

Sparkassen Immobilien Aktiengesellschaft

(Incorporated as a joint stock company in the Republic of Austria)

Offering of up to 43,853,879 ordinary bearer Shares
Maximum Offer Price: € 9.90 per Offer Share

This Prospectus relates to an offering (the "Offering") of ordinary bearer shares (the "Shares") of Sparkassen Immobilien Aktiengesellschaft (the "Company" or the "Issuer").

Up to 43,853,879 Shares (the "Offer Shares") will be issued by the Company in the Offering, which consists of (a) a rights offering to shareholders of the Company in the ratio of 7 Offer Shares for 8 Shares in the Company, and, to the extent shareholders of the Company do not exercise or waive their subscription rights, (b) a public Offering of Offer Shares to retail and institutional investors in the Republic of Austria, the Czech Republic and Germany, and (c) an international private placement in Europe outside the Republic of Austria, the Czech Republic and Germany. The Offer Shares will be offered outside the United States of America in reliance on Regulation S under the US Securities Act of 1933, as amended (the "Securities Act"). The Offer Shares have not and will not be registered under the Securities Act. This Prospectus is provided as a Prospectus for the public Offering of the Offer Shares in the Republic of Austria, the Czech Republic and Germany, and as a listing Prospectus for the listing of the Offer Shares and 200 former registered Shares on the Vienna Stock Exchange in the Official Market Segment (*Amtlicher Handel*).

The price per Offer Share at which holders of Existing Shares may subscribe for Offer Shares (the "Subscription Price") and the price at which Offer Shares are offered and sold to investors in the Offering (the "Offer Price") shall be not higher than € 9.90 per Offer Share. The Subscription Price and the Offer Price will be the same. The number of Offer Shares that will be available for subscription and sale in the Offering as well as the final Subscription and Offer Price will be set by the Company in accordance with BNP Paribas and Erste Bank (together the "Joint Global Coordinators") after the Subscription and Offer Period has closed. The Subscription Period will start on 7 June 2006 and is expected to end on 23 June 2006. The Offer Period will start on 7 June 2006 and is expected to end on 26 June 2006.

See Section "Risk Factors" for a discussion of certain factors that prospective investors should consider before subscribing for or purchasing the Offer Shares.

In connection with the Offering, the Company has granted to the Joint Global Coordinators an option, exercisable within 30 days from the date of public disclosure of the Subscription and Offer Price (after market close) to 26 July inclusive to purchase or subscribe for up to 6,578,082 Shares at the Subscription and Offer Price to cover over-allotments (the "Over-Allotment Option").

The Existing Shares trade on the Vienna Stock Exchange under the Reuters code SIAG.VI and the Bloomberg code SPIAV. Approval of the Offer Shares for listing and trading on the Vienna Stock Exchange is sought. Official listing is expected to occur, and trading in the Offer Shares is expected to commence, on or about 29 June 2006.

Application has been made for the Offer Shares to be accepted for clearance through the facilities of the Austrian clearing house Oesterreichische Kontrollbank AG ("OeKB"), as well as through Euroclear Bank S.A./N.V. and Clearstream Banking SA. Delivery of the Offer Shares is expected to be made through the facilities of these clearing systems, and is expected to occur on or about 29 June 2006 against payment of the Subscription or Offer Price in immediately available funds.

*Joint Global Coordinators
Lead Managers and Bookrunners*

BNP PARIBAS

ERSTE BANK

Co-Lead Manager
BAYERISCHE LANDESBANK

This Prospectus is a prospectus prepared in accordance with Commission Regulation (EC) No. 809/2004, OJ No. L 159 of 29 April 2004, the provisions of the Austrian Stock Exchange Act (*Börsegesetz*), and the Austrian Capital Market Act (*Kapitalmarktgesetz*). The Prospectus has been approved by the Austrian Capital Markets Authority (*Finanzmarktaufsicht* – “FMA”) and has been filed with OeKB, acting as notification office (*Meldestelle*), pursuant to the Austrian Capital Market Act (*Kapitalmarktgesetz*) and is expected to be filed with the Vienna Stock Exchange as listing prospectus for the Offer Shares and 200 former registered Shares, which have been converted to ordinary bearer Shares by resolution of the general meeting held on 3 May 2006. It is prohibited to copy or distribute this Prospectus or to reveal or use the information contained herein for any purpose other than considering an investment in the Offer Shares.

No person is authorized to give any information or make any representation not contained in this Prospectus in connection with the Offering and, if given or made, such information or representation must not be relied upon as having been authorized by the Company or by the Joint Global Coordinators. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Offer Shares. The delivery of this Prospectus does not at any time imply that the information contained herein is correct at any time subsequent to the date hereof unless this Prospectus has been officially supplemented by the Company. In particular, neither the delivery of this Prospectus nor the offering, sale and delivery of any Offer Shares shall create under any circumstances any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Company and its subsidiaries since the date of this Prospectus. However, the Issuer has an obligation pursuant to Paragraph 6 of the Austrian Capital Markets Act (KMG) to update the Prospectus until the Offering is finally closed or, if such occurs earlier, the Offer Shares and the 200 former registered Shares have been admitted to trading in the Official Market Segment on the Vienna Stock Exchange.

When taking investment decisions, investors must rely on their own assessment of the Company, and the terms of the Offering, including the benefits and risks involved. Any decision to subscribe for, or purchase the Offer Shares should be based exclusively on this Prospectus, bearing in mind that any summary or description of legal provisions, company structures or contractual relations contained herein is provided for information purposes only and should not be construed as legal or tax advice. Prospective purchasers should consult their own attorney, business adviser or tax adviser for legal, business or tax advice regarding an investment in the Offer Shares.

The distribution of this Prospectus and the offer or sale of the Offer Shares in certain jurisdictions may be restricted by law. This Prospectus may not be published in any jurisdiction other than Austria, the Czech Republic and Germany, where the Offer Shares are, or may be, subject to legal restrictions regarding registration or admission to listing, or other matters in respect of public offerings. In particular, the Prospectus may not be published in the United States of America, Canada, Japan or the United Kingdom. Any failure to observe these restrictions may constitute a violation of US, Canadian, Japanese or British securities laws, or of the securities laws and regulations of other countries. This Prospectus may not be used for, or in connection with, and does not constitute, any offer to, or solicitation by, anyone in any jurisdiction in which it is unlawful to make such an offer or solicitation. Persons into whose possession this Prospectus may come should inform themselves about and observe such restrictions. Further information with regard to the restrictions on offers and sales of the Offer Shares and the distribution of this Prospectus are set out under Section “Transfer Restrictions” starting on page 174.

The Company reserves the right to withdraw the Offering, to extend the Subscription and Offer Period and/or to shorten the Subscription and Offer Period and, thus, to reject any commitments to purchase the Offer Shares, in whole or in part, at any time and for any reason. The Subscription Period, however, may not be shorter than the statutory minimum of two weeks. In case the Offer is withdrawn during the Subscription Period, any exercised subscription rights become null and void and payments made will be returned to holders of subscription rights without interest. Any accrued subscription rights expire valueless. Any discontinuance, extension or reduction of the Subscription Period and/or the Offer Period will be disclosed via electronic media.

In connection with the sale of the Offer Shares, the Joint Global Coordinators may over-allot Shares of the Company or effect transactions with a view to supporting the market price of the Shares at a level higher than that which might otherwise prevail. However, there is no assurance that the Joint Global Coordinators will undertake stabilization transactions and, if commenced, such transactions may be discontinued at any time. Any stabilization activity shall begin on the date of the public disclosure of the Subscription and Offer Price and shall end thirty (30) days after such date, i.e. from 26 June 2006 (market close) to 26 July 2006 inclusive.

Table of Contents

GENERAL INFORMATION	8
INSPECTION OF DOCUMENTS	8
FORWARD-LOOKING STATEMENTS	8
SUMMARY	9
SPARKASSEN IMMOBILIEN AKTIENGESELLSCHAFT	9
THE BUSINESS OF SPARKASSEN IMMOBILIEN AKTIENGESELLSCHAFT	10
s IMMO INVEST AND s IMMO SHARE.....	11
RECENT DEVELOPMENTS.....	12
SUMMARY SELECTED FINANCIAL DATA	12
SUMMARY OF THE OFFERING	21
SUMMARY OF RISK FACTORS	25
DEFINITIONS AND ABBREVIATIONS	63
RISK FACTORS	68
GENERAL RISKS	68
SECTOR RISKS	69
COMPANY BASED RISKS.....	71
1 SHARE REGISTRATION DOCUMENT	73
1.1 INFORMATION ON PERSONS RESPONSIBLE	73
1.1.1 <i>Persons Responsible</i>	73
1.1.2 <i>Declaration by Persons who have Accepted Liability for the Prospectus</i>	73
1.2 STATUTORY AUDITORS	73
1.2.1 <i>The Company's Auditors</i>	73
1.2.2 <i>Resignation or Removal of Auditors</i>	73
1.3 SELECTED FINANCIAL INFORMATION	73
1.3.1 <i>Selected Consolidated Financial Data</i>	74
1.3.2 <i>Selected Interim Financial Data</i>	76
1.4 RISK FACTORS	78
1.5 INFORMATION ABOUT THE ISSUER	78
1.5.1 <i>History and Development of the Issuer</i>	78
1.5.2 <i>Investments</i>	79
1.6 BUSINESS OVERVIEW	81
1.6.1 <i>Principal Activities</i>	81
1.6.2 <i>Principal Markets</i>	84
1.6.3 <i>Influence by Exceptional Factors</i>	95
1.6.4 <i>Dependencies on Patents or Licenses, Industrial, Commercial or Financial Contracts</i>	95
1.6.5 <i>Basis for Statements made by the Issuer Regarding its Competitive Position</i> ...	95
1.7 ORGANIZATIONAL STRUCTURE.....	95
1.7.1 <i>Description of the Group and the Issuer's Position Within the Group</i>	95
1.7.2 <i>Significant Subsidiaries</i>	98
1.8 PROPERTY, PLANTS AND EQUIPMENT	100
1.8.1 <i>Material Tangible Fixed Assets</i>	100
1.8.2 <i>Environmental Issues</i>	104

1.9	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (OPERATING AND FINANCIAL REVIEW)	104
1.9.1	Overview	104
1.9.2	Financial results – year 2005 compared with year 2004	107
1.9.3	Financial results – year 2004 compared with year 2003	115
1.9.4	Interim Financial Statements	121
1.9.5	Governmental, Economic, Fiscal, Monetary or Political Policies or Factors that have Materially Affected, or Could Materially Affect, Directly or Indirectly, the Issuer's Operations	123
1.10	CAPITAL RESOURCES	123
1.10.1	The Issuer's Capital Resources	123
1.10.2	The Issuer's Cash Flows	124
1.10.3	Borrowing Requirements and Funding Structure of the Issuer	126
1.10.4	Material Restrictions on the use of Capital Resources	126
1.10.5	Information Regarding the Anticipated Sources of Funds Needed to Fulfill Commitments Referred to in Items 5.2.3 and 8.1.	126
1.11	RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES	127
1.12	TREND INFORMATION	127
1.12.1	Most Significant Recent Trends	127
1.12.2	Known Trends, Uncertainties, Demands, Commitments or Events that are Reasonably Likely to have a Material Effect on the Issuer's Prospects for the Current Financial Year	127
1.13	PROFIT FORECASTS OR ESTIMATES	127
1.14	ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES AND SENIOR MANAGEMENT	127
1.14.1	Members of Administrative, Management and Supervisory Bodies	127
1.14.2	Conflicts of Interests	130
1.15	REMUNERATION AND BENEFITS	131
1.15.1	Amounts of Remuneration and Benefits Paid	131
1.15.2	Total Amounts Set Aside or Accrued by the Issuer or its Subsidiaries to Provide Pension, Retirement or Similar Benefits	131
1.16	BOARD PRACTICES	132
1.16.1	Date of Expiration of the Current term of Office	132
1.16.2	Service Contracts of the Administrative, Management or Supervisory Bodies	132
1.16.3	Information about the Issuer's Audit Committee and Remuneration Committee	132
1.16.4	Statement Concerning the Austrian Corporate Governance Regime	133
1.17	EMPLOYEES	133
1.17.1	Number of Employees	133
1.17.2	Shareholdings and Stock Options	133
1.17.3	Arrangements for Involving the Employees in the Capital of the Issuer	134
1.18	MAJOR SHAREHOLDERS	134
1.18.1	Notifiable Shareholdings	134
1.18.2	Different Voting Rights of Major Shareholders	134
1.18.3	Direct or Indirect Control	134
1.18.4	Arrangements, the Operation of which may at a Subsequent Date Result in a Change in Control of the Issuer	134
1.19	RELATED PARTY TRANSACTIONS	134
1.19.1	Administration and Authorization Contract with Immorent AG	134
1.19.2	Development, Realization and Exploitation of the Office Center Pankrac	135
1.19.3	Option Agreements	135
1.19.4	Credit Agreements	135

1.19.5	<i>Underwriting Agreements and Engagement Letters with Erste Bank for Capital Markets Transactions</i>	136
1.19.6	<i>Market Maker Agreement with Erste Bank</i>	136
1.20	FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	136
1.20.1	<i>Historical Financial Information</i>	136
1.20.2	<i>Pro-forma Financial Information</i>	136
1.20.3	<i>Financial Statements</i>	137
1.20.4	<i>Auditing of Historical Annual Financial Information</i>	137
1.20.5	<i>Age of Latest Financial Information</i>	137
1.20.6	<i>Interim and Other Financial Information</i>	137
1.20.7	<i>Dividend Policy</i>	137
1.20.8	<i>Legal and Arbitration Proceedings</i>	137
1.20.9	<i>Significant Change in the Issuer's Financial or Trading Position</i>	138
1.21	ADDITIONAL INFORMATION	138
1.21.1	<i>Share Capital</i>	138
1.21.2	<i>Memorandum and Articles of Association</i>	139
1.22	MATERIAL CONTRACTS	142
1.22.1	<i>Administration and Authorization Contract with Immorent AG</i>	142
1.22.2	<i>Market Maker Agreement with Erste Bank</i>	143
1.22.3	<i>Other material agreements</i>	143
1.23	THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST	144
1.23.1	<i>Where a Statement or Report Attributed to a Person as an Expert is Included in the Registration Document, Provide such Person's Name, Business Address, Qualifications and Material Interest if any in the Issuer</i>	144
1.23.2	<i>Information from Third Parties</i>	144
1.24	DOCUMENTS ON DISPLAY	144
1.25	INFORMATION ON HOLDINGS	144
2	SHARE SECURITIES NOTE	145
2.1	PERSONS RESPONSIBLE	145
2.2	RISK FACTORS	145
2.3	KEY INFORMATION	145
2.3.1	<i>Working Capital Statement</i>	145
2.3.2	<i>Capitalisation and Indebtedness</i>	145
2.3.3	<i>Interest of Natural and Legal Persons Involved in the Issue/Offering</i>	145
2.3.4	<i>Reasons for the Offering and Use of Proceeds</i>	146
2.4	INFORMATION CONCERNING THE SECURITIES TO BE OFFERED/ADMITTED TO TRADING	146
2.4.1	<i>Type and Class of the Offer Shares</i>	146
2.4.2	<i>Legislation under which the Securities have been Created</i>	146
2.4.3	<i>Form of Shares and Certification</i>	146
2.4.4	<i>Currency of the Securities Issue</i>	146
2.4.5	<i>Rights Attached to the Shares</i>	146
2.4.6	<i>Statement of the Resolutions, Authorizations and Approvals by virtue of which the Offer Shares have been Created</i>	149
2.4.7	<i>Issue Date of the Offer Shares</i>	150
2.4.8	<i>Transferability</i>	150
2.4.9	<i>Mandatory Takeover bids and/or Squeeze-out and Sell-out Rules in Relation to the Shares</i>	150

2.4.10	<i>Takeover Bids by Third Parties</i>	150
2.4.11	<i>Taxes</i>	150
2.5	TERMS AND CONDITIONS OF THE OFFERING	155
2.5.1	<i>Conditions, Offer Statistics, Expected Timetable and Action Required to Apply for the Offering</i>	155
2.5.2	<i>Plan of Distribution and Allotment</i>	156
2.5.3	<i>Pricing</i>	159
2.5.4	<i>Placing and Underwriting</i>	160
2.6	ADMISSION TO TRADING AND DEALING ARRANGEMENTS	161
2.6.1	<i>Application for Admission to Trading</i>	161
2.6.2	<i>Markets on which the Shares are Already Admitted to Trading</i>	161
2.6.3	<i>If simultaneously or almost simultaneously with the creation of the securities for which admission to a regulated market is being sought securities of the same class are subscribed for or placed privately or if securities of other classes are created for public or private placing, give details of the nature of such operations and of the number and characteristics of the securities to which they relate</i>	161
2.6.4	<i>Details of the Entities Which have a Firm Commitment to act as Intermediaries in Secondary Trading, Providing Liquidity Through bid and offer Rates and Description of the Main Terms of Their Commitment</i>	161
2.6.5	<i>Where an Issuer or a Selling Shareholder has Granted an Over-allotment Option or it is Otherwise Proposed that Price Stabilizing Activities may be Entered into in Connection with an Offering</i>	161
2.7	SELLING SECURITIES HOLDERS	161
2.7.1	<i>Name and business address of the person or entity offering to sell the securities, the nature of any position office or other material relationship that the selling persons has had within the past three years with the issuer or any of its predecessors or affiliates</i>	161
2.7.2	<i>The Number and Class of Securities Being Offered by each of the Selling Security Holders</i>	162
2.7.3	<i>Lock-up Agreements</i>	162
2.8	EXPENSE OF THE ISSUE/OFFERING	162
2.8.1	<i>Issue Costs</i>	162
2.9	DILUTION	162
2.9.1	<i>The Amount and Percentage of Immediate Dilution resulting from the Offering</i>	162
2.9.2	<i>In the case of a Subscription Offer to Existing Equity Holders, the Amount and Percentage of Immediate Dilution if they do not Subscribe to the new Offering</i>	163
2.10	ADDITIONAL INFORMATION	163
2.10.1	<i>If Advisors Connected with an Issue are Mentioned in the Securities Note, a Statement of the Capacity in Which the Advisors have Acted</i>	163
2.10.2	<i>Auditors Reports</i>	163
2.10.3	<i>Information Sourced from Third Parties</i>	167
3	SUPPLEMENTARY PROSPECTUS FOR INVESTMENTS IN PROPERTY	168
3.1	INFORMATION ON PERSONS LIABLE	168
3.2	INFORMATION ON THE PROPOSED INVESTMENT IN REAL PROPERTY	168
3.2.1	<i>Legal Form, Total Volume, Denomination</i>	168
3.2.2	<i>Type of Collective Investment (Open/Closed)</i>	168
3.2.3	<i>Type, Number and Location of Real Property</i>	168
3.2.4	<i>Principles Underlying the Acquisition, Disposal and Administration of Real Property</i>	168

3.2.5	<i>Marketing, Remuneration and Management Costs</i>	168
3.2.6	<i>Legal Relationship with Third Parties Involved in Marketing and Management; their Services and Costs</i>	168
3.2.7	<i>Valuation Methods</i>	169
3.2.8	<i>Information on Real Property</i>	169
3.2.9	<i>Book and Other Encumbrances</i>	169
3.2.10	<i>Provisions relating to the Annual Financial Statements and Performance Report</i>	169
3.2.11	<i>Provisions relating to the Distribution and Appropriation of the Annual Net Profit</i>	170
3.2.12	<i>Purchase Price of the Investment and Incidental Costs</i>	170
3.2.13	<i>Protective Entries in the Land Register</i>	170
3.2.14	<i>Situation and Rights of Investors in the Event of Structural Changes</i>	170
3.2.15	<i>Subscription Rights, Subscription Prices, Form of Compensation for Variations in Asset Rights</i>	170
3.2.16	<i>Projected Profitability</i>	170
3.2.17	<i>Surrendering the Investment; Surrender Price</i>	170
3.2.18	<i>Provisions Relating to Procedures and the Situation of Investors in the Event of Insolvency</i>	170
3.3	INFORMATION ON THIRD PARTIES INVOLVED IN MARKETING AND MANAGING THE INVESTMENT	171
3.3.1	<i>Company, Registered Office, Purpose</i>	171
3.3.2	<i>Supervisory Board and Management Board</i>	171
3.3.3	<i>Last Annual Financial Statements; Annual Report</i>	172
3.4	INFORMATION ON PROPERTY INSURANCE COVER	172
3.5	THE NATURE AND EXTENT OF INFORMATION REGULARLY SUPPLIED TO INVESTORS ON THE PERFORMANCE OF THE INVESTMENT	172
3.6	PERFORMANCE REPORT	173
3.6.1	<i>Performance Report of the s IMMO INVEST as of 31 December 2005</i>	173
3.6.2	<i>Performance Report of the s IMMO Share as of 31 December 2005</i>	173
	TRANSFER RESTRICTIONS	174
	REGULATION S	174
	NOTICE TO UK INVESTORS	174
	NOTICE TO INVESTORS IN JAPAN AND CANADA	175
	INDEX OF APPENDICES	176
	SIGNATURES PURSUANT TO THE AUSTRIAN CAPITAL MARKETS ACT	177

GENERAL INFORMATION

Inspection of Documents

This Prospectus, a current excerpt from the Commercial Register, the current Articles of Association of the Company, and the Financial Statements of the Company are available during ordinary business hours at the offices of Sparkassen Immobilien Aktiengesellschaft, A-1060 Vienna, Windmühlgasse 22-24. This Prospectus may also be obtained during ordinary business hours free of charge at the offices of Erste Bank der oesterreichischen Sparkassen AG, Börsegasse 14, A-1010 Vienna, Austria, BNP Paribas, 16 boulevard des Italiens, 75009 Paris, France, Bayerische Landesbank, Brienner Strasse 18, 80333 Munich, Germany and Ceska Sporitelna, Na Perštyne 1, Praha 1, Czech Republic. For investors resident in Austria, the Czech Republic and Germany, the Prospectus and the Czech and German translation of the Summary thereof are also available on the webpage of the Company under www.sparkassenimmobilienag.at and for the Czech Republic also under www.csas.cz.

Forward-looking Statements

This Prospectus includes forward-looking statements. Forward-looking statements may be, but are not necessarily, identified by words such as “believe”, “expect”, “anticipate”, “intend”, “target”, “estimate”, “plan”, “assume”, “may”, “will”, “could” and similar expressions. These forward-looking statements are based on the Company's current expectations and projections about future events and are subject to risks, uncertainties and assumptions about the Company and its business, including, among other things:

- those discussed under "Risk Factors" and other Sections of this Prospectus;
- the Company's ability to expand in current and new markets and successfully identify and acquire new real property;
- the Company's reliance on particular countries and/or markets;
- market trends and volumes;
- the Company's anticipated future revenues, earnings or profits;
- the risk of increased competition;
- the Company's ability to effect changes in its real property portfolio mix;
- changes in tax regimes.

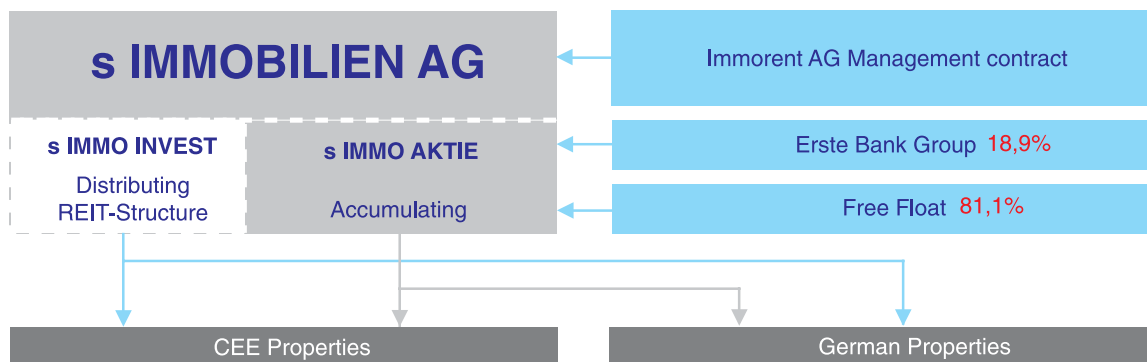
These risks, uncertainties and assumptions may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Moreover, potential investors should not interpret statements regarding past trends or activities as representations that these trends and activities will continue in the future.

SUMMARY

This summary must be read as an introduction to this Prospectus, and any decision to invest in the Offer Shares should be based on a consideration of this Prospectus as a whole, including the Financial Statements and the matters set out under “Risk Factors”. Where a claim relating to the information contained in this Prospectus is brought before a court, a plaintiff investor might, under the national legislation of the relevant member state of the EEA, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. In the event that such legal proceedings are initiated before a court in Austria, a German translation of the Prospectus will be required, and the costs thereof will have to be borne initially by the plaintiff investor and ultimately by the party held to be responsible therefore in the legal proceedings. Civil liability attaches to those persons who have tabled this Summary (including any translation hereof) and applied for its notification, but only if this Summary is misleading, inaccurate or inconsistent when read together with the other Sections of this Prospectus.

Sparkassen Immobilien Aktiengesellschaft

The Company evolved from the Erste Bank group of companies (the “Erste Bank Group”) and focuses on investments in real property in prime locations in Austria and Germany as well as Central and Eastern Europe (“CEE”). Erste Bank Group, one of the leading financial institutions in Austria and CEE, directly or indirectly holds about 18.9% in the Company and is a provider of management services through its wholly owned subsidiary Immorent AG. Further, the Company benefits from the presence of the Erste Bank Group in CEE to further develop its activities in this region. The s Immo Group, consisting of the Company and its consolidated subsidiaries, is currently (as of 2 June 2006) structured as follows (for a more detailed group-chart see Section 1.7.1):



The Company has a share capital of EUR 182,106,361.86 divided into 50,118,718 ordinary bearer shares of no par value. The closing market price for one Share at the Vienna Stock Exchange as of 1 June 2006 was EUR 8.73. Accordingly, the total market capitalization of the Company as of 1 June 2006 was EUR 437,536,408.14.

The current members of the Management Board of the Company are Mr. Holger Schmidtmayr and Mr. Ernst Vejdovszky, who, in addition to their activity on behalf of the Company, also exercise numerous management functions in companies within the Erste Bank Group. The members of the Supervisory Board are Dr. Martin Simhandl (chairman), Dr. Klaus Braunegg (first deputy chairman), Mr. Franz Kerber (second deputy chairman), Dr. Reinhold Schürer-Waldheim, Dr. Gerald Antonitsch, Mr. Christian Ahlfeld, Mr. Richard Wilkinson and Mr. Manfred Rapf.

The statutory auditors of the Company are Eidos Deloitte Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH, Renngasse 1, A-1010 Vienna/Austria.

The Business of Sparkassen Immobilien Aktiengesellschaft

The business of Sparkassen Immobilien Aktiengesellschaft comprises:

- the acquisition of developed and undeveloped real property and similar rights in real property (such as building rights on third party property);
- the development of, and building on, undeveloped real property; and
- the commercial use of the real property acquired.

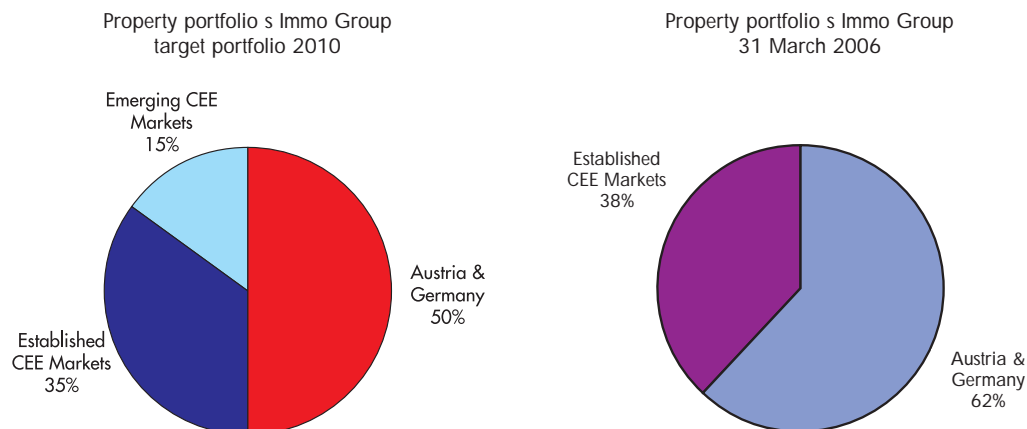
The Company has the strategy to invest in quality real property and focuses on prime areas in city centers of European metropolises. Hence, the Company strongly focuses on secure and sustainable investments, comprising high value property. Accordingly, the investments of the s Immo Group have to be secure, stable and growth oriented. A broad diversification into several regional markets as well as a sectoral diversification of the real property is intended to secure this investment strategy. The real property portfolio of the Company mainly comprises residential, office, retail and hotel property in Austria and, held through its wholly owned subsidiary CEE PROPERTY-INVEST Immobilien AG (“CEEPI”), office, retail and hotel property in prime locations in the capitals and urban centers of the CEE region. In Germany, the real property portfolio of the Company, held through its wholly owned subsidiaries BGO Immobilien GmbH (“BGO”) and IMMIN Beteiligungen GmbH, mainly comprises residential, office and retail property in major cities.

The investment policy of the Company since 2000 has increasingly focused on the CEE area. The Company thereby focuses primarily on the acquisition of office and retail property as well as hotel property in prime locations in the capitals of the newest EU member states and the immediate EU membership candidate states and selected other countries in CEE. To present, the Company has considered the political development in these markets as predictable. The profitability of the planned investments in the EU membership candidate states Romania and Bulgaria is expected to be enhanced by the accession of these countries to the EU, which is expected for 2007. In the midterm, the strategy of Sparkassen Immobilien Aktiengesellschaft also comprises investments in other CEE countries such as Croatia and Ukraine.

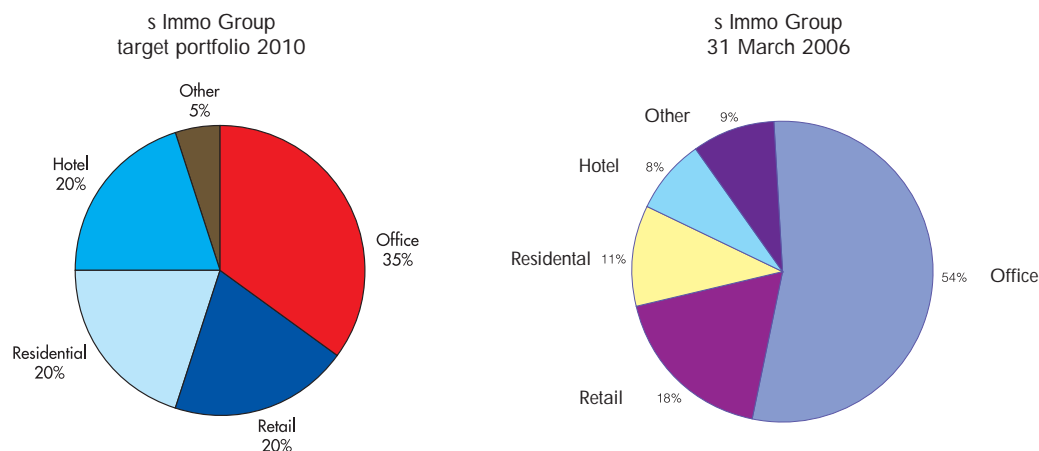
The new focus on property in Germany has become a significant part of the portfolio. Due to the current market situation, in the opinion of the Company, property investments in Germany are expected to generate attractive yields in a stable political, economic and legal environment. Accordingly, long term planning sees a significant percentage of the total assets of the s Immo Group located in important cities such as, but not limited to, Hamburg, Munich and Berlin.

By 2010, the s Immo Group plans to have increased its investments to a total value of EUR 3 bn being divided by region into EUR 1.5 bn in Austria and Germany and EUR 1.5 bn in CEE. The Company plans to maximize its cash earnings per share and to increase within the next three years its net debt to equity ratio to about 50%.

The following chart shows the target property portfolio of the s Immo Group compared to the property portfolio as of 31 March 2006 by region:



The following chart shows the target property portfolio of the s Immo Group compared to the property portfolio as of 31 March 2006 by sector:



s IMMO INVEST and s IMMO Share

Within its assets, the Company has established a separate accounting entity (*eigener Rechnungskreis*), the s IMMO INVEST participatory certificate accounting entity. For details on the s IMMO INVEST accounting entity see also the prospectus published by the Company in the course of an offer of participatory certificates in May 2005, which can be obtained from the Company upon request free of charge. The assets and liabilities not expressly attributed to the s IMMO INVEST are, for the purpose of this Prospectus, collectively referred to as the s IMMO Share.

It has to be noted that the assets attributed to the s IMMO INVEST as well as the assets attributed to the s IMMO Share are within the sole ownership of the Company. However, due to the nature of the capital attributed to the s IMMO INVEST as debenture-like participatory capital (*obligationenähnliches Genussrechtskapital*), any proceeds from assets within the s IMMO INVEST are attributed and disbursed to the holders of participatory certificates and, accordingly, are not available to the Company or its Shareholders. Further, in case of dissolution of the s IMMO INVEST, any proceeds from such dissolution will be distributed to the holders of Certificates pro rata to their respective holdings. Accordingly, Shareholders will not benefit from any hidden reserves within the s IMMO INVEST.

Proceeds from any share issue of the Company, including the Offer Shares, are invested to the benefit of the s IMMO Share. The portfolio of the s IMMO Share currently comprises residential real property and commercial property in Austria and, through a shareholding in CEEPI, commercial and office property in prime locations in the capitols of several CEE countries as well as, through shareholding in BGO, residential, office and retail property in major cities in Germany.

The Company currently does not pay dividends but retains and reinvests its profits to acquire additional real property on account of the s IMMO Share.

It has to be noted that the proceeds from past offerings of participatory Certificates have been invested on behalf of the s IMMO INVEST in full. Accordingly, at the time being, the Company is not in a position to make further investments out of participatory capital to the benefit of the s IMMO INVEST. No assurance can be given that the Company will raise additional participatory capital, and, accordingly, make investments to the benefit of the s IMMO INVEST in the future, which might lead to a higher percentage of asset allocation to the s IMMO Share in the future.

Recent Developments

Acquisitions in April 2006:

In April 2006, the Company invested in the promising real estate market of Berlin. In particular, the Company completed its largest single transaction in Germany so far with the acquisition of the Lützow-Center in the middle of the German capital, situated directly on the river Spree. The entire property comprises about 17,000 m² of floor space with more than 37,000 m² of lettable space. The property comprises offices, residential space and garage space.

Additionally, the Company acquired two portfolios in Berlin, consisting only of residential property (22,400 m² and about 10,000 m² floor space). A shopping center of about 14,700 m² in the center of Halle/Saale completed the investments in Germany and arranged for a balanced German portfolio.

Expected Revaluation:

The Company has retained CB Richard Ellis GmbH with an annual valuation of its property portfolio in Austria and CEE.

On the basis of a preliminary valuation of certain properties of the Company in CEE evidencing significant deviation of the current market value of such properties as compared to their market value as stated by the Company, CB Richard Ellis estimates that the property portfolio of the Company is sometimes undervalued.

Derivatives:

Beginning with the financial year 2006, the Company uses swaps, in addition to interest rate caps, to reduce the risks inherent to interest rate increases. As of May 2006, two swap agreements were entered into to secure respectively EUR 25 mn and EUR 20 mn for 10 years at a 3-month-Euribor based rate.

Summary Selected Financial Data

The following summary of selected financial information with respect to the Company and the s IMMO Share is derived from the Consolidated Financial Statements of the Company as of 31 December 2005, 31 December 2004 and 31 December 2003 and from the unaudited Interim Financial Statements of the Company as of 31 March 2006 and 31 March 2005. The Consolidated Financial Statements and the unaudited Interim Financial Statements have been prepared in accordance with IFRS.

Investors should read these summary selected financial data together with the Section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations (Operating and Financial Review)” (see Section 1.9), the Consolidated Financial Statements, the Interim Financial Statements and the notes related thereto and other financial information included elsewhere in this Prospectus:

The Company

Comparison of the consolidated Interim Financial Statements as of 31 March 2006 and 31 March 2005

CONDENSED CONSOLIDATED BALANCE SHEET (in TEUR)

ASSETS	31/3/2006	Changes in %	31/3/2005
Non-current assets			
Intangible assets	49		26
Property, plant and equipment	748,915		471,592
Financial assets	6,084		6,006
other non-current assets	1,972		1,205
	<u>757,020</u>	58%	<u>478,829</u>
Current assets			
Receivables	41,030		23,623
Investments	28,466		11,880
Cash and cash equivalents	134,331		5,134
	<u>203,827</u>	402%	<u>40,637</u>
Prepaid expenses	378		425
	<u>961,225</u>	85%	<u>519,891</u>

EQUITY AND LIABILITIES

Equity attributable to equity holders of the parent	367,018		226,886
Minority interest	23,948		0
Non-current liabilities			
Debenture-like participatory rights	275,506		166,214
Non-current liabilities to banks	209,084		58,930
Provisions	10,855		6,349
Other liabilities	22,850		21,330
	<u>518,295</u>	105%	<u>252,823</u>
Current liabilities	47,143		37,831
Deferred income	4,821		2,350
	<u>961,225</u>	85%	<u>519,891</u>

CONDENSED CONSOLIDATED INCOME STATEMENT (in TEUR)

	1/1-31/3/2006	Changes in %	1/1-31/3/2005
Revenues	16,116		10,172
thereof rental income	12,842		8,176
Other operating income	1,069		253
Income from disposal of property	1,132		2,108
Aggregate operating performance	18,317	46%	12,533
Depreciation/Amortization	-4,982		-3,018
Other operating expenses	-4,998		-3,951
Earnings before interest and tax	8,338	50%	5,564
Net financial loss	-3,657		-2,629
Earnings before tax	4,680	59%	2,935
Income taxes	-912		-524
Net income for the period	3,767	56%	2,411
thereof interests of shareholders in parent company	3,703		2,411
thereof minority interests	64		0

**Comparison of the Consolidated Financial Statements
as of 31 December 2005 and 31 December 2004**

CONDENSED CONSOLIDATED BALANCE SHEET (in TEUR)

ASSETS	31/12/2005	Changes in %	31/12/2004
Non-current assets			
Intangible assets	50		26
Property, plant and equipment	709,186		447,389
Financial assets	6,037		6,002
Deffered tax asset	2,347		1,312
	<u>717,620</u>	58%	<u>454,729</u>
Current assets			
Receivables	24,107		19,355
Investments	12,352		0
Cash and cash equivalents	166,098		4,337
	<u>202,557</u>	755%	<u>23,692</u>
Prepaid expenses	335		1,703
	<u>920,512</u>	92%	<u>480,124</u>

EQUITY AND LIABILITIES

Equity attributable to equity holders of the parent	363,768		224,657
Minority interest	23,915		0
Non-current liabilities			
Debenture-like participatory rights	276,774		147,931
Non-current liabilities to banks	174,602		45,087
Provisions	10,400		6,076
Other liabilities	22,906		20,752
	<u>484,682</u>	120%	<u>219,846</u>
Current liabilities	43,314		33,573
Deferred income	4,833		2,047
	<u>920,512</u>	92%	<u>480,124</u>

CONDENSED CONSOLIDATED INCOME STATEMENT (in TEUR)

	1/1-31/12/2005	Changes in %	1/1-31/12/2004
Revenues	42,154		35,312
thereof rental income	34,192		29,351
Other operating income	7,587		2,095
Income from disposal of property	2,035		44
Aggregate operating performance	51,776	38%	37,451
Depreciation/Amortization	-16,309		-11,035
Other operating expenses	-19,378		-13,517
Earnings before interest and tax	16,090	25%	12,899
Net financial loss	-6,012		-6,280
Earnings before tax	10,078	52%	6,619
Income taxes	-1,585		-1,582
Net income for the period	8,493	69%	5,037
thereof interests of shareholders in parent company	6,806		5,037
thereof minority interests	1,687		0

The s IMMO Share

Comparison of the consolidated Interim Financial Statements of the s IMMO Share as of 31 March 2006 and 31 March 2005

CONDENSED CONSOLIDATED BALANCE SHEET (in TEUR)

ASSETS	31/3/2006	Changes in %	31/3/2005
Non-current assets			
Intangible assets	36		26
Property, plant and equipment	395,876		288,095
Financial assets	143		131
other non-current assets	1,893		1,205
	<u>397,948</u>	37%	<u>289,457</u>
Current assets			
Receivables	53,186		26,288
Investments	22,304		7,128
Cash and cash equivalents	87,290		2,885
	<u>162,780</u>	348%	<u>36,301</u>
Prepaid expenses	219		318
	<u>560,946</u>	72%	<u>326,076</u>

EQUITY AND LIABILITIES

Equity attributable to equity holders of the parent	370,176		226,886
Minority interest	11,975		0
Non-current liabilities			
Non-current liabilities to banks	106,175		29,985
Provisions	5,476		2,684
Other liabilities	20,447		20,194
	<u>132,098</u>	150%	<u>52,863</u>
Current liabilities	43,361		44,162
Deferred income	3,336		2,165
	<u>560,946</u>	72%	<u>326,076</u>

CONDENSED CONSOLIDATED INCOME STATEMENT (in TEUR)

	1/1-31/3/2006	Changes in %	1/1-31/3/2005
Revenues	8,262		5,928
thereof rental income	6,479		4,735
Other operating income	612		228
Income from disposal of property	1,132		1,265
Aggregate operating performance	10,006	35%	7,422
Depreciation/Amortization	-2,554		-1,775
Other operating expenses	-2,789		-2,542
Earnings before interest and tax	4,664	50%	3,105
Net financial loss	-222		-334
Earnings before tax	4,442	60%	2,771
Income taxes	-707		-360
Net income for the period	3,735	55%	2,411
thereof interests of shareholders in parent company	3,703		2,411
thereof minority interests	32		0

**Comparison of the Consolidated Interim Financial Statement of the s IMMO Share
as of 31 December 2005 and 31 December 2004**

CONDENSED CONSOLIDATED BALANCE SHEET (in TEUR)

ASSETS	31/12/2005	Changes in %	31/12/2004
Current assets			
Receivables	32,139		12,502
Investments	6,176		0
Cash and cash equivalents	120,537		2,488
	158,852	960%	14,990
Prepaid expenses	203		1,096
	538,509	73%	311,275
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent	366,925		224,657
Minority interest	11,958		0
Non-current liabilities			
Non-current liabilities to banks	88,908		27,832
Provisions	5,249		2,259
Other liabilities	20,536		19,848
	114,693	130%	49,939
Current liabilities	41,575		34,686
Deferred income	3,358		1,993
	538,509	73%	311,275

CONDENSED CONSOLIDATED INCOME STATEMENT (in TEUR)

	1/1-31/12/2005	Changes in %	1/1-31/12/2004
Revenues	23,812		21,205
thereof rental income	19,127		17,360
Other operating income	4,532		1,696
Income from disposal of property	1,192		0
Aggregate operating performance	29,536	29%	22,903
Depreciation/Amortization	-8,939		-6,909
Other operating expenses	-10,670		-8,439
Earnings before interest and tax	9,927	31%	7,554
Net financial loss	-852		-1,375
Earnings before tax	9,075	47%	6,179
Income taxes	-1,366		-1,142
Net income for the period	7,709	53%	5,037
thereof interests of shareholders in parent company	6,806		5,037
thereof minority interests	903		0

SUMMARY OF THE OFFERING

Offering

Up to 43,853,879 Offer Shares are offered for (a) subscription to Shareholders and, to the extent Shareholders waive or do not exercise their subscription rights, (b) for sale to investors in a public offer in Austria, the Czech Republic and Germany and a private placement throughout Europe outside Austria, the Czech Republic and Germany.

