatively influenced, above all, by the deconsolidation of a subsidiary in Turkey during the second quarter of 2023 and the related earnings contribution (EUR -45.8 million; Q1–3 2022: EUR 4.6 million) which resulted almost entirely from the reclassification of historical foreign exchange effects to the income statement. These foreign exchange effects were based on the devaluation of the Turkish lira since the initial consolidation and were previously recorded to the statement of comprehensive income without recognition to profit or loss. The results of property development amounted to EUR -6.9 million (Q1–3 2022: EUR -7.8 million) and reflected market trends and rising construction costs.

Results of operations

Other operating expenses rose to EUR -63.2 million (Q1–3 2022: EUR -50.9 million), mainly due to the full consolidation of S IMMO and to provisions for legal disputes in Romania. The results of operations increased substantially by 77.6% to EUR 209.1 million (Q1–3 2022: EUR 117.8 million).

Valuation results and EBIT

Results from the valuation of standing investments and goodwill reflected the general market trends and turned negative at EUR -210.6 million (Q1–3 2022: EUR 68.8 million). These negative valuation results were responsible for a decline in operating profit (EBIT) to EUR -1.4 million (Q1–3 2022: EUR 186.6 million) despite the strong operating results recorded for the first three quarters of 2023.

Financial results

Financing costs rose to EUR -152.4 million (Q1–3 2022: EUR -56.5 million), chiefly due to the full consolidation of S IMMO as well as increased financing expenses. Other financial results declined to EUR -13.8 million (Q1–3 2022: EUR 139.7 million) based on the non-cash valuation of interest rate derivatives which followed the slight decline in long-term eurozone interest rates during the first three quarters of 2023. The settlement payments from derivatives were, in contrast, positive and made an important contribution to financing income of EUR 63.3 million (Q1–3 2022: EUR 1.5 million). As the investment in S IMMO is no longer accounted for at equity, the share of net profit/loss from equity-accounted investments fell to EUR 3.2 million (Q1–3 2022: 37.0 million). Financial results totalled EUR -99.2 million in the first three quarters of 2023 (Q1–3 2022: EUR 122.4 million).

Net profit

Profit before tax amounted to EUR -100.6 million (Q1–3 2022: EUR 308.9 million), and income taxes declined to EUR -5.3 million (Q1–3 2022: EUR -60.3 million). Included here is deferred tax income of EUR 44.7 million which resulted primarily from the write-downs recognised to investment property during the reporting period. Net profit for the first three quarters of 2023 equalled EUR -105.9 million (Q1–3 2022: EUR 248.6 million) and represents earnings per share* of EUR -0.48 (Q1–3 2022: EUR 1.82).

* Number of shares included for Q1–3 2023: 137,974,126; number of shares included for Q1–3 2022: 136,493,246

Funds from operations (FFO)

Sustainable FFO 1 from the standing investment business (before tax) rose by 107.7% to EUR 214.4 million (Q1-3 2022: EUR 103.2 million) and exceeded the increase in both rental income and the results of asset management. The full consolidation of S IMMO was primarily responsible for this improvement

The FFO 1 calculation no longer includes the dividend payments from S IMMO because this investment is now fully consolidated.

All amounts in TEUR	P&L Q1-3 2023	Adjustment	FFO Q1-3 2023	FFO Q1-3 2022
Results of asset management	323,650	0	323,650	168,411
Results of owner-operated properties	3,545	9,926	13,471	0
Results of property sales	-54,002	54,002	0	0
Results of property development	-6,943	6,943	0	0
Other operating income	6,078	0	6,078	1,618
Other operating expenses	-63,182	9,220	-53,962	-33,527
Results of operations	209,146	80,091	289,237	136,502
Revaluation result from standing investments and goodwill	-210,557	210,557	0	0
Operating profit (EBIT)	-1,411	290,648	289,237	136,502
Financing costs	-152,364			
Financing income	63,309			
Foreign exchange differences	444			
Other financial results	-13,757			
Net profit or loss from equity-accounted investments	3,201			
Financial results	-99,167	24,292	-74,875	-33,274
FFO 1 before tax	-100,578	314,940	214,362	103,228

Balance sheet

The condensed balance sheet is shown below:

All amounts in TEUR	30 09 2023	in %	31 12 2022	in %
Investment property	7,309,738		7,707,196	
Property under construction	240,836		198,500	
Owner-operated properties	231,837	85.8	231,827	87.9
Real estate inventories	4,831		4,963	
Assets held for sale ¹	266,759		548,484	
Other assets	283,844	3.0	301,867	3.1
Equity-accounted investments	36,219	0.4	36,284	0.4
Trade and other receivables	185,445	2.0	208,491	2.1
Cash and cash equivalents	831,154	8.9	652,750	6.6
Assets	9,390,663	100.0	9,890,362	100.0
Equity	4,691,922	50.0	4,741,552	47.9
Financial liabilities	3,913,458	41.7	4,167,470	42.1
Trade and other payables	193,478	2.1	256,613	2.6
Other liabilities	90,619	1.0	177,064	1.8
Deferred tax liabilities	501,186	5.3	547,663	5.5
Equity and liabilities	9,390,663	100.0	9,890,362	100.0

¹ Includes investment property as well as other assets that will be transferred to the buyer in the event of a sale.

IMMOFINANZ Group's balance sheet totalled EUR 9.4 billion as of 30 September 2023. Of this total, the property portfolio comprised EUR 8.1 billion, or 85.8%. The slight decline since year-end 2022 resulted mainly from market-related write-downs and from property sales. Cash and cash equivalents increased to EUR 831.2 million.

Financial liabilities declined to EUR 3.9 billion (31 December 2022: EUR 4.2 billion), among others due to the repayment of the corporate bond 2019–2023 in January.

With a further increase in the equity ratio to 50.0% (31 December 2022: 47.9%), IMMOFINANZ Group has a very solid balance sheet structure.

Financing

IMMOFINANZ purchased additional shares in S IMMO from the CPI Property Group (CPIPG) on 27 December 2022 and increased its investment to 50% plus one share. In connection with the subsequent full consolidation of S IMMO, the key indicators in this section also include data on S IMMO AG. Comparability with the previous year – as related to the first three quarters of 2022 or to the quarterly closing date on 30 September 2022 – is, therefore, limited.

IMMOFINANZ Group had a robust balance sheet structure with an equity ratio of 50.0% as of 30 September 2023 (31 December 2022: 47.9%) and a solid net loan-to-value ratio (net LTV) of 37.8% (31 December 2022: 40.7%). Financial liabilities* totalled EUR 3.9 billion as of 30 September 2023 (31 December 2022: EUR 4.2 billion). Cash and cash equivalents amounted to EUR 831.5 million (including the cash and cash equivalents in assets held for sale). Net debt, i.e. debt after the deduction of cash and cash equivalents, declined to EUR 3.0 billion (31 December 2022: EUR 3.5 billion).

Calculation of LTV for IMMOFINANZ Group as of 30 September 2023

Amounts in TEUR

Carrying amount of financing ¹	3,853,618.1
- Cash and cash equivalents ²	-831,491.8
Net carrying amount of financing	3,022,126.3
Carrying amount of property ³	7,993,470.3
Net LTV in %	37.8

¹ Including IFRS 5 values, excluding IFRS 16 values

² Cash and cash equivalents, including cash and cash equivalents in assets held for sale

³ Excluding rights of use values as per IFRS 16

Financing costs

Average total financing costs for IMMOFINANZ Group, including derivatives, equalled 2.84% per year as of 30 September 2023 (31 December 2022: 2.60% per year). Rising market interest rates were primarily responsible for the increase. The hedging quota remained high at 92.2% (31 December 2022: 87.0%).

* Excluding lease liabilities of EUR 59.8 million based on the application of IFRS 16; including IFRS 5

Composition of financial liabilities

The financial liabilities held by IMMOFINANZ Group include amounts due to financial institutions, insurance companies and liabilities from bonds. The composition of these liabilities as of 30 September 2023 is as follows:

Weighted average interest rate of the financial liabilities	Outstanding liability in TEUR as of 30 09 2023	Total average interest rate incl. expenses for derivatives in %¹
Corporate bond IMMOFINANZ	239,028.4	2.50
Bank and other financial liabilities ²	1,907,320.1	3.33
S IMMO	1,707,269.6	2.35
IMMOFINANZ Group	3,853,618.1	2.84

¹ Based on nominal remaining debt

² Including IFRS 5

The remaining balance of the financial liabilities held by IMMOFINANZ Group totalled EUR 3,853.6 million as of 30 September 2023 and consists entirely of euro financing. IMMOFINANZ Group focuses on the diversification of its financing sources and benefits from long-term business relationships with major European banks.

Bonds issued by IMMOFINANZ Group

The bonds issued by IMMOFINANZ Group had a total outstanding nominal value of EUR 858.4 million as of 30 September 2023 (31 December 2022: EUR 970.5 million). Of this total, EUR 237.8 million (31 December 2022: EUR 424.9 million) were attributable to IMMOFINANZ following the repayment of the corporate bond 2019–2023 during the first quarter of 2023. The outstanding nominal value of the S IMMO bonds increased to EUR 620.6 million with the successful issue of a EUR 75 million green bond during the third quarter of 2023.

IMMOFINANZ terminated its individual rating by S&P Global Ratings for efficiency reasons in March 2023 due to its group affiliation with CPI Property Group.

In connection with the issue of the corporate bond 2020–2027, IMMOFINANZ has committed to comply with the following standard financial covenants. These covenants are calculated on the basis of the consolidated IFRS financial statements:

Financial covenant	Threshold in %	Value as of 30 09 2023 in %
Net Debt to Value Ratio ¹	Max. 60.0	37.5
Secured Net Debt to Value Ratio ¹	Max. 45.0	25.9
Interest Coverage Ratio	Min. 150.0	266.6

¹ The values are based on the latest calculation as per the bond terms on or before 30 September 2023.

Portfolio Report

IMMOFINANZ is continuing to concentrate on its core business as a growth-oriented property owner and on the further optimisation of its portfolio. This corporate strategy also includes acquisitions and selected development projects. The focus, in any event, is on higher yield real estate.

IMMOFINANZ's portfolio strategy is based on its flexible and innovative real estate offers with strong customer orientation. Active portfolio management ensures that the properties are attractive for tenants and consistent with the principle of sustainability from a social and environmental perspective. In this way, IMMOFINANZ will also meet the future needs of tenants and consumers in the retail business and tenants and their staffs in the office sector.

IMMOFINANZ Group's property portfolio

IMMOFINANZ Group's property portfolio (IMMOFINANZ including S IMMO) included 501 properties* as of 30 September 2023 with a combined value* of EUR 7,762.8 million (31 December 2022: 627 properties with a carrying amount of EUR 8,363.8 million). Standing investments* represented the largest component at EUR 7,307.7 million, or 94.1% of the carrying amount, and 3.3 million sqm of rentable space which generate steady rental income. Development projects* are responsible for EUR 240.8 million, or 3.1% of the carrying amount. A carrying amount of EUR 214.3 million, or 2.8%, is attributable to pipeline projects*, and includes future planned development projects, undeveloped land and real estate inventories. The owner-operated S IMMO properties (Vienna Marriott, Budapest Marriott and Novotel Bucharest City Center) with 61,075 sqm of total rentable space are not included in the portfolio report.

The application of IFRS 16 since the first quarter of 2019 leads to differences between the amounts presented in the portfolio report and on the balance sheet. Expert appraisals or internal valuation form the basis for the property values in the portfolio report. The reported property values on the balance sheet also include capitalised rights of use for building rights.

The increase in the investment in S IMMO to 50% plus one share was finalised at year-end 2022. Consequently, the assets and liabilities of S IMMO have been included in IMMOFINANZ's consolidated financial statements since 31 December 2022 and the income statement positions beginning with the first quarter of 2023.

* Including properties that are held for sale by the IMMOFINANZ Group and fall under the scope of application of IFRS 5 (30 September 2023: EUR 265.3 million; for details see section 3.2 of the supplementary information)

IMMOFINANZ Group's property portfolio by core market and classification

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR ¹	Property portfolio in MEUR	Property portfolio in %
Austria	27	514.3	71.0	17.6	602.9	7.8
Germany	5	519.5	0.0	4.6	524.1	6.8
Poland	31	979.8	9.4	0.0	989.2	12.7
Czech Republic	48	681.8	0.0	0.0	681.8	8.8
Hungary	19	225.3	0.0	2.7	228.0	2.9
Romania	33	620.3	68.2	80.9	769.4	9.9
Slovakia	36	449.3	0.0	1.3	450.6	5.8
Adriatic ²	64	526.9	74.8	35.9	637.6	8.2
S IMMO	238	2,790.5	17.4	71.3	2,879.2	37.1
IMMOFINANZ Group	501	7,307.7	240.8	214.3	7,762.8	100.0
in %		94.1	3.1	2.8	100.0	

¹ Including real estate inventories

² In declining order based on the carrying amount: Croatia, Serbia, Slovenia and Italy

IMMOFINANZ Group's property portfolio by primary use and classification

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR ¹	Property portfolio in MEUR	Property portfolio in %
Office	49	2,165.1	138.0	58.9	2,362.1	30.4
Retail	199	2,334.2	84.2	26.3	2,444.7	31.5
Others	15	17.9	1.2	57.7	76.8	1.0
S IMMO	238	2,790.5	17.4	71.3	2,879.2	37.1
IMMOFINANZ Group	501	7,307.7	240.8	214.3	7,762.8	100.0

¹ Including real estate inventories

IMMOFINANZ's property portfolio

The IMMOFINANZ property portfolio (IMMOFINANZ excluding S IMMO) covered 263 properties* as of 30 September 2023 (31 December 2022: 265 properties) with a combined value* of EUR 4,883.5 million (31 December 2022: EUR 5,199.6 million). These properties are located, above all, in the core markets of Austria, Germany, Poland, Czech Republic, Slovakia, Hungary, Romania and Adriatic (Croatia, Serbia, Slovenia and Italy). Standing investments* represent the largest component at EUR 4,517.2 million, or 92.5% of the carrying amount and 2.1 million sqm of rentable space. Development projects* are responsible for EUR 223.4 million, or 4.6% of the carrying amount. A carrying amount of EUR 142.9 million, or 2.9%, is attributable to pipeline projects*. The IMMOFINANZ property portfolio included 48.4% of office properties and 50.1% of retail properties as of 30 September 2023.