To the best knowledge of the Company, Erste Bank Group intends to at least partially exercise its statutory subscription rights to Offer Shares.

Over-Allotment Option

In connection with the Offering, the Company has granted the Joint Global Coordinators an option, exercisable within 30 days from the date of public disclosure of the Subscription and Offer Price (market close) to purchase or subscribe for up to 6,578,082 Shares at the Subscription and Offer Price to cover over-allotments of Offer Shares and for the purpose of facilitating stabilization activities. The option is exercisable at any time until 30 calendar days after the date of public disclosure of the Subscription and Offer Price, i.e. from 26 June 2006 (market close) to 26 July 2006 inclusive.

Subscription and Offer Period

The Subscription Period begins on 7 June 2006 and is expected to end on 23 June 2006. The Offer Period begins on 7 June 2006 and is expected to end on 26 June 2006. The right to shorten the Subscription and Offer Period by premature closure or to extend the Subscription and Offer Period is reserved. The Subscription Period for Shareholders may, however, not be shorter than the statutory minimum of two weeks and, therefore, may not end before 21 June 2006.

During the Subscription and Offer Period, orders to subscribe and/or purchase Offer Shares may be placed with price limits in 10 euro cent increments. Any Orders above each 10 euro cent increments will be automatically rounded to the lower 10 euro cent, e.g. an order for EUR 9.88 will be rounded to EUR 9.80.

Subscription and Offer Price

The Subscription and Offer Price will be set by the Company in accordance with the Joint Global Coordinators at no higher than € 9.90 after the Subscription and Offer Period has expired.

The Subscription and Offer Price is expected to be set on 26 June 2006 and to be published via electronic media and in the Official Gazette (*Amtsblatt*) to the Wiener Zeitung on or about 28 June 2006.

Exercising Subscription Rights

Subscription orders will be accepted by Erste Bank, other Austrian banks including Austrian Savings Banks, BNP Paribas, BayernLB including German savings banks (*Sparkassen*), Cortal Consors and Brokerjet. Shareholders who hold a depository account with OeKB may exercise their subscription rights by instructing their depository bank to submit a subscription order for the Offer Shares on their behalf. The Subscription and Offer Price will not be set until the end of the Subscription and Offer Period.

Holders of subscription rights, who do not wish to exercise their subscription rights for the maximum Subscription and Offer Price of € 9.90, but who submit an order to subscribe for Offer Shares at a price that is lower than the maximum Subscription and Offer Price, will receive from the Joint Global Coordinators an allocation of Offer Shares corresponding to their number of subscription rights, unless the price limit they have set is lower than the Subscription and Offer Price.

In the event that a price limit set by a holder of subscription rights is lower than the Subscription and Offer Price, the subscription rights will become invalid and be deemed not exercised for the purpose of determining the number of Offer Shares available for subscription by holders of Existing Shares or purchase by interested investors respectively. Such possible consequence can only be avoided by submitting a subscription order without a price limit or with a price limit equaling the maximum Subscription and Offer Price of € 9.90.

Purchase Orders

Purchase orders will be accepted by Erste Bank, other Austrian banks including Austrian Savings Banks, BNP Paribas, BayernLB including German savings banks (*Sparkassen*), Ceska Sporitelna, Cortal Consors and Brokerjet.

Subscription Ratio

8:7, i.e. 8 Shares in the Company entitle the holder of such Shares to subscribe for 7 Offer Shares.

Trading in Subscription Rights

There will be no trading in subscription rights.

Preferred Allotment

Orders of retail investors with an order volume of up to 1,200 Offer Shares placed in a branch of either Erste Bank, the Austrian Savings Banks, BNP Paribas, BayernLB including German savings banks (*Sparkassen*), Ceska Sporitelna, or via Cortal Consors and Brokerjet on or before 16 June 2006 (inclusive) shall receive a preferred allotment depending on the exercise of subscription rights or demands of any other investors. The Company reserves the right to shorten such preferred allotment period at any time before 16 June 2006.

Use of Proceeds

The net issue proceeds from the capital increase shall in particular be used for further investments in, or developments of, real property in Germany, CEE and Austria. The investments in CEE will be made through CEEPI and will be funded through an equity contribution and/or shareholder loans in CEEPI by the Company. The investments in Germany will be made through BGO and will be funded through an equity contribution and/or shareholder loans in BGO by the Company.

Lock-up

The Company will not, prior to 180 days after the delivery of the Offer Shares, without the prior written consent of the Joint Global Coordinators, (i) exercise an authorization pursuant to its Articles of Association to increase its capital except for eventually covering the over-allotment option granted to the Joint Global Coordinators; (ii) submit a proposal for a capital increase to any meeting of the shareholders for resolution; or (iii) offer, pledge, allot, issue, sell,

contract to sell, sell any option or contract to purchase, purchase any option to sell, grant any option, right exercisable or exchangeable for Shares or enter into any swap or other arrangement that transfers to another, in whole or in part, directly or indirectly, the economic consequence of ownership of Shares, whether any such transaction described above is to be settled by delivery of Shares or such other securities, in cash or otherwise, provided that the aforementioned restrictions will not apply to the Offer Shares sold in the Offering and new Shares to be issued under the Over-Allotment Option.

Erste Bank Group will not, prior to 180 days after the delivery of the Offer Shares, without the prior written consent of BNP Paribas, (i) submit a proposal for a capital increase to or decide on a capital increase in any meeting of the shareholders of the Company; or (ii) offer, pledge, allot, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option to sell, grant any option, right exercisable or exchangeable for Shares or enter into any swap or other arrangement that transfers to another, in whole or in part, directly or indirectly, the economic consequence of ownership of Shares, whether any such transaction described above is to be settled by delivery of Shares or such other securities, in cash or otherwise, provided that the aforementioned restrictions will not apply to the Offer Shares and new Shares to be issued under the Over-Allotment Option sold in the Offering and to Shares traded by Erste Bank under the ordinary course of its securities trading activities.

Profit Entitlement

The Offer Shares carry a profit entitlement from 1 January 2006. Investors should be aware that the Company, as a matter of corporate policy, does not distribute dividends to its Shareholders.

Value Date

The Value Date is expected to be 29 June 2006.

Voting Rights

The Offer Shares carry voting rights in the General Meeting of the Company. However, the voting rights of any shareholder are limited with a maximum of 15% of the voting rights attaching to the Shares issued. Voting rights held by affiliated entities or persons acting in concert within the meaning of the Austrian takeover act (*Übernahmegesetz*) are to be calculated together.

Listing

The Offer Shares are expected to be admitted to listing in the Official Market segment of the Vienna Stock Exchange. The first day of trading is expected to be 29 June 2006.

Settlement and Delivery

Settlement, i.e. delivery of the Offer Shares against payment, is expected to take place on 29 June 2006.

The Offer Shares will be evidenced by one or more interim global certificates, which will be deposited with OeKB. Settlement of purchases in response to this Offering must be made via a bank's account with OeKB, Euroclear Bank S.A./N.V. or Clearstream Banking S.A.

Delivery Costs

Any delivery expenses must be borne by investors, who should request information about such expenses.

ISIN

- The Offer Shares and the Existing Shares carry the ISIN AT 0000652250
- The subscription rights attaching to Existing Shares carry the ISIN AT0000A01641

Trading Symbol

Bloomberg: SPI.AV
Reuters: SIAG.VI

SUMMARY OF RISK FACTORS

Among other risks to which companies active in the real property sector are exposed generally, the Company faces in particular the following risks and uncertainties:

- **Rental risks:** The term of lease agreements and the financial conditions of tenants have a substantial influence on the value of the real property of the s Immo Group and, accordingly, on the financial position and results of operations of the Company.
- **Risks of changes in rental levels:** Rental levels may change in the markets where the s Immo Group is active, which might adversely affect the Company's results of operations.
- **Investments in development projects:** In addition to already constructed and leased real property, the s Immo Group also invests in development projects and the renovation of existing property. Although the Company seeks to reduce such risks by diligent examination and planning of projects and respective contractual provisions, it cannot be excluded that such development or renovation projects can not be completed within the expected timeframe or at the expected cost or let at the predicted rental levels.
- **Management risk:** The economic performance of the Company largely depends on the market knowledge and experience of its management. The loss of managers or key employees and the inability to identify, attract and retain other qualified personnel could have a material adverse effect on the Company's business, financial condition and results of operations.
- **Conflicts of interest:** The Company has concluded a management contract with Immorent AG. Pursuant to this management contract, Immorent AG and its sole shareholder Erste Bank can indirectly influence to a significant extent the Company's conduct of business. No guarantee can be given that the interests of the Erste Bank Group may not conflict with those of the Company and that in such case Erste Bank Group may not favour its own interests.
- **Participatory certificates:** Any profits from the s IMMO INVEST are made available exclusively to the holders of Certificates. Accordingly, Shareholders of the Company are not entitled to profit distributions out of, or proceeds from dissolution of, the s IMMO INVEST. In case of dissolution of the s IMMO INVEST, any proceeds from such dissolution will be distributed to the holders of Certificates pro rata to their respective holdings. Accordingly, Shareholders will not benefit from any hidden reserves within the s IMMO INVEST.
- **Political and legal risk:** With respect to the investment focus of the Company on foreign markets it has to be noted that the legal environment in new geographical areas into which the Company intends to extend its business activities is not necessarily comparable to the legal environment prevailing in Austria. In particular, it is possible that the procedural safeguards in these jurisdictions are not as developed as in Austria and that questions as to legal title of property and restitution of such property may rise.
- **Stock market risk:** In the past the equity capital markets have been subject to considerable fluctuations in rates and turnover, which can affect the market price of the Shares of the Company. Furthermore, no guarantee can be given for liquidity of trading in the Shares.
- **Authorized capital and dilution:** The general meeting of shareholders resolved to authorize the Management Board of the Company, with approval of the Supervisory Board, to increase the Company's share capital by up to 50% of the share capital registered at the time of registration of the respective amendment to the Articles of Association, also under exclusion of subscription rights of existing shareholders. Pursuant to this resolution, this authorization shall be registered with the Commercial Register after the capital increase in the course of this Offering has been registered. If the Offering is fully placed, the Management Board, with approval of the Supervisory Board, will be

authorized to issue up to 46,986,298 ordinary bearer shares of no par value, representing a registered amount of the share capital of the Company of up to EUR 170,724,715.60 also under exclusion of subscription rights of existing shareholders. Accordingly, a capital increase out of such authorized capital under exclusion of statutory subscription rights of existing shareholders may lead to a considerable decrease in the percentage interest of shareholders in the Company's issued share capital and their voting rights in the shareholder's meeting of the Company.

The following translation of the original Summary is a separate document attached to the Prospectus. It does not form part of the Prospectus itself and has not been approved by the FMA. Further, the FMA did not review its consistency with the original summary.

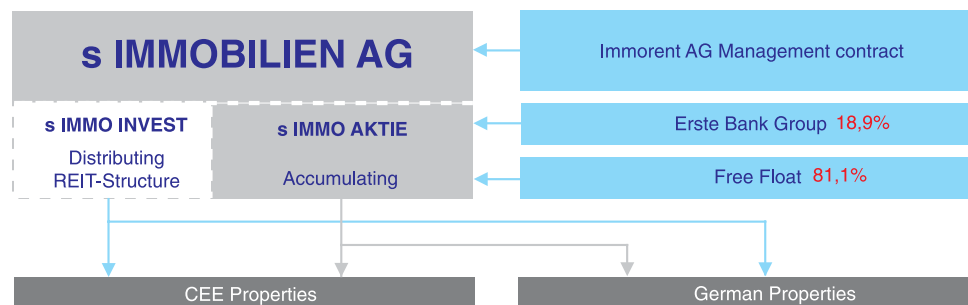
Die folgende Übersetzung der ursprünglichen Zusammenfassung ist ein separates Dokument das diesem Prospekt angeschlossen ist. Sie ist nicht Bestandteil des Prospekts selbst und wurde nicht von der FMA gebilligt. Weiters hat die FMA nicht ihre Übereinstimmung mit der ursprünglichen Zusammenfassung überprüft.

ZUSAMMENFASSUNG

Diese Zusammenfassung ist als Einleitung zum vorliegenden Prospekt zu betrachten; als Basis für Investitionsentscheidungen bezüglich der im Prospekt angebotenen Aktien (im folgenden "junge Aktien") ist der Prospekt in seiner Gesamtheit heranzuziehen, einschließlich der Finanzausweise und der unter dem Titel "Risk Factors" enthaltenen Angaben. Sollten Ansprüche in Zusammenhang mit den im vorliegenden Prospekt enthaltenen Informationen vor Gericht geltend gemacht werden, so kann ein klagender Investor, entsprechend den geltenden nationalen Rechtsvorschriften des jeweiligen Mitgliedslandes des Europäischen Wirtschaftsraums, die Kosten für die Übersetzung des vorliegenden Prospekts zu tragen haben, bevor ein Gerichtsverfahren eingeleitet wird. Sollte ein solches Verfahren bei einem österreichischen Gericht angestrengt werden, wird eine deutsche Übersetzung des Prospekts benötigt. Die Kosten dieser Übersetzung sind zunächst vom klagenden Investor und in letzter Konsequenz von der Partei zu tragen, der im Zuge des Verfahrens die Verantwortung dafür zugesprochen wird. Die Personen, die die vorliegende Zusammenfassung (einschließlich allfälliger Übersetzungen) vorgelegt und ihre Bekanntmachung beantragt haben, übernehmen dafür die zivilrechtliche Haftung, allerdings nur insoweit, als die Zusammenfassung bei vergleichender Lektüre gegenüber den anderen Abschnitten des Prospekts irreführend ist, Informationen des Prospekts nicht korrekt wiedergibt oder im Widerspruch dazu steht.

Sparkassen Immobilien Aktiengesellschaft

Die Sparkassen Immobilien AG (im folgenden auch "Unternehmen") ist aus der Unternehmensgruppe der Erste Bank ("Erste Bank Gruppe") hervorgegangen und beschäftigt sich in erster Linie mit Immobilieninvestitionen in Spitzenlagen in Österreich, Deutschland und Mittel-/Osteuropa (MOE). Die Erste Bank Gruppe, eines der in Österreich und MOE führenden Finanzinstitute, hält direkt bzw. indirekt eine Beteiligung von rund 18,9% an der Sparkassen Immobilien AG und stellt dem Unternehmen durch ihre hundertprozentige Tochter Immorent AG Managementleistungen zur Verfügung. Weiters nützt die Sparkassen Immobilien AG die Präsenz der Erste Bank Gruppe in MOE, um ihre Aktivitäten in der Region auszubauen. Die s Immo Gruppe, die aus der s Immo AG und ihren konsolidierten Tochterunternehmen besteht, hat aktuell (zum Stichtag 2. Juni 2006) folgende Struktur (ein detaillierteres Organigramm ist in Kapitel 1.7.1 enthalten):



Die Sparkassen Immobilien AG verfügt über ein Aktienkapital von EUR 182.106.361,86, aufgeteilt auf 50.118.718 nennwertlose, auf Inhaber lautende Stammaktien. Der Schlusskurs der Aktie an der Wiener Börse am 1. Juni 2006 belief sich auf EUR 8,73. Das Unternehmen verfügte somit per 1. Juni 2006 über eine Marktkapitalisierung von insgesamt EUR 437.536.408,14.

Das Vorstandsteam des Unternehmens besteht aus MMag. Holger Schmidtmayr und Mag. Ernst Vajdovszky, die zusätzlich zu ihrer Vorstandstätigkeit für die Sparkassen Immobilien AG auch eine Reihe von Managementfunktionen in anderen Unternehmen der Erste Bank Gruppe wahrnehmen. Dem Aufsichtsrat gehören an: Dr. Martin Simhandl (Vorsitzender), Dr. Klaus Braunegg (1. Stellvertreter des Vorsitzenden), Mag. Franz Kerber (2. Stellvertreter des Vorsitzenden), Dr. Reinhold Schürer-Waldheim, Dr. Gerald Antonitsch, Mag. Christian Ahlfeld, Mag. Richard Wilkinson und Mag. Manfred Rapf.

Als gesetzlicher Abschlussprüfer der Sparkassen Immobilien AG fungiert die Eidos Deloitte Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH, Renngasse 1, A-1010 Wien, Österreich.

Die Geschäftstätigkeit der Sparkassen Immobilien AG

Die Geschäftstätigkeit der Sparkassen Immobilien AG umfasst:

- Erwerb von Liegenschaften mit oder ohne nutzbare Gebäude sowie von ähnlich gelagerten Rechten auf Liegenschaften (wie beispielsweise Baurechte auf Liegenschaften Dritter);
- Konzipierung, Planung und Errichtung von Neubauten;
- kommerzielle Nutzung der erworbenen Immobilien.

Das Management des Unternehmens investiert strategisch in Qualitätsimmobilien in besten Lagen in den Stadtzentren europäischer Metropolen. Der Schwerpunkt liegt auf Sicherheit und Nachhaltigkeit der Veranlagung in hochwertigen Immobilien. Dementsprechend setzt die s Immo Gruppe auf sichere, stabile und wachstumsorientierte Investitionen. Dies soll durch eine breite Streuung des Portfolios in mehreren regionalen Märkten und unterschiedlichen Sektoren gewährleistet werden. Zum Immobilienportfolio gehören vor allem Wohnimmobilien, Büros, Einzelhandelsflächen und Hotels in Österreich, sowie Büro-, Einzelhandels- und Hotelflächen in Spitzenlagen in den Hauptstädten und urbanen Zentren Mittel-/Osteuropas. Das MOE-Portfolio wird über die 100%-ige Tochter CEE PROPERTY-INVEST Immobilien AG ("CEEPI") gehalten. In Deutschland hält die Sparkassen Immobilien AG über ihr 100%-iges Tochterunternehmen BGO Immobilien GmbH ("BGO") und IMMIN Beteiligungs GmbH in den wichtigsten Städten vor allem Wohn-, Büro- und Geschäftsobjekte.

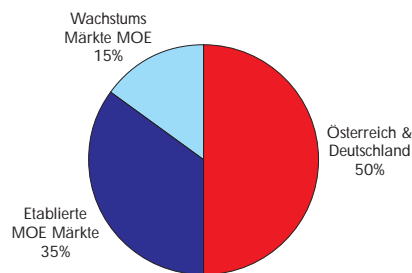
Die Investitionen sind seit dem Jahr 2000 in erster Linie auf die MOE-Region ausgerichtet, wobei man sich auf den Erwerb von Büro- und Geschäftsflächen sowie Hotels in Spitzenlagen in den Hauptstädten der neuen EU-Mitgliedsstaaten, der aktuellen Kandidatenländer und ausgewählter anderer MOE-Länder konzentriert. Bis dato wird die politische Entwicklung in diesen Märkten vom Management als vorhersehbar eingeschätzt. Man geht davon aus, dass der für 2007 erwartete EU-Beitritt der beiden Kandidatenländer Rumänien und Bulgarien die Rentabilität der dort geplanten Investitionen steigern wird. Mittelfristig umfasst diese Strategie der Sparkassen Immobilien AG auch Investitionen in anderen MOE-Ländern, wie Kroatien und Ukraine.

Der neue Fokus auf Immobilien in Deutschland hat sich zu einem bedeutenden Teil des Portfolios entwickelt. Aufgrund der aktuellen Marktsituation geht das Management davon aus, dass Immobilieninvestitionen in Deutschland in einem Umfeld politischer, wirtschaftlicher und rechtlicher Stabilität äußerst attraktive Erträge bringen werden. Daher sieht die langfristige Planung einen erheblichen Anteil des gesamten Objektbestandes der s Immo Gruppe in deutschen Großstädten vor, darunter Hamburg, München und Berlin.

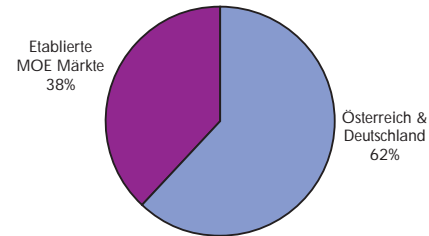
Bis 2010 will die s Immo Gruppe ihre Investitionen auf insgesamt EUR 3 Mrd. aufstocken, wobei EUR 1,5 Mrd. auf Österreich und Deutschland und weitere EUR 1,5 Mrd. auf MOE entfallen sollen. Das Unternehmen plant, den Gewinn je Aktie zu maximieren und das Verhältnis Nettoverschuldung zu Eigenkapital in den nächsten drei Jahren auf 50% anzuheben.

Das folgende Diagramm zeigt die geplante regionale Verteilung des Immobilienportfolios der s Immo Gruppe im Vergleich zum Bestand zum 31. März 2006:

Immobilienportfolio s Immo Gruppe Zielportfolio 2010

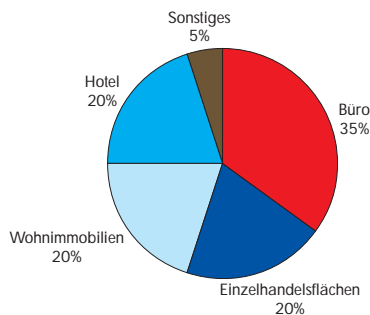


Immobilienportfolio s Immo Gruppe zum 31. März 2006

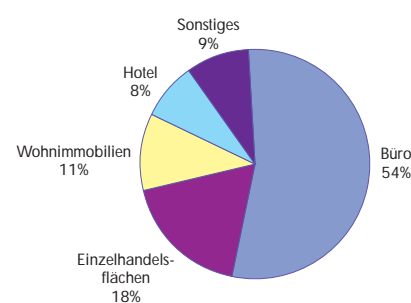


Das folgende Diagramm zeigt die geplante sektorale Verteilung des Immobilienportfolios der s Immo Gruppe im Vergleich zum Bestand zum 31. März 2006:

Immobilienportfolio s Immo Gruppe Zielportfolio 2010



Immobilienportfolio s Immo Gruppe zum 31. März 2006



s IMMO INVEST Genussschein und s IMMO Aktie

Das Unternehmen hat eine zweigeteilte Struktur mit einem eigenen Rechnungskreis für den s IMMO INVEST Genussschein. Detailinformationen zu s IMMO INVEST sind im Prospekt enthalten, der anlässlich einer Ausgabe von Genussscheinen im Mai 2005 veröffentlicht wurde. Der Prospekt ist von der Sparkassen Immobilien AG auf Anfrage kostenlos erhältlich. Jene Aktiva und Passiva, die nicht ausdrücklich dem s IMMO INVEST Genussschein zugeordnet sind, werden im vorliegenden Prospekt kollektiv als s IMMO Aktie (s IMMO Share) bezeichnet.

Anzumerken ist, dass sich alle Vermögenswerte, sowohl die s IMMO INVEST als auch die der s IMMO Aktie zugeordneten, im ausschließlichen Eigentum der Sparkassen Immobilien AG befinden. Da es sich bei s IMMO INVEST jedoch um obligationenähnliches Genussrechtskapital handelt, werden alle Erträge aus dem s IMMO INVEST zugeordneten Vermögen den Inhabern der Genussscheine zugerechnet und an sie ausbezahlt, und stehen daher dem Unternehmen bzw. seinen Aktionären nicht zur Verfügung. Im Falle einer Auflösung von s IMMO INVEST fließen die Erlöse aus der Auflösung den Genussscheininhabern zu aliquoten Teilen, entsprechend der jeweils gehaltenen Zahl von Genussscheinen, zu. Daher können Aktionäre auch nicht von allfälligen stillen Reserven von s IMMO INVEST profitieren.

Erlöse aus Aktienemissionen der Sparkassen Immobilien AG, einschließlich der im vorliegenden Prospekt angebotenen jungen Aktien, werden zugunsten der s IMMO Aktie investiert. Zum Portfolio der s IMMO Aktie gehören derzeit Wohn- und Geschäftsimmobilien in Österreich, Geschäfts- und Büroobjekte in Spitzenlagen in einer Reihe von MOE-Hauptstädten (über die Beteiligung an CEEPI) und Wohn-, Büro- und Geschäftsflächen in deutschen Großstädten (über die Beteiligung an BGO).

Das Unternehmen schüttet derzeit keine Dividende aus, sondern reinvestiert die Gewinne in den Ausbau des Immobilienbestandes der s IMMO Aktie (thesaurierende Aktie).

Die Erlöse aus früheren Emissionen von Genussscheinen sind zur Gänze zugunsten des s IMMO INVEST Genussscheins investiert worden. Daher kann das Unternehmen derzeit keine weiteren Investitionen aus Genussrechtskapital zugunsten des s IMMO INVEST Genussscheins tätigen. Es kann keine Aussage darüber getroffen werden, ob das Unternehmen in Zukunft weiteres Genussrechtskapital aufbringen und zugunsten des s IMMO INVEST Genussscheins investieren wird; damit könnte in Zukunft ein größerer Prozentanteil der Aktiva der s IMMO Aktie zugeordnet werden.

Jüngste Entwicklungen

Akquisitionen April 2006:

Im April 2006 investierte Sparkassen Immobilien AG in den aussichtsreichen Immobilienmarkt Berlin. Insbesondere wurde mit dem Erwerb des Lützw Centers – ein im Stadtzentrum der deutschen Hauptstadt, direkt an der Spree, gelegener Komplex – die größte bisher in Deutschland getätigte Transaktion abgeschlossen. Das Lützw Center umfaßt auf einer Grundfläche von rund 17.000 m² Büros, Wohnungen und eine Tiefgarage; die Nutzfläche beläuft sich auf insgesamt mehr als 37.000 m².

Ebenfalls in Berlin wurden zwei weitere Immobilienportfolios mit 22.400 m² bzw. rund 10.000 m² Nutzfläche gekauft, die ausschließlich Wohnimmobilien umfassen. Ein Einkaufszentrum mit rund 14.700 m² in Halle an der Saale ergänzte die Investitionen in Deutschland zu einem abgerundeten Portfolio.

Erwartete Neubewertung:

Sparkassen Immobilien AG hat CB Richard Ellis GmbH mit einer jährlichen Neubewertung des Österreich- und CEE-Portfolios beauftragt.

Auf Basis einer ersten Bewertung ausgewählter Immobilien der Gesellschaft in CEE, die eine deutliche Abweichung des Marktwertes dieser Immobilien zu den von der Gesellschaft ausgewiesenen Bewertungen erkennen lassen, schätzt CB Richard Ellis, dass das Immobilien Portfolio der Sparkassen Immobilien AG teilweise unterbewertet ist.

Derivative Finanzinstrumente:

Ab dem Geschäftsjahr 2006 setzt das Unternehmen (zusätzlich zu Zins-Caps) Swap-Geschäfte ein, um die inhärenten Risiken von Zinssteigerungen zu reduzieren. Bis Mai 2006 wurden Kontrakte für zwei Swaps zur Absicherung von EUR 25 Mio. bzw. EUR 20 Mio. mit einer Laufzeit von 10 Jahren auf Basis des 3-Monats-EURIBOR abgeschlossen.

Ausgewählte Finanzdaten – Zusammenfassung

Die nachstehende, zusammenfassende Darstellung von Finanzdaten der Sparkassen Immobilien AG und der s IMMO Aktie basiert auf den konsolidierten Finanzausweisen der Sparkassen Immobilien AG zum 31. Dezember 2005, 31. Dezember 2004 und 31. Dezember 2003 und auf den ungeprüften Zwischenberichten des Unternehmens zum 31. März 2006 und 31. März 2005. Die konsolidierten Finanzausweise der Sparkassen Immobilien AG zum 31. Dezember 2005, 31. Dezember 2004 und 31. Dezember 2003 und die ungeprüften Zwischenberichte des Unternehmens zum 31. März 2006 und 31. März 2005 wurden gemäß IFRS erstellt.

Diese zusammenfassende Darstellung der Finanzdaten ist in Zusammenhang mit dem Abschnitt "Management's Discussion and Analysis of Financial Condition and Results of Operations (Operating and Financial Review)" (Abschnitt/Section 1.9), den konsolidierten Finanzausweisen der Sparkassen Immobilien AG und den zugehörigen Erläuterungen, sowie sonstigen, an anderer Stelle im vorliegenden Prospekt enthaltenen Finanzinformationen zu lesen:

Sparkassen Immobilien AG

Vergleich der konsolidierten gekürzten Zwischenberichte zum 31.3.2006 und 31.3.2005

GEKÜRZTE KONZERNBILANZ (in TEUR)

AKTIVA	31/3/2006	Veränderung in %	31/3/2005
Langfristiges Vermögen			
Immaterielle Vermögensgegenstände	49		26
Sachanlagen	748.915		471.592
Finanzanlagen	6.084		6.006
Latente Steuern	1.972		1.205
	<u>757.020</u>	58%	<u>478.829</u>
Kurzfristiges Vermögen			
Forderungen und Vermögensgegenstände	41.030		23.623
Wertpapiere und Anteile	28.466		11.880
Liquide Mittel	134.331		5.134
	<u>203.827</u>	402%	<u>40.637</u>
Rechnungsabgrenzungsposten	378		425
	<u>961.225</u>	85%	<u>519.891</u>

PASSIVA

Eigenkapital – Eigenanteil	367.018		226.886
Eigenkapital – Fremdanteil	23.948		0
Langfristige Verbindlichkeiten			
Obligationenähnliche Genussrechte	275.506		166.214
Langfristige Bankverbindlichkeiten	209.084		58.930
Rückstellungen	10.855		6.349
Sonstige Verbindlichkeiten	22.850		21.330
	<u>518.295</u>	105%	<u>252.823</u>
Kurzfristige Verbindlichkeiten	47.143		37.831
Rechnungsabgrenzungsposten	4.821		2.350
	<u>961.225</u>	85%	<u>519.891</u>

GEKÜRZTE KONZERN-GEWINN- UND VERLUSTRECHNUNG (IN TEUR)

	1/1-31/3/2006	Veränderung in %	1/1-31/3/2005
Umsatzerlöse	16.116		10.172
davon Mieterlöse	12.842		8.176
Sonstige betriebliche Erträge	1.069		253
Ergebnis der Veräußerung von Immobilien	1.132		2.108
Betriebsleistung	18.317	46%	12.533
Abschreibungen	-4.982		-3.018
Sonstige betriebliche Aufwendungen	-4.998		-3.951
Ergebnis aus der Geschäftstätigkeit/EBIT	8.338	50%	5.564
Finanzergebnis	-3.657		-2.629
Periodenüberschuss vor Steuern/EBT	4.680	59%	2.935
Ertagsteuern	-912		-524
Periodenüberschuss nach Steuern	3.767	56%	2.411
davon Anteile für Aktionäre der Muttergesellschaft	3.703		2.411
davon Anteile Fremder Gesellschafter	64		0

Vergleich der gekürzten Konzernbilanzen zum 31.12.2005 und 31.12.2004

GEKÜRZTE KONZERNBILANZ (in TEUR)

AKTIVA	31/12/2005	Veränderung in %	31/12/2004
Langfristiges Vermögen			
Immaterielle Vermögensgegenstände	50		26
Sachanlagen	709.186		447.389
Finanzanlagen	6.037		6.002
Latente Steuern	2.347		1.312
	<u>717.620</u>	58%	<u>454.729</u>
Kurzfristiges Vermögen			
Forderungen und sonstige Vermögensgegenstände	24.107		19.355
Wertpapiere und Anteile	12.352		0
Liquide Mittel	166.098		4.337
	<u>202.557</u>	755%	<u>23.692</u>
Rechnungsabgrenzungsposten	335		1.703
	<u>920.512</u>	92%	<u>480.124</u>

PASSIVA

Eigenkapital – Eigenanteil	363.768		224.657
Eigenkapital – Fremdanteil	23.915		0
Langfristige Verbindlichkeiten			
Obligationenähnliche Genussrechte	276.774		147.931
Langfristige Bankverbindlichkeiten	174.602		45.087
Rückstellungen	10.400		6.076
Sonstige Verbindlichkeiten	22.906		20.752
	<u>484.682</u>	120%	<u>219.846</u>
Kurzfristige Verbindlichkeiten	43.314		33.573
Rechnungsabgrenzungsposten	4.833		2.047
	<u>920.512</u>	92%	<u>480.124</u>

GEKÜRZTE KONZERN-GEWINN- UND VERLUSTRECHNUNG (in TEUR)

	1/1-31/12/2005	Veränderung in %	1/1-31/12/2004
Umsatzerlöse	42.154		35.312
davon Mieterlöse	34.192		29.351
Sonstige betriebliche Erträge	7.587		2.095
Ergebnis aus der Veräußerung von Immobilien	2.035		44
Betriebsleistung	51.776	38%	37.451
Abschreibungen	-16.309		-11.035
Sonstige betriebliche Aufwendungen	-19.378		-13.517
Ergebnis aus der Geschäftstätigkeit/EBIT	16.090	25%	12.899
Finanzergebnis	-6.012		-6.280
Periodenüberschuss vor Steuern/EBT	10.078	52%	6.619
Ertragsteuern	-1.585		-1.582
Periodenüberschuss nach Steuern	8.493	69%	5.037
davon Anteile für Aktionäre der Muttergesellschaft	6.806		5.037
davon Anteile fremder Gesellschafter	1.687		0

Die s IMMO Aktie

Vergleich der konsolidierten gekürzten Zwischenberichte zum 31.3.2006 und 31.3.2005

GEKÜRZTE KONSOLIDIERTE BILANZ - s IMMO AKTIE (in TEUR)

AKTIVA	31/3/2006	Veränderung in %	31/3/2005
Langfristiges Vermögen			
Immaterielle Vermögensgegenstände	36		26
Sachanlagen	395.876		288.095
Finanzanlagen	143		131
Latente Steuern	1.893		1.205
	<u>397.948</u>	37%	<u>289.457</u>
Kurzfristiges Vermögen			
Forderungen und sonstige Vermögensgegenstände	53.186		26.288
Wertpapiere und Anteile	22.304		7.128
Liquide Mittel	87.290		2.885
	<u>162.780</u>	348%	<u>36.301</u>
Rechnungsabgrenzungsposten	219		318
	<u>560.946</u>	72%	<u>326.076</u>
PASSIVA			
Eigenkapital – Eigenanteil	370.176		226.886
Eigenkapital – Fremdanteil	11.975		0
Langfristige Verbindlichkeiten			
Langfristige Bankverbindlichkeiten	106.175		29.985
Rückstellungen	5.476		2.684
Sonstige Verbindlichkeiten	20.447		20.194
	<u>132.098</u>	150%	<u>52.863</u>
Kurzfristige Verbindlichkeiten	43.361		44.162
Rechnungsabgrenzungsposten	3.336		2.165
	<u>560.946</u>	72%	<u>326.076</u>

GEKÜRZTE KONSOLIDIERTE GEWINN- UND VERLUSTRECHNUNG (in TEUR)

	1/1-31/3/2006	Veränderung in %	1/1-31/3/2005
Umsatzerlöse	8.262		5.928
davon Mieterlöse	6.479		4.735
Sonstige betriebliche Erträge	612		228
Ergebnis aus der Veräußerung von Immobilien	1.132		1.265
Betriebsleistung	10.006	35%	7.422
Abschreibungen	-2.554		-1.775
Sonstige betriebliche Aufwendungen	-2.789		-2.542
Ergebnis aus der Geschäftstätigkeit/EBIT	4.664	50%	3.105
Finanzergebnis	-222		-334
Periodenüberschuss vor Steuern/EBT	4.442	60%	2.771
Ertragsteuern	-707		-360
Periodenüberschuss nach Steuern	3.735	55%	2.411
davon Anteile für Aktionäre der Muttergesellschaft	3.703		2.411
davon Anteile fremder Gesellschafter	32		0

Vergleich der konsolidierten gekürzte Bilanzen zum 31.12.2005 und 31.12.2004

GEKÜRZTE KONSOLIDIERTE BILANZ – S IMMO SHARE (in TEUR)

AKTIVA	31/12/2005	Veränderung in %	31/12/2004
Kurzfristiges Vermögen			
Forderungen und sonstige Vermögenswerte	32.139		12.502
Wertpapiere und Anteile	6.176		0
Liquide Mittel	120.537		2.488
	158.852	960%	14.990
Rechnungsabgrenzungsposten	203		1.096
	538.509	73%	311.275
PASSIVA			
Eigenkapital – Eigenanteil	366.925		224.657
Eigenkapital – Fremdanteil	11.958		0
Langfristige Verbindlichkeiten			
Langfristige Bankverbindlichkeiten	88.908		27.832
Rückstellungen	5.249		2.259
Sonstige Verbindlichkeiten	20.536		19.848
	114.693	130%	49.939
Kurzfristige Verbindlichkeiten	41.575		34.686
Rechnungsabgrenzungsposten	3.358		1.993
	538.509	73%	311.275

GEKÜRZTE KONSOLIDIERTE GEWINN- UND VERLUSTRECHNUNG (in TEUR)

	1/1-31/12/2005	Veränderung in %	1/1-31/12/2004
Umsatzerlöse	23.812		21.205
davon Mieterlöse	19.127		17.360
Sonstige betriebliche Erträge	4.532		1.696
Ergebnis aus der Veräußerung von Immobilien	1.192		0
Betriebsleistung	29.536	29%	22.903
Abschreibungen	-8.939		-6.909
Sonstige betriebliche Aufwendungen	-10.670		-8.439
Ergebnis aus der Geschäftstätigkeit/EBIT	9.927	31%	7.554
Finanzergebnis	-852		-1.375
Periodenüberschuss vor Steuern/EBT	9.075	47%	6.179
Ertragsteuern	-1.366		-1.142
Periodenüberschuss nach Steuern/EAT	7.709	53%	5.037
davon Anteile für Aktionäre der Muttergesellschaft	6.806		5.037
davon Anteile fremder Gesellschafter	903		0

DAS ANGEBOT – ZUSAMMENFASSUNG

Das Angebot

Das Angebot umfasst bis zu 43.853.879 Aktien, die (a) Aktionären der Sparkassen Immobilien AG zum Bezug angeboten werden und, soweit die Aktionäre ihre Bezugsrechte nicht ausüben, (b) in einem öffentlichen Angebot in Österreich, Tschechien und Deutschland und durch Privatplatzierung in ganz Europa mit Ausnahme von Österreich, Tschechien und Deutschland zum Kauf angeboten werden.

Nach dem aktuellen Wissensstand der Sparkassen Immobilien AG beabsichtigt die Erste Bank Gruppe, die ihr zustehenden Bezugsrechte auf junge Aktien zumindest teilweise auszuüben.

Mehrzuteilungsoption

In Verbindung mit dem Angebot hat die Sparkassen Immobilien AG den Joint Global Coordinators eine binnen 30 Tagen ab Handelseinführung der jungen Aktien an der Wiener Börse ausübbar Option zum Kauf bzw. zur Zeichnung von bis zu 6.578.082 Aktien zum Bezugs- und Angebotspreis eingeräumt, um Mehrzuteilungen von jungen Aktien abzudecken und Stabilisierungsmaßnahmen zu erleichtern. Die Option kann innerhalb einer Frist von 30 Tagen ab dem Tag, an dem der Bezugs- und Angebotspreis veröffentlicht wird (nach Börseschluss) bis einschließlich 26. Juli 2006 jederzeit ausgeübt werden, das heißt vom 26. Juni 2006 bis (einschließlich) zum 26. Juli 2006.

Bezugs- und Angebotsfrist

Die Bezugsfrist beginnt am 7. Juni 2006 und wird voraussichtlich am 23. Juni 2006 enden. Die Angebotsfrist beginnt am 7. Juni 2006 und wird voraussichtlich am 26. Juni 2006 enden. Die Gesellschaft behält sich das Recht vor, die Bezugs- und Angebotsfrist vorzeitig zu beenden oder zu verlängern, wobei jedoch die Bezugsfrist für Aktionäre nicht auf weniger als die gesetzliche Frist von zwei Wochen verkürzt werden darf und daher jedenfalls nicht vor dem 21. Juni 2006 endet.

Während der Bezugs- und Angebotsfrist ist die Ausübung von Bezugsrechten und/oder Zeichnung junger Aktien mit Preislimits in 10 Eurocent Schritten möglich. Zeichnungsaufträge mit Limite über 10 Eurocent sind automatisch abzurunden, z.B. wird ein Zeichnungsauftrag für EUR 9.88 auf EUR 9.80 gerundet.

Bezugs- und Angebotspreis

Der Bezugs- und Angebotspreis wird nach Ablauf der Bezugs- und Angebotsfrist von der Sparkassen Immobilien AG im Einvernehmen mit den Joint Global Coordinators festgelegt und wird maximal EUR 9.90 betragen.

Der Bezugs- und Angebotspreis wird voraussichtlich am 26. Juni 2006 festgesetzt und am oder um den 28. Juni 2006 auf elektronischem Wege sowie im Amtsblatt zur Wiener Zeitung veröffentlicht.

Ausübung der Bezugsrechte

Zeichnungsaufträge von Bezugsrechtinhabern werden von der Erste Bank und anderen österreichischen Banken und Sparkassen, BNP Paribas, BayernLB inklusive deutscher Sparkassen, Cortal Consors und Brokerjet angenommen. Aktionäre, die ein Depotkonto

bei der Oesterreichischen Kontrollbank (OeKB) unterhalten, können ihre Bezugsrechte ausüben, indem sie ihre Depotbank beauftragen, in ihrem Namen einen Zeichnungsauftrag für die jungen Aktien einzureichen. Bezugs- und Angebotspreis werden erst nach Ablauf der Bezugs- und Angebotsfrist festgelegt.

Wenn ein Inhaber von Bezugsrechten seine Bezugsrechte nicht zum maximalen Bezugs- und Angebotspreis von 9.90 ausüben will, jedoch einen Zeichnungsauftrag mit einem unter diesem Maximum liegenden Preislimit einreicht, so werden ihm von den Joint Global Coordinators junge Aktien im Ausmaß seiner Bezugsrechte zugeteilt, sofern das vom Bezugsrechtsinhaber gesetzte Preislimit nicht unter dem Bezugs- und Angebotspreis liegt.