Sales by IMMOFINANZ

IMMOFINANZ continued its strategic property sales during the first three quarters of 2023. Included here, among others, is the Bureau am Belvedere office property in Vienna with nearly 9,000 sqm which was successfully sold to an Austrian investor in March. A further sale involved land in Turkey and also completed IMMOFINANZ's exit from this market in the second quarter of 2023.

* Including properties that are held for sale and fall under the scope of application of IFRS 5 (30 September 2023: EUR 180.1 million; for details see section 3.2 in the supplementary information)

In February 2023, IMMOFINANZ signed a letter of intent for the sale of several office properties at the location on Vienna's Wienerberg to S IMMO. The transaction covered six standing assets with roughly 128,000 sqm of rentable space and one development project that was opened during the third quarter of 2023. The transaction volume totaled approximately EUR 411 million.

Based on this agreement, IMMOFINANZ sold the Vienna Twin Towers to S IMMO in July 2023. The sale of five other office properties and one hotel property after the reporting period in October 2023 marked the successful conclusion of the agreement with S IMMO. The IMMOFINANZ team will continue to be responsible for the management and rental of the properties on the Wienerberg, most of which are operated under the innovative myhive brand.

IMMOFINANZ holds a controlling interest of 50% plus one share in S IMMO, and this transaction will therefore have no effect on the Group's asset, financial or earnings position.

The S IMMO property portfolio

The S IMMO property portfolio (excluding owner-operated hotel properties) included 238 properties which had a carrying amount of EUR 2,879.2 million as of 30 September 2023 (31 December 2022: 362 properties with a carrying amount of EUR 3,164.2 million) and 1.2 million sqm (31 December 2022: 1.4 million sqm) of rentable space.

For further information on this property portfolio, see the interim financial report by S IMMO AG as of 30 September 2023.

IMMOFINANZ Group's standing investments

Reclassifications and sales reduced the standing investments in IMMOFINANZ Group to 406 properties with a total carrying amount of EUR 7,307.7 million as of 30 September 2023 (31 December 2022: 530 properties with a carrying amount of EUR 7,936.0 million). Of this total, 29.6% are attributable to office properties, 31.9% to retail properties and 38.2% to S IMMO. The focal point of the standing investments by segment based on the carrying amount are the markets in Poland (EUR 979.8 million), the Czech Republic (EUR 681.8 million) and Romania (EUR 620.3 million) as well as S IMMO (EUR 2,790.5 million). The rentable space in this portfolio totalled 3.3 million sqm. The standing investment portfolio had a gross return of 7.0% based on IFRS rental income. In accordance with IFRS, rental incentives like standard market rent-free periods or allowances for fit-out costs are accrued on a straight-line basis over the contract term. The occupancy rate equalled 92.3% as of 30 September 2023 (31 December 2022: 92.9%).

IMMOFINANZ Group's standing investments by segment

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Austria	22	514.3	7.0	168,079	165,159	98.3
Germany	3	519.5	7.1	87,652	65,099	74.3
Poland	30	979.8	13.4	436,424	407,311	93.3
Czech Republic	48	681.8	9.3	279,243	268,684	96.2
Hungary	16	225.3	3.1	169,268	168,554	99.6
Romania	14	620.3	8.5	329,706	294,011	89.2
Slovakia	35	449.3	6.1	263,887	253,385	96.0
Adriatic ¹	39	526.9	7.2	352,224	350,098	99.4
S IMMO	199	2,790.5	38.2	1,247,714	1,105,575	88.6
IMMOFINANZ Group	406	7,307.7	100.0	3,334,197	3,077,875	92.3

Standing investments	Rental income Q3 2023 in MEUR	Gross return in %	Carrying amount financing in MEUR	Financing costs incl. derivatives in %	LTV in %
Austria	7.4	5.7	285.4	3.6	55.5
Germany	4.4	3.4	275.0	3.3	52.9
Poland	17.1	7.0	512.3	2.7	52.3
Czech Republic	10.9	6.4	246.3	2.5	36.1
Hungary	5.2	9.3	106.4	1.7	47.2
Romania	13.4	8.6	0.0	0.0	0.0
Slovakia	8.8	7.8	220.7	3.3	49.1
Adriatic ¹	12.1	9.2	91.8	5.2	17.4
S IMMO	48.1	6.9	1,127.5	2.3	40.4
IMMOFINANZ Group	127.3	7.0	2,865.2	2.7	39.2
Development projects and pipeline projects	1.6		40.6	3.9	
Rental income from sold properties and adjustments	1.3		0.0	0.0	
Group financing IMMOFINANZ	0.0		368.0	4.1	
Group financing S IMMO	0.0		579.8	0.0	
IMMOFINANZ Group	130.2		3,853.6	2.8	
Market value property portfolio in MEUR					7,762.8
Cash and cash equivalents ² in MEUR			-831.5		
Property value of owner-operated properties S IMMO in MEUR			0.0		230.7
IMMOFINANZ Group in MEUR			3,022.1		7,993.5
Net LTV in %					37.8

¹ In declining order based on the carrying amount: Serbia, Slovenia, Croatia and Italy

² Cash and cash equivalents, including cash and cash equivalents from assets held for sale

IMMOFINANZ's standing investments

The 207 standing investments held by IMMOFINANZ had a carrying amount of EUR 4,517.2 million as of 30 September 2023 (31 December 2022: 208 standing investments with a carrying amount of EUR 4,852.1 million). Of this total, 47.9% are attributable to office properties and 51.7% to retail properties. The rentable space in this portfolio totalled 2.1 million sqm (31 December 2022: 2.2 million sqm). These properties have a gross return of 7.0% based on IFRS rental income.

The occupancy rate remained high at 94.5% (31 December 2022: 94.3%). According to the EPRA's calculation formula, the vacancy rate equalled 6.5% (31 December 2022: 6.5%). The 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.

Sound growth of 8.0% in IMMOFINANZ's like-for-like rental income

A like-for-like analysis (i.e. acquisitions, completions and sales are deducted to facilitate comparison with earlier periods) shows a further sound improvement of 8.0%, or EUR 5.2 million, to EUR 70.8 million in the third quarter of 2023 (Q3 2022: EUR 65.5 million). Positive development was reported by all core markets. Like-for-like rental income rose by 8.5% in the office business and by 7.6% in the retail sector, whereby the rent indexing and higher retail turnover-based rents served as the driving factors.

A comparison of the first three quarters in 2023 and 2022 shows an increase of EUR 18.3 million, or 9.3%, in like-for-like rental income to EUR 214.1 million (office: +9.2%; retail: +9.6%).

IMMOFINANZ's standing investments like-for-like by core market

Standing investments like-for-like ¹	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rental income Q3 2023 in MEUR	Rental income Q3 2022 in MEUR	Change in rental income in MEUR	Change in rental income in %
Austria	22	514.3	13.0	7.4	6.8	0.5	7.6
Germany	2	386.7	9.8	3.7	3.2	0.5	14.5
Poland	24	951.0	24.1	16.5	15.9	0.6	3.8
Czech Republic	18	488.6	12.4	7.7	6.9	0.8	11.7
Hungary	14	194.4	4.9	4.5	4.1	0.5	11.8
Romania	13	602.4	15.2	12.8	12.3	0.5	4.2
Slovakia	20	331.8	8.4	6.6	5.9	0.7	12.3
Adriatic ²	36	484.6	12.3	11.5	10.4	1.1	10.6
IMMOFINANZ	149	3,953.8	100.0	70.8	65.5	5.2	8.0

¹ 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.

² In declining order based on the carrying amount: Serbia, Slovenia, Italy and Croatia

IMMOFINANZ's standing investments like-for-like by asset class and brand

Standing investments like-for-like ¹	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rental income Q3 2023 in MEUR	Rental income Q3 2022 in MEUR	Change in rental income in MEUR	Change in rental income in %
Office	36	2,032.3	51.4	28.1	25.9	2.2	8.5
thereof myhive	24	1,231.3	31.1	18.2	17.6	0.6	3.6
thereof office other	12	801.0	20.3	10.0	8.4	1.6	18.7
Retail	113	1,921.5	48.6	42.6	39.6	3.0	7.6
thereof VIVO!/shopping center	10	684.5	17.3	15.4	14.7	0.7	4.7
thereof STOP SHOP/retail park	101	1,227.0	31.0	26.9	24.7	2.3	9.2
thereof retail other	2	10.0	0.3	0.3	0.2	0.1	32.2
IMMOFINANZ	149	3,953.8	100.0	70.8	65.5	5.2	8.0

¹ 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.

IMMOFINANZ's standing investments – office

The carrying amount of the 37 standing office investments held by IMMOFINANZ (excluding S IMMO) totalled EUR 2,165.1 million as of 30 September 2023 (31 December 2022: 40 standing investments with a carrying amount of EUR 2,537.1 million). These assets represented 47.9% of the standing investment portfolio and 36.3% of the rental income from standing investments in the third quarter of 2023. The office portfolio had an occupancy rate of 87.1% at the end of September 2023 (31 December 2022: 88.1%).

Key data on IMMOFINANZ's standing office 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 %
IMMOFINANZ	37	2,165.1	100.0	712,952	621,026	87.1
thereof myhive	24	1,231.3	56.9	467,841	412,416	88.2
thereof office other	13	933.8	43.1	245,112	208,610	85.1

Standing investments	Rental income Q3 2023 in MEUR	Gross return in %	Carrying amount financing in MEUR	Financing costs incl. derivatives in %	LTV in %
IMMOFINANZ	28.8	5.3	1,006.1	2.8	46.5
thereof myhive	18.2	5.9	554.4	2.4	45.0
thereof office other	10.6	4.5	451.8	3.3	48.4

An overview of the IMMOFINANZ office properties can be found under

<https://immofinanz.com/en/office/office-search>.

IMMOFINANZ's standing investments – retail

The carrying amount of the 169 standing retail investments held by IMMOFINANZ (excluding S IMMO) totalled EUR 2,334.2 million as of 30 September 2023 (31 December 2022: 167 standing investments with a carrying amount of EUR 2,297.8 million). These properties represented 51.7% of the standing investment portfolio and generated 63.0% of rental income from standing investments in the third quarter of 2023. The occupancy rate equalled a high 98.4% at the end of September 2023 (31 December 2022: 98.8%). The occupancy rate in the STOP SHOP/retail parks and VIVO! shopping centers equalled 98.8%, respectively 96.8%.

Key data on IMMOFINANZ's 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 %
IMMOFINANZ	169	2,334.2	100.0	1,362,295	1,340,040	98.4
thereof VIVO!/shopping center	10	684.5	29.3	312,090	302,149	96.8
thereof STOP SHOP/retail park	136	1,525.0	65.3	969,951	958,229	98.8
thereof retail other	23	124.7	5.3	80,254	79,663	99.3

Standing investments	Rental income Q3 2023 in MEUR	Gross return in %	Carrying amount financing in MEUR	Financing costs incl. derivatives in %	LTV in %
IMMOFINANZ	49.9	8.6	731.5	3.3	31.3
thereof VIVO!/shopping center	15.4	9.0	203.5	2.2	29.7
thereof STOP SHOP/retail park	32.3	8.5	517.6	3.7	33.9
thereof retail other	2.2	7.0	10.5	6.3	8.4

An overview of the IMMOFINANZ retail properties can be found under <https://immofinanz.com/en/retail/retail-search>.

S IMMO's standing investments

The 199 standing investments* held by S IMMO had a carrying amount of EUR 2,790.5 million as of 30 September 2023, and the occupancy rate in this portfolio equalled 88.6%*.

For further information on the portfolio, see the interim financial report by S IMMO AG as of 30 September 2023.

IMMOFINANZ Group's development projects

IMMOFINANZ Group's development projects had a carrying amount of EUR 240.8 million as of 30 September 2023 (31 December 2022: EUR 198.5 million), which represents 3.1% of the total property portfolio (31 December 2022: 2.4%). This amount includes EUR 180.5 million of active development projects, all of which are attributable to IMMOFINANZ, and EUR 60.3 million of projects in the preparation or conception phase for which outstanding construction costs are not yet available. The expected fair value of the active projects on completion amounts to EUR 267.5 million. The core markets of Adriatic and Austria represent the focal point with an expected fair value after completion of EUR 145.4 million and EUR 76.3 million, respectively, followed by Romania with EUR 45.8 million. S IMMO had no development projects in progress at the end of September 2023.

* Excluding owner-operated hotels. Details on the initial consolidation of S IMMO are provided in the consolidated financial statements of the IMMOFINANZ Group and under the revaluation of owner-operated properties (see section 2.3 in the notes to the consolidated financial statements for 2022).