Wenn das von einem Bezugsrechtsinhaber gesetzte Preislimit niedriger ist als der Bezugs- und Angebotspreis, verfallen die Bezugsrechte wertlos. Für die Zwecke der Feststellung der Anzahl junger Aktien, die zur Zeichnung durch Inhaber bestehender Aktien oder andere Interessenten zur Verfügung stehen, werden solche verfallene Bezugsrechte als nicht ausgeübt betrachtet. Diese mögliche Konsequenz ist nur zu vermeiden, indem ein Zeichnungsauftrag ohne Preislimit oder mit einem Preislimit in Höhe des maximalen Bezugs- und Angebotspreises von EUR 9.90 eingereicht wird.

Kaufaufträge

Kaufaufträge werden von der Erste Bank, anderen österreichischen Banken inklusive Sparkassen, BNP Paribas, BayernLB inklusive deutscher Sparkassen, Czeska Sporitelna, Cortal Consors und Brokerjet angenommen.

Bezugsrechtsverhältnis

Das Bezugsrechtsverhältnis ist 8:7. Das heißt, der Besitz von 8 bestehenden Aktien des Unternehmens berechtigt den Inhaber dieser Aktien zum Bezug von 7 jungen Aktien.

Bezugsrechtshandel

Es ist kein Bezugsrechtshandel vorgesehen

Bevorzugte Zuteilung

Privatanleger, die vor dem 16. Juni 2006 einen Zeichnungsauftrag für bis zu 1.200 junge Aktien über eine Zweigstelle der Erste Bank, Sparkassen, BNP Paribas, BayernLB inklusive deutscher Sparkassen, Czeska Sporitelna, Cortal Consors oder Brokerjet erteilen, erhalten in Abhängigkeit von der Ausübung von Bezugsrechten oder sonstiger Nachfrage durch andere Investoren eine bevorzugte Zuteilung junger Aktien. Die Sparkassen Immobilien AG behält sich das Recht vor, die Frist für die bevorzugte Zuteilung zu verkürzen und jederzeit vor dem 16. Juni 2006 zu beenden.

Verwendung des Erlöses

Der Nettoerlös aus der Kapitalerhöhung wird insbesondere für weitere Immobilieninvestitionen und Projektentwicklungen in Deutschland, Mittel-/Osteuropa und Österreich eingesetzt. Die Investitionen in MOE werden über CEEPI erfolgen und über einen Eigenkapitalbeitrag und/oder Gesellschafterdarlehen der Sparkassen Immobilien AG an CEEPI finanziert werden. Die Investitionen in Deutschland werden über BGO erfolgen und über einen Eigenkapitalbeitrag und/oder Gesellschafterdarlehen der Sparkassen Immobilien AG an BGO finanziert werden.

Lock-up-Vereinbarung

Sparkassen Immobilien AG wird während einer Sperrfrist von 180 Tagen nach Lieferung der jungen Aktien nicht ohne die vorherige schriftliche Zustimmung der Joint Global Coordinators – (i) von einem in der Gesellschaftssatzung vorgesehenen Recht zur Erhöhung des Gesellschaftskapitals Gebrauch machen, ausgenommen zur eventuellen Abdeckung der den Joint Global Coordinators eingeräumten Mehrzuteilungsoption; (ii) einer Aktionärsversammlung einen Vorschlag für eine Kapitalerhöhung zur Beschlussfassung unterbreiten; (iii) Aktien anbieten, versprechen, zuteilen, ausgeben oder verkaufen; sich zum Aktienverkauf vertraglich verpflichten; Optionen oder vertragliche Zusagen für den Kauf von Aktien verkaufen, Verkaufsoptionen kaufen, Optionen auf Aktien oder andere gegen Aktien eintauschbare oder in Aktien wandelbare Rechte gewähren, oder Swap-Geschäfte oder andere Transaktionen durchführen, mit denen Aktien zum Teil oder zur Gänze, direkt oder indirekt in das wirtschaftliche Eigentum einer anderen Partei übergehen, wobei außer Betracht bleibt, ob eine der genannten Transaktion durch Lieferung von Aktien oder anderen Wertpapieren, durch Barzahlung oder in anderer Weise abzuwickeln wäre. Die genannten Einschränkungen betreffen nicht die jungen Aktien, die im Zuge des Angebots verkauft werden und die Aktien, die im Rahmen der Mehrzuteilungsoption begeben werden.

Die Erste Bank Gruppe wird während einer Sperrfrist von 180 Tagen nach Lieferung der jungen Aktien nicht ohne die vorherige schriftliche Zustimmung von BNP Paribas (i) einen Vorschlag auf Kapitalerhöhung einbringen oder im Rahmen der Hauptversammlung für eine Kapitalerhöhung stimmen (ii) einer Aktionärsversammlung einen Vorschlag für eine Kapitalerhöhung zur Beschlussfassung unterbreiten; (iii) Aktien anbieten, versprechen, zuteilen, ausgeben oder verkaufen; sich zum Aktienverkauf vertraglich verpflichten; Optionen oder vertragliche Zusagen für den Kauf von Aktien verkaufen, Verkaufsoptionen kaufen, Optionen auf Aktien oder andere gegen Aktien eintauschbare oder in Aktien wandelbare Rechte gewähren, oder Swap-Geschäfte oder andere Transaktionen durchführen, mit denen Aktien zum Teil oder zur Gänze, direkt oder indirekt in das wirtschaftliche Eigentum einer anderen Partei übergehen, wobei außer Betracht bleibt, ob eine der genannten Transaktion durch Lieferung von Aktien oder anderen Wertpapieren, durch Barzahlung oder in anderer Weise abzuwickeln wäre. Die genannten Einschränkungen betreffen nicht die jungen Aktien, die im Zuge des Angebots ausgegeben werden und die neuen Aktien, die im Rahmen der Mehrzuteilungsoption begeben werden sowie solche Aktien, die in Rahemn gewöhnlicher Wertpapierhandelsaktivitäten durch Erste Bank gehandelt werden.

Gewinnberechtigung

Die jungen Aktien sind mit einer Gewinnberechtigung ab dem 1. Januar 2006 ausgestattet. Es wird darauf hingewiesen, dass die Unternehmenspolitik der Sparkassen Immobilien AG keine Ausschüttung von Dividenden an die Aktionäre vorsieht.

Valutatag

Der voraussichtliche Valutatag ist der 29. Juni 2006.

Stimmrechte	Die jungen Aktien sind in der Hauptversammlung der Sparkassen Immobilien AG stimmberechtigt, wobei jedoch die Stimmrechte jedes Aktionärs auf maximal 15% der auf die ausgegebenen Aktien entfallenden Stimmrechte beschränkt sind. Stimmrechte, die von verbundenen Organisationen oder gemeinsam vorgehenden Personen im Sinne des österreichischen Übernahmegesetzes ausgeübt werden, werden zusammengerechnet.
Notierung	Die jungen Aktien werden voraussichtlich zum Amtlichen Handel an der Wiener Börse zugelassen werden. Der Handel mit den jungen Aktien wird voraussichtlich am 29. Juni 2006 aufgenommen.
Zahlung und Lieferung	Die Lieferung der jungen Aktien gegen Bezahlung wird voraussichtlich am 29. Juni 2006 erfolgen. Die Eigentumsrechte an den jungen Aktien werden durch ein oder mehrere vorläufige Sammelzertifikate verbrieft, die bei der Oesterreichischen Kontrollbank AG ("OeKB") hinterlegt werden. Die Bezahlung von im Zuge dieses Angebots gezeichneten Aktien hat über das Konto einer Bank bei OeKB, Euroclear Bank S.A./N.V. oder Clearstream Banking S.A. zu erfolgen.
Lieferkosten	Alle Lieferkosten sind von den Zeichnern zu tragen. Es wird empfohlen, Informationen über derartige Kosten anzufordern.
ISIN-Kennnummer	<ul style="list-style-type: none"> • Die ISIN-Kennnummer der jungen Aktien und der bestehenden Aktien ist AT 0000652250. • Die Bezugsrechte, die zu den bestehenden Aktien gehören, tragen die ISIN-Nummer AT0000A01641.
Kürzel	Bloomberg: SPI.AV Reuters: SIAG.VI

ZUSAMMENFASSUNG RISIKOFAKTOREN

Unter anderen Risiken, denen im Immobiliensektor tätige Unternehmen allgemein ausgesetzt sind, ist Sparkassen Immobilien AG insbesondere mit den folgenden Risiken und Unsicherheiten konfrontiert:

- Vermietungsrisiko: Die Mietvertragsdauer und die finanziellen Konditionen der Mieter haben erheblichen Einfluss auf den Wert der Immobilien und damit auch auf die Finanzlage und den Betriebserfolg des Unternehmens.
- Risiko von Mietniveaufluktuationen: Das Niveau der Mieten in den Märkten, in denen die s Immo Gruppe aktiv ist, kann Schwankungen unterliegen, was den Betriebserfolg des Unternehmens nachteilig beeinflussen kann.
- Investitionen in Projektentwicklung: Neben der Verwaltung von bereits errichteten und vermieteten Objekten investiert die s Immo Gruppe auch als Bauträger in die Entwicklung neuer Projekte und in Gebäudesanierungen. Obwohl das Unternehmen die damit verbundenen Risiken durch sorgfältige Prüfung und Planung der Projekte und entsprechende vertragliche Bedingungen möglichst gering zu halten sucht, ist nicht auszuschließen, dass es bei Neubau- oder Sanierungsprojekten zu Überschreitungen des vorgesehenen Zeit- und Kostenrahmens kommt oder die erwarteten Mieteinnahmen nicht realisiert werden können.
- Managementrisiko: Die wirtschaftliche Leistung des Unternehmens hängt zu einem großen Teil vom Marktwissen und der Erfahrung des Managements ab. Wenn das Unternehmen Manager oder leitende Angestellte verliert und es nicht gelingt, andere qualifizierte Kräfte zu finden und längerfristig an das Unternehmen zu binden, kann dies erhebliche nachteilige Folgen für den Geschäftsgang, die Finanzlage und den Betriebserfolg des Unternehmens haben.
- Interessenskonflikte: Zwischen Sparkassen Immobilien AG und Immorent AG besteht ein Management-Vertrag, wodurch Immorent AG und deren 100%-ige Eigentümerin Erste Bank indirekt erheblichen Einfluss auf die Geschäftsgebarung der Sparkassen Immobilien AG nehmen können. Mögliche Interessenskonflikte zwischen Sparkassen Immobilien AG und der Erste Bank Gruppe können nicht ausgeschlossen werden, noch kann gewährleistet werden, dass die Erste Bank Gruppe in einem solchen Fall nicht im Sinne ihrer eigenen Interessen handelt.
- Genussscheine: Alle Erträge des s IMMO INVEST Genussscheins stehen ausschließlich den Inhabern der Genussscheine zur Verfügung. Daher sind die Aktionäre der Sparkassen Immobilien AG nicht berechtigt, Gewinnbeteiligungen aus dem s IMMO INVEST Genussschein oder Liquidationserlöse im Fall seiner Auflösung zu beziehen. Im Falle einer Auflösung von s IMMO INVEST fließen die Erlöse aus der Auflösung den Genussscheininhabern zu aliquoten Teilen, entsprechend der jeweils gehaltenen Zahl von Genussscheinen, zu. Daher können Aktionäre auch nicht von allfälligen stillen Reserven von s IMMO INVEST profitieren.
- Politisches und Rechtliches Risiko: Ein Schwerpunkt der Unternehmenstätigkeit liegt in Auslandsmärkten. Dabei ist zu beachten, dass die Rechtssysteme in neuen Gebieten, in die das Unternehmen expandieren will, nicht notwendigerweise mit dem in Österreich herrschenden Rechtssystem vergleichbar sind. Insbesondere ist die verfahrensrechtliche Sicherheit in diesen Rechtssystemen möglicherweise nicht so entwickelt wie in anderen Staaten, in denen das Unternehmen bereits tätig ist, wodurch Fragen bezüglich des rechtlichen Eigentums an Liegenschaften oder möglicher Rückgaben solcher Liegenschaften entstehen können..
- Aktienmarktrisiko: Die Aktienmärkte unterliegen traditionell erheblichen Kurs- und Umsatzenschwankungen, die Einfluss auf den Marktpreis der Aktien des Unternehmens haben können. Weiters können keine Zusicherungen bezüglich der Liquidität des Handels, d.h. der Umsätze in den Aktien des Unternehmens, abgegeben werden..

- Genehmigtes Kapital und Verwässerung: die Hauptversammlung hat beschlossen den Vorstand der Gesellschaft mit Zustimmung des Aufsichtsrates zu ermächtigen das Aktienkapital der Gesellschaft bis zu 50% des zum Zeitpunkt der Registrierung der entsprechenden Änderung der Satzung eingetragenen Aktienkapitals auch unter Ausschluß der Bezugsrechte bestehender Aktionäre zu erhöhen. In Folge dieses Beschlusses, hat die Genehmigung vom Firmenbuchgericht nach der Kapitalerhöhung im Zuge des Angebots eingetragen zu werden. Wenn das Angebot vollständig platziert wurde, ist der Vorstand mit Genehmigung des Aufsichtsrates bevollmächtigt unter Ausschluß des Bezugsrechts der bestehenden Aktionäre bis zu weitere 46.986.298 nennbetraglose Stückaktien auszugeben, was einen eingetragenen Betrag des Aktienkapitals der Gesellschaft von bis zu EUR 170.724.715,60 ausmacht. Demgemäß kann eine Kapitalerhöhung aus dem genehmigten Kapital unter Ausschluß der Bezugsrechte bestehender Aktionäre zu einer beträchtlichen Verringerung des Anteils von Aktionären an dem von der Gesellschaft verringerten Aktienkapital und deren Stimmrechte in der Hauptversammlung der Gesellschaft führen

The following translation of the original Summary is a separate document attached to the Prospectus. It does not form part of the Prospectus itself and has not been approved by the FMA. Further, the FMA did not review its consistency with the original summary.

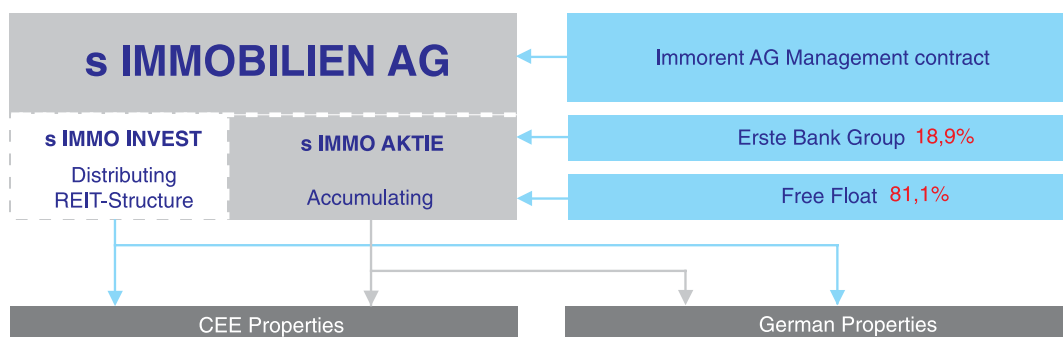
Následující překlad shrnutí je zvláštní dokument, který tvoří přílohu Prospektu. Překlad není součástí Prospektu, ani nebyl schválen FMA. FMA rovněž neprověřoval, zda překlad shrnutí souhlasí s jeho originálem.

SHRNUTÍ

Toto shrnutí bude považováno za úvod k tomuto Prospektu a jakékoliv rozhodnutí investovat do Nabízených Akcií by mělo být založeno na posouzení tohoto Prospektu jako celku, včetně účetních závěrek a faktorů uvedených v „Rizikových faktorech“. Pokud dojde k soudnímu projednávání nároku souvisejícího s informacemi obsaženými v tomto Prospektu, žalující investor může, dle národní legislativy daného členského státu Evropského ekonomického prostoru, být povinen nést náklady na pořízení překladu tohoto Prospektu před zahájením soudního řízení. Pokud je také soudní řízení zahájeno před soudem v Rakousku, bude požadován německý překlad tohoto Prospektu a jeho náklady budou od začátku hrazeny žalujícím investorem a nakonec stranou, o které je rozhodnuto, že je odpovědná za úhradu nákladů na soudní řízení. Občansko-právní odpovědnost je přisouzena osobám, které toto Shrnutí předkládají (včetně jeho překladu) a které žádaly o jeho uznání, avšak pouze v případě, že je toto Shrnutí zavádějící, nepřesné nebo v rozporu, pokud je posuzováno společně s jinými Oddíly tohoto Prospektu.

Sparkassen Immobilien Aktiengesellschaft

Společnost, jenž je součástí skupiny Erste Bank (dále již jen „Skupina Erste Bank“), se zaměřuje na investice do nemovitostí v lukrativních lokalitách v Rakousku a Německu, ale i ve střední a východní Evropě. Skupina Erste Bank, jedna z vedoucích finančních institucí v Rakousku a střední a východní Evropě, drží přímo či nepřímo okolo 18,9% ve Společnosti a poskytuje Společnosti manažerské služby prostřednictvím své zcela vlastněné dceřinné společnosti Immorent AG. Společnost navíc využívá přítomnosti Skupiny Erste Bank ve střední a východní Evropě s cílem dalšího rozvoje svých aktivit v tomto regionu. S Immo Group, která se skládá ze Společnosti a jejich konsolidovaných dceřinných společností, má v současné době (ke dni 2.června 2006) následující strukturu (podrobná tabulka o struktuře skupiny –viz Oddíl 1.7.1):



Společnost má základní kapitál ve výši 182.106.361,86 EUR rozdělený do 50.118.718 kmenových akcií na doručitele bez jmenovité hodnoty. Závěrečná cena jedné akcie na Vídeňské burze cenných papírů ke dni 1. června 2006 byla EUR 8.73. Tudíž celková tržní hodnota Společnosti ke dni 1. června 2006 byla EUR 437.536.408,14

Současnými členy představenstva Společnosti jsou pan Holger Schmidtmayr a pan Ernst Vejdovszky, kteří kromě své činnosti ve Společnosti vykonávají také řadu řídicích funkcí ve společnostech v rámci Skupiny Erste Bank. Členy dozorčí rady jsou Dr. Martin Simhandl (předseda), Dr. Klaus Braunegg (první místopředseda), pan Franz Kerber (druhý místopředseda), Dr Reinhold Schürer-Waldheim, Dr. Gerald Antonitsch, pan Christian Ahlfeld, pan Richard Wilkinson a pan Manfred Rapf.

Jmenovanými auditory Společnosti jsou Eidos Deloitte Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH, Renngasse 1, A-1010 Vídeň, Rakousko.

Predmet cinnosti spoločnosti Sparkassen Immobilien Aktiengesellschaft

Předmět činnosti společnosti Sparkassen Immobilien Aktiengesellschaft zahrnuje:

- Akvizice zastavěných a nezastavěných nemovitostí a podobných práv k nemovitostem (jako jsou stavební práva k majetku třetích stran);
- Projekce a výstavba na nezastavěných nemovitostech; a
- Komerční využití pořízených nemovitostí.

Strategií managementu Společnosti jsou investice do kvalitního nemovitého majetku a zaměření na lukrativní oblasti v centrech evropských metropolí. Proto se Společnost zaměřuje na bezpečné a trvalé investice zahrnující majetek vysoké hodnoty. V souladu se strategií, musejí být investice s Immo Group bezpečné, stabilní a růstové. Tuto investiční strategii zajišťuje široká diverzifikace na několik regionálních trhů, ale i sektorová diverzifikace nemovitostí. Portfolio nemovitostí Společnosti zahrnuje zejména bytové, kancelářské, maloobchodní a hotelové nemovitosti v Rakousku a prostřednictvím své stoprocentně vlastněné dceřinné společnosti CEE PROPERTY-INVEST Immobilien AG (dále již jen "CEEPI"), kancelářské, maloobchodní a hotelové nemovitosti v lukrativních lokalitách v hlavních městech a urbanistických centrech regionu střední a východní Evropy. V Německu portfolio nemovitého majetku Společnosti držené prostřednictvím svých stoprocentně vlastněných dceřinných společností BGO Immobilien GmbH (dále již jen "BGO") a IMMIN Beteiligungen GmbH, se sestává zejména z bytových, kancelářských a maloobchodních nemovitostí situovaných v hlavních městech Německa.

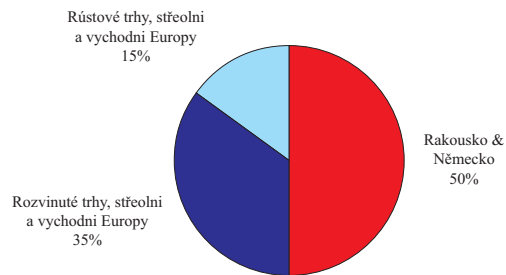
Investiční politika Společnosti se od roku 2000 stále více soustřeďovala na oblast střední a východní Evropy. Společnost se proto zaměřuje primárně na akvizici kancelářských a maloobchodních nemovitostí, ale i hotelových realit umístěných v lukrativních oblastech hlavních měst nejnovějších členů Evropské unie a kandidátů čekajících na členství v Evropské unii, ale i jiných vybraných zemích střední a východní Evropy. Do dnešního dne management Společnosti považoval vývoj na těchto trzích za předvídatelný. Očekává se, že ziskovost plánovaných investic v kandidátských státech na členství v Evropské unii, v Rumunsku a Bulharsku bude posílena vstupem těchto států do Evropské unie, což se očekává v roce 2007. Ve střednědobém horizontu, zahrnuje strategie společnosti Sparkassen Immobilien Aktiengesellschaft rovněž investice v dalších státech střední a východní Evropy, jako jsou Chorvatsko, Ukrajina a Srbsko.

Podstatnou součástí portfolia se stalo nové zaměření na nemovitosti v Německu. V důsledku současné tržní situace se dle názoru managementu Společnosti očekává, že investice do majetku v Německu přinesou velmi zajímavé výnosy ve stabilním politickém, ekonomickém a právním prostředí. Proto v rámci dlouhodobého plánování se předpokládá investování podstatného podílu celkových aktiv s Immo Group v rámci významných měst, jako jsou například Hamburg, Mnichov, Berlín, ale i další.

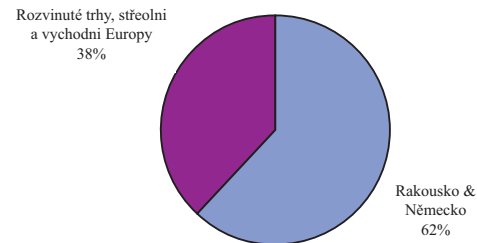
V roce 2010 s Immo Group plánuje nárůst svých investic na celkovou hodnotu 3 miliardy EUR, kdy 1,5 miliardy EUR bude rozdělena do regionu Rakouska a Německa a 1,5 miliardy EUR v rámci střední a východní Evropy. Společnost hodlá maximalizovat své hotovostní výnosy na akcii a během příštích tří let zvýšit svůj čistý dluh k poměru vlastního kapitálu na zhruba 50%.

Následující tabulka ukazuje cílové majetkové portfolio Skupiny s Immo Group ve srovnání s majetkovým portfoliem ke dni 31. března prosince 2006 dle regionu:

Property portfolio s Immo Group target portfolio 2010

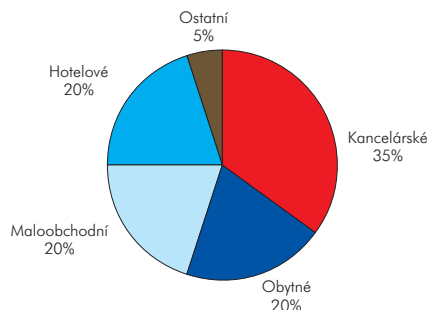


Property portfolio s Immo Group as of 31 March 2006

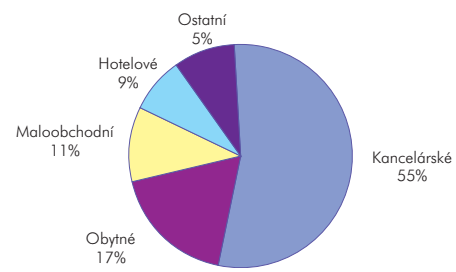


Následující graf znázorňuje cílové majetkové portfolio s Immo Group ve srovnání s majetkovým portfoliem ke dni 31. března 2006 dle sektoru:

s Immo Group target portfolio 2010



s Immo Group portfolio as of 31 March 2006



s IMMO INVEST a s IMMO Share

V rámci svých aktiv založila Společnost samostatný účetní subjekt (eigener Rechnungskreis), účetní jednotku podílových listů s IMMO INVEST. Podrobné informace o účetním jednotce s IMMO INVEST jsou uvedeny rovněž v Prospektu vydaném Společností v průběhu nabídky podílových listů v květnu 2005, který lze od Společnosti na požádání získat zdarma. Aktiva a pasiva, která nejsou jmenovitě připsána s IMMO INVEST, jsou pro účely tohoto Prospektu uváděna společně jako s IMMO Share.

Je také nutno poznamenat, že aktiva připsaná s IMMO INVEST, ale i aktiva připsaná s IMMO Share, jsou ve výhradním vlastnictví Společnosti. Nicméně z důvodu povahy kapitálu připsaného s IMMO INVEST, a to účastnického kapitálu povahou obdobného dluhopisům (obligationenähnliches Genussrechtskapital), veškeré výnosy z aktiv v rámci s IMMO INVEST jsou připisovány a vypláceny držitelům podílových listů, a tudíž nejsou Společnosti ani jejím akcionářům k dispozici. Kromě toho, v případě zrušení s IMMO INVEST, veškeré výnosy z takového zrušení budou rozděleny držitelům podílových listů (certifikátů) pro rata dle jejich příslušného podílu. Proto nebudou akcionáři Společnosti nijak ze skrytých rezerv v rámci s IMMO INVEST profitovat.

Výnosy z jakékoli emise akcií Společnosti, včetně Nabízených Akcií, jsou investovány ve prospěch s IMMO Share. Portfolio s IMMO Share v současné době zahrnuje bytové a komerční nemovitosti v Rakousku a, prostřednictvím podílu akcií v CEEPI, komerční a kancelářské nemovitosti v lukrativních lokalitách hlavních měst několika států střední a východní Evropy, ale rovněž i, prostřednictvím podílu akcií v BGO, obytné, kancelářské a maloobchodní nemovitosti ve významných městech v Německu. Společnost v současné době nevyplácí dividendy, avšak zadržuje a reinvestuje své zisky do akvizic dalších nemovitostí na účet s IMMO Share.

Je nutno poznamenat, že výnosy z minulých nabídek podílových listů byly jménem s IMMO INVEST plně investovány. Proto není v současné době Společnost v pozici, aby mohla z účastnického kapitálu uskutečňovat další investice ve prospěch s IMMO INVEST. Nelze poskytnout žádné ujištění o tom, že Společnost bude ještě zvyšovat svůj účastnický kapitál, a tudíž v budoucnu investovat ve prospěch s IMMO INVEST, což by mohlo v budoucnu vést k vyššímu procentu alokace aktiv na s IMMO Share.

Vývoj v posledním období

Akvizice – duben 2006

V dubnu 2006 Společnost investovala na slibném trhu s nemovitostmi v Berlíně. Konkrétně šlo o dokončení své doposud největší jednorázové investice v Německu do té doby, kterou byla akvizice Lützwow-Center, jenž se nachází v centru hlavního města Německa přímo na břehu řeky Spree. Celková rozloha areálu je 17.000 m² a plocha k pronajmutí čítá 37.000 m². Nemovitost je využívána jako kanceláře, bytové jednotky, studentská ubytovna a podzemní garáže.

Kromě toho Společnost získala v Berlíně dvě portfolia sestávající pouze z obytných domů (22.400 m² a asi 10.000m² podlahové plochy). Investici v Německu završila akvizice nákupního centra o rozloze asi 14.700 m² v centru Halle/ Saale a zajistila tak získání vyváženého portfolia v Německu.

Očekávané přehodnocení:

Společnost pověřila společnost CB Richard Ellis GmbH ročním ohodnocením celého majetkového portfolia Společnosti k poslednímu dni roku 2006.

Na základě již provedených předběžných hodnocení vybranýchjistých nemovitostí Společnosti ve střední a východní Evropě, v důsledku výrazných odchylek v současné tržní hodnotě majetku tak, jak byla stanovena těmito předběžnými hodnoceními ve srovnání s tržní hodnotou stanovenou Společností, společnost CB Richard Ellis došla k závěru, že hodnota portfolia nemovitostí Společnosti je v některých případech podhodnocena.

Derivátyativy:

Od začátku účetníhofinančního roku 2006 Společnost využívá ke snižování rizik vyplývajících z nárůstu úrokových sazeb (kromě tzv. úrokových capů,„caps“) rovněž swapy. Zatím byly dDo května 2006 byly uzavřeny umístěny kontrakty na dva swapy k zajištění 25 miliónůn EUR, respektive 20 miliónůn EUR a to na 10 let na úrovni při tři měsíčníhom Euriboru.

Shrnutí – Vybrané ekonomické údaje

Následující shrnutí vybraných ekonomických údajůdat týkající se Společnosti a s IMMO Share jsou odvozena z konsolidované účetní závěrky Společnosti ke dni 31. prosince 2005, 31. prosince 2004 a 31. prosince 2003 a neauditované promezizatímní účetní závěrky Společnosti ke dni 31. března 2005 a 31. března 2006. Konsolidované účetní závěrky Společnosti ke dni 31.prosince 2005, 31.prosince 2004 a 31.prosince 2003 ai neauditované promezizatímní účetní závěrky Společnosti ke dni 31. března 2005 a 31.března 2006 byly sestaveny v souladu s IFRS.

Investoři by měli posuzovat shrnutí těchto vybraných ekonomických údajůdat ve spojení s Oddílem „Vyjádření managementu a analýza finančních podmínek a vobchodních výsledků podniků“ (Provozní a finanční přehled)“ (Oddíl 1.9), konsolidovanými účetními závěrkami Společnosti, mezitímními účetními výkazy a jejich přílohami, ale i jinými údaji uvedenými v ostatních částech tohoto Prospektu:

Společnost

Srovnání konsolidované prozatímní účetní závěrky ke dni 31.3.2006 a 31.3.2005

KONSOLIDOVANÁ ROZVAHA (v tisících EUR)

AKTIVA	31/3/2006	Zmeny v %	31/3/2005
Stálá aktiva			
Dlouhodobý nehmotný majetek	49		26
Dlouhodobý hmotný majetek	748.915		471.592
Dlouhodobý finanční majetek	6.084		6.006
Ostatní stálá aktiva	1.972		1.205
	<u>757.020</u>	58%	<u>478.829</u>
Obe ná aktiva			
Pohledávky	41.030		23.623
Investice	28.466		11.880
Pokladní hotovost	134.331		5.134
	<u>203.827</u>	402%	<u>40.637</u>
Náklady příštích období	378		425
	<u>961.225</u>	85%	<u>519.891</u>

VLASTNÍ KAPITÁL A ZÁVAZKY

Vlastní kapitál připisatelný držitelům kmenového jmení materského podniku	367.018		226.886
Menšinový podíl	23.948		0
Stálá pasiva			
Majetkové podíly dluhového charakteru	275.506		166.214
Dlouhodobé závazky k bankám	209.084		58.930
Opravné položky	10.855		6.349
Jiné závazky	22.850		21.330
	<u>518.295</u>	105%	<u>252.823</u>
Be ně (krátkodobé) závazky	47.143		37.831
Príjmy příštích období	4.821		2.350
	<u>961.225</u>	85%	<u>519.891</u>

KONSOLIDOVANÁ VÝSLEDOVKA (V TISÍCÍCH EUR)

	1/1-31/3/2006	Zmeny v %	1/1-31/3/2005
Príjmy	16.116		10.172
Z toho príjmy z pronájmu	12.842		8.176
Ostatní provozní příjmy	1.069		253
Príjmy z likvidace majetku	1.132		2.108
Úhrnný provozní zisk	18.317	46%	12.533
Odpisy	-4.982		-3.018
Ostatní provozní náklady	-4.998		-3.951
Výnosy pred placením úroku a zdanením	8.338	50%	5.564
Cistá finanční ztráta	-3.657		-2.629
Výnosy pred zdanením	4.680	59%	2.935
Dane z příjmu	-912		-524
Cistý příjem za účetní období	3.767	56%	2.411
Z toho podíly akcionáru v materské společnosti	3.703		2.411
Z toho menšinové podíly	64		0

Srovnání konsolidované účetní závěrky ke dni 31.12.2005 a 31.12.2004

KONSOLIDOVANÁ ROZVAHA (v tisících EUR)

AKTIVA	31/12/2005	Zmeny v %	31/12/2004
Stálá aktiva			
Dlouhodobý nehmotný majetek	50		26
Dlouhodobý hmotný majetek	709.186		447.389
Dlouhodobý finanční majetek	6.037		6.002
Stát - odložená danová pohledávka	2.347		1.312
	<u>717.620</u>	58%	<u>454.729</u>
Obežná aktiva			
Pohledávky	24.107		19.355
Investice	12.352		0
Pokladní hotovost	166.098		4.337
	<u>202.557</u>	755%	<u>23.692</u>
Náklady příštích období	335		1.703
	<u>920.512</u>	92%	<u>480.124</u>

VLASTNÍ KAPITÁL A ZÁVAZKY

Vlastní kapitál připisatelný držitelům kmenového jmení materského podniku	363.768		224.657
Menšinový podíl	23.915		0
Stálá pasiva			
Majetkové podíly dluhového charakteru	276.774		147.931
Dlouhodobé závazky k bankám	174.602		45.087
Opravné položky	10.400		6.076
Jiné závazky	22.906		20.752
	<u>484.682</u>	120%	<u>219.846</u>
Bežné (krátkodobé) závazky	43.314		33.573
Příjmy příštích období	4.833		2.047
	<u>920.512</u>	92%	<u>480.124</u>

KONSOLIDOVANÁ VÝSLEDOVKA (v tisících EUR)

	1/1-31/12/2005	Zmeny v %	1/1-31/12/2004
Príjmy	42.154		35.312
Z toho príjmy z pronájmu	34.192		29.351
Jiné provozní příjmy	7.587		2.095
Príjmy z likvidace majetku	2.035		44
Úhrnný provozní zisk	51.776	38%	37.451
Odpisy	-16.309		-11.035
Ostatní provozní náklady	-19.378		-13.517
Výnosy pred placením úroku a zdanením	16.090	25%	12.899
Cistá finanční ztráta	-6.012		-6.280
Výnosy pred zdanením	10.078	52%	6.619
Dane z příjmu	-1.585		-1.582
Cisté příjmy za účetní období	8.493	69%	5.037
Z toho podíly akcionářů v materské společnosti	6.806		5.037
Z toho menšinové podíly	1.687		0

s IMMO Share

Srovnání konsolidované prozatímní účetní závěrky ke dni 31.3.2006 a 31.3.2005

KONSOLIDOVANÁ ROZVAHA - s IMMO Share (v tisících EUR)

AKTIVA	31/3/2006	Zmeny v %	31/3/2005
Stálá aktiva			
Dlouhodobý nehmotný majetek	36		26
Dlouhodobý hmotný majetek	395.876		288.095
Dlouhodobý finanční majetek	143		131
Ostatní stálá aktiva	1.893		1.205
	<hr/>		<hr/>
	397.948	37%	289.457
Obežná aktiva			
Pohledávky	53.186		26.288
Investice	22.304		7.128
Pokladní hotovost	87.290		2.885
	<hr/>		<hr/>
	162.780	348%	36.301
Náklady příštích období	219		318
	<hr/>		<hr/>
	560.946	72%	326.076

VLASTNÍ KAPITÁL A ZÁVAZKY

Vlastní kapitál připisatelný držitelům kmenového jmení materského podnikatelů	370.176		226.886
Menšinový podíl	11.975		0
Stálá pasiva			
Dlouhodobé závazky k bankám	106.175		29.985
Opravné položky	5.476		2.684
Jiné závazky	20.447		20.194
	<hr/>		<hr/>
	132.098	150%	52.863
Bežné (krátkodobé) závazky	43.361		44.162
Príjmy příštích období	3.336		2.165
	<hr/>		<hr/>
	560.946	72%	326.076

KONSOLIDOVANÁ VÝSLEDOVKA (v tisících EUR)

	1/1-31/3/2006	Zmeny v %	1/1-31/3/2005
Príjmy	8.262		5.928
Z toho príjmy z pronájmu	6.479		4.735
Jiné provozní příjmy	612		228
Príjmy z likvidace majetku	1.132		1.265
Souhrnný provozní zisk	10.006	35%	7.422
Odpisy	-2.554		-1.775
Ostatní provozní náklady	-2.789		-2.542
Výnosy pred placením úroku a zdanením	4.664	50%	3.105
Cistá finanční ztráta	-222		-334
Výnosy pred zdanením	4.442	60%	2.771
Dane z příjmu	-707		-360
Cistý příjem za účetní období	3.735	55%	2.411
Z toho podíly akcionářů v materské společnosti	3.703		2.411
Z toho menšinové podíly	32		0

Srovnání konsolidované účetní závěrky ke dni 31.12.2005 a 31.12.2004

KONSOLIDOVANÁ ROZVAHA - s IMMO Share(v tisících EUR)

AKTIVA	31/12/2005	Zmeny v %	31/12/2004
Obe ná aktiva			
Pohledávky e	32.139		12.502
Investice	6.176		0
Pokladní hotovost	120.537		2.488
	158.852	960%	14.990
Náklady příštích období	203		1.096
	538.509	73%	311.275

VLASTNÍ KAPITÁL A ZÁVAZKY

Vlastní kapitál připsatelný dr itelům kmenového jmení materského podniku	366.925		224.657
Menšinový podíl	11.958		0
Stálá pasiva			
Dlouhodobé závazky k bankám	88.908		27.832
Opravné polo ky	5.249		2.259
Jiné závazky	20.536		19.848
	114.693	130%	49.939
Be né (krátkodobé) závazky	41.575		34.686
Príjmy příštích období	3.358		1.993
	538.509	73%	311.275

KONSOLIDOVANÁ VÝSLEDOVKA (v tisících EUR)

	1/1-31/12/2005	Zmeny v %	1/1-31/12/2004
Príjmy	23.812		21.205
Z toho príjmy z pronájmu	19.127		17.360
Jiné provozní příjmy	4.532		1.696
Príjmy z likvidace majetku	1.192		0
Souhrnný provozní zisk	29.536	29%	22.903
Odpisy	-8.939		-6.909
Ostatní provozní náklady	-10.670		-8.439
Výnosy před placením úroků a zdanením	9.927	31%	7.554
Cistá finanční ztráta	-852		-1.375
Výnosy před zdanením	9.075	47%	6.179
Dane z příjmu	-1.366		-1.142
Cistý příjem za účetní období	7.709	53%	5.037
Z toho podíly akcionářů v materské společnosti	6.806		5.037
Z toho menšinové podíly	903		0

SHRNUTÍ NABÍDKY

Nabídka

Nabízí se až 43.853.879 Nabízených Akcií k (a) upsání akcionářům a v rozsahu, ve kterém se akcionáři vzdají nebo nevyužijí svých práv k upsání akcií, (b) k prodeji investorům ve veřejné nabídce v Rakousku, České republice a Německu a v rámci neveřejné nabídky po celé Evropě kromě Rakouska, České republiky a Německa.

Dle nejlepšího vědomí Společnosti, Erste Bank Group hodlá minimálně částečně využít svých zákonných přednostních upisovacích práv na Nabízené Akcie.

Nadpřídělová opce

V souvislosti s Nabídkou Společnost udělila Globálním koordinátorům opční právo, využitelné do 30-ti dní od data, kdy dojde k prvnímu obchodování Nabízených Akcií na Burze cenných papírů ve Vídni, k nákupu nebo upsání až 6.578.082 Akcií za Upisovací a Nabídkovou cenu k pokrytí přebytku Nabízených Akcií a za účelem zajištění stabilizačních aktivit. Toto opční právo je využitelné do 30-ti kalendářních dní poté, co budou tyto Nabízené Akcie poprvé obchodovány na Burze cenných papírů ve Vídni, tj. od 26. června 2006 do 26. července 2006 (včetně).

Upisovací a Nabídková lhůta

Upisovací lhůta začíná dne 7. června 2006 a její ukončení se očekává dne 23. června 2006. Nabídkové období začíná dne 7. června a jeho ukončení se očekává dne 26. června 2006. Právo na zkrácení Upisovací a Nabídkové lhůty předčasným ukončením nebo prodloužení Upisovací a Nabídkové lhůty je možné. Upisovací období pro akcionáře však nesmí být kratší než zákonné minimum dvou týdnů, a proto jej nelze ukončit dříve jak dne 21. června 2006.

V průběhu Upisovacího a Nabídkového období mohou být podány objednávky k úpisu a/nebo nákupu s cenovým limitem zokrouhleným na 10 centů. Jakékoli objednávky nad tímto 10-ti centovým zokrouhlením budou automaticky zokrouhleny dolů na desetcent, tj. limitní objednávka na 9.88 bude zokrouhlena na 9.80

Upisovací a Nabídková cena

Upisovací a Nabídkovou cenu stanoví Společnost po dohodě s Globálními koordinátory, maximálně však ve výši EUR 9.90, a to po uplynutí Upisovací a Nabídkové lhůty.

Očekává se, že Upisovací a Nabídková cena bude stanovena dne 26. června 2006 a bude publikována elektronickými médii a v oficiálním tisku (Amtsblatt) Wiener Zeitung dne nebo okolo data 28. června 2006.

Využití upisovacích práv

Objednávky na uplatnění upisovacích práv budou přijímány Erste Bank, dalšími rakouskými bankami včetně rakouských spořitelů BNP Paribas, BayernLB a včetně německých spořitelů (Sparkassen), Cortal Consors a Brokerjetem. Akcionáři, kteří mají depozitní účet u OeKB mohou využít

svá upisovací práva udělením pokynu své depoziční bance k podání upisovacího příkazu na Nabízené Akcie jejich jménem. Upisovací a Nabídková cena nebudou do konce upisovací a nabídkové lhůty stanoveny.

Držitelé upisovacích práv, kteří si nepřejí využít svých upisovacích práv za maximální Upisovací a Nabídkovou cenu ve výši EUR 9.90, avšak předloží objednávku k upsání Nabízených Akcií za cenu, která je nižší než maximální Upisovací a Nabídková cena, obdrží od Globálních koordinátorů takový počet Nabízených Akcií odpovídající počtu jejich upisovacích práv, pokud cenový limit, který stanovili, nebude nižší než Upisovací a Nabídková cena.