IMMOFINANZ Group's development projects

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	Expected yield after completion in % ¹
Austria	1	70.4	39.0	2.2	19,882	76.3	3.8	5.2
Romania	1	41.0	22.7	3.3	21,127	45.8	3.5	7.9
Adriatic ²	12	69.1	38.3	69.1	94,848	145.4	11.2	8.1
Active projects								
IMMOFINANZ	14	180.5	100.0	74.6	135,857	267.5	18.5	7.3
Projects in preparation IMMOFINANZ		42.9						
Projects in preparation S IMMO		17.4						
IMMOFINANZ Group		240.8						

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

² In declining order based on the carrying amount: Croatia and Serbia

The current focus of IMMOFINANZ's development activities

Austria

An existing office property on the Wienerberg in Vienna was extensively modernised and opened in September 2023. The new myhive Urban Garden has roughly 17,600 sqm of office space and belongs to the exclusive circle of office buildings in Austria that received an "outstanding" BREEAM certification. The property is also classified as being in alignment with the EU Taxonomy. The myhive Urban Garden has a green facade and numerous additional green areas and will be operated in accordance with the highest sustainability standards – including green leases.

Adriatic

In Croatia, ten new STOP SHOP retail parks are under development in Daruvar, Vinkovci, Čakovec, Pazin, Đakovo, Dugo Selo, Krapina, Sinj, Vukovar and Virovitica. The STOP SHOP retail parks in Čakovec, Daruvar, Pazin and Vinkovci opened during the first three quarters of 2023 and were followed by a STOP SHOP in Đakovo in October. Projects in Serbia involve the expansion of the existing STOP SHOP in Subotica by roughly 5,600 sqm to 15,500 sqm and in Sremska Mitrovica by roughly 2,300 sqm to 9,300 sqm.

Romania

The myhive Victoria Park, a standing investment in Bucharest, is undergoing extensive modernisation and integration in the flexible myhive office concept. Completion was in the fourth quarter of 2023.

IMMOFINANZ Group's pipeline projects

Pipeline projects include future planned development projects, undeveloped land and/or temporarily suspended projects. These projects had a carrying amount of EUR 214.3 million as of 30. September 2023 and represent 2.8% of IMMOFINANZ Group's property portfolio. Of this total, EUR 142.9 million, or 2.9%, are attributable to IMMOFINANZ, excluding S IMMO (31 December 2022: EUR 159.3 million and 3.1%). S IMMO is responsible for EUR 71.3 million. The focal point of IMMOFINANZ Group's pipeline projects is Romania with a volume of EUR 80.9 million. IMMOFINANZ Group plans to continue reducing the scope of its pipeline projects – especially the land reserves in Romania – through strategic sales.

Consolidated Interim Financial Report

Consolidated Balance Sheet

All amounts in TEUR	Notes	30 09 2023	31 12 2022
Investment property	3.1	7,309,738	7,707,196
Property under construction		240,836	198,500
Owner-operated properties		231,837	231,827
Other tangible assets		11,568	12,071
Intangible assets		20,900	20,416
Equity-accounted investments		36,219	36,284
Trade and other receivables		26,824	35,051
Income tax receivables		5	9
Other financial assets		231,428	250,064
Deferred tax assets		1,922	2,511
Non-current assets		8,111,277	8,493,929
Trade and other receivables		158,621	173,440
Income tax receivables		17,843	15,542
Other financial assets		178	1,254
Assets held for sale	3.2	266,759	548,484
Real estate inventories		4,831	4,963
Cash and cash equivalents		831,154	652,750
Current assets		1,279,386	1,396,433
Assets		9,390,663	9,890,362
Share capital		138,670	138,670
Capital reserves		4,825,650	4,825,650
Treasury shares		-10,149	-10,149
Accumulated other equity		-130,207	-186,200
Retained earnings		-1,056,145	-977,748
Equity attributable to owners of IMMOFINANZ AG		3,767,819	3,790,223
Non-controlling interests		924,103	951,329
Equity		4,691,922	4,741,552
Financial liabilities	3.3	3,571,622	3,647,633
Trade and other payables		41,499	39,531
Income tax liabilities		5	3
Provisions		28,010	18,457
Deferred tax liabilities		501,186	547,663
Non-current liabilities		4,142,322	4,253,287
Financial liabilities	3.3	341,836	519,837
Trade and other payables		151,979	217,082
Income tax liabilities		48,540	17,660
Provisions		9,930	13,698
Liabilities held for sale	3.2	4,134	127,246
Current liabilities		556,419	895,523
Equity and liabilities		9,390,663	9,890,362

Consolidated Income Statement

All amounts in TEUR	Notes	Q3 2023	Q1–3 2023	Q3 2022	Q1–3 2022
Rental income	4.1	130,232	389,159	72,748	216,902
Operating costs charged to tenants		45,603	148,857	31,333	85,837
Other revenues		139	1,543	566	1,740
Revenues		175,974	539,559	104,647	304,479
Expenses from investment property	4.2	-14,268	-42,312	-10,555	-37,478
Operating expenses		-54,875	-173,597	-35,730	-98,643
Results of asset management		106,831	323,650	58,362	168,358
Results from owner-operated properties	4.3	2,084	3,545	0	0
Results of property sales	4.4	-1,008	-54,002	16,790	4,965
Results of property development	4.5	-2,953	-6,943	20	-7,775
Other operating income	4.6	1,576	6,078	1,168	3,188
Other operating expenses	4.7	-15,429	-63,182	-14,884	-50,941
Results of operations		91,101	209,146	61,456	117,795
Revaluation result from standing investments and goodwill	4.8	-19,508	-210,557	-5,931	68,757
Operating profit (EBIT)		71,593	-1,411	55,525	186,552
Financing costs	4.9	-48,034	-152,364	-15,464	-56,509
Financing income	4.9	20,979	63,309	223	1,474
Foreign exchange differences		-4,422	444	401	718
Other financial results	4.9	4,461	-13,757	58,831	139,701
Net profit or loss from equity-accounted investments		646	3,201	9,568	37,001
Financial results	4.9	-26,370	-99,167	53,559	122,385
Earnings before tax (EBT)		45,223	-100,578	109,084	308,937
Current income tax		-7,085	-49,950	-11,157	-20,519
Deferred income tax		513	44,673	-12,002	-39,773
Net profit or loss from continuing operations		38,651	-105,855	85,925	248,645
Net profit or loss from discontinued operations		0	0	0	0
Net profit or loss		38,651	-105,855	85,925	248,645
thereof attributable to owners of IMMOFINANZ AG		35,987	-79,210	85,967	248,802
thereof attributable to non-controlling interests		2,664	-26,645	-42	-157
Basic earnings per share in EUR		0.11	-0.48	0.62	1.82
Diluted earnings per share in EUR		0.11	-0.48	0.62	1.82