V případě, že bude cenový limit stanovený držitelem upisovacích práv nižší jak Upisovací a Nabídková cena, upisovací práva se stanou neplatná a bude se mít za to, že tato práva nebyla za účelem stanovení počtu Nabízených Akcií, které byly k dispozici k upsání držitelům stávajících akcií nebo následně k nákupu zájemcům o investici, využita. Takovému případnému důsledku se lze vyhnout předložením příkazu k upsání Akcií bez stanovení limitní ceny nebo stanovením cenového limitu ve výši maximální Upisovací a Nabídkové ceny ve výši EUR 9.90

Objednávky k nákupu

Objednávky k nákupu budou přijímány Erste Bank, dalšími rakouskými bankami včetně rakouských spořitelen BNP Paribas, BayernLB a včetně německých spořitel (Sparkassen), Českou spořitelnou, Cortal Consors a Brokerjetem

Upisovací poměr

8:7, tj. 8 akcií ve Společnosti opravňuje držitele takové akcie / akcií k upsání 7 Nabízených Akcií.

Obchodování s upisovacími právy

S upisovacími právy se obchodovat nebude.

Preferenční příděl

Objednávky drobných investorů do 1 200 Nabízených Akcií zadaných na pobočkách buď Erste Bank, rakouských spořitel, BNP Paribas, BayernLB, včetně německých spořitel (Sparkassen), České spořitelny, nebo prostřednictvím Cortal Consors a Brokerjetu do 16. června 2006 získají preferenční příděl v závislosti na využití upisovacích práv nebo požadavků jiných investorů. Společnost si vyhrazuje právo na zkrácení takové lhůty pro preferenční příděl, a to kdykoliv před datem 16. června 2006.

Užití výtěžku emise

Čisté výnosy z emise ke zvýšení kapitálu budou využity zejména na další investice do akvizic nebo výstavby nemovitostí v Německu, střední a východní Evropě a Rakousku. Investice ve střední a východní Evropě budou uskutečňovány prostřednictvím CEEPI a budou financovány prostřednictvím vkladů do základního kapitálu a/ nebo akcionářských úvěrů Společnosti do CEEPI. Společností. Investice v Německu budou uskutečňovány prostřednictvím BGO a budou financovány prostřednictvím vkladů do základního kapitálu a/ nebo akcionářských úvěrů Společnosti do BGO.

Lock-up

Společnost nebude před uplynutím lhůty 180-ti dnů po vydání Nabízených Akcií bez předchozího písemného souhlasu Globálních koordinátorů, (i) využívat oprávnění dle svých stanov ke zvyšování svého kapitálu kromě případného pokrytí nadpřídělové opce udělené Globálními koordinátorům; (ii) předkládat návrhy k rozhodnutí o zvýšení kapitálu na jakoukoli valnou hromadu; ani (iii) nabízet, dávat do zástavy, přidělovat, vydávat, prodávat, smluvně se zavazovat k prodeji, prodávat jakékoliv opce ani smluvně se zavazovat ke koupi, kupovat opce k prodeji, udělovat opce, práva využitelná nebo vyměnitelná za Akcie ani vstupovat do jakýchkoliv swapových kontraktů nebo jiných ujednání, kterými by docházelo k převodu ekonomických důsledků vlastnictví Akcií na druhé, ať jako celku nebo jeho částí, ať přímo tak nepřímou, pokud kterákoliv z transakcí popsaná výše má být vyrovnána dodáním Akcií nebo jiných obdobných cenných papírů, v hotovosti nebo jinak, za předpokladu, že výše uvedená omezení se nebudou vztahovat na Nabízené Akcie prodané v rámci nabídky a nové Akcie vydané uplatněním napřídělové opce.“

Erste Bank Group nebude před uplynutím lhůty 180-ti dnů po dodání Nabízených Akcií, bez předchozího písemného souhlasu BNP Paribas (i) předkládat návrh na zvýšení kapitálu na valné hromadě Společnosti; (ii) nabízet, dávat do zástavy, přidělovat, vydávat, prodávat, smluvně se zavazovat k prodeji, prodávat jakékoliv opce ani smluvně se zavazovat ke koupi, kupovat opce k prodeji, udělovat opce, práva využitelná nebo vyměnitelná za Akcie ani vstupovat do jakýchkoliv swapových kontraktů nebo jiných ujednání, kterými by docházelo k převodu ekonomických důsledků vlastnictví Akcií na druhé, ať jako celku nebo jeho částí, ať přímo tak nepřímou, pokud kterákoliv z transakcí popsaná výše má být vyrovnána dodáním Akcií nebo jiných obdobných cenných papírů, v hotovosti nebo jinak, za předpokladu, že výše uvedená omezení se nebudou vztahovat na Nabízené Akcie a nové Akcie, které budou vydané uplatněním napřídělové opce a prodané v rámci nabídky a Akcie obchodované Erste Bank v rámci běžného obchodování s cennými papíry.

Právo na dividendu

Nabízené Akcie nesou od 1. ledna 2006 nárok na dividendu. Investoři by si měli být vědomi toho, že Společnost, na základě své obchodní politiky, nerozděluje svým akcionářům dividendy.

Den vypořádání

Den vypořádání (dodání) se předpokládá 29. června 2006.

Hlasovací práva

Nabízené Akcie nesou hlasovací práva na valné hromadě Společnosti. Nicméně, hlasovací práva akcionáře jsou omezena na maximálně 15% hlasovacích práv připadajících na emitované Akcie. Hlasovací práva držena přidruženými subjekty nebo osobami jednajícími ve shodě ve smyslu rakouského zákona o převzetí (Übernahmegesetz) se počítají.

Kotace na burze	Očekává se, Nabízené Akcie budou přijaty k obchodování na oficiálním tržním segmentu Burzy cenných papírů ve Vídni. Očekává se, že prvním dnem obchodování bude 29. červen 2006.
Zaplacení a dodání	<p>Očekává se, že k vyrovnání, tj. dodání Nabízených Akcií oproti zaplacení, se uskuteční dne 29. června 2006.</p> <p>Nabízené Akcie budou zastoupeny jedním nebo více zatímními globálními listy / certifikáty, které budou uloženy u Oesterreichischen Kontrollbank AG (dále již jen "OeKB"). Vyrovnání nákupu na základě této Nabídky musí být uskutečněno prostřednictvím bankovního účtu u OeKB, Euroclear Bank S.A./N.V. nebo Clearstream Banking S.A.</p>
Náklady na dodání	Veškeré náklady na dodání budou hrazeny investory, kteří by měli žádat informace o těchto nákladech.
ISIN	<ul style="list-style-type: none"> • Nabízené Akcie a Stávající Akcie nesou ISIN AT 0000652250 • Upisovací práva ke Stávajícím Akciím nesou ISIN AT0000A01641
Obchodní symbol	<p>Bloomberg: SPI.AV Reuters: SIAG.VI</p>

SHRNUTÍ RIZIKOVÝCH FAKTORU

Kromě rizikových, jimž jsou společnosti obchodující s realitami vystaveny obecně, Společnost čelí zejména následujícím rizikům a nejistotám:

- Nájemní rizika: doba trvání nájemních smluv a finanční podmínky nájemníků mají významný vliv na hodnotu nemovitosti s Immo Group a tudíž na finanční pozici a výsledky činnosti Společnosti.
- Rizika změn v úrovni nájemného: úroveň nájmů na trzích, na nichž obchoduje s Immo Group, se mohou měnit a mohou negativně ovlivnit výsledky činnosti Společnosti.
- Investice do projektů výstavby: kromě již vybudovaných a pronajatých nemovitostí investuje s Immo Group také do projektů výstavby a obnovy stávajících realit. Ačkoliv se Společnost snaží redukovat rizika řádným přezkoumáním a plánováním jednotlivých projektů a jejich smluvních ujednání, nelze vyloučit, že projekt výstavby či renovace nebude dokončen v rámci očekávané lhůty nebo za očekávaných nákladů nebo že nedojde k jeho pronajmutí za očekávané nájemné.
- Rizika řízení: finanční výkony Společnosti ve velké míře závisí na znalosti trhu a zkušenosti jejího managementu. Ztráta manažerů nebo klíčových zaměstnanců a nemožnost vyhledat, získat a udržet další kvalifikovaný personál může mít zásadně negativní vliv na obchodní činnost Společnosti, její finanční podmínky a výsledky její činnosti.
- Střety zájmů: Společnost uzavřela provozní smlouvu s Immorent AG. Dle této provozní smlouvy Immorent AG a její jediný akcionář Erste Bank mohou nepřímo ovlivňovat do značné míry obchodní činnost a chování Společnosti. Nelze poskytnout žádné záruky toho, že zájmy Erste Bank Group nemohou být ve střetu se zájmy Společnosti a že v takovém případě nebude Erste Bank Group preferovat své vlastní zájmy.
- Podílové listy: veškeré zisky z s IMMO INVEST jsou k dispozici výhradně držitelům Certifikátů. Proto akcionáři Společnosti nejsou oprávněni k rozdělení zisku nebo výnosu z likvidace s IMMO INVEST. V případě rozpuštění s IMMO INVEST veškeré výnosy z tohoto rozpuštění budou rozděleny držitelům Certifikátů pro rata dle jejich příslušných podílů. Proto akcionáři Společnosti nebudou mít žádný prospěch z žádných skrytých rezerv v rámci s IMMO INVEST.
- Politická a právní rizika: v důsledku investičního zaměření Společnosti na zahraniční trhy, právní prostředí nových geografických oblastí, do nichž Společnost hodlá rozšířit své obchodní aktivity, nejsou vždy srovnatelné s právním prostředím v Rakousku. Zejména je možné, že procesní garance v těchto právních systémech nejsou ještě tak rozvinuté jako v jiných jurisdikcích, kde Společnost již podniká, a že mohou vyvstat problematické otázky ohledně právních titulů a restitucí takového majetku.
- Riziko akciového trhu: v minulosti akciové trhy procházely značnými výkyvy v cenách a obratech, jež mohly ovlivňovat tržní cenu Akcií Společnosti. Navíc nelze poskytnout žádnou záruku za likviditu zobchodování Akcií.
- Schválený /autorizovaný kapitál a zředění: Valná hromada akcionářů pověřila představenstvo Společnosti, se souhlasem dozorčí rady, ke zvýšení základního kapitálu Společnosti až o 50% kapitálu Společnosti ke dni zapsání tohoto rozhodnutí do stanov, a to s vyloučením upisovacích práv stávajících akcionářů. Toto rozhodnutí má být zapsáno do Obchodního Rejstříku poté, co dojde ke zvýšení základního kapitálu na základě této Nabídky. Pokud bude Nabídka plně upsána, bude představenstvo se souhlasem dozorčí rady oprávněno vydat až 46.986.298 kmenových akcií bez jmenovité hodnoty představující zapsaný základní kapitál ve výši až EUR 170.724.715,60 s vyloučením upisovacích práv stávajících akcionářů. Pole toho, zvýšení kapitálu až do úrovně autorizovaného kapitálu s vyloučením přednostních práv stávajících akcionářů může vést k významnému zředění podílu na základní kapitálu Společnosti a hlasovacích právech uplatňovaných na valné hromadě Společnosti.

DEFINITIONS AND ABBREVIATIONS

AktG	Austrian <i>Bundesgesetz über Aktiengesellschaften</i> (Austrian Joint Stock Corporation Act) of 31 March 1965, Federal Law Gazette 1965/98, as amended.
Articles of Association	The current articles of association of the Company, dated 3 May 2006, which are available during ordinary business hours at the offices of Sparkassen Immobilien Aktiengesellschaft, A-1060 Vienna, Windmühlgasse 22-24, as well as the offices of Erste Bank der oesterreichischen Sparkassen AG, A-1010 Vienna, Börsegasse 14.
Austrian Savings Banks	Austrian Savings Banks means the savings banks (<i>Sparkassen</i>) consolidated by Erste Bank Group under a separate agreement, in which Erste Bank either holds a minority equity stake or no equity stake.
ATS	Austrian Schillings, the legal currency in Austria prior to the implementation of the Euro.
BGO	BGO Immobilien GmbH, registered with the Commercial Register at the Commercial Court Vienna under FN 243943 s (to be renamed to “German Property Invest Immobilien GmbH”).
BayernLB	Bayerische Landesbank, with its registered office in Brienner Strasse 18, 80333 Munich, Germany, registered with the Commercial Register at the District Court Munich under HRA 76030.
bn	billion.
BNP Paribas	BNP Paribas, with its registered office and its business address at 16 boulevard des Italiens, 75009 Paris, France, registered with the Commercial and Companies Register of Paris under No. 662 042449.
BörseG	Austrian Stock Exchange Act of 8 November 1989 (Federal Law Gazette 1989/555) as amended, governing the securities and commodities exchanges and amending the 1949 Stockbroking Act and 1903 Stock Exchange Amendment Act, as amended.
Brokerjet	ecetra Central European e-Finance AG, with its registered office in Vienna/Austria and its business address at Mariahilfer Strasse 121 b, A-1060 Vienna, registered with the Commercial Register at the Commercial Court Vienna under FN 193944m acting under the commercial name “brokerjet”.
BWG	Austrian Banking Act 1993, Federal Law Gazette 1993/532, as amended.
CEEPI	CEE PROPERTY-INVEST Immobilien AG, registered with the Commercial Register at the Commercial Court Vienna under FN 205014 t.
Certificates	The debenture-like bearer participatory certificates (<i>Partizipations-scheine</i>) of no par value issued by the Company for value of the s IMMO INVEST accounting entity.

Co-Lead Manager	BayernLB.
Company	Sparkassen Immobilien Aktiengesellschaft, with its registered office in Vienna/Austria and its business address at Windmühlgasse 22-24, A-1060 Vienna, registered with the Commercial Register at the Commercial Court Vienna under FN 58358x.
Consolidated Financial Statements	The consolidated financial statements of the Company in accordance with IFRS for the financial years ended 31 December 2005, 31 December 2004 and 31 December 2003 as attached hereto as Appendices A1, A2 and A3.
Cortal Consors	Cortal Consors, with its registered office and business address at 5 avenue Kléber, 75116 Paris, France, registered with the Commercial and Companies Register of Paris under No. 327 707 909.
Ceska Sporitelna	Česká Spořitelna, a.s., with its registered office in Prague and its business address at Na Perštýně 1, Praha 1, Czech Republic.
DTZ	DTZ Zadelhoff Tie Leung, International Property Advisers, Bajcsy Zsilinsky ut 42-46, 1054 Budapest, Hungary.
EBT / EBIT	<p>EBT is a financial measure defined as revenues, other operating income and income from the disposal of property less depreciation/ amortization, other operating expenses and net financial profit or loss.</p> <p>EBIT is a financial measure defined as revenues, other operating income and income from the disposal of property less depreciation/ amortization and other operating expenses.</p> <p>Neither EBT nor EBIT is recognized as a performance figure under IFRS and is not a substitute for the figures from the Company's income statements or statements of cash flows determined in accordance with IFRS. Furthermore, no standard definition exists for EBT and EBIT, which means that EBT and EBIT reported by other companies are not necessarily comparable to the Company's EBT and EBIT.</p>
Erste Bank	Erste Bank der oesterreichischen Sparkassen AG, with its registered office in Vienna/Austria and its business address at Graben 21, A-1010 Vienna, registered with the Commercial Register at the Commercial Court Vienna under FN 33209m.
Erste Bank Group	Erste Bank together with its subsidiaries.
EUR / €	The Euro, i.e. the single currency of the member states of the European Union that are participating in the third stage of the European Monetary Union which entered into force on 1 January 1999.
Existing Shares	The Shares already issued and outstanding at the time of the Offering, and trading on the Vienna Stock Exchange in the Official Market segment (<i>Amtlicher Handel</i>).

Financial Statements	The Consolidated Financial Statements and the Interim Financial Statements.
FMA	The Austrian financial markets authority.
HGB	Austrian Commercial Code of 10 May 1897, 1897 Imperial Law Gazette, p.219, as amended.
IFRS	The International Financial Reporting Standards issued by the International Accounting Standards Board, as amended.
Immorent AG	IMMORENT Aktiengesellschaft, with its registered office in Vienna/Austria and its business address at Windmühlgasse 22-24, A-1060 Vienna, registered with the Commercial Register at the Commercial Court Vienna under FN 49140s.
Interim Financial Statements	The consolidated interim financial statements of the Company according to IFRS as of 31 March 2006 and 31 March 2005, as attached hereto as Appendices B1 and B2.
Issuer	The Company.
Joint Global Coordinators	BNP Paribas and Erste Bank.
KMG	The Austrian Capital Markets Act, Federal Law Gazette 1991/625, as amended.
Managers	BayernLB, BNP Paribas and Erste Bank.
mio/mn	Million.
OEKB	Oesterreichische Kontrollbank AG, registered with the Commercial Register at the Commercial Court Vienna under FN 85749b.
Offer Period	The period during which the Offer Shares are offered for sale to investors. The Offer Period begins on 7 June 2006 and is expected to end on 26 June 2006 (inclusive). The right to shorten the Offer Period by premature closure or to extend the Offer Period is reserved.
Offer Shares	Up to 43,853,879 ordinary bearer Shares of no par value of the Company issued in the course of the Offering.
Offering	The public offering in Austria, the Czech Republic and Germany, and the private placement in Europe outside the Republic of Austria, the Czech Republic and Germany of up to 43,853,879 Offer Shares.
Over-Allotment Option	The option granted by the Company to the Joint Global Coordinators, which is exercisable within 30 days from the date of the public disclosure of the Subscription and Offer Price (market close) to 26 July 2006 inclusive, to purchase or subscribe for up to 6,578,082 Shares at the Subscription and Offer Price to cover over-allotments of Offer Shares and for the purpose of facilitating stabilization activities.

Performance Reports	The performance reports for the s IMMO INVEST and for the s IMMO Share pursuant to Section 14 KMG for the year ending 31 December 2005 as attached hereto as Appendices C1 and C2.
Prospectus	This prospectus, drawn up in accordance with the Commission Regulation (EC) No. 809/2004, OJ No. L 159 of 29 April 2004 and Schedules I and III thereto, § 7 KMG, and Scheme D KMG.
Silent Partnership	A silent partnership in the meaning of sec 178 et seq Austrian Commercial Code.
s Immo Group	The Company with its subsidiaries consolidated pursuant to IFRS.
s IMMO INVEST	The separate accounting entity (<i>eigener Rechnungskreis</i>) created within Sparkassen Immobilien Aktiengesellschaft, being within the Company's absolute ownership and being administered by it. Separate accounts are kept for s IMMO INVEST, and it, therefore, constitutes a separate accounting entity. This accounting entity includes all assets acquired on the account of s IMMO INVEST and the liabilities allocated to the entity. The Company invests the proceeds from the issue of participatory certificates on the account of s IMMO INVEST.
s IMMO INVEST Prospectus	The prospectus published by the Company in the course of the public offer of participatory certificates in May 2005. The s IMMO INVEST Prospectus has been filed with FMA and will be provided to investors by the Company upon request.
s Immo Share	The assets and liabilities of the Company not expressly attributed to the s IMMO INVEST.
Securities Act	The US Securities Act of 1933, as amended.
Selling Agents	Brokerjet, Ceska Sportelna and Cortal Consors.
Shareholders	The existing shareholders of the Company.
Shares	The Existing Shares together with the Offer Shares.
sqm / m²	Square meters.
Subscription and Offer Period	The Subscription Period and the Offer Period (whichever is longer).
Subscription and Offer Price	The price at which Shareholders may exercise their respective subscription rights and at which investors may purchase the Offer Shares. The Subscription and Offer price will be set by the Company in accordance with the Joint Global Coordinators at no higher than € 9.90 after the Subscription and Offer Period has expired. The Subscription and Offer Price is expected to be set on 26 June 2006 and to be published via electronic media and in the Official Gazette (<i>Amtsblatt</i>) to the Wiener Zeitung on or about 28 June 2006.

Subscription Period	The period from 7 June 2006 to 23 June 2006 (inclusive) within which Shareholders may exercise their subscription rights for Offer Shares. The right to shorten the Subscription Period by premature closure as well as the extension of the Subscription Period is reserved. The Subscription Period, however, may not be shorter than the statutory minimum of two weeks.
Subscription Ratio	8:7, i.e. 8 Shares in the Company entitle the holder of such Shares to subscribe for 7 Offer Shares.
TEUR/T€	Figures given in € '000.
Value Date	The date when Offer Shares will be credited to the accounts of the investors. The Value Date is expected to be 29 June 2006.
Vienna Stock Exchange	The <i>Wiener Börse AG</i> , registered with the Commercial Register at the Commercial Court Vienna under FN 161826f; a stock exchange subject to the rules and regulations of the Austrian Stock Exchange Act (<i>BörseG</i>).

RISK FACTORS

In addition to the other information contained in this Prospectus, investors should give careful consideration to the following information in deciding whether to subscribe for or to purchase the Offer Shares. The information contained in this Section describes the important investment risk factors related to the business of the Company considerations, but no claim is made as to its their completeness. However, the Company is of the opinion that the following risk factors describe all material risks related to the business of the Company and the Company as such. All forward-looking statements in this Prospectus are associated with risks and uncertainties. Such statements are based on information available to the Company at the time the Prospectus was made and on assumptions that the Company considers reasonable. Due to various risk factors, including those discussed in this Section and in other parts of this Prospectus, actual events could diverge substantially from those predicted in the forward-looking statements. The order of the risk factors described below does not reflect the probability of occurrence of the respective risk.

General Risks

Market Development and Competition

Like any company in the real property sector, the Company is subject to the general risks of the real property market, which are inter alia fluctuations of the purchase and selling prices of properties and rents, which could have a material adverse effect on the Company's assets, financial condition and results of operations. With regard to all markets, in which the Company is operative, the Company is subject to competition of local and international competitors. Hence, as competition may increase at any time it may cause adverse effects to the Company's business.

Uncertainties in relation to the Future Market Price of the Offer Shares and the Shares

There is no guarantee that the market price of the Shares following the Offering will not fall below the Offer Price. Unsatisfactory performance or business development of the Company, deterioration of the economic situation in the market, in which the Company operates, or in the overall economy, or the general slump of the stock markets may have a negative effect on the value of the Shares. Further, also the Company not being able to meet analyst or market expectations may negatively effect the price of the Shares. The Company does not guarantee, or make any other comparable representation, regarding any specific price or value development of the Shares nor for any related underlying property.

Stock-market Risks

In the past, the equity capital markets have been subject to considerable fluctuations in rates and turnover, which can affect the market price of individual securities. Though the price performance of the Shares has been relatively constant in the past, the occurrence of considerable fluctuations in the future cannot be excluded. Furthermore, no guarantee can be given for liquidity of trading in the Shares. Therefore, it cannot be warranted that the price of the Shares will accurately reflect the actual value of the Company. No guarantee, assurance nor any other comparable declaration is given regarding a certain price or value performance of the Shares or the underlying real property. No guarantee can be given that the Shares will always be actively traded on the stock market. In particular, the Shares are currently listed in the segment "Standard Market Auction" and, thus, are not continuously traded, which may further limit the liquidity in the Shares. The absence of active trading could have a significantly detrimental effect on the liquidity and, consequently, the price of the Shares. Shareholders who do not, or only partially exercise their subscription rights will face a decrease in their percentage interest in the Company's issued share capital and their voting rights in the shareholder's meeting of the Company. Investors should also be aware that in case of insolvency of the Company, all or substantially all of its assets will be used to satisfy its creditors, and investors would suffer a partial or complete loss of their investment.

Tax Risks

The Company believes that it has filed complete and correct tax returns. However, there is a residual risk that on account of different assessments of its tax status (e.g. in relation to the view taken on

reorganization or the level of provisions) tax assessment notices may be changed or additional tax claims asserted. Changes in the legislative framework, administrative taxation practice and case law as established by court or administrative authority decisions may lead to changes in the tax treatment of distributions and capital gains, and also in the taxation of the Shares.

Political Risks

The s Immo Group is active in selected markets both within and outside the European Union. The geographical expansion of the Company's business activities expose it to the risks associated with international entrepreneurial activity. Factors giving rise to such risks include the necessary expansion of the Company's operating infrastructure, internationalisation and localisation, competition, differing economic conditions, differing legal and tax systems, fluctuating exchange rates, collection risks, distance, linguistic and cultural differences. There is no guarantee that one or more of these factors will not have considerable detrimental effects on international business activity and, hence, on the Company's, financial position and results of operations.

Exchange Rate and Interest Rate Risks

The s Immo Group also invests in currency areas outside the Euro zone. Such investments will also be handled in currencies other than Euro. Additionally, the accounting of foreign subsidiaries of the Company is often in currencies other than Euro. The Company attempts to deal with the risks associated with fluctuations in exchange and interest rates through recourse to financial hedging instruments and will do so in the future. Further, the Company plans to increase its net debt to equity ratio to about 50% within the next years and, accordingly, to increase its debt financing. Therefore, for the part of interest bearing liabilities without fixed interest rates, the Company is dependent on the interest rates prevailing at the time of such financing. The Company seeks to hedge its interest rate exposure to the extent possible. Nevertheless, an increase in the interest rate level would negatively affect the Company's financial results, which would have a material adverse effect on the Company's assets, financial position and earnings.

Sector Risks

General Risks

The Company is exposed to risks, which as a general rule are associated with the acquisition, development, reconstruction, ownership, management and realization of real property. Thereby in particular the following risks are of concern:

- hazardous substances and contaminations
- late performance and exceeding the forecasted costs of construction
- defects in construction
- cyclic fluctuations of the real estate market
- earthquakes, floods and similar natural disasters

The Company has taken precautionary measures by contractual provisions and insurance coverage in order to cover the risks described above. However, the exclusion of all risks is impossible. Hence, the realization of any risk described above could have a negative impact on the Company's assets, financial condition and results of operation.

Maintenance Risk

In order to generate profits with rentals over the longer term, preservation of the properties' conditions is of crucial importance. Moreover, a property must meet the changing needs of tenants. The Company must ensure that the rental property complies with market standards at any given time. All the necessary measures in order to comply with these standards will generate costs, which will have to be borne mainly by the Company and/or may result in loss of income. There is a risk that the actual costs may exceed those calculated by the Company. In addition, there is a risk that hidden defects that even experts did not detect, may be identified and the cure of these defects will have to be financed by the Company.

This can have a considerable negative effect on the Company's financial position and results of operation.

Rental Risks

The term of a lease agreement and the financial condition of a tenant have substantial influence on the value of the real property. Hence, lease agreements terminable on short notice or with tenants not in a sound financial condition can considerably reduce the value of a real property. In addition, the financial soundness of a tenant may adversely change over the lease term. Should tenants cancel their lease or become insolvent, the respective real property would have to be remarketed at the then prevailing market rate, which could significantly deviate from the terms of the previous lease. Further, the area where the real property is located as well as the long-term concept for development of the respective real property and its surrounding area have a significant impact on the achievable rent proceeds. Changes in the area surrounding the property as well as in area development plans and changes in development concepts may significantly adversely affect the rent achievable. Although the Company uses utmost care in the identification and evaluation of property acquired, no assurance can be given that no changes in the area surrounding such property or in area development plans or changes in development concepts occur that could significantly decrease the value of such property.

Risks of Changes in Rental Levels

Rental levels may change in the markets where the s Immo Group is active. Hence, the Company has to be able to face changing market conditions. This may cause costs and/or decreases in revenues. Changes in the legal situation both in Austria and abroad with regard to rental regulations, as well as various types of state-sponsored housing campaigns, may affect the market, leading to unforeseeable negative effects on the Company's financial condition and results of operations. General commercial risks such as increased vacancy rates due to setbacks in business activity or other developments may also have negative effects on the Company's results of operations.

Political and Legal Risks due to Geographical Expansion

Due to the investment focus of the Company in foreign markets, the legal environment in geographical areas in which the Company is active or into which the Company intends to extend its business activities is not necessarily comparable to the legal environment prevailing in Austria. In particular, it is possible that the procedural safeguards in these jurisdictions are not as developed as in Austria. Within the context of the Company's activities, the contracts entered into are largely subject to local laws. Even though precautions are taken, it cannot be ruled out that legal action is more difficult and more costly than in Austria and that questions as to legal title of property and restitution of such property may arise. The regulatory, economic, social, cultural and political conditions of the countries in which the Company's property is or will be located will have a significant influence on the development of an investment and on further investment possibilities. Any changes may have an unfavourable effect on the financial position and results of operations of the Company. Risks may also arise as a result of the expansion of infrastructure, international competition, different economic conditions in the countries concerned, different legal and tax systems, collections risks, differences in language, culture and management matters.

Valuation Risk

The real property owned by the Company and its subsidiaries is to be valued at least every three years by independent experts. The valuation of real property *inter alia* depends on the national and local economic situation as well as on the local market condition. Therefore, an economic recession but also other risks such as those described under the risk factor "Rental Risks" above may also result in a decline in the demand for real property, which may lead to a corresponding fall in prices in this segment, which would also be reflected in the valuation of the Company's real property. Some of the Company's leases provide for a partial or full indexation of the rent, in most cases in line with the consumer price index. Consequently, the increase in rental proceeds from such leases is to a great extent dependent on the rate of inflation. Should leases subject to such indexation terminate after a long period, the achievable rent in re-letting may deviate from the rent achieved under the indexation if market rates have not kept up with the rate of inflation.

Company Based Risks

Expected Growth of the Business Operation

The Company has significantly increased its business activities and its portfolio within the last few years regarding the amount, value and the type of real property acquired. The Company intends to continue to grow significantly and intends to push this growth ahead by strengthening existing activities, developing new types of activities and expanding its geographical presence. Such growth may lead to a significant change in the composition of the Company's portfolio in terms of type of real property and its geographical allocation. If the Company is not able to meet the requirements for its expected growth, financial condition and results of operation could be materially adversely affected.

Acquisition and Asset Disposal

The Company expects that part of its future growth will come from acquisitions. However, no assurance can be given that acquisitions of companies, properties, rights *in rem* or operating units and their integration into the Company will run smoothly. Nor can any assurance be given that acquisitions already made will be integrated successfully in the medium or in the long term, or that anticipated synergy effects with regard to the existing portfolio will actually be achieved. Further, no guarantee can be given that the Company will be able to secure adequate financing at economically feasible conditions, necessary to pursue its acquisition strategy in the future. The Company mainly invests in real property and, hence, the investments are non-liquid. Consequently, there might not be a liquid market for the portfolio of the Company or parts of it that would enable the Company to sell real property on short notice. Furthermore, there might be significant discrepancies between the obtainable market price and the intrinsic value of the property – in particular in case of a sale on short notice.

Investments in Development Projects

In addition to investments in already constructed and leased real property, the s Immo Group invests in development projects and the renovation of existing property. In the initial phase of such development projects and the renovation of property the Company incurs costs without generating profits. Profits are generated only at a later stage. Those projects contain the risk, that the projects cannot be completed within the scheduled time frame or at the estimated costs or let at the projected rent levels. Similarly unexpected legal problems may arise (e.g. obtaining permits). The Company seeks to reduce the risks by diligent examination and planning of projects and respective contractual provisions.

Management Risk

The economic performance of the Company largely depends on the market knowledge and experience of its management and on taking advantage of continuous growth opportunities. It has to be noted that the Company is managed by its Management Board utilizing the resources of Immorent AG under a management contract. Should any members of the Management Board of the Company or key employees of Immorent AG resign, or should the expansion of the Company into new markets or the strengthening of its position in existing markets, require additional management capacities, no assurance can be given that Immorent AG or the Company will be able, within a reasonable time frame and cost effectively, to recruit equally qualified managers or persons with comparable know-how in a highly competitive environment. The loss of managers or key employees and the inability to identify, attract and retain other qualified personnel could have a material adverse effect on the Company's business, financial condition and results of operations.

In addition, should the management contract with Immorent AG be terminated, the Company would have to find, hire and develop its own appropriate infrastructure and key personnel. Such termination of the management contract would significantly disrupt the regular business operations of the Company.

Conflicts of Interest

Pursuant to the management contract between Immorent AG and the Company, Immorent AG and its sole shareholder Erste Bank can indirectly influence to a significant extent the Company's conduct of business. No guarantee can be given that the interests of the Erste Bank Group may not deviate from the interests of the Company and that in such case Erste Bank Group may not favour its own interests. In particular it has to be noted that the members of the Management Board of the Company as well as

managers and/or staff in key positions of Immorent AG are also active in other companies of the Erste Bank Group. Hence, no guarantee can be given that the interests of these persons may not deviate from the interests of the Company and/or that these persons may not favour their own interests or the interests of Erste Bank Group.

Geographical Concentration on Austria

The Company's largest single market is Austria. Consequently, the Company is particularly exposed to macro-economic and other factors which affect growth in the Austrian real property market.

Rights of Holders of Certificates might Limit the Rights of Shareholders

To further diversify its investment strategy and to attract additional investors, the Company within its portfolio has established a separate accounting entity (*eigener Rechnungskreis*), the s IMMO INVEST, and issued participatory certificates (*Genussscheine*) in this accounting entity. The issue proceeds derived from the Certificates are invested in real property owned by the Company and attributed to the s IMMO INVEST. The holders of the Certificates are, subject to the terms and conditions of the Certificates, entitled to the results from such real property.

Any profits from the s IMMO INVEST are made available exclusively to the holders of Certificates. Accordingly, Shareholders of the Company are not entitled to profit distributions out of, or proceeds from dissolution of, the s IMMO INVEST. In case of dissolution of the s IMMO INVEST any proceeds from such dissolution will be distributed to the holders of Certificates *pro rata* to their respective holdings. Accordingly, Shareholders will not benefit from any hidden reserves within the s IMMO INVEST.

Any profit distributions from CEEPI to the Company are allocated to s IMMO INVEST and to s IMMO Share *pro rata* to the percentage of the holding of the respective accounting entity in CEEPI.

Exercise of Authorized Capital may Lead to a Dilution of Shareholders

In the general meeting of shareholders held on 3 May 2006, the Management Board of the Company, with approval of the Supervisory Board, was authorized to increase the Company's share capital by up to 50% of the share capital registered at the time of registration of the respective amendment to the Articles of Association in one or more tranches by issuing new bearer shares against cash or contribution in kind also under exclusion of statutory subscription rights, for a period of five years after the registration of the authorized capital with the Company register. Pursuant to the resolution of the general meeting, this authorization shall be registered with the Commercial Register after the capital increase in the course of this Offering has been registered with the Commercial Register. Accordingly, if the Offering is fully placed, the Management Board with approval of the Supervisory Board would be authorized to issue up to 46,986,298 ordinary bearer shares of no par value, representing a registered amount of the share capital of the Company of up to EUR 170,724,715.60.

Further, the Management Board, with approval of the Supervisory Board, will be authorized to exclude the statutory subscription rights of ordinary shareholders in case of a capital increase in cash to cover an over allotment option or if a capital increase is effected by way of contribution in kind. Such capital increase out of authorized capital under exclusion of statutory subscription rights of existing shareholders may lead to a considerable decrease in their percentage interest in the Company's issued share capital and their voting rights in the shareholder's meeting of the Company.

1 SHARE REGISTRATION DOCUMENT

1.1 Information on Persons Responsible

1.1.1 Persons Responsible

Sparkassen Immobilien Aktiengesellschaft, A-1060 Vienna, Windmühlgasse 22-24 (“Sparkassen Immobilien Aktiengesellschaft” or the “Company”) is responsible for the information given in this Prospectus.

1.1.2 Declaration by Persons who have Accepted Liability for the Prospectus

Sparkassen Immobilien Aktiengesellschaft declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

1.2 Statutory Auditors

1.2.1 The Company's Auditors

The Consolidated Financial Statements of Sparkassen Immobilien Aktiengesellschaft in accordance with IFRS (formerly IAS) for the year ended 31 December 2005, for the year ended 31 December 2004 and for the year ended 31 December 2003 as well as the Performance Reports for the s IMMO Share and for the s IMMO INVEST pursuant to Section 14 KMG for the year ended 31 December 2005 have been audited by Eidos Deloitte Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH, Renngasse 1, A-1010 Vienna/Austria under the supervision of Mr. Erich Kandler and DDr. Wolfgang Arndorfer.

The annual accounts (including annual report) of Immorent AG as of 31 December 2005 have been audited by Eidos Deloitte Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH under the supervision of Mr. Gerhard Marterbauer and Mr. Erich Kandler.

Eidos Deloitte Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH, Mr. Erich Kandler, Mr. Gerhard Marterbauer and DDr. Wolfgang Arndorfer are members of the Austrian Chamber of Auditors (*Kammer der Wirtschaftstreuhänder*) and are subject to its rules for professional conduct.

1.2.2 Resignation or Removal of Auditors

During the Period covered by the Financial Statements, the Auditors of the Company have not resigned nor have they been removed.

1.3 Selected Financial Information

The following selected historical financial information with respect to the Company and the s IMMO Share is derived from the Consolidated Financial Statements of the Company as of 31 December 2005, 31 December 2004 and 31 December 2003 and from the unaudited Interim Financial Statements of the Company as of 31 March 2006 and 31 March 2005 as attached hereto as Appendices A1., A2., A3., B1. and B2. The Consolidated Financial Statements, and the unaudited Interim Financial Statements of the Company have been prepared in accordance with IFRS:

Investors should read these summary selected financial data together with the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations (Operating and Financial Review)” (see Section 1.9), the Consolidated Financial Statements, and the Interim Financial Statements of the Company and the notes related thereto and other financial information included elsewhere in this Prospectus.

1.3.1 Selected Consolidated Financial Data

The Company

Key figures for the s Immo Group (in TEUR)

ASSETS	31/12/2005	Changes in %	31/12/2004	Changes in %	31/12/2003
Property, plant and equipment	709,186		447,389		337,196
Other	211,326		32,735		83,299

EQUITY AND LIABILITIES

Shareholders' equity	387,683		224,657		196,491
Debenture-like participatory rights	276,774		147,931		136,093
Non-current liabilities to banks	174,602		45,087		36,603
Other non-current liabilities	22,906		20,752		21,054
Current liabilities	43,314		33,573		22,358

INCOME STATEMENT	2005		2004		2003
Revenues	42,154		35,312		29,092
thereof rental income	34,192		29,351		24,057
Other operating income	7,587		2,095		816
Income from disposal of property	2,035		44		3,388
Aggregate operating performance	51,776	38%	37,451	12%	33,296
Depreciation/Amortization	-16,309		-11,035		-8,585
Other operating expenses	-19,378		-13,517		-12,984
Earnings before interest and tax	16,090	25%	12,899	10%	11,727
Net financial loss	-6,012		-6,280		-5,902
Earnings before tax	10,078	52%	6,619	14%	5,826
Income taxes	-1,585		-1,582		-1,523
Net income for the period	8,493	69%	5,037	17%	4,302
equity holders of the parent	6,806		5,037		4,286
minority interest	1,687		0		16
GROUP CASH FLOW I	28,890	25%	23,204	41%	16,489

KEY SHARE FIGURES

Average Number of shares in circulation	34,630,642		30,842,304		30,332,231
profit per share (in EUR)	0.20		0.16		0.14
Diluted profit per share (in EUR)	0.20		0.16		0.14

The s IMMO Share

Key figures for the s IMMO Share (in TEUR)

ASSETS	31/12/2005	Changes in %	31/12/2004
Property, plant and equipment	376,952		293,685
Other	161,557		17,590
EQUITY AND LIABILITIES	31/12/2005	Changes in %	31/12/2004
Equity attributable to equity holders of the parent	366,925	63%	224,657
Minority interest	11,958		0
Non-current liabilities	109,444	130%	47,680
Current liabilities	41,575	20%	34,686
INCOME STATEMENT	1/1-31/12/2005	Changes in %	1/1-31/12/2004
Revenues	23,812		21,206
thereof rental income	19,127		17,360
Other operating income	4,532		1,696
Income from disposal of property	1,192		0
Aggregate operating performance	29,536	29%	22,902
Depreciation/Amortization	-8,939		-6,909
Other operating expenses	-10,670		-8,439
Earnings before interest and tax	9,927	31%	7,554
Net financial loss	-852		-1,375
Earnings before tax	9,075	47%	6,179
Income taxes	-1,366		-1,142
Net income for the period	7,709		5,037
thereof interests of shareholders in parent company	6,806		5,037
thereof minority interests	903		0

1.3.2 Selected Interim Financial Data

The Company

Key figures for the s Immo Group (in TEUR)

Comparison of the Consolidated Interim Financial Statement as of 31/3/2006 and 31/3/2005

ASSETS	31/3/2006	Changes in %	31/3/2005
Property, plant and equipment	748,915		471,592
Other	212,310		48,299
EQUITY AND LIABILITIES	31/3/2006	Changes in %	31/3/2005
Equity attributable to equity holders of the parent	367,018		226,886
Minority interests	23,948		
Debenture-like participatory rights	275,506		166,214
Non-current liabilities to banks	209,084		58,930
Other liabilities	10,855		21,330
Current liabilities	47,143		37,831
INCOME STATEMENT	1/1-31/3/2006	Changes in %	1/1-31/3/2005
Revenues	16,116		10,172
thereof rental income	12,842		8,176
Other operating income	1,069		253
Income from disposal of property	1,132		2,108
Aggregate operating performance	18,317	46%	12,533
Depreciation/Amortization	-4,982		-3,018
Other operating expenses	-4,998		-3,951
Earnings before interest and tax	8,338	50%	5,564
Net financial loss	-3,657		-2,629
Earnings before tax	4,680	59%	2,935
Income taxes	-912		-524
Net income for the period	3,767	56%	2,411
thereof interests of shareholders in parent company	3,703		2,411
thereof minority interests	64		0
GROUP CASH FLOW I	12,099	88%	6,439

The s IMMO SHARE

Key figures for the s IMMO SHARE (in TEUR)

ASSETS	31/3/2006	Changes in %	31/3/2005
Property, plant and equipment	395,876		288,095
Other	165,070		37,981

EQUITY AND LIABILITIES	31/3/2006	Changes in %	31/3/2005
Equity attributable to equity holders of the parent	370,176		226,886
Minority interest	11,975		0
Non-current liabilities	126,622		50,179
Current liabilities	43,361		44,162

CONSOLIDATED INCOME STATEMENT	1/1-31/3/2006	Changes in %	1/1-31/3/2005
Revenues	8,262		5,928
thereof rental income	6,497		4,735
Other operating income	612		228
Income from disposal of property	1,132		1,265
Aggregate operating performance	10,006	35%	7,422
Depreciation/Amortization	-2,554		-1,775
Other operating expenses	-2,789		-2,542
Earnings before interest and tax	4,664	50%	3,105
Net financial loss	-222		-334
Earnings before tax	4,442	60%	2,771
Income taxes	-707		-360
Net income for the period	3,735	55%	2,411
thereof interests of shareholders in parent company	3,703		2,411
thereof minority interests	32		0

KEY SHARE FIGURES

Average number of shares in circulation	50,118,718	33,412,479
Basic profit per share (in EUR)	0.07	0.07
Diluted profit per share (in EUR)	0.07	0.07

1.4 Risk Factors

See Section “Risk Factors” starting on page 68.

1.5 Information About the Issuer

1.5.1 History and Development of the Issuer

1.5.1.1 Legal and Commercial Name of the Issuer

The full legal and commercial name of the Company is Sparkassen Immobilien Aktiengesellschaft.

1.5.1.2 Place of Registration and Registration Number

The Company is registered with the Commercial Register at the Commercial Court in Vienna/Austria under the registration number FN 58358x.

1.5.1.3 Date of Incorporation and Duration

The Company was founded on 14 June 1988 for an indefinite duration.

1.5.1.4 Domicile, Legal Form, Legislation of Operation, Country of Incorporation, Address and Telephone Number of the Issuer

The Company is a joint stock company in accordance with Austrian law. It is incorporated in, and subject to the laws of, the Republic of Austria. Its business address is A-1060 Vienna, Windmühlgasse 22-24, Telephone Number +43 (0) 50100-0.

1.5.1.5 Development of the Issuer

The Company was founded on 14 June 1988 as DIE ERSTE Immobilienvermietungs- und verwertungsgesellschaft m.b.H. with a nominal share capital of ATS 500,000 (rounded in Euro 36,300). Increases in 1988 and 1989 brought its nominal capital to ATS 76,500,000 (rounded in Euro 5,559,400).

As of 27 January 1989 the Company was transformed into a joint stock company (*Aktiengesellschaft - AG*) and its name changed to DIE ERSTE Immobilien Aktiengesellschaft. Several capital increases over the years brought the registered share capital of the Company to the amount of € 182,106,361.86 today.

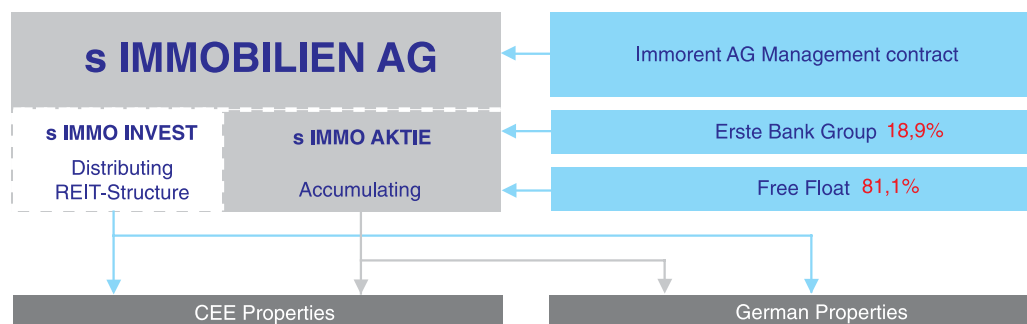
Pursuant to a merger agreement dated 10 April 2002, DIE ERSTE Immobilien Aktiengesellschaft (as the acquiring company) was merged with Sparkassen – Immobilienanlagen – Aktiengesellschaft (FN 79669k in the Commercial Register at the Commercial Court Vienna) as the company being acquired, by way of universal succession with retroactive effect to 31 December 2001. The merger was registered with the Commercial Register on 21 June 2002. In the course of this merger, DIE ERSTE Immobilien Aktiengesellschaft changed its company name to Sparkassen Immobilien Aktiengesellschaft.

By merger agreement dated 28 September 2005, the Company as acquiring company was merged with Arcade Meidling Errichtung und Verwaltung GmbH (FN 213690a), EBB Immobilienverwaltung GmbH (FN 53704a), and Gartenbau-Grundstücksverwertung Gesellschaft mbH (FN 49428p), three fully consolidated subsidiaries of the Company. The date of the merger balance sheet (*Stichtag der Verschmelzungsbilanz*) with respect to Arcade Meidling Errichtung und Verwaltung GmbH and Gartenbau-Grundstücksverwertung Gesellschaft mbH was 31 December 2004, with respect to EBB Immobilienverwaltung GmbH, 1 January 2005.

To further diversify its investment strategy and to attract additional investors, the Company within its portfolio has established a separate accounting entity in 1996, the s IMMO INVEST, and issued participatory certificates (*Genussscheine*) in this accounting entity. The issue proceeds derived from the Certificates are invested in real property owned by the Company and attributed to the s IMMO INVEST. The holders of the Certificates are, subject to the terms and conditions of the Certificates, entitled to the results from such real property.

Any profits from the s IMMO INVEST are made available exclusively to the holders of Certificates. Accordingly, Shareholders of the Company are not entitled to profit distributions out of, or proceeds from dissolution of, the s IMMO INVEST. Any profit distributions from CEE Property-Invest Immobilien AG to the Company are allocated to s IMMO INVEST *pro rata* to the percentage of its holding in CEE Property-Invest Immobilien AG.

The s Immo Group is currently (as of 2 June 2006) structured as follows (for a more detailed group-chart see Section 1.7.1):



1.5.2 Investments

1.5.2.1 The Issuer's Principal Investments since 1 January 2003

The following charts show the principal investments and developments of the s Immo Group in the years 2003 to 2005:

Investments of s Immo Group	2003	2004	2005
Purchase price in EUR m	34.5	122.1	248.4
m ²	11,184	76,202	106,031
Number of properties	5	8	11
Rental income of acquired properties in '000	1,440	8,403	18,363
Yield of acquired properties in %	6.8	7.3	7.6

Projects already completed

	Year of completion	m ²	Investment volume (in EUR m)	Percentage already rented
Bratislava / Galvaniho Business Center I Office	2004	11,374	12.0	100%
Prague / Wencelas Square Hotel / Retail	2004	8,767	15.8	100%
Vienna / Arcade Meidling Retail / Office	2005	18,886	34.3	100%
Vienna / Impulszentrum II Office	2004	5,804	7.6	87%
Vienna / Schönbrunner Strasse 108 Office	2003	2,642	5.2	100%
Vienna / Schönbrunner Strasse 131 Office	2003	2,148	4.0	92%
Budapest / Unilever headquarter Office	2003	9,172	15.9	100%

The following table shows the principal investments attributable to the s IMMO Share in the years 2003 to 2005:

Investments of s Immo Group	2003	2004	2005
Purchase price in EUR m	17.2	69.8	93.5
m ²	6,897	43,107	41,069
Number of properties	2	5	5
Rental income of acquired properties in '000	763	5,019	8,262
Yield of acquired properties in %	7.1	7.2	7.8

For a more detailed chart see Section 1.8.1.

1.5.2.2 The Issuer's Principal Investments in Progress

The Company concluded letters of intent for negotiating several investments on an exclusive basis and purchase agreements regarding transactions that are not completed yet. However, taking into account that these investment opportunities are located in highly competitive markets throughout the CEE region, Austria and Germany and are, therefore, subject to confidentiality undertakings of the Company, the Company is not in a position to describe the various projects in more detail than given below.

The respective purchases and developments will be funded through the current capital increase and debt financing to ensure a ratio between equity and debt financing of approximately 2:1 (i.e. 2/3 equity and 1/3 debt) (see also Sections 1.6.1.1 and 1.10.5). However, in the future, the Company plans to reach a net debt to equity ratio level of about 50%.

The following acquisitions and developments are pending:

Project developments s Immo Group*

	m²	Finalisation capex realised (in EUR m)	Investment capex envisaged (in EUR m)	Investment already rented	Percentage
Bratislava, Galvaniho Business Center II	13,940	May 2006	14.0	4.0	85%
Prague, Na Pankraci "Gemini"	51,000	2008	13.5	54.0	0%
Vienna Brünner Straße	14,074	Sep. 2006	4.4	12.6	100%
Budapest Pergola Building	6,000	2009	0.3	16.0	0%
			32.2	86.6	

* property purchased, development under progress

1.5.2.3 Issuer's Principal Future Investments

See Section 1.5.2.2 above.

Acquisition targets for investments of the s Immo Group Q2-Q4 2006:

Location	Type	m ²	target purchase price in EUR m	target rental income p.a. in '000	target yield in %
Hamburg	Office	7,119	16.8	1,033	6.2
Berlin*	Residential	32,397	17.8	1,381	8.0
Berlin*	Res/Office/Commercial	37,436	54.0	3,787	6.2
Budapest	Trade Center/Office	5,717	10.5	876	8.3
Bucharest	Hotel/Retail	259 rooms	29.5	2,750	9.0-9.5
Germany	7 Hotels	841 rooms	46.8	2,90	6.2
Germany	Retail	57,000	157.0	9,500	6.1
Zagreb	Office	8,000	21.0	1,800	8.9
Kiev	Retail	34,910	52.8	7,128	13-14
			406.2	31,161	

* purchase agreement concluded

Acquisition targets for developments of the s Immo Group 2006-2008:

Location	Type	m ²	target land purchase price in EUR m	target rental income p.a. in '000	target yield in %	Completion
River Star Karlin/Prague*	Hotel	9,000	2.5	1,300	8.0	2008
Bratislava	Off/Hotel Retail	50,000	6.0	5,000	8.0-8.5	2009
Budapest	Office	5,000	2.0	920	8.8	2007
Bucharest	Retail	76,800	7.0	15,000	9.5-10.5	2008
Kosice Airport	Industrial	260,000	7.0	10,000	8.0	2009
Bucharest	Office/Retail	50,000	9.0	6,500	10.0	2008
Vienna*	Residential	7,100	2.0	557	5.75	2008
Vienna	Retail	12,500	12.2	1,100	7.0	2007
			47.7	40,377		

* purchase contract concluded

With respect to financing of the future acquisitions and developments see Section 1.5.2.2.

1.6 Business Overview

1.6.1 Principal Activities

1.6.1.1 Business of the Company

Current Business

The Company evolved from the Erste Bank Group and focuses on investments in real property in prime locations in Austria and Germany as well as CEE. Erste Bank Group, one of the leading financial institutions in Austria and CEE, still holds 18.9% in the Company and is a provider of management

services through its wholly owned subsidiary Immorent AG. Further, the Company benefits from the presence of the Erste Bank Group in CEE to further develop its activities in this region.

The business of the Company comprises:

- the acquisition of developed and undeveloped real property and similar rights in real property (such as building rights on third party property);
- the development of, and building on, undeveloped real property; and
- the commercial use of the real property acquired.

The Company has the strategy to invest in quality and focuses on prime areas in city centers of European metropolises. Hence, the Company strongly focuses on secure and sustainable investments, comprising high value property. Accordingly, the investments of the Company have to be secure, stable and growth oriented. A broad diversification into several regional markets as well as a sectoral diversification of the real property is intended to secure this investment strategy. The real property portfolio of the Company mainly comprises residential, office, retail and hotel property in Austria and Germany (through its subsidiaries BGO and IMMIN Beteiligungen GmbH) and office, retail and hotel property in prime locations in the capitals and urban centers of the CEE region (through its wholly owned subsidiary CEEPI). Top tenants of the Company are, among others, Unilever, OMV, Peek & Cloppenburg and Citibank.

The portfolio within the s IMMO Share mainly comprises residential, office, retail and hotel property in Austria and Germany (through its wholly owned subsidiary BGO), and office, retail and hotel property in prime locations in the capitals of the CEE region (through its wholly owned subsidiary CEEPI).

Investment Policy

The investment policy of the Company since 2000 increasingly focuses on the CEE area. The Company thereby focuses primarily on the acquisition of office and retail property as well as hotel property in prime locations in the capitals of the newest EU member states, the immediate EU membership candidate states and other selected CEE countries. The profitability of the planned investments in the EU membership candidate states Romania and Bulgaria is expected to be enhanced by the accession of these countries to the EU, which is expected for 2007. In the mid-term, the strategy of the Company also comprises investments in other CEE countries such as Croatia and Ukraine.

The investment policy of the Company also focuses on real property in Germany, which has become a significant part of its portfolio. Due to the current market situation, in the opinion of the Company, property investments in Germany are expected to generate attractive yields in a stable political, economic and legal environment. Accordingly, long term planning sees a significant percentage of the total assets located in important cities such as Hamburg, Munich and Berlin.

The Company currently acquires real property in the CEE region and in Germany, respectively, through CEEPI and BGO, two subsidiaries which serve for this specific purpose. Ernst Vejdovszky and Holger Schmidtmayr are the members of the Management Board of CEEPI and the managing directors of BGO. Pursuant to the Company's strategy, more than 50% of the real property in both CEE and Germany are allocated to s IMMO Share (for more detailed information see Section 1.8). To this effect, more than 50% of the shares in CEEPI and 100% of the shares in BGO are allocated to s IMMO Share. BGO in turn holds shareholdings ranging from 50.01% to 100% in companies in which the German assets are held. Minority shareholdings in some of these companies are held by IMMIN Beteiligungen GmbH, a wholly-owned subsidiary of the Company, which shares are allocated to s IMMO INVEST (for more detailed information on shareholdings see Section 1.7.1).

For a list of real property currently held by CEEPI and BGO see also Section 1.8.1. Currently the Company is negotiating the acquisition of several major projects in Austria and abroad.

Paramount for the investment policy of the Company is securing and enhancing the profitability of the s IMMO Share through lease agreements on a sustainable rent level. Further, to minimize risk, the Company diversifies its portfolio according to regional and sectoral markets.

The quality criteria of the investment policy of the Company may briefly be summarized as follows:

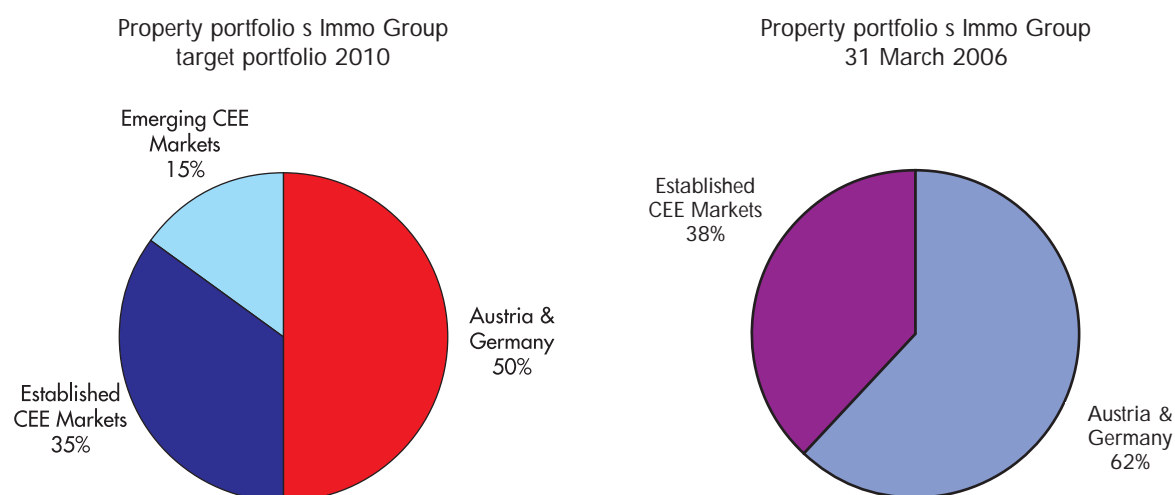
- Build up of a diversified portfolio of high quality, well-let assets in CEE, Austrian and German markets
 - located in central business districts of major cities
 - with first class tenants
 - with high quality building structure
- using in-house acquisition teams
- Development strategy for CEE markets where developed property suitable for the quality standards of the Company is not available
- Focus on majority investments
- Direct control of acquisitions and management
- Diversified exposure to leasing risk with varied lease expiries and locations
- Long term hold and value add strategy

Before each acquisition the Company verifies the conditions detailed above during an extensive due diligence process covering legal, tax, financial and technical issues. Moreover, to avoid the risks linked to fluctuations of interests, the management currently believes in conservative financing and a ratio between equity and debt financing of approximately 2:1 (i.e. 2/3 equity and 1/3 debt) (see also Sections 1.5.2.2 and 1.10.5). However, in the future, the Company plans to reach a net debt to equity ratio level of about 50% combined with financing based on long-term interest rates.

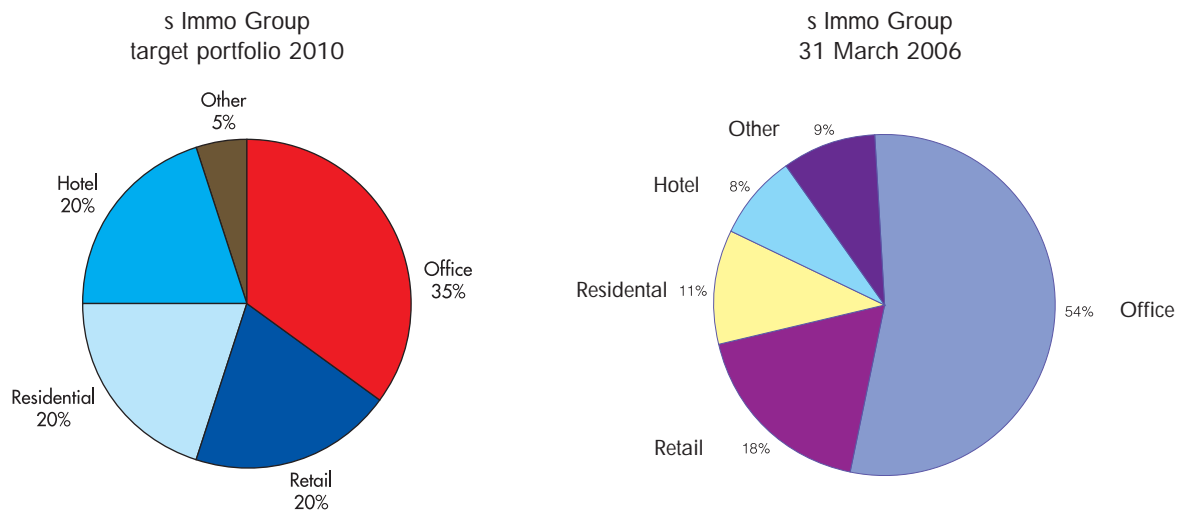
Investment Targets

By 2010, the s Immo Group plans to increase its investments to a total value of EUR 3 bn being divided by region into EUR 1.5 bn in Austria and Germany and EUR 1.5 bn in CEE. The Company plans to maximize its cash earnings per share and to increase within the next three years its net debt to equity ratio to about 50%.

The following chart shows the target property portfolio of the Company compared to the property portfolio as of 31 March 2006 by region:



The following chart shows the planned future property portfolio compared to the property portfolio as of 31 March 2006 by sector:



1.6.1.2 Significant New Products and/or Services

Not applicable.

1.6.2 Principal Markets

The following Section provides selected information on the real property markets where the Company is active or intends to be active. This Section neither purports to cover all relevant issues in this respect nor to be a comprehensive description of all the matters discussed below. Unless otherwise mentioned herein, the source of the information on the real property market is a special market report prepared for the Company in April 2006 by DTZ Zadelhoff Tie Leung, International Property Advisers, Bajcsy Zsilinsky ut 42-46, 1054 Budapest, Hungary (“DTZ”).

1.6.2.1 General

The main macroeconomic factors that influence real property markets are, among others, GDP growth, production growth, consumer behaviour, demographic development, inflation and interest rates. Important key figures investors should consider are vacancy levels, rent prices and yields. Yields give investors information on the return on real property investments.

The Company believes that the CEE region generally remains an attractive market with promising yields. However, in the opinion of the management, there are significant regional differences between countries that recently joined the EU, such as the Czech Republic, Hungary or the Slovak Republic, the immediate EU membership candidate states, such as Romania and Bulgaria, and selected other non-EU CEE countries, such as Ukraine and Croatia, where the Company intends to invest. The increased risks which the Company has to face in these non-EU countries are accompanied by higher yields.

In order to limit the potential impact of these risks, the Company maintains a diversified portfolio in terms of geographical real property investments. In this respect, the Company considers its investments in Austria and Germany as important investments, in particular in Germany, where investments are expected to generate highly attractive yields in a stable political, economic and legal environment.

1.6.2.2 Austria

Economic environment in Austria

The Company considers the Austrian Market as stable and secure. Growth estimates for 2006 and 2007 were revised upwards to 2.4% and 2% respectively. Consumer spending, which was weak during the last years, is expected to increase by 1.8% in 2006 and 2% in 2007. Inflation rates are expected to stay at levels of around 2%. Interest rates are considered to rise in the next months (Source: Erste Bank).

Real property market in Austria

Compared to other European markets, levels of vacancy rates, rents and yields have developed moderately. A transaction volume of approximately EUR 1bn mainly focused on office (40%) and mixed premises (50%) has been recorded in 2005, i.e. a 25% increase in comparison to 2004. The Company expects a stable development in the Austrian real property market.

Office market in Austria

In the opinion of the Company, the Austrian office market is still characterized by a steady demand in a context of stabilized vacancy rates, interest rates and yields. The office vacancy rate of 6.5 % in 2005, was the same as in 2003, with a slightly higher level of 6.8 % in 2004. With an average of EUR 20 per sqm and per month, the prime office rent remained stable during the years 2003 to 2005. Also with prime office rents yields levels of 5.8%, the years 2003 to 2005 remained stable. The steadily increasing take-up in the Vienna office market (from 186,000 sqm in 2003 to 280,000 sqm in 2005) is not yet offset by accelerating development activity. Consequently, the Company believes that a large number of projects can still be realized. However development activity fell from 260,000 sqm in 2003 to 220,000 sqm in 2005. This is likely to result in a break of the existing equilibrium and the start of a downward vacancy trend, potentially leading to an increase in prime rents, potential growth in the investment market and pressure on the existing 5.8% prime investment yield.

Retail market in Austria

The stock of retail space in Vienna at the end of the year 2005 was estimated at 1,185,000 sqm. An additional 500,000 sqm is estimated to be scattered around the city in non-central locations. In top locations, such as the Vienna prime retail streets Kärntner Strasse and Mariahilfer Strasse rents remain stable. These locations show prices of approximately EUR 200 per sqm and per month. Investment yields for prime locations showed a decrease from 5% in 2003 to 4.5% in 2004 and stayed stable over the year 2005 at 4.5%.

Residential market in Austria

In the opinion of the management, the Austrian residential property market is characterized by the fact that only prime locations are highly sought for. The management thinks that there is a strong interest for recently renovated buildings build at the turn of the 20th century. However, according to Collier Columbus (Colliers Columbus / Colliers International - Real Estate Market Report/Austria 2006), the residential property market in Austria moves away from being purely demand-led. Residential yields in Vienna are in the 3.5 – 5.0% range depending on age, quality, size of flat and if subject to the Austrian rental act (*Mietrechtsgesetz*). Rents are currently in the EUR 10–18 range.

1.6.2.3 Germany

Economic environment in Germany

The German market is considered by the management as an attractive market. The outlook for 2006 and 2007 are promising. In particular GDP is expected to climb in 2006 from 1% in 2005 to 1.6% and stay stable in 2007. This allows the management to believe that consumer confidence, which was weak in the past, will rise in the near future. Inflation rates are expected to be lower than in Austria in 2006 (1.5%) and around 2% in 2007. As in Austria, interest rates are considered to rise in the next months (Source: Erste Bank).

Real property market in Germany

Recently German open-ended property investment funds have been heavily discussed in the German property market community, as property prices are, at least partly below levels of the middle 1990's. The difficult economic situation and general oversupply of new property resulted in a long depression of property prices. However, an improved macroeconomic situation in Germany as well as the low interest rate environment allows, in the opinion of the management, attractive investments in Germany.

According to DTZ, 2005 was by far the best year ever for the German property investment markets and showed a record transaction volume in excess of EUR 51.4bn (with EUR 24bn for commercial properties, EUR 15.8bn for residential portfolios and EUR 12bn for non-performing loans). The most significant impact was the dramatic increase in the activity of foreign investors (76% of the aggregate turnover). The amount of EUR 24bn invested in 2005 in commercial real estate includes 10bn in rents and 8bn in retail. Investments were focused on Frankfurt showing EUR 2.9bn (2.6-times vs 2004), Berlin with EUR 1.7bn (1.8-times), Hamburg amounting to EUR 1.6bn (1.6-times) and Munich EUR 1.4bn.

Office market in Germany

The Company believes the German office market not to be uniform and, accordingly, focuses on major cities, such as Berlin, Düsseldorf, Frankfurt/Main, Hamburg and Munich. In 2005, take-up in these five markets was 14% higher than in 2004 and 6% higher than the average level of take-up over the last 10 years. Let volume in 2005 was mostly higher due to relocations rather than expansions or new lettings. Compared with previous years, the volume of new supply in 2005 was below average and lower than the registered letting volume.

In particular, Frankfurt and Munich showed an increase in corporate activity compared with 2004. However, this increase had no influence on prime rents at least in Frankfurt. Frankfurt showed a decrease from EUR 43 per sqm and per month in 2003 to EUR 33 in 2005. This decline might be explained by an increase in the vacancy level (from 12.2% in 2003 to 17.9% in 2004 and 17.7% in 2005). Both office rents and vacancy levels had been the highest in Frankfurt. Munich showed stable office rents in the amount of EUR 32 per sqm and per month for the last three years. The vacancy levels in this city increased from 8.5% in 2003 to 10.7% in 2004 and decreased to 10.2% in 2005. Hamburg, which has the lowest office rents and vacancy levels compared to the other cities, showed a slight decrease from EUR 22 per sqm and month in 2003 to EUR 19 in 2004 and 2005. The vacancy levels in Hamburg increased from 6.9% in 2003 to 7.5% in 2004 and 2005. Berlin showed a slight decline from EUR 24.5 per sqm and per month in 2003 to EUR 21.5 in 2005. Vacancy levels only slightly changed between 2003 (9.6%) and 2005 (9.5%), with the exception of 2004, where the vacancy level amounted to 10.2%. Prime rents in Düsseldorf showed a minor decline in the last three years, from EUR 23 per sqm and per month in 2003 to EUR 21.5 in 2005. Düsseldorf vacancy levels jumped from 13.6% in 2003 to 14.8% in 2004 and back to 12.3% in 2005.

In 2005, the main markets Frankfurt, Berlin, Düsseldorf, Hamburg and Munich showed yields ranging from 4.5% to 5.2%. Hamburg had the highest yield amounting to 5.3% in 2003, 5.5% in 2004 and 5.2% in 2005. On the other end of the range is Munich and Frankfurt (both 4.5% in 2005). While yields were stable in Munich with 4.5% during the years 2003 to 2005, Frankfurt had to face a drop from 5% in 2003 and 2004 to 4.5% in 2005. Yields in Düsseldorf increased from 4.5% in 2003 to 5% in 2004 and were stable in 2005. The years 2003 to 2005 showed no change of yields in Berlin (4.8%).

Retail market in Germany

The retail market continued to suffer in 2005, due to high unemployment, low levels of consumer spending and increasing Internet sales. This, in the opinion of the management, forced investors to consider the choice of location as a priority. However, this does not require to concentrate solely on the main markets (Berlin, Düsseldorf, Frankfurt/Main, Hamburg and Munich), but also to make selected investments in other promising German cities.

Prime rents remained stable in 2005 in the five main markets, but experienced downward pressure in secondary locations. According to DTZ, 2006 will be characterized by an increase in supply and continuing improvement in the quality of space, as new completions are expected in Berlin and

Hamburg in 2006. Hence the Company expects some pressure on turnover per sqm for retailers. In Munich, prime rents per sqm and per month are the highest among the main markets, and remain stable at EUR 230 per sqm and per month. Rents in Hamburg had been stable as well at EUR 200 per sqm and per month in the years 2003 to 2005. Frankfurt showed an increase of nearly 15% from EUR 194 per sqm and per month in 2003 to EUR 220 in 2005. After a short drop from EUR 190 per sqm and per month in 2003 to EUR 185 in 2004, prime rents in Düsseldorf remained stable in 2005. Berlin showed a sharp decrease from EUR 200 per sqm and per month in 2003 to EUR 175 in 2004 making them the lowest among the five main markets, but with a slight recovery to EUR 180 in 2005. Despite a relatively strong demand from discount retailers for shopping centre space, retail space in shopping centres did not change in the main markets from the years 2004 to 2005, except in Berlin, where the retail space increased to 841,408 sqm. However, some development projects are expected to be completed in the years 2006 to 2008.

Prime shopping centres showed yields between 5% and 6.5% for the last three years, whereby only Frankfurt had to face a sharp decline from 6.5% in 2003 and 6.3% in 2004 to 5% in 2005. Munich showed stable yields during the years 2003 to 2005 of 6%. Yields in Düsseldorf increased to 6.5% in 2005, after a slight decline from 6.3% in 2003 to 6% in 2004. A decrease from 6.5% in 2003 and 2004 to 6.4% in 2005 was observed in Hamburg and from 6.5% in 2003 to 6.3% in 2004 and 6.1% in 2005 in Berlin.

Residential market in Germany

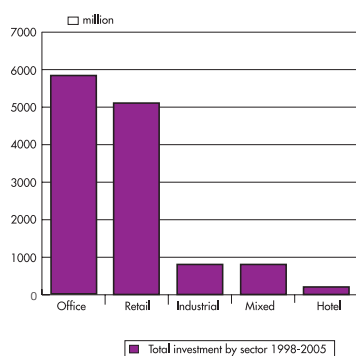
During the years 2004 to 2005, the average rental index for Germany increased by between 1.6% and 2%. New completions for all of Germany decreased by 15% in 2005 (15.9 mn sqm in 2004 to 13.5 mn sqm in 2005).

Berlin, which has the highest number of households (1,894,000 households in 2005) also showed the highest vacancy rates (7.9% in 2003, 7.6% in 2004 and 7.7% in 2005), Munich (732,000 households in 2005) the lowest (4.4% in 2003, 4.8% in 2004 and 4.3% in 2005). Vacancy levels in Hamburg slightly decreased from 6.8% in 2003 to 6.4% in 2005. After a drop from 6.6% in 2003 to 6.0% in 2004, Düsseldorf showed almost stable vacancy levels from 2004 to 2005 (6.1%). In Frankfurt vacancy increased in 2004 from 5.3% to 5.9% and fell to 5.6% in 2005.

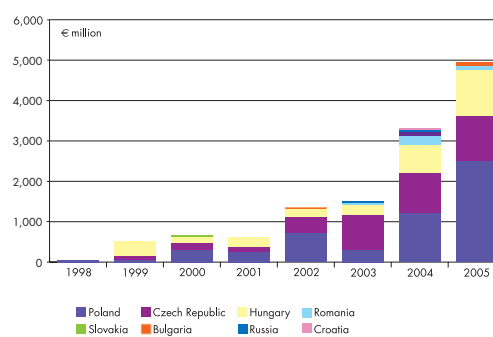
1.6.2.4 CEE

The CEE real property market was the most dynamic in Europe in terms of growth rates and investor interest. According to DTZ, EUR 13bn have been invested in CEE countries from 1998 to 2005 with a main focus on office (45%) and retail (40%). Investments have dramatically increased over the last two years with EUR 3bn in 2004 and EUR 5bn in 2005 (+65%). Between 1998 and 2005, Poland (>EUR 5bn), the Czech Republic (EUR 3.6bn) and Hungary (EUR 3.1bn) had been the top three countries. The three major investment countries for source of capital were Germany, the United States and Austria.

Total investment by sector 1998 – 2005

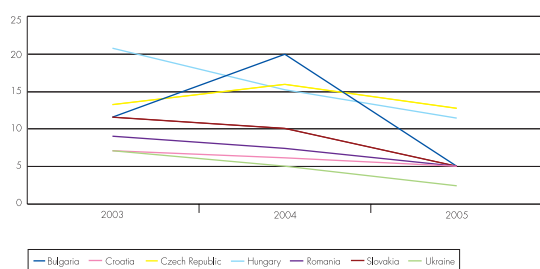


Destination of capital

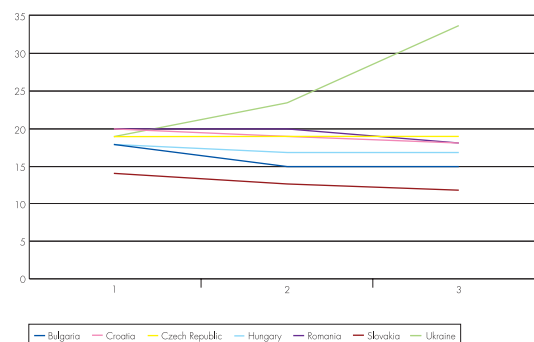


The Czech Republic is the most active market for new office real estate even if construction of new offices boomed in 2005 in Romania. In CEE, average vacancy rates decreased from 2003 to 2005 and are currently in a range of 3-12% (DTZ). According to DTZ, average prime rent prices are between EUR 15-20 per sqm and per month except for the Slovak Republic and Ukraine. Prime office yields dramatically decreased and currently range from 6.8% to 9.5%.

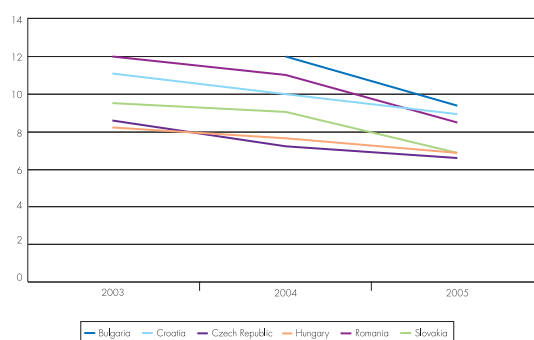
Vacancy rates (%) 2003 – 2005



Top rent prices (EUR/m²/month) 2003 – 2005



Prime office yields (%) 2003 – 2005



The Company believes that the penetration of prime office and prime retail is still far below the Western European averages. Notwithstanding the increasing competition by other real property companies, such as Immofinanz, Invanhoe Cambridge, ING, Klépierre, Orco Property Group and Meinl European Land, the Company is convinced that the CEE potential is still far from being fully exploited due to the significant demand for class A properties in this region. The Company is currently not active in the residential market in CEE as it considers this market segment in CEE to provide only limited business opportunities.

Albeit the Company is convinced of the dynamics in the CEE region, it is of the opinion that the future outlook differs between the countries that recently joined the EU, such as the Czech Republic, Hungary or the Slovak Republic, the immediate EU membership candidate states, such as Romania and Bulgaria, and other non-EU countries such as Ukraine or Croatia. The latter countries will show increasing yields as a result of the greater risks investors will have to face in these countries.

1.6.2.5 Hungary

Economic environment in Hungary

In the opinion of the Company, domestic demand is expected to play a significant role in 2006, as the fiscal policy became expansive during the last year. Hence, the Company believes that neither the former government's strict obligation to cut the budget deficit nor the outcome of recent elections and

the necessity for the new government to launch fiscal reforms will negatively impact this trend. Consumer spending is expected to increase by almost 4% from 2005 to 2006. GDP increased by 4.2 % in 2005, 4.6% in 2004 and 3.4% in 2003. Due to possible tax cuts, a lower inflation is assumed in 2006 but a return to a 3-3.5% increase is expected in 2007. Interest rates are considered to be stable at approx. 7% (Source: Eurostat, Sveriges Riksbank, Schweizerische Nationalbank, Erste Bank).

Real property market in Hungary

The investment volume considerably increased over the last two years up to EUR 1bn in 2005, with a focus on offices (50%) and retail (25%). A return to positive market fundamentals, combined with a weight of money seeking positive yield gap has caused a compression in investment yields. Prime office yields decreased over the last years to 7% in 2005 and shopping centre yields to 7%. However, the Company continues to expect that the investment market will remain strong during 2006 and 2007 and anticipates prime office and retail yields to stabilize at approximately 6% in 2006 and 2007.

Office market in Hungary

The downward rental trend, caused by short-term oversupply has now stabilised and development activity has been reduced to, in the opinion of the Company, more acceptable levels. However, building activity has started to increase again. As a result supply is expected to exceed demand again. Meanwhile, the leasing market has shown a positive trend in take-up, reducing the vacancy closer to more manageable levels in 2005. It should be noted that the vacancy mentioned in here is an overall vacancy and includes lower quality assets, not suitable for international occupiers, and not part of the Company's strategy.

The office take-up significantly increased from 131,369 sqm lettable space in 2002 to 230,200 sqm in 2004 and slightly increased to 236,836 sqm in 2005. This is in contrast to the significant decrease in construction activity from about 150,000 sqm in 2002 to about 73,000 sqm in 2005. The office vacancy levels fell from 20.9% in 2002 to 11.6% in 2005. Office rents dropped from EUR 17.75 per sqm and month in 2002 to EUR 17.5 in 2004 and remained stable in 2005. Prime office yields decreased over the last years from 8.3% to 7% in 2005 but are expected to stabilize between 5.5% to 6.5% during 2006 and 2007.

Retail market in Hungary

Retail space slightly increased from 405,000 sqm of shopping center space in 2003 to 452,000 sqm in 2005. In 2007, a development of 70,000 sqm is expected, which leaves, in the Company's opinion, enough room for additional space in the coming years. Compared with the EU-25 average of 159 sqm of gross lettable area per thousand inhabitants, Hungary only has 89 sqm gross lettable area.

Prime downtown locations currently show prices of approximately EUR 90 to 100 per sqm and per month, followed by EUR 70 to 100 for prime shopping centers. For a typical city shopping center EUR 30 to 40 could be expected. Lowest rents may be invoiced for suburban shopping centers for which EUR 10 to 25 per sqm and per month are considered as market standard. Investment yields for prime locations decreased from 9% in 2003 to 8% in 2004 and 7% in 2005. In the coming years, retail yields are expected to stabilize between 5.5% to 6.5%.

1.6.2.6 Czech Republic

Economic environment in the Czech Republic

Consumer spending growth is expected to be moderate at approximately 2.8% in 2006. The GDP increased from 3.2% in 2003 to 4.7% in 2004 and 6% in 2005. Inflation is expected to reach an average level of 2.6% in 2006. The strong growth of the Czech economy should not trigger any domestic demand inflation. Due to the fact that elections take place in June 2006, the risk for increased volatility seems to be low. The Czech National Bank is not expected to change interest rates, at least until autumn 2006. Since monthly interest rates did not change and were in March 2006 at approximately 3% (Source: Eurostat, Sveriges Riksbank, Schweizerische Nationalbank, Erste Bank).

Real property market in the Czech Republic

Over the last three years, investment volumes increased significantly from EUR 800m in 2003 to EUR 1.1bn in 2005, with main focus on retail (55%) and office (35%). Prague was one of the first CEE markets to attract international investors and is currently considered to be a core market for many investor groups. Prague has already benefited from significant yield compression. However, the Company believes that Prague is still an attractive market as it combines the stability of major Western European markets with higher yields. The management of the Company expects a stabilization in retail yields to about 6% in the coming years.

Office market in the Czech Republic

The strong development in activity in 2003 and 2004 was not met by an increased take-up which led to a vacancy rate of 15.6% in 2004. However, demand for modern office space kept prime rents steady. Take-up now appears to have started an upward trend again and it is possible that we will see upward pressure on rents for the best space in 2006 despite the overall increase of supply. Average rents remained stable at EUR 19.00 per sqm and per month from 2002 to 2005. Like in many CEE markets, there is a significant proportion of lower quality office space that is not suitable for international occupiers and which tends to take longer to let, hence distorting the overall vacancy rate. The office vacancy rate increased from 12.0% in 2002 to 13.8% in 2003 and 15.6% in 2004 and decreased to 12.5% in 2005. After a constant increase in construction activity, new supply fell to 144,000 sqm in 2005 compared to 171,000 sqm in 2004. Prime office yield decreased from 8.8% in 2002 to 8.5% in 2003, 7.5% in 2004 and 6.8% in 2005. However, prime office yields should stabilize between 5.5% and 6.5% in 2006 and 2007.

Retail market in the Czech Republic

The total stock of shopping center space was estimated to be around 520.000 sqm at the end of 2005 compared with 395.910 sqm in 2004. There was a pronounced increase in 2005 with the opening of five shopping centers and more to come in the next years. Given the current spending levels, the Czech retail market is largely saturated. However, the Company believes supported by a survey of DTZ, that the Czech retail market is still undersupplied compared to Western Europe. The space per thousand inhabitants amounts to 107 sqm of gross lettable area compared to 159 in the EU-25 market. International retailers still pushing into Prague's prime retail market explains the planned development of about 121.500 sqm in 2006. The average prices for rents range from EUR 100 to EUR 150 per sqm and per month in prime downtown locations, from EUR 60 to EUR 100 per sqm and per month in secondary downtown and from EUR 15 to EUR 35 per sqm and per month in typical city shopping centres. Yields for prime shopping centres dropped from 8% in 2003 and 7.5% in 2004 to 7.25% in 2005 and are expected to stabilize between 5.5% to 6.5% in 2006 and 2007.

1.6.2.7 Slovak Republic

Economic environment in the Slovak Republic

The management of the Company expects some structural changes in 2006 all of them with a focus on enhancing exports. GDP growth rate was 4.6% in 2002, 4.5% in 2003, 5.5% in 2004, 6.0% in 2005. The GDP growth rate is expected to amount to 6.2% in 2006. In addition real wages are supposed to continue to grow next year, albeit this development will be slower than in 2006. Notwithstanding that this could result in a slight slowdown in consumption, the dynamics are expected to remain solid. Consumers saw an upward adjustment of prices beginning this year. The central bank's inflation target for 2006 is near 3.0%. Interest rates raised from an average of 4% in 2005 to 4.5% in March 2006 (Source: Erste Bank).

Real property market in the Slovak Republic

Investment volume soared over the last two years to reach approximately EUR 250m in 2005 with a main focus on office (60%) and retail. Bratislava is considered as an addition to core international investment markets for many investor groups. Strong interest particularly from Irish consortia has established market liquidity. Compression of prime yields has already generated considerable capital

gains for early investors. This downward trend in investment yield is likely to continue, at least as long as Bratislava continues to offer relative value. A stabilization of prime office and retail yields to 6.5% in 2006 and 2007 is expected by the Company.

Office market in the Slovak Republic

Due to political reasons, the Slovak Republic attracted international activity on a later stage than its sister country the Czech Republic. The proximity to Vienna (approximately 45 minutes by car) was the reason why in the past most international companies conducted their activities in the Slovak Republic from their Vienna office. However, as more and more international companies moved their activities to Bratislava, the international office market in Bratislava started to develop. The Company therefore believes that the proximity of Vienna can also be a chance for further demand.

Initially, low supply of modern international space meant escalating rents and strong reduction in vacancy rates (12% in 2003 vs. 5% in 2005). This situation has now eased and the market is approaching equilibrium (at lower rental levels). The office rents decreased from EUR 15.50 per sqm and per month in 2002 and 2003 to EUR 15.00 in 2004 and EUR 14.50 in 2005. After a constant increase of lettable space from 20,000 sqm in 2002 to 85,000 sqm in 2004, the office take-up decreased for the first time to 60,000 sqm in 2005. Construction of new office property was still high with 50,000 sqm in 2005, with a peak of 75,000 sqm in 2003. Prime office yields decreased to 7% in 2005 and are likely to decrease slightly further. However, after falling from 10% in 2002 to 9% in 2004 and 7% in 2005, yields are expected to be stabilized until 2007 between 6% and 7%.