Consolidated Statement of Comprehensive Income

All amounts in TEUR	Notes	Q3 2023	Q1–3 2023	Q3 2022	Q1–3 2022
Net profit or loss		38,651	-105,855	85,925	248,645
Other comprehensive income (reclassifiable)					
Currency translation adjustment		-3,677	46,428	-3,257	-4,218
thereof changes during the financial year		-3,677	-2,108	-363	-1,703
thereof reclassification to profit or loss	2.2	0	48,536	-2,894	-2,515
Other comprehensive income from equity-accounted investments		0	0	4,554	10,958
thereof changes during the financial year		0	0	5,301	12,937
thereof income taxes		0	0	-747	-1,979
Total other comprehensive income (reclassifiable)		-3,677	46,428	1,297	6,740
Other comprehensive income (not reclassifiable)					
Financial instruments at fair value through other comprehensive income		0	1,366	-336	-2,118
thereof changes during the financial year		0	1,822	-443	-2,781
thereof income taxes		0	-456	107	663
Revaluation of owner-operated properties		2,865	8,449	0	0
thereof changes during the financial year		3,403	10,035	0	0
thereof income taxes		-538	-1,586	0	0
Other comprehensive income from equity-accounted investments		0	0	-178	2,363
thereof changes during the financial year		0	0	-264	3,124
thereof income taxes		0	0	86	-761
Total other comprehensive income (not reclassifiable)		2,865	9,815	-514	245
Total other comprehensive income after tax		-812	56,243	783	6,985
Total comprehensive income		37,839	-49,612	86,708	255,630
thereof attributable to owners of IMMOFINANZ AG		34,594	-23,217	86,750	255,787
thereof attributable to non-controlling interests		3,245	-26,395	-42	-157

Consolidated Cash Flow Statement

All amounts in TEUR	Notes	Q1–3 2023	Q1–3 2022
Earnings before tax (EBT)		-100,578	308,937
Revaluations of investment properties		221,532	-79,510
Goodwill impairment and subsequent price adjustments		0	236
Write-downs and write-ups on real estate inventories (including impending losses from forward sales)		100	0
Write-downs and write-ups on receivables and other assets		2,563	15,755
Net profit or loss from equity-accounted investments		-3,302	-37,001
Foreign exchange differences and fair value measurement of financial instruments		10,974	-147,116
Net interest income/expense		90,791	56,271
Results from deconsolidation	2.2	45,846	-4,611
Other non-cash income/expense/reclassifications		7,302	-10,593
Gross cash flow before tax		275,228	102,368
Income taxes paid		-12,175	-9,389
Gross cash flow after tax		263,053	92,979
Change in real estate inventories		0	16
Change in trade and other receivables		40,157	7,499
Change in trade payables and other liabilities		-37,172	-36,177
Change in provisions		9,844	-1,917
Cash flow from operating activities		275,882	62,400
Acquisition of investment property and property under construction		-82,157	-150,083
Business combinations and other acquisitions, net of cash and cash equivalents		-153,502	-101,857
Consideration paid for acquisitions of entities from related parties		-208,448	0
Consideration transferred/paid from disposal of discontinued operations, net of cash and cash equivalents		0	214
Consideration transferred from disposal of subsidiaries, net of cash and cash equivalents		229,249	38,349
Acquisition of other non-current assets		-3,961	-3,367
Disposal of investment property and property under construction		258,500	5,498
Disposal of equity-accounted investments and cash flows from other net investment positions		-6,174	0
Dividends received from equity-accounted investments		5,897	16,695
Interest or dividends received from financial instruments		4,632	1,276
Cash flow from investing activities		44,036	-193,275
Increase in financial liabilities plus decrease in blocked cash and cash equivalents		675,822	395,472
Repayment of financial liabilities plus increase in blocked cash and cash equivalents		-776,862	-949,066
Payments and conversion of convertible bonds		0	-3,200
Derivatives		35,106	-7,627
Interest paid		-106,923	-37,509
Distributions/dividend		-18	0
Transactions with non-controlling interest owners		0	-200
Share buyback		0	-10,126
Cash flow from financing activities		-172,875	-612,256
Net foreign exchange differences		-248	-2,311
Change in cash and cash equivalents		146,795	-745,442
Cash and cash equivalents at the beginning of the period (consolidated balance sheet item)		652,750	987,146
Plus cash and cash equivalents in disposal groups		31,946	0
Cash and cash equivalents at the beginning of the period		684,696	987,146
Cash and cash equivalents at the end of the period		831,491	241,704
Less cash and cash equivalents in disposal groups	3.2	337	4,044
Cash and cash equivalents at the end of the period (consolidated balance sheet item)		831,154	237,660

Consolidated Statement of Changes in Equity

All amounts in TEUR	Notes	Share capital	Capital reserves	Treasury shares	
Balance on 31 December 2022		138,670	4,825,650	-10,149	
Other comprehensive income					
Net profit or loss					
Total comprehensive income					
Distributions/dividend					
Transactions with non-controlling interest owners					
Balance on 30 September 2023		138,670	4,825,650	-10,149	
Balance on 31 December 2021		123,294	4,565,709	-23	
Other comprehensive income			7,197		
Net profit or loss					
Total comprehensive income			7,197		
Capital increase from the conversion of convertible bonds		15,376	265,471		
Share buyback				-4,949	
Issue of shares				-5,177	
Transactions with non-controlling interest owners					
Balance on 30 September 2022		138,670	4,838,377	-10,149	

Accumulated other equity

	Revaluation reserve	IAS 19 reserve	Hedge accounting reserve	Revaluation reserve IAS 16	Currency translation reserve	Retained earnings	Non-controlling interests	Total equity
	-2,756	-383	0	0	-183,061	-977,748	951,329	4,741,552
	657			8,449	46,887		250	56,243
						-79,210	-26,645	-105,855
	657			8,449	46,887	-79,210	-26,395	-49,612
							-18	-18
						813	-813	0
	-2,099	-383	0	8,449	-136,174	-1,056,145	924,103	4,691,922
	-6,669	-408	-2,462	0	-180,580	-1,115,317	-32,926	3,350,618
	-6,938	-14	10,161		-3,421			6,985
						248,802	-157	248,645
	-6,938	-14	10,161		-3,421	248,802	-157	255,630
								280,847
								-4,949
								-5,177
						-5,032	4,833	-199
	-13,607	-422	7,699	0	-184,001	-871,547	-28,250	3,876,770

Supplementary Information

1. Basis of Preparation

The consolidated interim financial report of IMMOFINANZ as of 30 September 2023 was prepared for the period from 1 January 2023 to 30 September 2023 (Q1–3 2023).

This consolidated interim financial report on IMMOFINANZ 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 2022, which form the basis for this consolidated interim financial report.

Since the consolidated interim financial statements as of 30 June 2023, the valuation results from property sales have been reported on a quarterly basis. The differences between the carrying amounts as of the last closing date and the last quarter prior to the sale are included under the revaluation results from standing investments, respectively under property under construction. The differences between the last quarter and the sale proceeds are included under the revaluation of sold (and held for sale) properties.

The purchase of 17,305,012 S IMMO shares from the CPI Property Group (CPIPG) at the end of December 2022 gave IMMOFINANZ a majority investment of 50% plus one share in S IMMO. S IMMO was therefore included through full consolidation in the IMMOFINANZ consolidated financial statements for 2022. The consolidated income statement for the 2022 financial year did not include any components for the S IMMO Group for practicality reasons. The comparability with prior year data is therefore limited.

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.

2. Scope of Consolidation

2.1 Development of the scope of consolidation

Scope of consolidation	Subsidiaries full consolidation	Joint ventures at equity	Associates at equity	Total
Balance on 31 December 2022	272	1	10	283
Companies initially included				
Other acquisitions	7	0	0	7
New foundations	3	0	0	3
Companies no longer included				
Sales	-4	0	0	-4
Mergers	-1	0	0	-1
Liquidations	-2	0	0	-2
Balance on 30 September 2023	275	1	10	286
thereof foreign companies	198	1	1	200
thereof in liquidation	2	0	0	2

2.2 Sale of subsidiaries

The following table summarises the effects on the material balance sheet positions and on deconsolidation results:

All amounts in TEUR	Q1–3 2023
Investment property (see 3.1, 3.2)	368,215
Property under construction	1,025
Other tangible assets	29
Receivables and other assets	2,475
Cash and cash equivalents	33,334
Financial liabilities	-17,634
Trade payables	-278
Other liabilities	-66,528
Income tax liabilities	-40
Provisions	-3,871
Deferred tax liabilities	-45,676
Other assets/liabilities	433
Net assets sold	271,484
Consideration received in cash and cash equivalents	262,583
Outstanding purchase price receivables	11,286
Less net assets sold	-271,484
Less non-controlling interests	303
Reclassification of foreign exchange differences reserve to profit or loss	-48,536
Results from deconsolidation	-45,848
Consideration received in cash and cash equivalents	262,583
Less cash and cash equivalents sold	-33,334
Net inflow of cash and cash equivalents	229,249

3. Notes to the Consolidated Balance Sheet

3.1 Investment property

All amounts in TEUR	Q1–3 2023
Beginning balance	7,707,196
Disposals following the sale of subsidiaries (see 2.2)	-46,246
Currency translation adjustments	-1,384
Additions	225,555
Disposals	-58,253
Revaluation	-197,328
Reclassifications	-2,936
Reclassification to assets held for sale	-316,866
Ending balance	7,309,738

The disposals following the sale of subsidiaries were related primarily to land in Germany and Turkey. The additions were related chiefly to investments by S IMMO in properties in the Czech Republic and Hungary and to acquisitions and investments in Austria, Croatia and Romania. Investment property disposals involved, above all, the sale of the Bureau am Belvedere office building in Vienna. The reclassifications to assets held for sale were related, in particular, to properties in the Czech Republic as well as one office property in Vienna and one in Bucharest. For information on revaluation, see section 4.8.

3.2 Assets and liabilities held for sale

Of the assets and liabilities classified as held for sale as of 31 December 2022, all commercial and residential properties (combined value of EUR 501.0 million) were sold by S IMMO during the first three quarters of 2023. Management stands by its intention to sell the assets and liabilities classified as held for sale as of 31 December 2022 and to complete the sales not realised as of 30 September 2023. A disposal group in the Czech Republic, one office property in Vienna and one in Bucharest as well as land in Romania were reclassified to this category during the first three quarters of 2023.

The following table provides summarised information on the assets and liabilities classified as held for sale as of 30 September 2023:

All amounts in TEUR	Carrying amount as of 30 09 2023	Carrying amount as of 31 12 2022
Investment property	265,336	510,406
Other tangible assets	42	18
Trade and other receivables	154	93
Other financial assets	890	6,021
Cash and cash equivalents	337	31,946
Assets held for sale	266,759	548,484
Financial liabilities	0	77,839
Trade and other payables	323	892
Provisions	71	552
Deferred tax liabilities	3,740	47,963
Liabilities held for sale	4,134	127,246

3.3 Financial liabilities

The following table shows the composition and remaining terms of the financial liabilities as of 30 September 2023:

All amounts in TEUR	30 09 2023	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years	31 12 2022
Amounts due to financial institutions	2,829,129	146,874	2,239,323	442,932	2,766,246
thereof secured by collateral	2,829,129	146,874	2,239,323	442,932	2,766,128
thereof not secured by collateral	0	0	0	0	118
Liabilities arising from the issue of bonds	818,788	117,371	574,535	126,882	922,825
Other financial liabilities	265,541	77,591	140,655	47,295	478,399
Total	3,913,458	341,836	2,954,513	617,109	4,167,470

The liabilities from the issue of bonds represent fixed-interest, unsecured, non-subordinated bonds. They include one bond issued by IMMOFINANZAG with an outstanding nominal value of EUR 237.8 million (31 December 2022: EUR 424.9 million) as well as nine bonds issued by S IMMO AG with a total outstanding nominal value of EUR 620.6 million (31 December 2022: EUR 545.6 million). The decline in the bonds issued by IMMOFINANZAG is attributable to the maturity and redemption of the 2.625% corporate bond on 27 January 2023 ("Bond 2023", ISIN XS1935128956). The repayment totalled EUR 187.1 million. It was serviced in full from existing liquid funds and represented the outstanding nominal amount of this bond after the change-of-control event which led to the repayment of EUR 295.7 million in April 2022. In the third quarter of 2023, S IMMO successfully placed a green bond (ISIN AT0000A35Y85) with a nominal value of EUR 75.0 million, a five-year term and a coupon of 5.5% per year.

The other financial liabilities include a liability of EUR 129.0 million (31 December 2022: EUR 337.4 million) to the CPI Property Group as well as EUR 82.3 million (31 December 2022: EUR 81.4 million) due to insurance companies and EUR 54.2 million (31 December 2022: EUR 59.6 million) of lease liabilities.