Retail market in the Slovak Republic

The shopping centres space increased from 156,500 sqm in 2002 to 166,600 sqm in 2003 and remained stable after that. However, between 2007 and 2009, additional shopping centres (e.g., Aupark, Eurovea, Riverpark, Yosaria) should add approximately 110,000 sqm. Outside Bratislava, the Slovak Republic offers a limited modern retail market. Currently, the Slovak Republic's 89 sqm gross lettable area per thousand inhabitants are far below the EU-25 average of 159 sqm. The average prime rents range from EUR 15 to EUR 25 for shopping centres and amount to approximately EUR 30 for smaller units. Yields for prime shopping centres are supposed to reach 7% in 2005 and are expected to stabilize between 6% and 7% in 2006.

1.6.2.8 Bulgaria

Economic environment in Bulgaria

This year a decision on Bulgaria joining the European Union in January 2007 or 2008 is expected. The economic situation in the year 2006 will be influenced in addition to this decision by the presidential elections, which are scheduled for the end of this year. Mainly driven by strong domestic demand, GDP growth may be considered as stable, with 4.5% in 2003, 5.6% in 2004 and 5.4% in 2005. However, this year slower wage growth could give pressure on the GDP growth. One-off effects pushed inflation to 6% in 2005 (Source: Erste Bank).

Real property market in Bulgaria

Although investor demand was high over the last years, the international investment activity was relatively low due to the lack of existing investment opportunities. In 2005 only EUR 80m had been invested in Bulgaria. Prime office and retail yields currently are between 9 to 10%. Sofia is considered to be an attractive investment market.

Office market in Bulgaria

The Bulgarian office market experienced a steady growth in office supply and take-up but the market still remains small. Office demand is expected to remain strong in 2006-2007 in particular due to the strong interest of large multinational companies. Due to the fact that there is not sufficient Class A office space, the vacancy rate is currently close to zero for this asset class. In general, the overall vacancy rate increased from 12% in 2003 to 20% in 2004 and decreased to 5% in 2005. The office take-up doubled

from 2003 to 2005 (30,000 sqm office space take up), construction activity increased to 25,000 sqm in 2005. Prime office rents decreased from EUR 18 per sqm and month in 2003 to EUR 15 in 2004 and remained stable in 2005 due to the lack of office space.

Retail market in Bulgaria

Few new existing shopping centers in Sofia and a small pipeline for the year 2006, result in negligible 0.2 sqm of gross lettable area per thousand inhabitants (as compared to the EU-25 average of 159 sqm). The prime rents currently range from EUR 75 to EUR 100 per sqm and per month for prime downtown and from EUR 12 to EUR 50 for typical shopping centers.

1.6.2.9 Croatia

Economic environment in Croatia

The Company is of the opinion that Croatia's application for EU membership (expected in 2009) should have a positive impact on the sustainability of the growth process in this country. GDP growth jumped from 4.3% in 2003 to 3.8% in 2004 and 4.2% in 2005. The years 2005 and 2006 show strong investment activity (Source: Erste Bank).

Real property market in Croatia

Although investor demand was high over the last years, the international investment activity was relatively low due to the lack of existing investment opportunities.

Office market in Croatia

Based on a survey of DTZ, the Company estimates a promising office property supply and a very large pipeline to be in place for 2006 and 2007. It is however not assumed that the take-up will match supply during this period. Due to increasing interest in prime location office vacancy levels decreased steadily from 7% in 2003 to 5% in 2005. At better Class A buildings vacancy is close to zero but is expected to rise in 2006 and 2007. Take up increased to 55,000 sqm in 2005 after two constant years. The office construction activity slightly decreased from 42,400 sqm in 2004 to 39,000 in 2005, but is still close to double of 2003 (20,000 sqm). Prime office rents fall from EUR 20 per sqm and month in 2003 to EUR 18 in 2005. Pressure with delivery of new supply seems to come in the near future. Prime office yield decreased from 11% in 2003 to 9% in 2005 and should stabilise at this level.

Retail market in Croatia

Few existing shopping centers in Zagreb and a small pipeline for 2007 (GTC's Avenue Mall in Novi Zagreb) were partly substituted by downtown retail shops. However, the small gross lettable area of 44 sqm per thousand inhabitants (against 159 sqm for EU-25 average) gives sufficient room for investments in Croatia.

1.6.2.10 Romania

Economic environment in Romania

Together with the decision on Bulgaria, the European commission will also decide on Romania's application to join the EU as scheduled in January 2007 or in 2008. GDP growth increased by 5.1% in 2002 and by 5.2% in 2003 and decreased to 4% in 2005, after an exceptional growth of 8.3% in 2004. DTZ expects in its survey high economic growth rates of approximately 5 to 6% in 2006. The Romanian Central Bank committed itself to inflation-targeting at a rate of 5.5% ($\pm 1\%$). However, as there was still credit and wage growth this target was missed in 2005 and is expected to be missed again in 2006 (Source: Erste Bank).

Real property market in Romania

Investment market was high over the last two years: EUR 160m in 2004 and EUR 100m in 2005 with a main focus on offices and industrial. Continued growth is forecast in 2006 to 2007 both in Bucharest

and the rest of the country. Yields were under pressure in 2005 to reach 8.5% for prime office. The management expects prime office and retail yields to fall to about 7.5% in 2006.

Office market in Romania

Since 2001, modern office space has doubled although from a low base. At present, demand for Class A real property can not be met by supply. Accordingly office vacancy rates fell from 9% in 2003, 7% in 2004 to 5% in 2005. Currently, vacancy rates are at 2-3%. As office demand remains strong in 2006, the Company, based on a survey of DTZ, believes that there will be no strong change in the low vacancy rates for 2007 to 2009, despite the fact that large office construction and supply pipeline is in place for 2006 and 2007. The office take-up more than doubled from 2003 to 2005 (66,000 sqm in 2003, 120,000 sqm in 2004 and 150,000 sqm in 2005) with additional construction activity for 130,000 sqm in 2005 compared to 49,000 sqm in 2003). After two stable years (EUR 20 per sqm and per month in 2003 and 2004) rents decreased to EUR 18 per sqm and per month in 2005. In 2005, yields were under pressure and fell from 12% in 2003 to 8.5%. It is expected that this pressure will result in yields of about 7.5% in 2006.

Retail market in Romania

Currently supply is small in Bucharest, but the supply pipeline in place for 2007-2008 (five major schemes) is large. Although the shopping center stock increased from 70,500 sqm in 2003 to 123,500 sqm in 2005, additional 177,000 sqm will be developed in 2006, 195,100 sqm in 2007 and 237,000 sqm in 2008. Due to the fact that, Bucharest has only 10 sqm gross lettable area per thousand inhabitants compared to the 159 sqm EU-25 average, this enormous development activity should not result in an oversupply. Some of these development activities are outside Bucharest. The prime rents amount to approximately EUR 100 per sqm and per month for prime high street locations and to approximately EUR 100 – 120 per sqm and per month for shopping center units. Yields are expected to fall to 7.5% in 2006.

1.6.2.11 Ukraine

Economic environment in Ukraine

The parliamentary elections in March 2006 resulted in pressure on President Yushchenko's platform. However, most of the reforms started by the former government will have to strike roots and will not be revoked by the new government. As of today, the Company estimates this years GDP growth rate to be about 2-3%, which puts it in line with the moderate GDP growth rate of 2.4% in 2005. The impact of the strong rise of energy prices at the beginning of this year as well as a lax fiscal policy in the past will add to inflationary pressure in 2006 at around 10%. However, the Company is of the opinion that the huge Ukrainian Market still provides promising opportunities for investors within the coming years (Source: Erste Bank).

Real property market in Ukraine

Although investor demand has been increasing over the last years, the international investment activity was relatively low due to the lack of existing investment opportunities.

Office market in Ukraine

Compared with other countries, included in CEE, the office stock in Ukraine is quite limited. In particular, there is currently a huge undersupply of Class A office space. Consequently, vacancy rates will remain low at approximately 2-3% in 2006 and 2007. This situation is not expected to change significantly as supply will only increase slightly in 2006. Vacancy rates were dropped significantly from 7% in 2003 to 2.6% in 2005. On the opposite, prime office rents nearly doubled from around EUR 24 per sqm and per month in 2003 to around EUR 40 in 2005. Further increases are expected for the years 2006 and 2007. Office take-up of 98,800 sqm in 2005, compared to 50,718 in 2003 and new construction activity for 93,300 sqm is still low. The investment market in the Ukraine may be considered as immature. The risks for investments in Ukraine are generally higher than in other more developed CEE markets. DTZ expects yields at approximately 11% for 2006.

Retail market in Ukraine

Retail still is underdeveloped because consumer spending remains very limited. The years 2003 to 2005 saw delivery of approximately 320,000 sqm of Class B space and, for Class A space, there is even no forecast for 2007 and 2008. However, 14,000 sqm of Class B are planned for 2006, 136,000 sqm for 2007 and 191,600 sqm for 2008. Existing retail space more than doubled from 132,754 sqm in 2003 to 286,754 sqm in 2005. The gross lettable area of 106 sqm in Kiev is higher than Ukraine average, but still below the EU-25 average. Moreover, a significant part of space is Class B space only. With 12%, the expected yields for prime shopping centers for 2006 are even above the office yields.

1.6.2.12 Revenues

The following chart shows the annual revenues generated by the Company in the markets where it has been active so far (figures in TEUR):

Revenues (in TEUR)

	Year ended 2005	Proportional difference	Year ended 2004	Proportional difference	Year ended 2003
Austria	24,545	33%	18,478	20%	15,447
Hungary	10,055	21%	8,334	-2%	8,509
Czech Republic	5,890	-25%	7,872	53%	5,136
Slovak Republic	1,569	150%	628	n/a	0
Germany	95	n/a	0	n/a	0
Total	42,154	19%	35,312	21%	29,092

Revenues comprise the following:

EUR '000	2005	2004	2003
Rental income	34,192	29,351	24,057
Service charges	7,748	5,810	4,645
Other	214	151	390
Total	42,154	35,312	29,092

Segmentation by property type:

	Revenues 2005		Revenues 2004		Revenues 2003	
	EUR '000	%	EUR '000	%	EUR '000	%
Offices	27,509	65	28,683	81	22,059	76
Residential	4,463	11	4,229	12	3,951	13
Commercial and hotels	10,182	24	2,400	7	3,082	11
Total	42,154	100	35,312	100	29,092	100

Segmentation by region:

	Austria			Hungary			Czech Republic			Slovak Republic			Germany			Total		
	2005	2004	2003	2005	2004	2003	2005	2004	2003	2005	2004	2003	2005	2004	2003	2005	2004	2003
Revenues	24,545	8,478	15,447	10,055	8,334	8,509	5,890	7,872	5,136	1,569	628	0	95	0	0	42,154	35,312	29,092
Other operating income	820	1,299	671	5,607	93	45	1,150	697	99	11	5	0	0	0	0	7,587	2,095	816
Income from the sale of property	-73	44	918	0	0	0	2,108	0	2,470	0	0	0	0	0	0	2,035	44	3,388
Operating income	25,292	19,821	17,036	15,662	8,427	8,554	9,148	8,569	7,705	1,580	633	0	95	0	0	51,776	37,451	33,296

1.6.3 Influence by Exceptional Factors

The information given pursuant to Sections 1.6.1 and 1.6.2 above has not been influenced by exceptional factors.

1.6.4 Dependencies on Patents or Licenses, Industrial, Commercial or Financial Contracts

In the opinion of the management, the Company is not dependent on any Patents or Licenses, Industrial, Commercial or Financial Contracts. For details of the management contract with Immorent AG see Section 1.19. The Company has concluded several long-term financing agreements to leverage the financing of property acquisitions, which, in the opinion of the management, are market standard and do not create any dependencies.

1.6.5 Basis for Statements made by the Issuer Regarding its Competitive Position

Where the Company makes statements regarding its competitive position, such statements are based solely on the opinion of the Company.

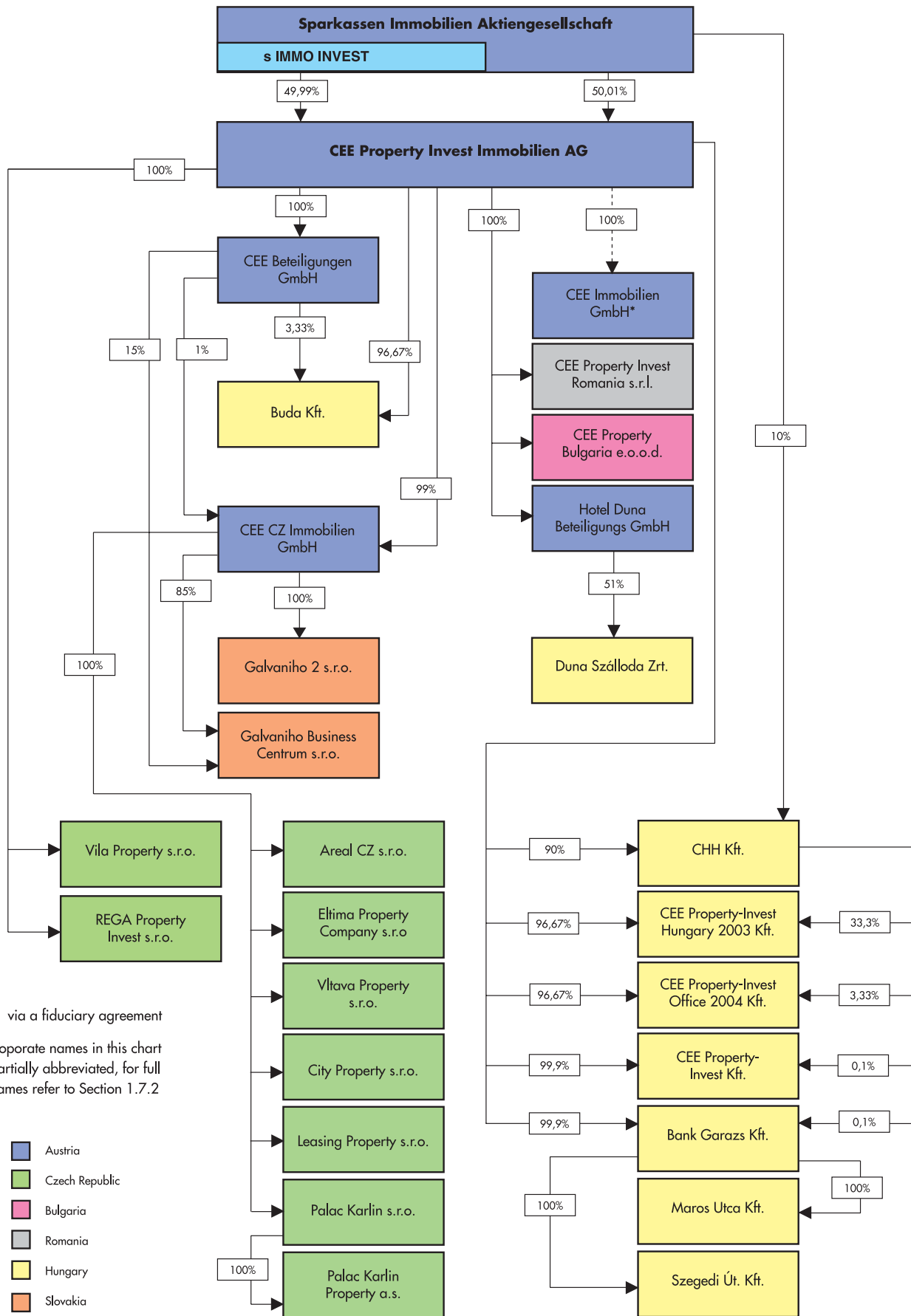
1.7 Organizational Structure

1.7.1 Description of the Group and the Issuer's Position Within the Group

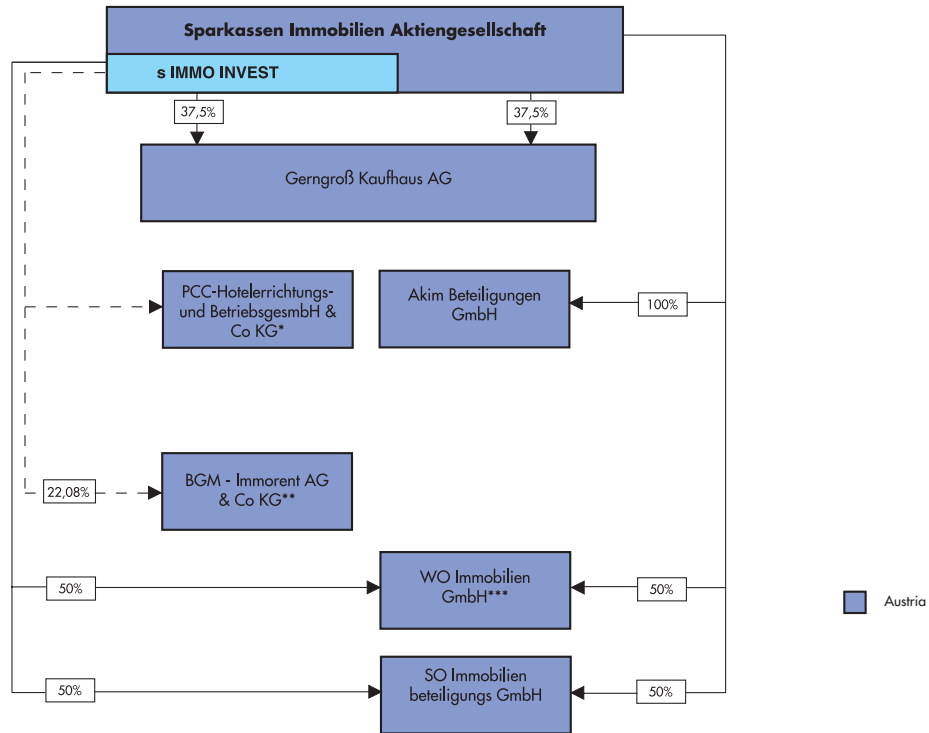
The Company was part of the Erste Bank Group and for the Erste Bank Group it is still responsible for investments in real property. Since 1 November 2005, the s Immo Group is no longer included in the group financial statements of Erste Bank on a full consolidation basis but has been considered for using the equity method from that date. The Company itself is the parent company of the s Immo Group consisting of the Company and its subsidiaries (see Section 1.7.2).

The charts on the following pages show the group structure of the Company as of 2 June 2006.

In CEE

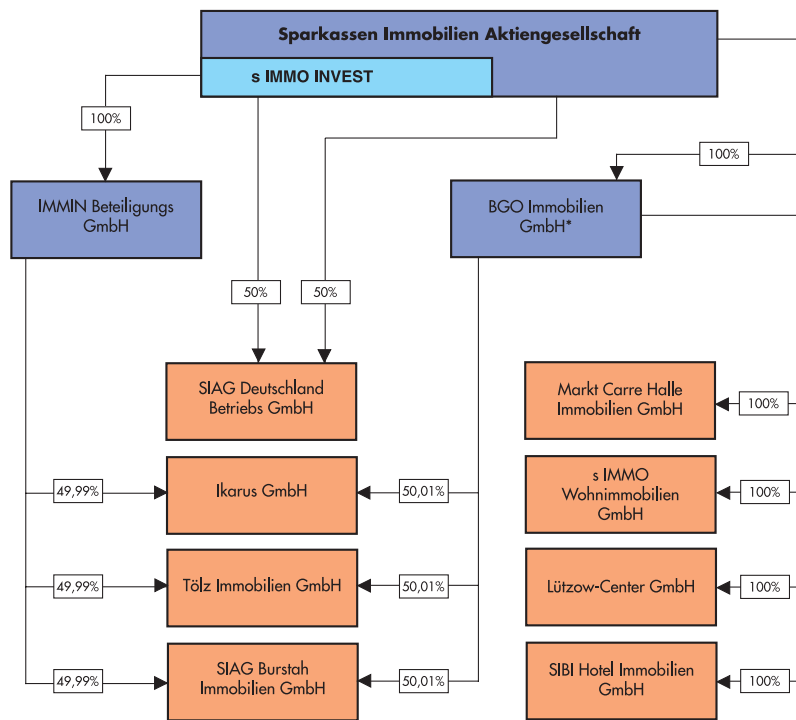


In Austria



- * via a Silent Partnership
- ** via a fiduciary agreement
- *** in foundation

In Germany



- Austria
- Germany

* to be renamed to German Property Invest Immobilien GmbH

1.7.2 Significant Subsidiaries

The following companies are directly or indirectly wholly-owned by the Company as of 31 March 2006:

Company	Registered Office	Country	Nominal Capital	%	Currency
CEE Immobilien GmbH	Vienna	A	35,000	100	EUR
CEE PROPERTY-INVEST Immobilien AG	Vienna	A	48,000,000	100	EUR
CEE CZ Immobilien GmbH	Vienna	A	35,000	100	EUR
BGO Immobilien GmbH	Vienna	A	35,000	100	EUR
Hotel DUNA Beteiligungs Gesellschaft m.b.H.	Vienna	A	145,346	100	EUR
Areal CZ spol. s.r.o.	Vienna	CZ	100,000	100	CZK
ELTIMA PROPERTY COMPANY s.r.o.	Prague	CZ	100,000	100	CZK
Palác Karlín Property a.s	Prague	CZ	96,500,000	100	CZK
Palác Karlín s.r.o.	Prague	CZ	1,200,000	100	CZK
Vila Property s.r.o.	Prague	CZ	1,200,000	100	CZK
REGA Property Invest s.r.o.	Prague	CZ	200,000	100	CZK
Bank-garázs Ingatlanfejlesztési és Vagyonhasznosító Kft.	Budapest	H	100,100,000	100	HUF
CEE Property-Invest Ingatlan Kft.	Budapest	H	100,000,000	100	HUF
Maros utca Építési és Ingatlanhasznosítási Kft.	Budapest	H	477,000,000	100	HUF
Buda Kereskedelmi Központ Kft.	Budapest	H	3,000,000	100	HUF
Galvaniho Business Centrum, s.r.o.	Bratislava	SK	200,000	100	SKK
SIAG Burstah Immobilien GmbH	Hamburg	D	25,000	100	EUR
CEE PROPERTY INVEST ROMANIA SRL	Bukarest	RO	10,000,000	100	ROL
Tözl Immobilien GmbH	Munich	D	25,000	100	EUR
Ikaruspark GmbH	Puchheim	D	25,000	100	EUR
Galvaniho 2, s.r.o.	Bratislava	SK	200,000	100	SKK
Szegedi ut Ingatlankezelő Kft.	Budapest	H	10,000,000	100	HUF

The Company holds indirectly at least 51 % of the shares in the following companies as of 31 March 2006:

Company	Registered Office	Country	Nominal Capital	%	Currency
Gerngross Kaufhaus Aktiengesellschaft	Vienna	A	21,801,850	75	EUR
Duna Szálloda Zrt.	Budapest	H	3,392,600,000	51	HUF

The Company is (i) direct or indirect holder of the whole or a part of the shares in or (ii) if set out in the footnotes below, silent partner in the following companies of minor significance:

Company	Registered Office	Country	Nominal Capital	Currency
BGM – IMMORENT Aktiengesellschaft & Co KG*	Vienna	A	4,360,370.06***	EUR
PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co. KG**	Vienna	A	9,374,495.61***	EUR
CHH Ingatlanforgalmazó és Szolgáltató Kft.	Budapest	H	3,000,000	HUF
CEE Property-Invest Hungary 2003 Ingatlan Kft	Budapest	H	3,000,000	HUF
CEE Property-Invest Office 2004 Ingatlan Kft	Budapest	H	3,000,000	HUF
Vltava Property s.r.o.	Prague	CZ	200,000	CZK
City Property s.r.o.	Prague	CZ	200,000	CZK
Leasing Property s.r.o.	Prague	CZ	200,000	CZK
CEE PROPERTY BULGARIA EOOD	Sofia	BG	20,000	BGL
IMMIN Beteiligungen GmbH	Vienna	A	35,000	EUR
AKIM Beteiligungen GmbH	Vienna	A	35,000	EUR
CEE Beteiligungen GmbH	Vienna	A	35,000	EUR
Neutorgasse 2-8 Projektverwertungs GmbH****	Vienna	A	35,000	EUR
Markt Carree Halle Immobilien GmbH	Halle/Saale	D	25,000	EUR
S Immo Wohnimmobilien GmbH	Berlin	D	25,000	EUR
SO Immobilienbeteiligungs GmbH	Vienna	A	35,000	EUR
WO Immobilienbeteiligungs GmbH*****	Vienna	A	35,000	EUR

- * via a fiduciary agreement
- ** via a Silent Partnership
- *** aggregate limited partner's capital contributions of the Silent Partnership
- **** non-consolidated
- ***** in foundation

1.8 Property, Plants, and Equipment

1.8.1 Material Tangible Fixed Assets

The following chart shows the real property directly or indirectly held by the Company as of 31 March 2006.

Portfolio s IMMO Share as of 31.03.2006	acquired	sector	space in m ²	market value in EUR million
1010 Wien, Ballgasse 4	1990	residential building	1,410	3.6
1040 Wien, Theresianumgasse 7	2003	office and residential building	5,507	8.5
1050 Wien, Bräuhausgasse 3-5	1989	office building	2,277	2.7
1050 Wien, Schönbrunnerstraße 108	2000	office building	3,072	5.6
1050 Wien, Schönbrunnerstraße 131	2000	office building	2,901	4.7
1070 Wien, Burggasse 51	1998	residential building	11,303	13.4
1070 Wien, St. Ulrichsplatz 4	2000	residential building	2,433	3.7
1070 Wien, Stuckgasse 9	1990	residential building	652	0.4
1060 Wien, Mariahilferstrasse 103	2004	office building	11,181	18.8
1070 Wien, Schottenfeldgasse 29	2004	office building	9,355	10.9
1090 Wien, Otto Wagner Platz 5	2004	office building	9,067	16.6
1100 Wien, Hasengasse 56	1999	office building	7,781	7.7
1130 Wien, Amalienstraße 48	1990	office building	2,078	3.2
1150 Wien, Meiselstraße 8	1996	residential building	17,107	23.4
1160 Wien, Lerchenfeldergürtel 43	2000	office building	5,804	7.5
1160 Wien, Lobmeyrgasse 5-7	1992	residential building	16,691	14.7
1180 Wien, Kreuzgasse 72-74	1999	residential building	19,735	27.4
1190 Wien, Heiligenstädterstraße 181	1996	residential building	2,012	2.6
1220 Wien, Am Kaisermühlendamm 87	1993	residential building	10,923	14.3
1230 Wien, Ketzergasse 6-8	1989	office building	2,334	2.4
2700 Wr. Neustadt, Prof.Dr.Stefan-Koren-Str. 8a	1991	office building	2,604	2.8
4020 Linz, Rainerstraße 6-8	1988	office building	5,836	7.0
4061 Linz-Pasching, Schärddinger Straße 5	1990	commercial	2,800	1.1
5020 Salzburg, Ernst-Grein-Straße 5	1991	office building	1,240	1.7
1010 Wien, Kärntner Straße 19, Kaufhaus Steffl (37.5 % shareholding) *	2005	commercial	6,895	33.0
*1070 Wien, Mariahilfer Straße 26-30, Kaufhaus "Herzmansky" (37.5 % shareholding) *	2005	commercial	9,073	30.5
			172,071	268.2
Development properties in Austria				
1210 Wien, Brünner Straße 72 a	2005	commercial	14,074	
Total Austrian portfolio of s IMMO Share			186,145	268.2

* Space and Market value calculated on the basis of 50% shareholding

Equity investment CEE PROPERTY - INVEST Immobilien AG				market value
	acquired	sector	space in m ²	in EUR million
50.01%				
11000 Praha, Narodni 41, (Areal)	2003	office building	2,781	7.7
11000 Praha, Vaclavske Namesti 22 (Hotel Julis)	2004	hotel	6,870	20.0
11000 Praha, Vaclavske Namesti 41, (Luxor)	2002	hotel	8,767	20.0
18600 Praha, Thámova 13, (Palac Karlin)	2001	office building	16,043	23.6
1051 Budapest, Bajcsy-Zsilinszky út 12 (City Center)	2001	office building	10,749	17.5
1134 Budapest, Váci út. 35 (The River Estates)	2001	office building	29,325	43.0
1138 Budapest, Váci út. 202, (Unilever HQ)	2001	office building	14,371	16.0
1122 Budapest, Maros utca 19-21 (Maros Utca Business Center)	2004	office building	8,758	12.4
1016 Budapest, Hegyalja út 7-13 (Buda Center)	2005	office building	7,580	8.0
1052 Budapest, Apaczai Csere Janos u. 2-4 (Budapest Marriott Hotel)**	2005	hotel	30,000*	48.3
1138 Budapest, Szegedi út 35 - 37 (Twin Center)	2006	office building	8,020	6.9
82104 Bratislava 2, Galvaniho 7 (Galvaniho Business Center Bauteil I)	2004	office building	11,374	12.7
			154,638	236.1
* estimate; 362 rooms ** currently 51% shareholding, see Section 1.19.3				
Development properties in Central Europe				
82104 Bratislava 2, Galvaniho 7 (Galvaniho Business Center Bauteil II)	2005	office building	13,940	
14000 Praha, Na Pankraci 127/1683	2003	office building	51,000	
Bukarest, Calea Grivitei Nr. 94 1. Sektor (Grivitei II)	2006	office building	20,000	
Total Central Europe portfolio (thereof 50.01 % share held by s IMMO Share)			239,578	236.1
German Portfolio of s IMMO Share				
50.01%				
20457 Hamburg, Großer Burstah 18-30 + 32-34 (Großer Burstah)	2005	office building	16,750	34.4
82178 München - Puchheim, Gewerbeliegenschaft Ikarus Park	2006	office building	18,714	11.3
81379 München, Tölzer Straße 35 Siemens Verwaltungsgebäude	2006	office building	6,527	9.4
			41,991	55.1
Development Properties in Germany				
Total German Portfolio			41,991	55.1
Total Austria			186,145	268.2
Total CEE (CEE PROPERTY - INVEST 50.01%)			119,812	118.1
Total Germany (BGO Immobilien GmbH 50.01%)			20,996	27.6
Total s IMMO Share			326,953	413.9

Portfolio s IMMO INVEST as of 31.03.2006	acquired	sector	space in m ²	market value in EUR million
1020 Wien, Franzensbrückenstraße 5	2001	office building	2,959.00	4.7
1030 Wien, Franzosengraben 12	1990	office building	5,992.00	8.2
1031 Wien, Ghegastraße 1*	2005	office building	24,001.00	27.9
1030 Wien, Obere Viaduktgasse 36	1990	office building	1,533.00	3.0
1060 Wien, Mariahilfer Strasse 121 b	2001	office building	5,485.00	12.3
1060 Wien, Windmühlgasse 22-24	1989	office building	4,646.00	7.3
1120 Wien, Meidlinger Hauptstraße 73	2002	office and retail building	18,886.00	34.2
1140 Wien, Scheringgasse 2	2004	office and retail building	10,498.00	8.3
1150 Wien, Gasgasse 1-7	2002	office building	7,358.00	16.0
1210 Wien, Gerasdorferstraße 151	2004	office building	9,099.00	12.9
2384 Breitenfurt, Hauptstrasse 107	1987	retail building	850.00	0.8
2500 Baden, Wiener Straße 9	1988	school	745.00	0.6
2500 Baden, Wiener Straße 97-99	1990	retail building	800.00	1.7
5020 Salzburg, Sterneckerstrasse 50-52	1994	office building	5,596.00	5.0
8020 Graz, Ankerstrasse 2	1989	retail building	900.00	1.0
8020 Graz, Karlauer Gürtel 1	1988	office building	5,503.00	6.3
8020 Graz, Lazarettgürtel 81	1988	retail building	2,400.00	2.5
9560 Feldkirchen, Eppensteinerstr. 14	1987	retail building	2,000.00	1.9
1010 Wien, Parkring 12a	2003	office and retail building	2,656.00	6.4
1010 Wien, Parkring 12a, Hotel Marriott (minority stake)**	2003	hotel	5,530.00	
1060 Wien, Mariahilfer Strasse 41-43 (22.08% shareholding)***	1989	retail building	2,195.00	
1010 Wien, Kärntner Straße 19 Kaufhaus Steffl (37.5 % shareholding)****	2005	retail building	6,895.00	33.0
1070 Wien, Mariahilfer Straße 26-30 Kaufhaus "Herzmansky" (37.5 % shareholding)****	2005	retail building	9,073.00	30.5
Total Austrian portfolio of s IMMO INVEST			135,600.00	224.5

* acquisition not yet entered into real property register

** via Silent Partnership, see Section 1.7.2, space estimated, 313 rooms

*** via fiduciary agreement, see Section 1.7.2

**** Space and Market value calculated on the basis of 50% shareholding

Equity investment CEE PROPERTY - INVEST Immobilien AG				market value
	acquired	sector	space in m ²	in EUR million
49.99%				
11000 Praha, Narodni 41, (Areal)	2003	office building	2,781	7.7
11000 Praha, Vaclavske Namesti 22 (Hotel Julis)	2004	hotel	6,870	20.0
11000 Praha, Vaclavske Namesti 41, (Luxor)	2002	hotel	8,767	20.0
18600 Praha, Thámová 13, (Palac Karlin)	2001	office building	16,043	23.6
1051 Budapest, Bajcsy-Zsilinszky út 12 (City Center)	2001	office building	10,749	17.5
1134 Budapest, Váci út. 35 (The River Estates)	2001	office building	29,325	43.0
1138 Budapest, Váci út. 202, (Unilever HQ)	2001	office building	14,371	16.0
1122 Budapest, Maros utca 19-21 (Maros Utca Business Center)	2004	office building	8,758	12.4
1016 Budapest, Hegyalja út 7-13 (Buda Center)	2005	office building	7,580	8.0
1052 Budapest, Apaczai Csere Janos u. 2-4 (Budapest Marriott Hotel)*	2005	hotel	30,000	48.3
1138 Budapest, Szegedi út 35 - 37 (Twin Center)	2006	office building	8,020	6.9
82104 Bratislava 2, Galvaniho 7 (Galvaniho Business Center Bauteil I)	2004	office building	11,374	12.7
			154,638	236.1
* estimate, 362 rooms, currently 51% shareholding, see Section 1.19.3				
Development properties in Central Europe				
82104 Bratislava 2, Galvaniho 7 (Galvaniho Business Center Bauteil II)	2005	office building	13,940	
14000 Praha, Na Pankraci 127/1683	2003	office building	51,000	
Bukarest, Calea Grivitei Nr. 94 1. Sektor (Grivitei II)	2006	office building	20,000	
Total Central Europe portfolio (thereof 49.99 % share held by s IMMO INVEST)			239,578	236.1
German Portfolio of s IMMO INVEST				
49.99%				
20457 Hamburg, Großer Burstah 18-30 + 32-34 (Großer Burstah)	2005	office building	16,750	34.4
82178 München - Puchheim, Gewerbeliegenschaft Ikarus Park	2006	office building	18,714	11.3
81379 München, Tölzer Straße 35 Siemens Verwaltungsgebäude	2006	office building	6,527	9.4
			41,991	55.1
Total German Portfolio of s IMMO INVEST			41,991	55.1
Total Austria			135,600	224.5
Total CEE (CEE PROPERTY - INVEST 49.99%)			119,766	118.0
Total Germany (IMMIN Beteiligungen GmbH)			20,995	27.5
Total portfolio of s IMMO INVEST			276,361	370.0

With respect to planned real property see Section 1.5.2.3. With respect to major encumbrances of Austrian property see the Performance Reports attached hereto as Appendices C1 (pages 2 through 18) C2 (pages 3 through 26). With respect to encumbrances on foreign real property and encumbrances on Austrian property established after 31 December 2005 see Appendix G.

1.8.2 Environmental Issues

To the best of the Company's knowledge, no environmental issues exist that may materially affect the issuers utilization of its tangible fixed assets.

1.9 Management's Discussion and Analysis of Financial Condition and Results of Operations (Operating and Financial Review)

The following discussion of the Company's financial condition and results of operations should be read in conjunction with the Company's consolidated financial statements, the related notes and other financial information included elsewhere in this Prospectus. The Company's financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). This discussion also includes forward-looking statements based on assumptions about the Company's future business. Our actual results could differ materially from those contained in these forward-looking statements. Investors should be aware that all percentages may be calculated on non-rounded figures and therefore may vary from percentages calculated on rounded figures.

1.9.1 Overview

1.9.1.1 Business

The s Immo Group, consisting of the Company and its consolidated subsidiaries, is a real estate group which business focuses on the acquisition, development and letting of real property in Austria, Germany and CEE. The Company is active in Austria, Germany, the Czech Republic, Hungary and the Slovak Republic and plans to expand its business into Bulgaria and Romania.

1.9.1.2 Recent Developments

Acquisitions April 2006:

In April 2006, the Company has been investing in the promising real estate market Berlin. In particular, the Company completed its largest single transaction in Germany so far with the acquisition of the Lützow-Center in the middle of the German capital situated directly on the river Spree. The entire property comprises about 17,000m² with more than 37,000m² of lettable space. The property is used for offices, flats, a hall of residence and a basement garage.

Additionally, the Company acquired two portfolios in Berlin, consisting only of residential property (22,400m² and about 10,000m² floor space). A shopping centre of about 14,700m² in the center of Halle/Saale completed the investments in Germany and arranged for a balanced German portfolio.

Expected Revaluation:

The Company has retained CB Richard Ellis GmbH with a valuation of its entire property portfolio as of year end 2006.

On the basis of a preliminary valuation of certain properties of the Company in CEE, evidencing significant deviations of the current market value of such properties as compared to their market value

as stated by the Company, CB Richard Ellis estimates that the property portfolio of the Company is sometimes undervalued.

Derivatives:

Beginning with the financial year 2006, the Company uses swaps (in addition to interest rate caps) to reduce the risks inherent to interest rate increases. Until May 2006, two swap agreements were entered to secure EUR 25 mn resp. EUR 20 mn for 10 years at 3-month-Euribor basis.

1.9.1.3 Significant accounting policies

The Company prepares its consolidated financial statements in compliance with International Financial Reporting Standards (IFRS) as adopted by the EU. The following paragraphs describe certain accounting policies that the Company believes to be important for the understanding of the Company's consolidated financial statements and that involve the most complex judgements and assessments. A more detailed description of the Company's accounting policies can be found in the notes to the audited Consolidated Financial Statements included elsewhere in this Prospectus.

The accounting policies of the companies included in consolidation are based on the uniform accounting regulations of the s Immo Group. The Consolidated Financial Statements are presented rounded to the nearest EUR 1,000.

Consolidation means offsetting the acquisition cost of the investment (book value) against the value under IFRS of the proportionate share of the equity of the relevant subsidiary at the time of initial consolidation. The amount of any difference arising at this time is capitalised as goodwill. In calculating goodwill, foreign currencies are translated at the exchange rate ruling on the date of initial consolidation. There is currently no goodwill which arose from business combinations being carried as an asset.

Transactions within the consolidated s Immo Group together with the related income and expenses and receivables and payables are eliminated. Intra-group profits have also been eliminated.

The s Immo Group reporting currency is the Euro. Annual financial statements prepared in foreign currencies (Czech Crowns, Slovak Crowns and Hungarian Forints) are translated using the modified closing rate method. Investment property is translated at historical rates. As a general rule, income statement items are translated using average exchange rates. Depreciation and amortisation of property is an exception since historical rates are used. Gains and losses on currency translation are not treated as income or expense but included under revenue reserves.

Intangible assets:

Intangible assets acquired for consideration are recognised at acquisition cost less scheduled straight-line amortisation and provision for any impairment losses. Amortisation rates are based on assumed useful lives of between three and six years.

Investment property, plant and equipment:

In accounting for investment property, and other plant and equipment, advantage is taken of the option under IAS 40 to apply the cost model: assets are recognised at cost of acquisition or construction, less scheduled depreciation and provision for any impairment losses. Non-refundable investment grants are treated as reductions in acquisition costs. The costs of acquisition or construction do not contain any material financing costs.

The properties, the majority of which are rented, were valued in 2004 and 2005 on the basis of current market conditions, largely by independent, professional, court-recognised experts. The valuations were based on earnings, calculated on the basis of expected sustainable future rental yields (Austria: 3.5%–8%; elsewhere: 7.75%–9%) and market interest rates. In one case, specific features of the property

meant that asset values were also used. Properties purchased close to balance sheet date were valued on the basis of acquisition costs.

Property subject to wear and tear of buildings and other plant and equipment is depreciated on a straight-line basis over its expected useful life, which is as follows:

	Expected useful lives (in years)	
	from	to
Property (buildings)	33	50
Other plant and equipment	3	10

Where there are losses in value that are expected to be permanent, impairment losses are recognised. The carrying values of the properties are subjected to impairment tests, in which the carrying values are compared with the fair values of the properties. As a rule, impairment losses are recognised where the carrying values are higher, although this is not done if the higher carrying value is solely the result of incidental acquisition costs, such as property transfer tax, registration fees, etc.

Investments and securities:

Shares in associated companies and investments for which fair values can not be established without disproportionate expense are recognised at acquisition cost, reduced by impairment losses where the loss in value is expected not to be merely temporary.

Shares and securities held as current assets are recognised at market values in accordance with IAS 39, and are generally intended for sale (available-for-sale).

Receivables and other assets:

Trade receivables and other receivables are disclosed at their nominal value, less any impairments necessary. Other current assets are recognised at cost of acquisition.

Cash and cash equivalents:

Cash and cash equivalents consist of cash in hand and at banks, and of bank deposits with a term of less than three months.

Taxes:

The tax expense disclosed for the financial year comprises income tax on the taxable income of the individual companies at the rate applicable in the relevant country (actual tax) together with the changes in tax provisions affecting income or expense.

In accordance with IAS 12, all temporary accounting and valuation differences between the tax bases of assets and liabilities and their carrying amounts in the balance sheet and any tax loss carryforwards are reflected in the provisions for deferred taxation. In calculating the provisions necessary, the local tax rates used are those expected to apply to each Group company when the differences reverse: Austria 25%, Czech Republic 24%, Germany 26%, Hungary 16% and the Slovak Republic 19%.

No provisions for deferred tax liabilities have been made with respect to temporary differences in connection with undisclosed reserves arising on initial consolidation on properties owned by foreign subsidiaries, since such properties can be disposed of without liability to tax by the tax-free sale of property ownership and intermediary holding companies in Austria under section 10(2) Austrian Corporate Income Tax Act (KStG). Provision has been made for deferred tax liabilities on differences arising on initial consolidation of Austrian subsidiaries on the basis of the tax rates and amounts applicable to any expected partial realisations.

Deferred taxes assets are provided on tax loss carryforwards to the extent that it is probable that the losses will be able to be offset against future taxable profits.

Financial liabilities:

Financial liabilities are recognised at the amount repayable, with the exception of the participatory certificates, which are valued in accordance with the terms and conditions of the participatory certificates.

Provisions:

The provision for deferred taxation is calculated using the liability method, using the tax rates which at balance sheet date are expected to be in force when the temporary differences reverse. Other provisions are for liabilities of uncertain amount, in which case the amount provided is the amount considered most likely to become payable.

Trade payables and other liabilities:

Trade payables and other liabilities are recognised at the amount repayable.

Derivatives:

The s Immo Group uses interest rate caps to reduce the risks inherent to interest rate increases (see also Section 1.9.1.2). The caps are generally measures at cost of acquisition: at 31 December 2005, their positive market value was EUR 349,000.

Income recognition:

Rental income is recognised on a straight-line basis over the term of the rental agreement. Income from services is recognised in proportion to the services rendered at Group balance sheet date. Interest income is measured on the basis of the applicable interest rate and the principal amount of the loan.

1.9.1.4 General factors affecting results of operations

The business of the Company mainly focuses on the acquisition, development, and management of its properties. Its revenues and results depend on the results of individual commercial, residential and other properties. Business is also influenced by general economic conditions in the real estate markets, in which the Company operates as well as political and regulatory decisions and developments.

From an economic point of view, rental income is the main source affecting the results of the Company's operations: Rental income depends on the price per square meter. The level of rent depends largely on the property's location and condition. Rental income is also affected by local market trends and vacancy levels. Since the accounting method is following the cost model, the results are not influenced by valuation of portfolio properties.

Management fees and administration expenses correspond to the amounts paid by the Company pursuant to a management agreement entered into with Immorent AG based mainly on the value of real property and the market value of the Company.

1.9.2 Financial results – year 2005 compared with year 2004

The following Information is derived from the audited Consolidated Financial Statements as of 31 December 2005 and 31 December 2004:

1.9.2.1 Condensed balance sheet (in TEUR)

ASSETS	31/12/2005	Changes in %	31/12/2004
Non-current assets			
Intangible assets	50		26
Property, plant and equipment	709,186		447,389
Financial assets	6,037		6,002
Deferred tax asset	2,347		1,312
	717,620	58%	454,729
Current assets			
Receivables	24,107		19,355
Investments	12,352		0
Cash and cash equivalents	166,098		4,337
	202,557	755%	23,692
Prepaid expenses	335		1,703
	920,512	92%	480,124

EQUITY AND LIABILITIES

Equity attributable to equity holders of the parent	363,768		224,657
Minority interest	23,915		0
Non-current liabilities			
Debenture-like participatory rights	276,774		147,931
Non-current liabilities to banks	174,602		45,087
Provisions	10,400		6,076
Other liabilities	22,906		20,752
	484,682	120%	219,846
Current liabilities	43,314		33,573
Deferred income	4,833		2,047
	920,512	92%	480,124

Total assets:

Total assets of TEUR 920,512 in 2005 have nearly doubled in comparison with 2004, mainly as a result of the increase of 59 % in the property portfolio (incl. equipments) from TEUR 447,389 in 2004 to TEUR 709,186 in 2005. The total number of properties rose to 63 and the total lettable space rose by 29 % to approximately 548,000 m².

Property, plant and equipment:

The acquisitions amount to EUR 288.5m in 2005 (including additions to the consolidated Group). They consist of Austrian properties to the value of EUR 198.6m, Hungarian properties of EUR 55.3m, German properties of EUR 34.4m and Czech properties of EUR 0.2m.

In the year 2005, eight new properties were acquired. The most important acquisitions in Austria included a majority interest in Vienna's two most renowned department stores (Steffl and Herzmansky), and the building that houses the Social Insurance Fund for Farmers, in Vienna's 3rd District.

The Budapest Marriott, in which a 51% stake was bought in June 2005, is one of the city's largest five star hotels. It has a prime location directly on the bank of the Danube in the centre of Budapest.

To launch its expansion into Germany, the Company has acquired an office and retail property in the centre of Hamburg.

Financial assets:

Financial assets mainly consist of a participation in a limited partnership and a dormant partnership of real estate companies that are not consolidated.

Current assets:

The massive increase in current assets (+755%) in 2005 (especially in cash and cash equivalents) is due to the increase in share capital in the 4th quarter of 2005. These cash amounts will be invested in high-quality real estate or in participations in real estate companies during the year 2006.

Shareholders' equity:

The issued share capital of the Company as of December 31, 2005 amounts to EUR 182,106,000 and consists of 50,118,518 no par value bearer shares and 200 no par value registered shares.

The increase in equity can be attributed to two factors:

- ongoing profit reinvestment
- increase in share capital

An increase in share capital of EUR 45,526,000 (12,529,680 shares) was registered with in the commercial register on 2 December 2005, and an increase of EUR 15,176,000 (4,176,559 shares) on 24 December 2005. The aggregate value of both issues amounted to EUR 140,332,000.

Capital reserves mainly include share premium amounts. Costs related to an equity transaction are deducted (net of tax) from the share premium. Capital reserves increased to TEUR 152,804 in 2005 from TEUR 73,174 in 2004.

The minority interests (minor share held by outside companies in the share capital of two of the Company's subsidiaries) amounting to TEUR 23,915 resulted from the acquisition of two real property companies in the second and fourth quarter of 2005.

Debenture-like participatory certificates:

The participatory certificates are stakes in the s IMMO INVEST Participatory Certificates Fund, a property fund managed and owned by the Company and accounted for as a separate entity. The certificates carry no entitlements to a share in the share capital of the Company, or to a share of the Company's annual profits or any surplus on liquidation, and they confer no shareholder rights.

Debenture-like participatory certificates developed as follows:

EUR '000	Nominal	Valuation adjustment	Issue premium	Book value
1 January 2005	163,078	-15,147	0	147,931
Capital increase	119,140		28,182	147,322
Release of premium			-18,479	-18,479
31 December 2005	282,218	-15,147	9,703	276,774

During 2005, 1,639,399 s IMMO INVEST participatory certificates were issued, bringing the total to 3,883,398. Profits from participatory certificate capital are not reinvested.

Non-current liabilities to banks:

Non-current liabilities to banks include liabilities for the financing of real property purchases (primarily mortgage loans). The increase in 2005 amounts to 287%. This is caused on one hand by the increasing acquisition volume and on the other hand by loans which were taken over linked with share deals.

EUR '000	2005				2004			
	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total
Long-term liabilities to banks	5,982	30,629	137,991	174,602	5,202	14,920	24,965	45,087

Provisions:

Changes in provisions were as follows:

EUR '000	31/12/2005	31/12/2004
Current income taxes	1,164	294
Deferred income taxes	3,459	2,003
Other taxes and charges	416	1,962
Project risks	3,600	1,800
Pensions	627	0
Sundry	1,134	17
	10,400	6,076

Other liabilities:

Other non-current liabilities mainly refer to tenant contributions to construction and financing costs, housing promotion subsidies (repayable in case the conditions for promotion are not met) and obligations from tenant rights granted. These liability items will thus be reduced on an accordingly long-term basis. Moreover, the non-current liabilities comprise a dormant participation in a Hungarian subsidiary of the Company.

The significant increase in current liabilities as of 31 December 2005 was related to the cut-off date for reporting.

1.9.2.2 Condensed income statement

The following table shows the Company's consolidated income statements for the years ended 31 December 2005 and 2004 prepared in accordance with IFRS.

CONSOLIDATED INCOME STATEMENT (in TEUR)

	1/1-31/12/2005	Changes in %	1/1-31/12/2004
Revenues	42,154		35,312
thereof rental income	34,192		29,351
Other operating income	7,587		2,095
Income from disposal of property	2,035		44
Aggregate operating performance	51,776	38%	37,451
Depreciation/Amortization	-16,309		-11,035
Other operating expenses	-19,378		-13,517
Earnings before interest and tax	16,090	25%	12,899
Net financial loss	-6,012		-6,280
Earnings before tax	10,078	52%	6,619
Income taxes	-1,585		-1,582
Net income for the period	8,493	69%	5,037
thereof interests of shareholders in parent company	6,806		5,037
thereof minority interests	1,687		0

Revenues:

In line with the Company's strategy, property, plant and equipment (mainly rented assets and assets under construction) increased significantly in the reporting period (+59%). This led to a massive increase in revenues, made up largely of rental income and service charges. In particular, rental income increased 16% in 2005. The occupancy levels of the properties in the Company's portfolio are consistently good.

Revenues comprise the following:

EUR '000	2005	2004
Rental income	34,192	29,351
Service charges	7,748	5,810
Other	214	151
Total	42,154	35,312

Segmentation by property type:

	Revenues 2005		Revenues 2004	
	EUR '000	%	EUR '000	%
Offices	27,509	65	28,683	81
Residential	4,463	11	4,229	12
Commercial and hotels	10,182	24	2,400	7
Total	42,154	100	35,312	100

The majority of the revenues still come from the office portfolio. Due to acquisitions increased the part of revenues coming from commercial and hotels.

The following table sets out operating income for the geographic reporting segments:

	Austria		Hungary		Czech Republic		Slovak Republic		Germany		Total	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
Revenues	24,545	18,478	10,055	8,334	5,890	7,872	1,569	628	95	0	42,154	35,312
Other operating income	820	1,299	5,607	93	1,150	697	11	5	0	0	7,587	2,095
Income from the sale of property	-73	44	0	0	2,108	0	0	0	0	0	2,035	44
Operating income	25,292	19,821	15,662	8,427	9,148	8,569	1,580	633	95	0	51,776	37,451

The Austrian portfolio still delivers the largest contribution to the whole portfolio and could increase its revenues from TEUR 18,478 to 24,545 (33%). This increase can be explained by new acquisitions and decreased vacancy rates. The CEE portfolio contributed 42% of total rental income (whereas the gross operating profit (GOP) of Marriott Budapest is not included). GOP is not accounted for as part of the revenues but as part of other operating income as GPO is treated as profits from operations of the Hotel. Additional revenues are now also coming from Germany, where the first property was bought 2005.

The major increase in other operating income is due to two factors:

- first-time consideration and consolidation of the GOP derived from the Hotel Marriott, Budapest (acquisition in June 2005) amounting to TEUR 5,458
- write-ups of TEUR 1,100 were made to reflect permanent reversals of impairment losses

Disposal proceeds for 2005 are from the disposal of a Czech office property and an Austrian office and commercial property.

Depreciation:

The major increase in property, plant and equipment is also reflected in the added depreciation. However, it must be taken into account that depreciations of TEUR 16,309 in 2005 and of TEUR 11,035 in 2004 comprise unscheduled write-downs of TEUR 2,339 (for precaution due to the announcement of an important tenant to leave our properties and concentrate in one headquarter) and TEUR 589, respectively. On the other hand write-ups amounting to TEUR 1,100 have been effected to reflect permanent reversals of impairment losses.

Other operating expenses:

Other operating expenses, which are made up of expenses directly attributable to property and general administrative expenses, rose by 43% to TEUR 19,378 in 2005. This increase results mainly from the expansion of the real property portfolio of the s Immo Group. Additionally, the largest percentage increase in 2005 involved maintenance (+208%) (caused mainly by increased, but not recurring maintenance expenses in one property). Management fees and administration expenses amounted to TEUR 3,202 in 2005 and TEUR 2,898 in 2004. This corresponds to the amounts paid by the Company pursuant to a management agreement entered into with Immorent AG. Moreover, a provision for project risks about TEUR 1,000 was endowed.

Other operating expenses are broken down as follows:

EUR '000	2005	2004
Expenses directly attributable to property		
Operating costs	8,074	6,365
Allowance for uncollectible receivables	200	328
Maintenance costs	2,505	812
Commissions	568	545
Provision for project risks	1,000	0
Other	502	502
	12,849	8,552
General management expenses		
Management fees and administration expenses	3,202	2,898
Staff costs	146	0
Legal, audit, appraisal and consultancy costs	1,119	866
Other taxes and charges	630	380
Marketing, advertising and business entertainment expenses	390	146
Other	1,042	675
	6,529	4,965
	19,378	13,517

Earnings before interest and taxes (EBIT):

EBIT raised by 25 % in 2005 compared with the year 2004, from TEUR 12,899 to TEUR 16,090. This increase was primarily attributable to increased rental income in connection with new acquisitions and gains on the sale of properties. Main growth came from the Hungarian portfolio, where EBIT raised by 150 % from TEUR 3,572 in 2004 to TEUR 8,906 in 2005 (mainly due to the additional GOP from the hotel Marriott, Budapest). EBIT from Czech portfolio raised by 19 % to TEUR 4,736, the Slovak Republic by 70 % to TEUR 772.

Net financing costs:

Net financing costs are reported as follows:

EUR '000	2005	2004
Expenses of participatory certificates		
Distribution	-16,932	-9,784
Release of premium	18,479	3,127
Issue costs	-7,486	-1,095
Valuation adjustment	0	2,987
	-5,939	-4,765
Finance costs		
Bank loan interest	-3,944	-1,722
Other finance costs	-561	-1,024
	-4,505	-2,746
Finance income		
Bank interest	1,254	127
Other interest income	2,169	415
Income from investments	400	522
Other	609	166
	4,432	1,230

Expenses (particularly dividend payments) for debenture-like participatory certificates made up a significant part of the financial result (2005: TEUR 5,939; 2004: TEUR 4,765). The yearly rise is attributable to the continuing increase in debenture-like participatory capital.

Income taxes:

This item includes income taxes paid or owed by group companies and provisions for deferred taxes.

EUR '000	2005	2004
Current tax expense	349	755
Deferred tax expense	1,236	827
	1,585	1,582

The reconciliation between effective tax rate to statutory tax rate is as follows:

EUR '000	2005	2004
Consolidated net profit before tax	10,078	6,619
Income tax expense at the standard Austrian tax rate of 25 % (2004: 34 %)	2,520	2,250
Effect of differing tax rates	-516	-802
Reductions in tax relating to tax free or tax exempt income	-802	-85
Increases in tax relating to expenses not deductible for tax purposes	697	571
Non periodic taxes	-314	-352
Tax expense as disclosed	1,585	1,582

Tax expense remained stable over both periods despite an increase in earnings before taxes due to declining corporate income tax rates.

Net income for the period:

The net income for the period attributable to equity holders of the parent increased to TEUR 6,806 in 2005 from TEUR 5,037 in 2004. The significant increase in earnings of 35 % in the year 2005 is due to the good performance in the CEE countries. Net income of the Hungarian portfolio increased by 140 % to TEUR 5,013, in the Czech republic earnings went up by 11 % to TEUR 2,504, in the Slovak Republic by 87 % to TEUR 665.

1.9.3 Financial results – year 2004 compared with year 2003

The following information is derived from the audited Consolidated Financial Statements as of 31 December 2004 and 31 December 2003:

1.9.3.1 Condensed balance sheet (in TEUR)

ASSETS	31/12/2004	Changes in %	31/12/2003
Non-current assets			
Intangible assets	26		141
Property, plant and equipment	447,389	33%	337,196
Financial assets	6,002		5,082
Deffered tax asset	1,312		553
	<u>454,729</u>	33%	<u>342,972</u>
Current assets			
Receivables	19,355	-28%	27,065
Investments	0		2,000
Cash and cash equivalents	4,337	-91%	46,607
	<u>23,692</u>	-69%	<u>75,672</u>
Prepaid expenses	1,703		1,851
	<u>480,124</u>	14%	<u>420,495</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent	224,657	14%	196,491
Minority interest	0		0
Non-current liabilities			
Debenture-like participatory rights	147,931		136,093
Non-current liabilities to banks	45,087		36,603
Provisions	6,076		5,782
Other liabilities	20,752		21,054
	<u>219,846</u>	10%	<u>199,532</u>
Current liabilities	33,573	50%	22,358
Deferred income	2,047		2,113
	<u>480,124</u>	14%	<u>420,495</u>

Total assets:

Total assets of TEUR 480,124 have increased by 14%, caused by the high increase of non-current assets by 33%. The total number of properties rose to 56 and the total lettable space increased by 23% to approximately 413,700 m².

Investment property:

Additions to investment property (including additions to the scope of consolidation) were as follows:

- EUR 24.3 mn property in the Czech Republic
- EUR 71.0 mn property in Austria
- EUR 12.8 mn property in Hungary
- EUR 12.0 mn property in the Slovak Republic

Financial assets:

Financial assets mainly consist of a participation in a limited partnership and a dormant partnership of real estate companies that are not consolidated.

Current assets:

The decline in current assets in 2004 corresponds with the corporate purpose of the Company's group, specifically, shifting cash resources to high-quality real property or investments in real property companies.

Shareholders' equity:

The share capital (of the parent company) in the amount of TEUR 121,404 is broken down into 33,412,279 no par value bearer shares and 200 no par value registered shares.

The share capital was increased by TEUR 11,037 (3,037,479 shares) by virtue of entry in the commercial register on 10 November 2004. Proceeds from the capital increase totaled TEUR 24,148.

Capital reserves mainly include share premium amounts. Costs related to an equity transaction are deducted (net of tax) from the share premium. Capital reserves increased to TEUR 73,174 in 2004 from TEUR 60,062 in 2003.

Debenture-like participatory certificates:

The participatory certificates are stakes in the s IMMO INVEST Participatory Certificates Fund, a property fund managed and owned by the Company and accounted for as a separate entity. The certificates carry no entitlements to a share in the share capital of the Company, or to a share of the Company's annual profits or any surplus on liquidation, and they confer no shareholder rights.

Debenture-like participatory certificates developed as follows:

EUR '000	Nominal	Valuation adjustment	Carrying amount
1 January 2004	148,253	-12,160	136,093
Capital increase	14,825	0	14,825
Intragroup value adjustment	0	-2,987	-2,987
31 December 2004	163,078	-15,147	147,931

During 2004, 203,999 s IMMO INVEST participatory certificates were issued, bringing the total to 2,243,999. Profits from participatory certificate capital are not reinvested.

Non-current liabilities to banks:

Non-current liabilities to banks include liabilities for the financing of real property purchases (primarily mortgage loans). The increase in 2004 amounts to 23 %.

EUR '000	2004				2003			
	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total
Long-term liabilities to banks	5,202	14,920	24,965	45,087	4,486	11,347	20,770	36,603

Provisions:

Changes in provisions were as follows:

EUR '000	31/12/2004	31/12/2003
Current income taxes	294	0
Deferred income taxes	2,003	2,042
Other taxes and charges	1,962	1,335
Project risks	1,800	2,050
Other	17	740
	6,076	6,167

Other liabilities:

Other non-current liabilities mainly refer to tenant contributions to construction and financing costs, housing promotion subsidies (repayable in case the conditions for promotion are not met) and obligations from tenant rights granted. These liability items will thus be reduced on an accordingly long-term basis.

1.9.3.2 Condensed income statement

The following table shows the Company's consolidated income statements for the years ended 31 December 2004 and 2003 prepared in accordance with IFRS.

CONSOLIDATED INCOME STATEMENT (in TEUR)

	1/1-31/12/2004	Changes in %	1/1-31/12/2003
Revenues	35,312		29,092
thereof rental income	29,351		24,057
Other operating income	2,095		816
Income from disposal of property	44		3,388
Aggregate operating performance	37,451	12%	33,296
Depreciation/Amortization	-11,035		-8,585
Other operating expenses	-13,517		-12,984
Earnings before interest and tax	12,899	10%	11,727
Net financial loss	-6,280		-5,902
Earnings before tax	6,619	14%	5,826
Income taxes	-1,582		-1,523
Net income for the period	5,037	17%	4,302
thereof interests of shareholders in parent company	5,037		4,286
thereof minority interests	0		16

Income:

Revenues comprise the following:

EUR '000	2004	2003
Rental income	29,351	24,057
Service charges	5,810	4,645
Other	151	390
Total	35,312	29,092

Segmentation by property type:

	Revenues 2004		Revenues 2003	
	EUR '000	%	EUR '000	%
Offices	28,683	81	22,059	76
Residential	4,229	12	3,951	13
Commercial and hotels	2,400	7	3,082	11
Total	35,312	100	29,092	100

Segmentation by region:

	Austria		Hungary		Czech Republic		Slovak Republic		Total	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
Revenues	18,478	15,447	8,334	8,509	7,872	5,136	628	0	35,312	29,092
Other operating income	1,299	671	93	45	697	99	5	0	2,095	816
Income from the sale of property	44	918	0	0	0	2,470	0	0	44	3,388
Operating income	19,821	17,036	8,427	8,554	8,569	7,705	633	0	37,451	33,296

Operating income of the Austrian portfolio increased by 16 % in 2004 compared with the year 2003. Increase of the CEE portfolio amounted to 8 % in 2004. New revenues come from an acquisition in the Slovak Republic.

Other operating expenses:

Other operating expenses, which are made up of expenses directly attributable to property and general administrative expenses rose by only 4 % in 2004. Management fees and administration expenses correspond to the amounts paid by the Company pursuant to the management agreement entered into with Immorent AG.

Other operating expenses are broken down as follows:

EUR '000	2004	2003
Expenses directly attributable to property		
Operating costs	6,365	6,645
Allowance for uncollectible receivables	328	278
Maintenance costs	812	502
Commissions	545	346
Provision for project risks	0	850
Other	502	457
	8,552	9,078
General management expenses		
Management fees and administration expenses	2,898	2,033
Legal, audit, appraisal and consultancy costs	866	893
Other taxes and charges	380	381
Marketing, advertising and business entertainment expenses	146	251
Other	675	348
	4,965	3,906
	13,517	12,984

Earnings before interest and taxes (EBIT):

EBIT raised by 10 % in 2004 compared with the year 2003, from TEUR 11,727 to TEUR 12,899. This increase was primarily attributable to increased rental income from the Czech portfolio and new properties in the Slovak Republic.

Net financing costs:

Net financing costs are reported as follows:

EUR '000	2004	2003
Expenses of participatory certificates		
Distribution	-9,784	-8,894
Net income from the issue	2,032	2,099
Valuation adjustment	2,987	2,500
	-4,765	-4,295
Finance costs		
Bank loan interest	-1,722	-2,147
Other finance costs	-1,024	-2,372
	-2,746	-4,519
Finance income		
Bank interest	127	1,122
Other interest income	415	672
Income from securities	88	108
Income from investments	522	403
Income from exchange rate differences	0	578
Other	78	29
	1,230	2,912

Expenses (particularly dividend payments) for debenture-like participatory certificates made up a significant part of the financial result (TEUR 4,765 in 2004 and TEUR 4,295 in 2003). The yearly rise is attributable to the continuing increase in debenture-like participatory capital.

Income taxes:

This item includes income taxes paid or owed by group companies and provisions for deferred taxes.

EUR '000	2004	2003
Current tax expense	755	421
Deferred tax expense	827	1,102
	1,582	1,523

The reconciliation between effective tax rate to statutory tax rate is as follows:

EUR '000	2004	2003
Consolidated net profit before tax	6,619	5,825
Income tax expense at the standard Austrian tax rate of 34 %	2,250	1,980
Effect of differing tax rates	-802	-436
Reductions in tax relating to tax free or tax exempt income	-85	-217
Increases in tax relating to expenses not deductible for tax purposes	571	440
Non periodic taxes	-352	-244
Tax expense as disclosed	1,582	1,523

Net income for the period:

The net income for the period attributable to equity holders of the parent increased to TEUR 5,037 in 2004 from TEUR 4,286 in 2003. The significant increase in earnings in the year 2004 is due to the expansion of the the Company.

1.9.4 Interim Financial Statements

The following Information is derived from the unaudited Interim Financial Statements as of 31 March 2006 and 2005:

1.9.4.1 Condensed balance sheet (in TEUR)

ASSETS	31/3/2006	Changes in %	31/3/2005
Non-current assets			
Intangible assets	49		26
Property, plant and equipment	748,915		471,592
Financial assets	6,084		6,006
other non-current assets	1,972		1,205
	757,020	58%	478,829
Current assets			
Receivables	41,030		23,623
Investments	28,466		11,880
Cash and cash equivalents	134,331		5,134
	203,827	402%	40,637
Prepaid expenses	378		425
	961,225	85%	519,891
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent	367,018		226,886
Minority interest	23,948		0
Non-current liabilities			
Debtenture-like participatory rights	275,506		166,214
Non-current liabilities to banks	209,084		58,930
Provisions	10,855		6,349
Other liabilities	22,850		21,330
	518,295	105%	252,823
Current liabilities	47,143		37,831
Deferred income	4,821		2,350
	961,225	85%	519,891

Property, plant and equipment:

Property, plant and equipment increased massive (59%) in the reporting period in line with the Group's strategy.

The Company continued the investment in Germany in the first quarter of 2006. Two office buildings in Munich were acquired with a total of 26,000 m² lettable space. The entry into the Romanian property market started with the acquisition of a 3,100 m² plot of land in the centre of Bucharest. A new office property in Budapest offers about 8,000 m² lettable space.

At 31 March 2006, total lettable space was about 603,000 m², and the value of the portfolio rose year-on-year by 59 %, to approximately TEUR 748,000.

Current assets:

Current assets (TEUR 203,827), with its significant rise which is mainly due to the increase in share capital in the 4th quarter of 2005, are held for the acquisitions of high-quality property.

Shareholders' equity:

The increase in equity can be attributed to two factors:

- ongoing profit reinvestment
- increase in share capital in the 4th quarter of 2005.

The minority interests (minor share held by outside companies in the share capital of two of the Company's subsidiaries) has resulted from the acquisition of two real estate companies in the second and fourth quarter of 2005.

Debenture-like participatory certificates:

The increase in debenture-like participatory rights is due to the issue of new participatory certificates in the first half of the financial year 2005.

1.9.4.2 Condensed income statement (in TEUR)

	1/1-31/3/2006	Changes in %	1/1-31/3/2005
Revenues	16,116		10,172
thereof rental income	12,842		8,176
Other operating income	1,069		253
Income from disposal of property	1,132		2,108
Aggregate operating performance	18,317	46%	12,533
Depreciation/Amortization	-4,982		-3,018
Other operating expenses	-4,998		-3,951
Earnings before interest and tax	8,338	50%	5,564
Net financial loss	-3,657		-2,629
Earnings before tax	4,680	59%	2,935
Income taxes	-912		-524
Net income for the period	3,767	56%	2,411
thereof interests of shareholders in parent company	3,703		2,411
thereof minority interests	64		0

Revenues:

First quarter revenues were up 58 % year-on-year, to TEUR 16,116. Rental income for the period also rose 57 %, to TEUR 12,842. The increases are attributable to the expansion of property portfolio and the efficient management of existing portfolios in Austria, Germany and CEE countries.

Segment reporting as at 31 March 2006:

EUR '000	Austria	Hungary	Czech Republic	Germany	Slovakia	Romania
Revenues	9,887	2,574	1,713	1,122	820	0

The major increase in other operating income is due to the first-time consolidation of the gross operating profit (GOP) derived from the Hotel Marriott, Budapest (acquisition in June 2005).

Profit:

Operating profit (EBIT) of TEUR 8,338 was at a record high, up 50 % on the first quarter of 2005. Profit before tax for the period (EBT) was up 59 %, to TEUR 4,680. Consolidated net profit of TEUR 3,703 was up 54 % on the same period last year.

1.9.5 Governmental, Economic, Fiscal, Monetary or Political Policies or Factors that have Materially Affected, or Could Materially Affect, Directly or Indirectly, the Issuer's Operations

As a real estate company (Immobilien Aktiengesellschaft) the Company is subject to the laws and regulations of the jurisdictions, in which it operates. At the time being, there are no laws and regulations in the respective jurisdictions, which are exclusively applicable to real estate companies and which, in the opinion of the Company, could materially affect, directly or indirectly, the operations of the Company.

1.10 Capital Resources

1.10.1 The Issuer's Capital Resources

1.10.1.1 Share Capital

The Company's registered share capital is EUR 182,106,361.86, divided into 50,118,718 bearer shares of no par value, each of such shares representing approximately EUR 3.63 of the share capital. The share capital is fully paid up. To the best of the Company's knowledge as of 2 June 2006, Erste Bank Group held 18.9% of the Shares in the Company. 81.1% are held by free float.

1.10.1.2 Authorized and Contingent Capital

In the general meeting of shareholders held on 3 May 2006, the Management Board of the Company, with approval of the Supervisory Board, was authorized to increase the Company's share capital by up to 50% of the share capital registered at the time of registration of the respective amendment to the Articles of Association in one or more tranches by issuing new bearer shares against cash or contribution in kind also under exclusion of statutory subscription rights, for a period of five years after the registration of the authorized capital with the company register. Pursuant to the resolution of the general meeting, this authorization shall be registered with the Commercial Register after the capital increase in the course of this Offering has been registered with the Commercial Register. Accordingly, if the Offering is fully placed, the Management Board with approval of the Supervisory Board will be authorized to issue up to 46,986,298 ordinary bearer shares of no par value, representing a registered amount of the share capital of the Company of up to EUR 170,724,715.60.

Upon registration of the authorized capital with the Commercial Register, Section 4 Clause 6 of the current Articles of Association shall state that the Management Board is authorized to increase the Company's share capital by up to 50% of the share capital registered at the time of registration of the respective amendment to the Articles of Association in one or more tranches by issuing new bearer shares against cash or contribution in kind also under exclusion of statutory subscription rights, for a period of five years after the registration of the authorized capital with the company register.

1.10.1.3 Participatory Capital

The Company has issued 3,883,398 debenture-like bearer participatory certificates of no par value representing participatory capital in a total amount of EUR 282,217,538.15. These participatory certificates are currently listed on the Vienna Stock Exchange in the Official Market segment under the designations IMMO INVEST participatory certificates with ISIN numbers AT0000795737 (Certificates issued prior to 2004) and AT0000630694 (Certificates issued since 2004).

The Certificates confer participation rights in accordance with Section 174 (3) AktG. Due to the wording of the Terms and Conditions of the Certificates, they resemble debentures - conferring no entitlement to a share of the proceeds in the Company's liquidation.

The current authorized but not yet issued participatory capital of the Company has a nominal EUR 138,073,000.00 (calculatory amount of the participatory capital), and is divided into 1,900,000 participatory certificates.

1.10.1.4 Debt Financing

With respect to the Company's recourse to debt financing see Section 1.10.3.

1.10.2 The Issuer's Cash Flows

1.10.2.1 Abridged cash flow statement

	1/1-31/3/2006	1/1-31/3/2005
	in TEUR	in TEUR
Earnings before taxes	4,680	2,935
Depreciation/Amortization	4,982	3,018
Income from the disposal of property	-1,132	-2,108
Income taxes paid	-88	-35
Net interest	3,657	2,629
Cash flow I	12,099	6,439

1.10.2.2 Consolidated Cash Flow Statement

	2005 in TEUR	2004 in TEUR	2003 in TEUR
Earnings before tax/EBT	10,078	6,619	5,826
Depreciation and amortisation	16,309	11,035	8,585
Reversal of impairment write-down	-1,100	0	0
Gains on property disposals	-2,035	-44	-3,388
Income taxes paid	-374	-686	435
Net financing expense	6,012	6,280	5,902
Cash flow I	28,890	23,204	16,489
Changes in net current assets			
Receivables and other assets	-15,736	9,857	11,358
Provisions and other long-term liabilities	5,021	32	2,180
Current liabilities and deferred income	12,527	11,149	-3,246
Cash flow from operating activities	30,702	44,242	26,781
Cash flow from investing activities			
Purchase of investment property	-288,557	-120,597	-39,073
Purchase of office equipment and intangible assets	-1,673	-542	137
Investment in financial assets	-75	-920	-3,772
Proceeds on sale of property	739	70	10,182
Proceeds on disposal of property holding companies	3,422	0	0
Net interest on financial investments	3,784	389	3,084
Net cash flow from investing activities	-282,360	-121,600	-29,443
Cash flow from financing activities			
Proceeds on issue of shares	140,332	24,148	0
Sale of treasury shares	0	0	1,163
Change in minority interests	23,915	0	-810
Proceeds on issue of participatory certificates	147,322	17,951	28,560
Sale of own debenture-like participatory certificates	0	0	472
Dividend paid by s IMMO INVEST	-9,784	-8,894	-7,413
Issuing costs of shares and participatory certificates	-16,223	-2,627	-1,752
Net increase in long-term liabilities to banks	129,515	8,484	-27,924
Interest paid	-1,658	-3,974	-3,649
Net cash flow from financing activities	413,419	35,088	-11,352
Change in cash and cash equivalents	161,761	-42,270	-14,014
Cash and cash equivalents at 1 January 2005/2004	4,337	46,607	60,621
Cash and cash equivalents at 31 December 2005/2004	166,098	4,337	46,607
	161,761	-42,270	-14,014

1.10.3 Borrowing Requirements and Funding Structure of the Issuer

As of 31 March 2006, the structure of finance of the Company was as follows (in TEUR):

Structure of finance of the Company as at 31 March 2006 (in TEUR)

	31/3/2006	in %
A. Equity attributable to equity holders of the parent	367,018	38%
B. Minority interests	23,948	2%
C. Non-current liabilities		
1. Debenture-like participatory rights	275,506	
2. non-current liabilities to banks	209,084	
3. Provisions	10,855	
4. Other non-current liabilities	22,850	
	<hr/>	
	518,295	54%
D. Current liabilities	47,143	5%
E. Deferred income	4,821	1%
	<hr/>	
	961,225	100%

During the first quarter of the year 2006 there have been neither increase in the share capital nor in the debenture-like participatory capital. Additionally minority interests (minor share held by outside companies in the share capital of the Company's subsidiaries) have not been allocated.

Non-current liabilities to banks increased from TEUR 174,602 to TEUR 209,084 between January 1, 2006 and March 31, 2006. During the same period provisions increased slightly from TEUR 10,400 to TEUR 10,855. Included in such provisions are primarily provisions for deferred income tax and provisions for project risks.

In the period from January 1, 2006 to March 31, 2006 other non-current liabilities decreased marginally from TEUR 22,906 to TEUR 22,850 mainly consisting of tenant contributions to construction and financing costs, housing promotion subsidies and a dormant participation in a Hungarian subsidiary of the Company.

Current liabilities increased from TEUR 43,314 to TEUR 47,143 during the first quarter of 2006. This position primarily includes the distribution of s IMMO INVEST not yet paid for the fiscal year 2005. In addition, the position consists of current bank debts of the Group amounting to TEUR 8,927.

For a description of the finance structure for future investments see Section 1.10.5.

1.10.4 Material Restrictions on the use of Capital Resources

No restrictions on the use of capital resources exist that have materially affected, or could materially affect, directly or indirectly, the Company's operations. For more information regarding the participatory capital, see the s IMMO INVEST Prospectus.

1.10.5 Information Regarding the Anticipated Sources of Funds Needed to Fulfill Commitments Referred to in Items 5.2.3 and 8.1.

The investments in real property as described under Section 1.5.2.2 shall be financed through equity financing out of the capital increase in the course of the Offering together with debt financing to ensure

a ratio between equity and debt financing of approximately 2:1 (i.e. 2/3 equity and 1/3 debt). Due to this fact, the Company plans to incur additional bank liabilities - without foreign currency risks - at matching maturities. The Company intends to increase its net debt to equity ratio in terms of financing real property. In the future, the Company envisages a net debt to equity of 50% (not including capital from the issue of Certificates).

1.11 Research and Development, Patents and Licenses

In accordance with the objectives of the Company, no research and development activities (except for the development of acquired real property) are undertaken.

1.12 Trend Information

1.12.1 Most Significant Recent Trends

Apart from other trends mentioned in this Prospectus, in the opinion of the Company, the most significant trend affects the CEE region, where investment yield is subject to continuous compression. In the opinion of the Company, yields, in the opinion of the Company, in the new EU membership states have fallen substantially and – in some of these countries – reach 6% for Class A office buildings in prime locations. In the opinion of the Company, Yields yields in the immediate EU membership candidate states of the CEE region are 2-3% higher, but continue to decrease in a faster pace than those of the Czech Republic, Hungary and the Slovak Republic used to do.

The Company has retained CB Richard Ellis GmbH with a valuation of its entire property portfolio as of year end 2006. On the basis of an already conducted preliminary valuation of certain properties of the Company in CEE, CB Richard Ellis, due to significant deviations of the current market value of the properties as established by such preliminary valuation compared to the market value of such property as stated by the Company, comes to the conclusion that the property portfolio of the Company is sometimes undervalued.

To the best knowledge of the Company, since the date of the latest Interim Financial Statements to the date of this Prospectus, there have been no other significant new trends.

1.12.2 Known Trends, Uncertainties, Demands, Commitments or Events that are Reasonably Likely to have a Material Effect on the Issuer's Prospects for the Current Financial Year

The Company is not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.

1.13 Profit Forecasts or Estimates

This Prospectus does not contain any profit forecasts or estimates.

1.14 Administrative, Management, and Supervisory Bodies and Senior Management

1.14.1 Members of Administrative, Management and Supervisory Bodies

1.14.1.1 Management Board

Pursuant to Section 7 of the Articles of Association, the Management Board of the Company consists of 2, 3 or 4 members. The Company is represented by two of its Management Board members jointly or by one member jointly with an authorized signatory (Prokurist). Resolutions of the Management

Board are taken by simple majority. In case the Management Board consists of only two members, the resolution has to be unanimous.

The current members of the Management Board are:

Holger Schmidtmayr, beside his function in the Company, is head of the Investment Products department of Immorent AG. Since 1 October 2004, Mr. Schmidtmayr represents the Company jointly with another member of the Management Board or jointly with an authorized signatory (*Prokurist*). Since 26 May 2004, he is member of the Management Board of CEEPI. Holger Schmidtmayr is also managing director of another group company of Immorent AG.

Holger Schmidtmayr was born on 06 May 1966. He has been with the Company for five years and responsible for the establishment of the CEE portfolio. Holger Schmidtmayr has eight years of CEE experience and a background in law and economics. He is COO, and responsible for CEE acquisitions and portfolio management, marketing and investor relations.

Ernst Vejdovszky, beside his function in the Company, is head of the Property Fund Management department of Immorent AG. Since 1 January 2001, Mr. Vejdovszky represents the Company jointly with another member of the Management Board or jointly with an authorized signatory (*Prokurist*). Prior to his engagement in the Company, he was member of the Management Board of Sparkassen Immobilienanlagen AG since 1986, which was merged into the Company effective as of 31 December 2001.

Ernst Vejdovszky was born on 30 October 1953. He is with the Company since 1 January 2001. Mr. Vejdovszky has experience in business administration and IT services and a background in civil engineering. Ernst Vejdovszky is member of the Supervisory Board of Immorent-Bank GmbH, member of numerous management boards, official authorized signatory (*Prokurist*) and managing director of numerous companies.

In addition to their positions within the Company, the members of the Management Board also exercise management functions in other companies as described in Appendix A.1.

The address for service to members of the Management Board is the Company's business address: A-1060 Vienna, Windmühlgasse 22-24.

1.14.1.2 Supervisory Board

Pursuant to Section 8 of the Articles of Association, the Supervisory Board consists of up to 12 members appointed by the Shareholders Meeting.

The members of the Supervisory Board are:

Dr. Martin Simhandl was born on 5 November 1961 in Schaubing. From 1980 until 1984, he studied law and graduated in 1984. Dr. Martin Simhandl worked from 1985 until 1996 in the legal department of WIENER STÄDTISCHE Allgemeine Versicherung Aktiengesellschaft. He has been member of the Management Board of WIENER STÄDTISCHE Allgemeine Versicherung Aktiengesellschaft since 1 November 2004 and since 1 February 2004, member of the Management Board of WIENER STÄDTISCHE Wechselseitige Versicherungsanstalt-Vermögensverwaltung. Dr. Martin Simhandl has been Member of the Supervisory Board of the Company since 16 September 2004.

Dr. Klaus Braunegg was born on 17 September 1935. He studied law at the university of Vienna. He is an attorney at law and partner with the law firm "Braunegg, Hoffmann & Partner". Dr. Klaus Braunegg is also member of numerous supervisory boards and member of the Management Board in numerous foundations (*Privatstiftungen*). Dr. Klaus Braunegg is the first deputy chairman of the Supervisory Board of the Company. He has been Member of the Supervisory Board of the Company since 4 May 2004.

Franz Kerber was born on 20 June 1953 in Klagenfurt. He studied business economics at the university of Graz from 1972 until 1977. He started working on 1 January 1979 in the Steiermärkische Bank und Sparkassen Aktiengesellschaft as head of the section commerce credit. In 1979, he was appointed managing director of the IMMORENT SÜD Ges.m.b.H. and was responsible for the establishment of the leasing business in Steiermark and Kärnten. Mr. Kerber has been the second deputy chairman of the Supervisory Board of the Company since 16 September 2004. He is also member of the Management Board of Steiermärkische Bank und Sparkassen Aktiengesellschaft. Franz Kerber is member of numerous Supervisory Boards.

Christian Ahlfeld was born on 28 July 1956. Mr. Ahlfeld is an employee of Erste Bank. Mr. Ahlfeld studied business economics at the university of Vienna. Since September 1980 Christian Ahlfeld works for Erste Bank in different functions, since 2003 Mr. Ahlfeld is responsible for Credit-Risk Management in Austria.

Dr. Gerald Antonitsch was born on 11 April 1956 in Steyr/Oberösterreich. He studied construction engineer at the technical university of Vienna from 1974 until 1982. He obtained the doctorate degree in 1985. From 1984 until 1986, he worked as an academic assistant without lecture status at the institute of construction operation and building industry at the technical university of Vienna. Thereafter, he was project manager at Consultco International. From 1989 until 1990, Gerald Antonitsch worked as a civil engineer (*Zivilingenieur*). Since 1991 he has been managing director of different real estate companies of Erste Bank. Dr. Gerald Antonitsch has been member of the Management Board of the IMMORENT Aktiengesellschaft since 14 October 1998. He is member of numerous Supervisory Boards and managing director of numerous companies. Since 23 August 2001, Dr. Gerald Antonitsch has been member of the Supervisory Board of the Company.

Manfred Rapf was born on 29 August 1960 in Vienna. Mr. Rapf holds a university degree in technical mathematics, information technology and insurance mathematics. Mr. Rapf has been working with several insurance companies and pension funds. Since July 2005, Mr. Rapf is member of the Management Board of Sparkassen Versicherung AG.

Dr. Reinhold Schürer-Waldheim was born on 25 March 1944. He studied law at the university of Vienna from 1963 until 1968 and studied economic science at the university of Vienna and graduated in 1976. Dr. Schürer-Waldheim was certified as tax advisor in 1979. In 1984, he was appointed as university scholar for tax law (*Abgabenrecht*) at the economic university of Vienna. Dr. Schürer-Waldheim was also appointed as a sworn auditor in 1985. In 2005, he received the “Goldenes Ehrenzeichen” (award) of the economic university of Vienna. Dr. Reinhold Schürer-Waldheim was academic assistant without lecture status at the institute of revenue law at the economic university of Vienna from 1970 until 1983. He has had a lectureship at the university of Vienna since 1971. Since 1979, he has been working as a tax advisor and since 1985 as a sworn auditor.

Richard Wilkinson was born on 28 April 1964 in Great Britain, London. From 1983 until 1986, Richard Wilkinson has studied law at the London School of Economics, and graduated as LLB. Since 1996, Richard Wilkinson has been working at the Asset Liability Management of Erste Bank. Since 2005, he has been member of the Supervisory Board of the Company and member of the Supervisory Board of numerous companies. He is also authorized signatory (*Prokurist*) of Erste Bank.