4. Notes to the Consolidated Income Statement

4.1 Rental income

All amounts in TEUR				Q1–3 2023
	Office	Retail	Other	Total
Office space	156,956	552	570	158,078
Retail space	13,868	172,720	0	186,588
Other space	12,402	2,638	21,254	36,294
thereof parking areas	6,859	434	0	7,293
thereof warehouse space	2,550	319	11	2,880
thereof hotel	1,449	0	4,430	5,879
thereof advertising and telecommunications	1,043	1,461	0	2,504
thereof other	501	424	16,813	17,738
Income from non-performance-related components of operating costs	3,662	4,398	139	8,199
Total	186,888	180,308	21,963	389,159

All amounts in TEUR				Q1–3 2022
	Office	Retail	Other	Total
Office space	80,027	115	-601	79,541
Retail space	4,584	107,397	13	111,994
Other space	14,591	2,533	4	17,128
thereof parking areas	8,650	329	0	8,979
thereof warehouse space	2,863	276	-15	3,124
thereof hotel	1,308	0	0	1,308
thereof advertising and telecommunications	998	1,802	6	2,806
thereof other	772	126	13	911
Income from non-performance-related components of operating costs	4,190	3,945	104	8,239
Total	103,392	113,990	-480	216,902

The year-on-year increase in rental income resulted, above all, from the full consolidation of S IMMO. S IMMO contributed EUR 144.0 million to rental income in the first three quarters of 2023, of which EUR 92.2 million are attributable to the office asset class, EUR 30.6 million to the retail asset class and EUR 21.2 million to other properties.

4.2 Expenses from investment property

All amounts in TEUR	Q1–3 2023	Q1–3 2022
Commission expenses	-1,626	-222
Maintenance	-15,800	-12,966
Operating costs charged to building owners	-12,933	-9,796
Property marketing	-2,107	-4,301
Personnel expenses from asset management	-1,466	-4,562
Other expenses from asset management	-2,970	-1,853
Fit-out costs	-1,191	-2,059
Write-off of receivables from asset management	-2,524	-1,681
Other expenses	-1,695	-38
Total	-42,312	-37,478

The share of S IMMO in the expenses from investment property totalled EUR 10.3 million.

4.3 Owner-operated properties

Owner-operated properties represent hotels owned by the S IMMO Group, which was acquired in 2022. The results from these properties as of 30 September 2023 are summarised below:

All amounts in TEUR	Q1–3 2023	Q1–3 2022
Revenue from owner-operated properties	49,838	0
Expenses from owner-operated properties	-36,367	0
Depreciation on owner-operated properties	-9,926	0
Total	3,545	0

4.4 Result of property sales

All amounts in TEUR	Q1–3 2023	Q1–3 2022
Office	125,945	2,513
Retail	5,812	19
Other	147,432	2,283
Proceeds from property sales	279,189	4,815
Less carrying amount of sold properties	-279,189	-4,815
Net gain/loss from property sales	0	0
Results from deconsolidation	-45,848	4,610
Sales commissions	-261	-280
Personnel expenses from property sales	-484	-239
Legal, auditing and consulting fees from property sales	-620	-213
Write-off of receivables from property sales	0	-12,945
VAT adjustments from the sale of properties	-660	0
Other expenses	-1,943	-48
Expenses from property sales	-3,968	-13,725
Revaluation results from properties sold and held for sale	-4,186	14,080
Total	-54,002	4,965

Property sales in the reporting period consisted primarily of office and residential properties in Germany by the S IMMO Group as well as the Bureau am Belvedere office building in Vienna and a small piece of land in Romania. Information on the deconsolidation results is provided in section 2.2.

4.5 Results of property development

All amounts in TEUR	Q1–3 2023	Q1–3 2022
Cost of real estate inventories sold	-3	-3
Write-down of real estate inventories	-100	-1
Income and expenses related to written-off purchase price receivables from the sale of real estate inventories	0	-278
Other expenses from real estate inventories	0	-1,158
Expenses from real estate inventories	-100	-1,437
Expenses from property development	-2,121	-2,921
Revaluation results from properties under construction	-4,719	-3,414
Total	-6,943	-7,775

4.6 Other operating income

All amounts in TEUR	Q1–3 2023	Q1–3 2022
Expenses charged on	187	166
Insurance compensation	296	1,417
Income from derecognised liabilities	2,131	938
Reimbursement for penalties	413	27
Miscellaneous	3,051	640
Total	6,078	3,188

The share of S IMMO in other operating income totalled EUR 1.5 million.

4.7 Other operating expenses

Other operating expenses include the following items:

All amounts in TEUR	Q1–3 2023	Q1–3 2022
Administrative expenses	-6,095	-972
Legal, auditing and consulting fees	-8,077	-15,320
Penalties	-48	-34
Taxes and levies	-2,930	-1,533
Advertising	-1,853	-2,675
EDP and communications	-3,163	-1,542
Expert opinions	-416	-472
Personnel expenses	-23,594	-22,408
Other write-downs	-3,124	-1,503
Miscellaneous	-13,882	-4,482
Total	-63,182	-50,941

The full consolidation of S IMMO was responsible for other operating expenses of EUR 24.5 million in the first three quarters of 2023.

4.8 Revaluation results from investment property and goodwill

All amounts in TEUR	Q1–3 2023			Q1–3 2022		
	Revaluation gains	Revaluation losses	Total	Revaluation gains	Revaluation losses	Total
Investment property	37,940	-248,498	-210,558	97,120	-28,277	68,843
Property under construction	1,034	-5,753	-4,719	8,801	-12,215	-3,414
Properties sold and held for sale	130	-4,316	-4,186	20,087	-6,007	14,080
Total	39,104	-258,567	-219,463	126,008	-46,499	79,509

4.9 Financial results

All amounts in TEUR	Q1–3 2023	Q1–3 2022
For financial liabilities AC	-131,191	-50,561
For derivative financial instruments	-21,173	-5,948
Total financing costs	-152,364	-56,509
For financial receivables AC	4,494	1,469
For derivative financial instruments	58,815	5
Total financing income	63,309	1,474
Foreign exchange differences	444	718
Profit or loss on other financial instruments and proceeds on the disposal of financial instruments	-1,276	-6,127
Valuation of financial instruments at fair value through profit or loss	-13,767	146,542
Distributions	1,316	798
Negative interest on cash and cash equivalents	-30	-1,512
Other financial results	-13,757	139,701
Net profit or loss from equity-accounted investments	3,201	37,001
Total	-99,167	122,385

AC: financial assets/liabilities measured at amortised cost

The results from the measurement of financial instruments at fair value through profit or loss primarily include the valuation of derivative financial instruments (interest rate swaps).

5. Subsequent Events

On 23 November 2023, S IMMO signed a contract for the acquisition of a portfolio totalling 11 properties from Czech Property Investments, a.s. (CPI AS), a subsidiary of CPI Property Group S.A., in the Czech Republic. The purchase comprises seven office properties, three commercial properties and a plot of land with a total lettable area of around 138,000 sqm, a property value of around EUR 481 million and annual rental income of around EUR 29 million.

Financial Calendar 2024

27 March 2024 ¹	Announcement of the annual results 2023
27 May 2024 ¹	Announcement of results for the first quarter of 2024
29 May 2024	31st annual general meeting
28 August 2024 ¹	Announcement of results for the first half of 2024
28 November 2024 ¹	Announcement of results for the first three quarters of 2024

¹ Publication after the close of trading on the Vienna Stock Exchange.

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

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