In addition to their function on the Supervisory Board of the Company, the members of the Supervisory Board also exercise management functions in other companies outside of the s Immo Group as described in Appendix A.2.

The address for service to members of the Supervisory Board is the Company's business address: A-1060 Vienna, Windmühlgasse 22-24.

1.14.1.3 Founders

The Company was founded more than five years ago.

1.14.1.4 The Nature of any Family Relationship between any of those Persons who are Members of the Senior Management or named in Sections 1.14.1.1 and 1.14.1.2.

No family relationships between any of such persons exist.

1.14.1.5 Names of all Companies and Partnerships of which such Persons named in Sections 1.14.1.1 and 1.14.1.2 have been a Member of the Administrative, Management or Supervisory Bodies or Partner at any time in the previous five years

See Appendix F (not reflecting positions within the s Immo Group).

1.14.1.6 Convictions of Fraudulent Offences and Involvement in Insolvencies of Persons named in Sections 1.14.1.1 and 1.14.1.2 at any time in the previous five years

The persons named in Sections 1.14.1.1 and 1.14.1.2 have not been convicted for fraudulent offences nor were they associated with any bankruptcies, receiverships or liquidations. There were no official public incriminations and/or sanctions by statutory or regulatory authorities (including designated professional bodies) with respect to such person. None of such persons have ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer within the past five years.

1.14.2 Conflicts of Interests

For a description of a potential conflict of interest between the Company, its members of the Management and Supervisory Board and the Erste Bank Group, see also the risk factor “Conflicts of Interest” on page 71.

1.14.2.1 Potential Conflicts of Interests of the Members of the Administrative, Management and Supervisory Bodies and the Senior Management

At the time of filing this Prospectus with, and approval of this Prospectus by, FMA there were no conflicts of interest between the administrative, management and supervisory bodies and the senior management and the Company. It cannot be ruled out, however, that conflicts may arise in the future, in particular in connection with the contracts described in Section 1.19.

1.14.2.2 Arrangements or Understandings with Major Shareholders, Customers or Others Concerning the Selection of Members of the Administrative, Management or Supervisory Bodies or the Senior Management

There are no agreements with main shareholders, customers, suppliers or other persons on the basis of which a person listed under Section 1.14.1 has been appointed as a member of an administrative, management or supervisory body or the senior management.

1.14.2.3 Restrictions for the Members of the Administrative, Business Management and Supervisory Bodies or the Senior Management with Respect to Securities

To the best knowledge of the Company, except for Mr. Ernst Vejdovszky, who holds 250 Certificates, the members of the Management and of the Supervisory Board at present do not hold any Shares of the Company, s IMMO INVEST participatory certificates or options on them. Neither have options to Shares of the Company been issued to them.

There are no restrictions for the persons listed under Section 1.14.1 in purchasing interests in the form of securities in the Company.

1.15 Remuneration and Benefits

1.15.1 Amounts of Remuneration and Benefits Paid

1.15.1.1 Remuneration and Benefits in Kind of Members of the Management Board

In the past financial year (since October 2005) the two Members of the Management Board of the Company received a total remuneration of EUR 146,282.75.

1.15.1.2 Remuneration and Benefits in Kind of Members of the Supervisory Board

Except for Dr. Martin Simhandl, Dr. Klaus Braunegg and Dr. Reinhold Schürer-Waldheim, who are not employed within the Erste Bank Group and who together received a total remuneration of EUR 18,000 in 2005 in their capacity as members of both the supervisory board of the Company as well as of CEEPI, the members of the Supervisory Board received no remuneration during the past financial year, they were granted no loans or advances by the Company and the Company has entered into no contingent liabilities for the benefit of these persons. Members of the Supervisory Board get reimbursed for their cash disbursements.

1.15.2 Total Amounts Set Aside or Accrued by the Issuer or its Subsidiaries to Provide Pension, Retirement or Similar Benefits

The Company does not employ any employees, except for the members of the Management Board. Employees within the s Immo Group are the staff, which is employed with Duna Szálloda Rt. (Hotel Marriott Budapest) and Bank-garázs Ingatlanfejlesztési és Vagyonhasználó Kft as well as Gerngross Kaufhaus AG.

Accordingly, the Company has so far not set aside or accrued any amounts to provide pension, retirement or similar benefits.

Mr. Schmidmayr is granted an occupational disability pension. This pension amounts to 1.11 percent of his annual salary (5 years average), multiplied with the number of years of his employment plus the time period between 1 December 1994 and 1 October 2005. As regards Mr. Vejdovszky, the Company has agreed to take over a pension commitment, which was initially granted by Immorent AG as Mr. Vejdovszky's former employer. In order to cover the pension commitments for both board members, the Company is obliged to contribute to a pension fund in their favor.

Gerngross Kaufhaus AG states a provision for severance payments for employees and already retired employees in the amount of about EUR 627,000.

1.16 Board Practices

1.16.1 Date of Expiration of the Current term of Office

1.16.1.1 Management Board

Member	Current Term of Service	
	Commencement	Expiration
Holger Schmidtmayr	1 October 2004	30 September 2007
Ernst Vejdovszky	1 February 2005	31 January 2010

1.16.1.2 Supervisory Board

Member	Current Term of Service	
	Commencement	Expiration
Dr. Martin Simhandl	2005	2010
Dr. Klaus Braunegg	2005	2010
Franz Kerber	2005	2010
Dr. Reinhold Schürer-Waldheim	2005	2010
Manfred Rapf	2006	2010
Dr. Gerald Antonitsch	2005	2010
Christian Ahlfeld	2005	2010
Richard Wilkinson	2005	2010

1.16.2 Service Contracts of the Administrative, Management or Supervisory Bodies

With effect from 1 October 2005, the members of the Management Board of the Company have entered into an employment relationship with the Company. The respective employment contracts do not provide for benefits upon termination of the employment, with the following exceptions: Mr. Schmidtmayr is granted an occupational disability pension. This pension amounts to 1.11 percent of his annual salary (5 years average), multiplied with the number of years of his employment plus the time period between 1 December 1994 and 1 October 2005. As regards Mr. Vejdovszky, the Company has agreed to take over a pension commitment, which was initially granted by Immorent AG as Mr. Vejdovszky's former employer. In order to cover the pension commitments for both board members, the Company is obliged to contribute to a pension fund in their favor.

1.16.3 Information about the Issuer's Audit Committee and Remuneration Committee

Up to the current fiscal year, the Supervisory Board of the Company had established neither an audit committee nor a remuneration committee. The duties of such committees so far had been performed by the entire Supervisory Board.

According to Section 92 Paragraph 4a AktG as amended by the Corporate Law Amendment Act 2005 (*Gesellschaftsrechtsänderungsgesetz 2005*), which entered into force on 1 January 2006, stock exchange listed companies are required to appoint an audit committee, irrespective of the number of

members of the Supervisory Board. A financial expert is required to serve on the audit committee. The provision of Section 92 Paragraph 4a AktG as amended by the Corporate Law Amendment Act 2005, according to Section 262 Paragraph 10 AktG as amended by the Corporate Law Amendment Act 2005, is to apply once a member of the Supervisory Board is appointed after 1 January 2006.

In the General Meeting held on 3 May 2006, Mr. Manfred Rapf was newly appointed as Member of the Supervisory Board, and the Company amended Article 9 of its Articles of Association to provide for the Supervisory Board to establish an audit committee. The audit committee consists of Dr. Martin Simhandl, Dr. Klaus Braunegg, Dr. Reinhold Schürer-Waldheim, Dr. Gerald Antonitsch, Mr. Christian Ahlfeld and Mr. Manfred Rapf.

The Company has established a remuneration committee consisting of Dr. Martin Simhandl, Dr. Klaus Braunegg and Mr. Franz Kerber.

1.16.4 Statement Concerning the Austrian Corporate Governance Regime

The Management of the Company recognises and accepts the majority of the principles of voluntary good conduct embodied in the Austrian Corporate Governance Code as a guideline for good corporate management. It believes in maximum possible transparency in the interests of its shareholders, and complies with all the statutory regulations (legal (L) rules) for listed companies embodied in the Corporate Governance Code. So far, the Company has seen the adaption also of the comply (C) and recommended (R) rules as resulting in additional costs for the Company not being set off by significant additional information for its shareholders. However, the implementation of comply (C) rules and recommend (R) rules is currently under consideration by the Management and the Supervisory Board, and will be introduced as appropriate. The management of the Company is in close contact with its Supervisory Board, with which all strategic decisions are discussed in detail before decisions are made.

1.17 Employees

1.17.1 Number of Employees

The Company, except for the members of its Management Board Mr. Holger Schmidtmayr and Mr. Ernst Vejdovszky, employs no staff, as the Company has concluded a management and administration contract with Immorent AG. The same applies also to the subsidiaries of the Company, except (i) Bank-garázs Ingatlanfejlesztési és Vagyonhasznosító Kft, (ii) Duna Szálloda Zrt. and (iii) Gerngroß Kaufhaus AG. Bank-garázs Ingatlanfejlesztési és Vagyonhasznosító Kft as of 31 December 2005 employed two technicians, two marketing personnel and four administration officers as full time employees and one technician as part time employee for its own purposes as well as for other subsidiaries of the Company in Hungary. Duna Szálloda Zrt., (Hotel Marriott Budapest) as of 31 December 2005, employed 299 employees. Further, as of 14 November 2005, the Company has acquired Gerngroß Kaufhaus AG, which as of 31 December 2005 employed 22 employees. Accordingly, the Company within the last three fiscal years has, except for the aforementioned employees, not employed any employees.

1.17.2 Shareholdings and Stock Options

1.17.2.1 Shares and Share Options Held by Members of the Management and Supervisory Boards

Except for Mr. Ernst Vejdovszky, who holds 250 Certificates, to the best knowledge of the Company, no members of the Management Board hold Shares in the Company, s IMMO INVEST participatory certificates or options on them.

To the best knowledge of the Company, no members of the Supervisory Board hold shares in the Company, s IMMO INVEST participatory certificates or options on them.

1.17.3 Arrangements for Involving the Employees in the Capital of the Issuer

As the Company itself, except for the members of its Management Board, does not employ any employees, there is no employee share ownership program under which employees would acquire an equity holding in the Company's share capital.

1.18 Major Shareholders

1.18.1 Notifiable Shareholdings

To the best of the Company's knowledge, Erste Bank directly currently holds about 9% of the Company's share capital. In addition, key employees of Erste Bank or its group companies hold positions in the Management or Supervisory Board of the Company (see also Section 1.14.1). Immorent AG, a wholly owned subsidiary of Erste Bank, provides management services to the Company under an administration and authorisation agreement (see Section 1.19).

To the best knowledge of the Company, Sparkassen Versicherung Aktiengesellschaft (FN 82351f), a company of the Erste Bank Group, holds about 9.9% of the Company's share capital.

To the best of the Company's knowledge, no other shareholders that control or are in a position to control the Company, whether directly or indirectly, individually or jointly.

1.18.2 Different Voting Rights of Major Shareholders

The Shares held by Erste Bank or companies of the Erste Bank Group carry the same voting rights as the other Shares of the Company.

1.18.3 Direct or Indirect Control

Except for the circumstances described under Section 1.18.1, to the best knowledge of the Company, the Company is not directly or indirectly owned or controlled by another person or entity.

1.18.4 Arrangements, the Operation of which may at a Subsequent Date Result in a Change in Control of the Issuer

The Company is not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

1.19 Related Party Transactions

1.19.1 Administration and Authorization Contract with Immorent AG

As regards the administration and authorization contract with Immorent AG, see Section 1.22.1.

1.19.2 Development, Realization and Exploitation of the Office Center Pankrac

Vila Property s.r.o., an indirect subsidiary of the Company, is the owner of real property in Prague (Prague 4, register number 3142/7, 2836, 2837, 3142/4, 3142/5, 3142/8, 3142/3, 3142/18 and 3142/19, real property register Nusle Prag 4) with a size of approximately 16.400 sqm. By a project management contract dated May 2004 between Vila Property s.r.o. as customer, IMMORANT CR s.r.o. as contractor and CEE Property Invest Immobilien AG as shareholder of the customer, Vila Property s.r.o. has retained IMMORANT CR s.r.o. with the development, realization and exploitation of an office center on this real property (the "Office Center Pankrac"). The management fee under this agreement for the services to be rendered in connection with the development and realization of the office center amounts to CZK 42,633,066.00 (in EUR 1,511,650.04) plus VAT, the management fee for the exploitation (lease) amounts to 25% of the annual aggregate net rent for the building plus VAT. The aforementioned management fee does not include expenses for external legal, commercial and technical advice, advertising, maintenance of the building (duties etc.) which are to be borne by the customer separately. Further, a variable management bonus in the maximum amount of CZK 75,000,000.00 (in EUR 2,659,291.56) is payable upon achievement of certain return-on-investment orientated project targets. Should certain similar targets not be met, the management fee may also be reduced for a variable amount of up to CZK 25,000,000.00 (in EUR 886,430.52).

1.19.3 Option Agreements

51% of the shares in Duna Szálloda Zrt, Budapest, Hungary, the owner of Hotel Marriott in Budapest, are owned by Hotel DUNA Beteiligungs Gesellschaft m.b.H, Vienna, Austria. This company is a 100% subsidiary of CEEPI. The remaining 49% of the shares in Duna Szálloda Zrt are, to the knowledge of the Company, owned by S-Tourismusfonds Management Aktiengesellschaft, which is a subsidiary of Erste Bank. S-Tourismusfonds Management Aktiengesellschaft has offered CEEPI an option to acquire this participation. The option can be exercised by CEEPI during July 2006.

1.19.4 Credit Agreements

In July 2005, Erste Bank has offered Arcade Meidling Errichtung und Verwaltung GmbH, a indirectly and directly held 100% subsidiary of the Company a non-revolving credit facility in the amount of EUR 20,000,000.00. The interest payable amounts to 2.85% p.a. for the first 3-month period, and 0.75% over the three-month-EURIBOR for the subsequent periods. In addition thereto, a quarterly 0.125% commitment commission, calculated from the unused credit amount as of that date is payable. The credit amount is repayable in 40 instalments until 30 June 2015. As security for the credit, two pieces of real property, one owned by Arcade Meidling Errichtung und Verwaltung GmbH (in Meidlinger Hauptstraße 37, Vienna) and one owned by "SGL" Grundstücksverwaltungs und Leasing Gesellschaft m.b.H., the shares in Arcade Meidling Errichtung und Verwaltung GmbH and the rent receivables accruing from the lease of the pledged real property owned by Arcade Meidling Errichtung und Verwaltung GmbH are to be pledged. The offer has been accepted by Arcade Meidling Errichtung und Verwaltung GmbH in July 2005. Currently, approximately 50% of the credit facility have been exercised. In addition thereto, the Company and/or Austrian subsidiaries have been granted further credits/loans by Erste Bank in smaller amounts at arm's length conditions.

Further, in the course of the acquisition of Duna Szálloda Zrt by CEEPI, a senior refinancing facility in the amount of EUR 51,888,040.00 granted to Duna Szálloda Zrt on 24 November 2000 by a bank consortium led by Erste Bank was restructured within the Erste Bank Group at arm's length conditions.

Bank-garázs Ingatlanfejlesztési és Vagyonhasznosító Kft, a indirectly owned subsidiary of CEEPI has been offered to enter into a credit facility agreement with Erste Bank in June 2004. The credit facility amounts to EUR 10,000,000.00 and is repayable in 60 instalments until 2019. The interest rate amounts to 0.85% above the three-month-EURIBOR. The security for the credit facility mainly consists of a

pledge in the shares in the creditor as well as in a piece of real property owned by the creditor (Váci út 202, 1138 Budapest). This offer has already been accepted by the creditor.

1.19.5 Underwriting Agreements and Engagement Letters with Erste Bank for Capital Markets Transactions

Erste Bank has acted several times as lead manager and bookrunner in public offers of participatory certificates and shares issued by the Company. In this capacity, Erste Bank has concluded several agreements with the Company on the marketing and placement of the issued securities. In these agreements, Erste Bank undertakes to advise the Company in the structuring of the offering, the coordination with the Vienna stock exchange, the drafting of contracts required for the transaction, marketing, assistance in the drafting of the prospectus etc.

The Company itself, in such agreements, undertakes, on the one hand, to assist Erste Bank in the execution of the transaction and, on the other hand, to guarantee Erste Bank, among others, the good standing of the Company and its compliance with material contractual and public law obligations, the disclosure of any information relevant for the transaction, the correctness of the prospectus etc and to indemnify Erste Bank for any breaches of these guarantees. The terms of these agreements, and in particular the fees received by Erste Bank, are, in the opinion of the Company, in line with best market practices.

Also in the current transaction, the Joint Global Coordinators concluded or will conclude similar agreements with the Company. The engagement letter, which has been concluded in preparation of the transaction, can be terminated by the Company and the Joint Global Coordinators by written notice to the other parties. The underwriting agreement in the current transaction is not yet concluded as of the date of this Prospectus.

1.19.6 Market Maker Agreement with Erste Bank

As regards the market maker agreement with Erste Bank, see Section 1.22.2.

1.19.7 Swaps

As regards the swap agreements with Erste Bank, see Section 1.9.1.2.

1.20 Financial Information Concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses

1.20.1 Historical Financial Information

For the audited Consolidated Financial Statements of the Company as of 31 December 2005, 31 December 2004 and 31 December 2003, see Appendices A.1., A.2. and A.3. to this Prospectus. For the unaudited Interim Financial Statements of the Company as of 31 March 2006 and 31 March 2005, see Appendices B.1. and B.2. to this Prospectus.

1.20.2 Pro-forma Financial Information

Not applicable.

1.20.3 Financial Statements

For the audited Consolidated Financial Statements of the Company as of 31 December 2005, 31 December 2004 and 31 December 2003 see Appendices A1, A2 and A3. The Company also prepares individual financial statements for each fiscal year pursuant to the provisions of the Austrian HGB. Such individual financial statements have been published in the Official Gazette to the Wiener Zeitung pursuant to the provisions of the Austrian AktG and the Articles of Association.

1.20.4 Auditing of Historical Annual Financial Information

1.20.4.1 Statement that the Historical Annual Financial Information has been Audited

The Consolidated Financial Statements have been audited by Eidos Deloitte Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH and given an unqualified audit opinion.

1.20.4.2 Information in the Registration Document which has been audited by the Auditors

Except for the Consolidated Financial Statements, no other information in this Prospectus has been audited by the auditors of the Company.

1.20.4.3 Financial Data not Extracted from the Issuer's Audited Financial Statements

The Interim Financial Statements of the Company have been provided by the Company and have not been audited by the Company's auditors.

1.20.5 Age of Latest Financial Information

The latest unaudited Interim Financial Statements of the Company are provided as of 31 March 2006. The latest audited Consolidated Financial Statements of the Company are provided as of 31 December 2005.

1.20.6 Interim and Other Financial Information

See Appendices B1 and B2.

The Interim Financial Statements have not been audited by the Company's auditors.

1.20.7 Dividend Policy

The Company does not pay dividends on Shares.

1.20.8 Legal and Arbitration Proceedings

In November 2005, Dkfm Hans Schmid and Hans Schmid Privatstiftung, who hold, to the knowledge of the management, the remaining 25% of the shares in Gerngross Kaufhaus Aktiengesellschaft, have stated to have lodged an action against the sellers of the 75% stake purchased by the Company stating that Mr Schmid was promised by the sellers of the 75% stake to obtain one bearer share in Gerngross Kaufhaus Aktiengesellschaft already before the acquisition of the aforesaid 75% stake by the Company. In the opinion of the management, the risk exposure for the Company due to this dispute is not material.

Except for the aforementioned litigation, the Company is not aware of any material litigation or arbitration pending or threatened. The Company, due to its business in renting real property, is constantly involved in rent settlement proceedings and the like, which it considers to be immaterial and in the ordinary course of its business.

1.20.9 Significant Change in the Issuer's Financial or Trading Position

No significant changes in the financial or trading position of the group has occurred since the date of the latest Interim Financial Statements.

1.21 Additional Information

1.21.1 Share Capital

1.21.1.1 Shares

The Company's share capital is EUR 182,106,361.86, divided into 50,118,718 bearer shares of no par value, each of them representing approximately EUR 3.63 of the share capital.

The share capital is fully paid up.

To the best of the Company's knowledge, as of 2 June 2006, Erste Bank der oesterreichischen Sparkassen AG held 9% and Sparkassen Versicherung Aktiengesellschaft held 9.9% of the Shares in the Company. 81.1% are held in free float.

1.21.1.2 Shares not Representing Capital

The Company has not issued any shares not representing capital. For details on the participatory Certificates issued by the Company, see the s IMMO INVEST Prospectus.

1.21.1.3 Shares in the Issuer held by or on Behalf of the Issuer itself or by Subsidiaries of the Issuer
Neither the Company nor any of its subsidiaries hold Shares in the Company.

1.21.1.4 Convertible Securities, Exchangeable Securities or Securities with Warrants

The Company has not issued any convertible securities, exchangeable securities or securities with warrants.

1.21.1.5 Acquisition Rights and/or Obligations over Authorized but Unissued Capital or an Undertaking to Increase the Capital

In general, each shareholder of the Company has statutory subscription rights in case of an increase in the share capital of the Company *pro rata* to his shareholding. Statutory subscription rights may be exercised within a period of no less than two weeks. Statutory subscription rights in general may be excluded by a supermajority vote of the General Meeting of the Company. Exclusion of statutory subscription rights with the obligation of a credit institution to take over the new shares and to offer such new shares to existing shareholders for subscription (indirect subscription right – *mittelbares Bezugsrecht*) is not deemed to be an exclusion of statutory subscription rights.

1.21.1.6 Capital of any Member of the Group which is under Option or Agreed Conditionally or Unconditionally to be put under Option

Not applicable.

1.21.1.7 History of Share Capital

The Company was founded on 14 June 1988 as an Austrian limited liability company (*Gesellschaft mit beschränkter Haftung – GmbH*) with a nominal share capital of ATS 500,000. Increases in 1988 and 1989 brought its nominal capital to ATS 76,500,000. As of 27 January 1989, the Company was transformed into a joint stock company (*Aktiengesellschaft - AG*).

A 1:20 stock split, agreed at the general meeting of shareholders on 18 June 2002, increased the number of shares from 1,518,750 to 30,375,000 with effect from 28 June 2002. The share capital was unaffected by this stock split.

Following several capital increases over the years, the share capital of the Company was increased by EUR 11,036,679.95 under partial exercise of the authorized capital (*genehmigtes Kapital*) granted by resolution of the general meeting dated 24 June 2004 effective as of 10 November 2004 to a share capital of EUR 121,404,242.45 divided into 33,412,279 bearer shares of no par value and 200 registered shares of no par value.

With capital increases completed in the fourth quarter of 2005, the share capital of the Company was increased to its current EUR 182,106,361.86, divided into 50,118,718 bearer shares of no par value and 200 registered shares of no par value. With resolution of the general meeting held on 3 May 2006, the 200 registered shares were converted into ordinary bearer shares.

1.21.2 Memorandum and Articles of Association

1.21.2.1 Issuer's Objects and Purposes

The corporate object of the Company is stated in Section 2 of the Articles of Association as follows:

- 1) The acquisition of real property, land and similar rights (including building rights and buildings constructed on third-party land), the construction of buildings on such land and the use and commercial exploitation of such land, similar rights and buildings, particularly by the letting, leasing and use of real property administered by savings banks.
- 2) The acquisition and the commercial exploitation of movable assets, particularly by business leasing or the conclusion of leasing agreements.
- 3) The acquisition, holding and disposal of participations in companies with the same or a similar corporate object.
- 4) The Company is also authorized to engage in any activity that is necessary or beneficial for the achievement of its purposes. The Company may also make use of third parties for the performance of its tasks.

1.21.2.2 The Governing Bodies of the Company

The governing bodies of the Company are the Management Board, the Supervisory Board and the Shareholders Meeting (Section 6 of the Articles of Association).

a) Management Board

Pursuant to Section 7 of the Articles of Association, the Management Board of the Company consists of 2, 3 or 4 members. The members of the Supervisory Board shall appoint the members of the Management Board with a super majority of 3/4 of the votes cast. The Company is represented by two of its members of the Management Board jointly or by one of its members jointly with one authorized signatory (*Prokurist*). Two authorized signatories may, within certain statutory limitations, jointly represent the Company. Sole representation of the Company by one member of the Management Board or one authorized signatory is excluded. The Management Board decides with simple majority. In case that the Management Board consists of only 2 members, the decision has to be unanimous.

b) Supervisory Board

Pursuant to Section 8 of the Articles of Association, the Supervisory Board may consist of up to 12 members appointed by the shareholder's meeting. The members of the Supervisory Board shall be appointed by the Shareholders Meeting. The members of the Supervisory Board may not be appointed for longer than the statutory term. The Supervisory Board shall elect a chairman, and two deputy chairmen from among its members.

The members of the Supervisory Board may resign from their office by registered letter to the chairman of the Supervisory Board. In case one of its members resigns from the Supervisory Board, a new member shall be appointed in or before the next ordinary Shareholders Meeting.

Pursuant to Section 9 of the Articles of Association, the Supervisory Board is organized as follows:

The Supervisory Board shall have at least four meetings per business year. The chairman shall convoke the meeting of the Supervisory Board in written form with giving the agenda, at least seven days prior to the date of the meeting. The Supervisory Board is competent to pass a resolution if at least three of the members appointed by the shareholder's meeting, including the chairman or one of his deputies, are present. The Supervisory Board is competent to pass a resolution with a majority of the votes cast unless the Articles of Association provide otherwise.

The duties of the Supervisory Board are stated in Section 10 of the Articles of Association. Besides the duties set forth by law, the Supervisory Board may decide that certain categories of transactions require the approval of the Supervisory Board. Such approval is mandatory for the acquisition of, or participation in, companies engaging in investments in real property and for the acquisition and disposal of real property.

c) Shareholders Meeting

Pursuant to Sections 11, 12 and 13 of the Articles of Association, the Shareholders Meeting shall be convened at least once every year. The chairman of the Shareholders Meeting is the chairman of the Supervisory Board or his deputy. Unless expressly stated otherwise by law or the Articles of Association, the Shareholders Meeting shall decide with simple majority of the votes cast and with a simple majority of the share capital present at the Shareholders Meeting. For an amendment of the Articles of Association, a 3/4 super majority is required (Section 13 of the Articles of Association).

Pursuant to Section 13 subpara 3, the voting rights of each shareholder in the Shareholders Meeting are limited to 15% of the voting rights attaching to the shares issued. Shares held by affiliated companies and persons acting in concert within the meaning of the Austrian takeover act are calculated together.

1.21.2.3 Rights, Preferences and Restrictions Attaching to each Class of the Existing Shares

The Company has issued ordinary bearer Shares of no par value. Form and contents of share certificates, dividend coupons and renewal coupons, as well as interim certificates or interim collective documents (*Zwischensammelurkunden*) are determined by the Management Board with the consent of the Supervisory Board. The claim of holders of bearer shares to individual confirmation in writing (*Einzelverbriefung*) is excluded in accordance with Section 10 Paragraph 6 AktG (Section 4 Paragraph 4 of the Articles of Association).

1.21.2.4 Actions that are Necessary to Change the Rights of Holders of the Shares

For an amendment to the Articles of Association the Shareholders Meeting is competent to pass a resolution with super majority of 75% of the share capital present at the resolution of the Shareholders Meeting (Section 13 Paragraph 2 of the Articles of Association).

1.21.2.5 Description of the Conditions Governing the Manner in which Annual General Meetings and Extraordinary General Meetings of Shareholders are Called Including the Conditions of Admission

According to Section 15 Paragraph 2 of the Articles of Association, the annual Shareholders Meeting shall be convened within the first eight months of the business year and resolve upon the discharge of the members of the Management Board and the members of the Supervisory Board.

The ordinary Shareholders Meeting shall be convened at least once every year, and shall take place at the business address of the Company in Vienna/Austria. The Shareholders Meeting shall be convoked by the Management Board or by the Supervisory Board.

The convocation of the annual general Shareholders Meeting and of extraordinary Shareholders Meetings is to be published at least 3 weeks prior to the date of the Shareholders Meeting together with the agenda for the meeting in the official gazette to the Wiener Zeitung.

Shareholders who deposit their Shares at the Company, at an Austrian notary public (*Notar*), at an Austrian bank, or at another depository (designated in the convocation), until the end of the Shareholders Meeting, may attend the Shareholders Meeting. The Shares have to be deposited 4 business days prior to the Shareholders Meeting. Shareholders shall have at least 14 days to deposit their shares, starting with the day after the publishing of the convocation in the official gazette of the Wiener Zeitung (Section 11 Paragraph 2 of the Articles of Association).

1.21.2.6 Description of any Provision of the Issuer's Articles of Association, Statutes, Charter or Bylaws that would have an Effect of Delaying, Deferring or Preventing a Change in Control of the Issuer

Erste Bank currently holds about 9%, and indirectly through its subsidiary Sparkassen Versicherung Aktiengesellschaft about 9.9%, of the Existing Shares in the Company. About 81.1% are held by free float. On an average, the Erste Bank Group represented about 90% of the shareholders at the last three annual Shareholders Meetings. Accordingly, the Erste Bank Group with its total shareholding of about 18.9% could have passed supermajority decisions such as the amendment of the Articles of Association (3/4 of the votes cast).

1.21.2.7 An Indication of the Articles of Association, Statutes, Charter or Bylaw Provisions, if any, Governing the Ownership threshold above which Shareholder Ownership must be Disclosed.

Not applicable.

1.21.2.8 Description of the conditions imposed by the memorandum and articles of association, statutes, charter or bylaw governing changes in the capital, where such conditions are more stringent than is required by law

Not applicable.

1.22 Material Contracts

1.22.1 Administration and Authorization Contract with Immorent AG

The Company has concluded a management and administration contract with Immorent AG, Vienna, in 2001, under which certain portfolio and asset management activities of the Company are to be performed by Immorent AG. Immorent AG is obliged under the aforementioned contract to render management services to the Company in particular with regard to:

- (i) portfolio management, research and owner representation concerning real property of the Company;
- (ii) general commercial administration and legal advice of the Company;
- (iii) investor- and public relations and reporting to the Company's bodies, shareholders and holders of securities as well as distributors;
- (iv) organisation, preparation and coordination of capital increases and public offerings;
- (v) procurement and general and lease administration concerning real property of the Company; and
- (vi) construction of buildings and project development.

Pursuant to this contract, as amended, the management fees for these services are according to the most recent update of this contract calculated and allocated as follows:

For management services rendered to the Company and/or the s IMMO INVEST in connection with the measures set out under (i), (ii) and (iii) above, Immorent AG is entitled to charge the Company an annual management fee amounting to 0.25% of the market value of the Company including its subsidiaries plus 0.2% of (a) the value of the real property of the s IMMO Share plus (b) the value of the s IMMO INVEST.

The management fees for the services as set out above under (iv) to (vi), which are to be rendered by Immorent AG upon instruction of the Company, amount to:

- (iv) as regards services under (iv) above: with respect to each issue and placement of securities for services in connection with the preparation thereof: 1% of the issue proceeds (offered securities multiplied by the issue price) for the first EUR 40 mn issued in the respective issue plus 0.5% of the issue proceeds of the respective issue for all amounts exceeding EUR 40 mn issued in the respective issue plus a commission for sales of securities directly to investors without involvement of distributors in the amount of 2,5% of the issue proceeds;
- (v) as regards services under (v) above: 80% of the fee amount chargeable under the Austrian guidelines for estate agents (*Richtlinien für Immobilienreuhänder*), which amount is reduced to 20% of the fee amount chargeable under the said guidelines for services concerning the lease of real property subsequent to leases already pursued with the same tenant in the same building. No fee is payable for the procurement of real property owned by Immorent AG or any of its group companies;
- (vi) as regards services under (vi) above: project fees calculated on the basis of the fee tariff for architects (*Gebührenordnung für Architekten / GOA*) with a minimum discount of 20% for services in connection with the construction of buildings and project development.

Immorent AG is also compensated by the Company, in addition to the above management fees, for any cash disbursements (e.g. taxes, stamp duties, court fees; etc) as well as all considerations and commission payments made by it to third parties (e.g. fees of attorneys, public accountants, public notaries; etc).

For the management services rendered by Immorent AG to the s IMMO INVEST, the Company is entitled to charge the s IMMO INVEST accounting entity an annual management fee of 0.5% of the

value of the accounting entity (assets at estimated or current value, less borrowed funds) at the end of each financial year. For the purpose of the above calculation “borrowed funds” does not comprise any reserves for profit distributions. In addition to this fee, the Company is entitled to charge the accounting entity for third parties’ fees in connection with these management services. This management fee under the applicable terms and conditions of the s IMMO INVEST is directly paid out of the funds of the s IMMO INVEST to Immorent AG and such amount is deducted from the management fee payable by the Company.

Immorent AG is, in the course of the performance of the aforementioned contract, obliged to follow the instructions of, and to report to, the Company. Further, Immorent AG is entitled to transfer single tasks and powers of attorney under the aforementioned contract to companies controlled by Immorent AG.

The administration and authorisation contract may be terminated by giving a nine month’s notice to the end of each year as a whole or only as regards parts of the services; the parties to the contract have, however, waived their right of notice until 31 December 2007. Notwithstanding this waiver, the parties to the contract are entitled to termination with immediate effect upon good cause.

Similar management contracts exist between individual subsidiaries of the Company and Immorent AG or its local subsidiaries, respectively, covering also the services rendered by Immorent AG as shareholder of CEE Immobilien GmbH and BGM - IMMORANT Aktiengesellschaft & Co KG, shares in which are held in trust for CEEPI.

1.22.2 Market Maker Agreement with Erste Bank

Erste Bank acts as market maker for shares and participatory certificates of the Company. As market maker, Erste Bank maintains liquidity during the daily auction, by placing quotes for offers and demand in the electronic trading system. By setting the purchase and sale price in accordance with the applicable laws and regulations, in particular within the framework of the Austrian securities exchange laws and regulations, Erste Bank assures sufficient liquidity and low volatility. As market maker Erste Bank is obliged to consider a minimum volume of 10,000 and a maximum spread of 2%. For this market making, Erste Bank currently invoices a lump sum, on the lower end of market practice. This function of Erste Bank regarding the Shares in the Company is based on a market maker agreement between the Company and Erste Bank concluded in February 2002. This agreement is concluded for an indefinite period and can be terminated either (a) by notice with a notice period of six weeks at the end of each month or, (b) in case that the Vienna Stock exchange withdraws the market maker admission of Erste Bank or upon occurrence of any other important reason by which further performance of the agreement would appear unreasonable for the terminating party, with immediate effect.

1.22.3 Other material agreements

In its ordinary course of business the Company has, inter alia, entered into real property sale and purchase agreements, sale- and assignment agreements concerning the share in property companies, lease agreements, financing agreements and security interest agreements. In the opinion of the Company, each of these agreements by itself is not material to the business of the Company.

By contract dated 28 November 2005, which has become effective on 1 December 2005, the Company acquired 75% of the shares in Gerngross Kaufhaus Aktiengesellschaft, registered with the Austrian commercial register under FN 90304a, with its seat in Vienna and its business address at Kärntner Straße 19, 1010 Vienna. This share purchase contract was concluded between the Company as buyer and Palmers Aktiengesellschaft, “P” Beteiligungs GmbH as well as Kitani Beteiligungs GmbH as sellers. The implementation of this contract was subject to merger control clearance by the Vienna Cartel Court, which was granted. The acquired shares in Gerngross Kaufhaus Aktiengesellschaft were allocated to the s IMMO Share and the s IMMO INVEST in equal parts. Gerngross Kaufhaus Aktiengesellschaft is the owner of two retail buildings in Vienna, being Kaufhaus Herzmansky at

Mariahilferstraße 26-30, Vienna, with a total gross area of 21,600 sqm on the one hand and Kaufhaus Steffl at Kärntner Straße 19, Vienna, with a gross area of 20,400 sqm on the other hand (see chapter 1.8.). Both retail buildings are leased to well known international retailers. Gerngross Kaufhaus AG, as borrower, and Bank Austria Creditanstalt AG as lender are party to a loan agreement in the amount of ATS 750,000,000.00 (EUR 54,504,626) dated 9 April 1997 (as amended by agreement dated 5/11 November 2003).

On 10 April 2006, Markt Caree Halle Immobilien GmbH entered into a credit agreement with Hypo Alpe Adria Bank, Austria, by which Markt Caree Halle Immobilien GmbH as borrower is granted a non-revolving credit facility in the amount of EUR 25,100,000.00. The credit facility is repayable in 74 instalments until 2025 together with interest in a rate of 3.981%. The credit agreement can be terminated by Hypo Alpe Adria Bank only upon good cause. The security for the credit facility mainly consists of a silent assignment of rent receivables accruing from real estate owned by the borrower as well as a pledge in a piece of real estate owned by the borrower.

As regards other material contracts see Chapter 1.19.

1.23 Third Party Information and Statement by Experts and Declarations of Any Interest

1.23.1 Where a Statement or Report Attributed to a Person as an Expert is Included in the Registration Document, Provide such Person's Name, Business Address, Qualifications and Material Interest if any in the Issuer.

Not applicable.

1.23.2 Information from Third Parties

With respect to any information based on reports of DTZ, Erste Bank, Collier Columbus, Eurostat, Sveriges Riksbank and Schweizerische Nationalbank, the Company confirms that this information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by the respective third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

1.24 Documents on Display

This Prospectus, a current excerpt from the Commercial Register, the current Articles of Association of the Company, and the Financial Statements of the Company are available during ordinary business hours at the offices of Sparkassen Immobilien Aktiengesellschaft, A-1060 Vienna, Windmühlgasse 22-24. This Prospectus may also be obtained during ordinary business hours free of charge at the offices of Erste Bank der oesterreichischen Sparkassen AG, Börsegasse 14, A-1010 Vienna, Austria, BNP Paribas, 16 boulevard des Italiens, 75009 Paris, France, Bayerische Landesbank, Brienner Strasse 18, 80333 Munich, Germany and Ceska Sporitelna, Na Perštýna 1, Praha 1, Czech Republic. For investors resident in Austria, the Czech Republic and Germany, the Prospectus and the Czech and German translation of the Summary thereof are also available on the webpage of the Company under www.sparkassenimmobilienag.at and for the Czech Republic also under www.csas.cz.

1.25 Information on Holdings

See Section 1.7.2.

2 SHARE SECURITIES NOTE

2.1 Persons Responsible

See Section 1.1.

2.2 Risk Factors

See Section “Risk Factors” starting on page 68.

2.3 Key Information

2.3.1 Working Capital Statement

The Company herewith confirms that, in its opinion, the working capital is sufficient for the Company's present requirements.

2.3.2 Capitalisation and Indebtedness

The following chart shows the capitalization and indebtedness of the Company as of 31 March 2006 (in TEUR):

Total Current Debt	47,143
– Guaranteed	0
– Secured	0
– Unguaranteed/Unsecured	0
Total Non-Current Debt	518,295
(excluding current portion of long-term debt)	
– Guaranteed	0
– Secured	188,436
– Unguaranteed/Unsecured	329,859
Equity attributable to equity holders of the parent	367,018
(a) Share Capital	182,106
(b) Reserves	181,209
(c) Accumulated Profits	3,703
Minority interests	23,948
Total	956,404

2.3.3 Interest of Natural and Legal Persons Involved in the Issue/Offering

BNP Paribas and Erste Bank as Joint Global Coordinators and BayernLB as Co-Lead Manager will receive underwriting fees and commissions in connection with the Offering.

With respect to management fees payable to Immorent AG in connection with the organisation, preparation and coordination of capital increases and public offerings, see Section 1.19.1.

2.3.4 Reasons for the Offering and Use of Proceeds

The net issue proceeds from the capital increase will be used for further investments in Austria as well as in Germany and the CEE. The investments in CEE will be made through CEEPI and the investments in Germany will be made through BGO. The investments through CEEPI and BGO, respectively, will be funded through either equity contributions or shareholder loans by the Company to CEEPI and/or BGO. For details please see Sections 1.5.2.2 and 1.5.2.3.

2.4 Information Concerning the Securities to be Offered/Admitted to Trading

2.4.1 Type and Class of the Offer Shares

Up to 43,853,879 new ordinary bearer Shares of no par value of the Company, representing a registered share capital of up to EUR 159,343,069.35 are offered through (a) a rights offering to shareholders of the Company in the ratio of 7 Offer Shares for every 8 Shares in the Company, and, to the extent shareholders of the Company do not exercise or waive their subscription rights, (b) a public offering of Offer Shares to retail and institutional investors in the Republic of Austria, the Czech Republic and Germany and (c) an international private placement in Europe outside the Republic of Austria, the Czech Republic and Germany. The Offer Shares are sought to be admitted to listing on the Vienna Stock Exchange in the Official Market segment (*Amtlicher Handel*).

The Offer Shares and 200 former registered Shares, which have been converted to ordinary bearer Shares by resolution of the general meeting held on 3 May 2006 are expected to be listed together with the Existing Shares in the Official Market segment of the Vienna Stock Exchange from 29 June 2006. The Offer Shares as well as the Existing Shares carry the ISIN AT 0000652250. The Company intends to change the market segment in which the Shares are listed from Standard Market Auction to Standard Market Continuous as soon as practicable after listing of the Offer Shares.

2.4.2 Legislation under which the Securities have been Created

The Shares of the Company have been created under, and are subject to, the provisions of the Austrian Joint Stock Corporation Act (AktG). Rights and obligations attaching to the Shares are subject to the provisions of the AktG, the Articles of Association and other applicable provisions of Austrian law.

2.4.3 Form of Shares and Certification

The Offer Shares are ordinary bearer shares of no par value. The Offer Shares are evidenced through one or more global share certificates (Sammelurkunden) deposited with, and kept by, Oesterreichische Kontrollbank AG (OeKB), Am Hof 4, A-1010 Vienna, registered with the Commercial Register at the Commercial Court Vienna under FN 85749b. The claim of holders of bearer Shares for actual share certificates is excluded by Article 4 of the Articles of Association.

2.4.4 Currency of the Securities Issue

Euro.

2.4.5 Rights Attached to the Shares

2.4.5.1 General

The Austrian Stock Corporation Act contains provisions that protect the rights of individual shareholders. In particular, all shareholders must, under equal circumstances, be treated equally, unless the affected shareholders have consented to unequal treatment. Furthermore, measures affecting

shareholders' rights, such as capital increases and the exclusion of subscription rights, generally require a shareholders' resolution.

The Articles of Association of The Company do not contain any provisions regarding a change of the share capital or the rights associated with the Shares or the exercise of the shareholders' rights that differ from statutory requirements. Generally, the Articles of Association of the Company do not allow for an impairment of the shareholder rights under conditions less stringent than as required by law. However, according to the Articles of Association of the Company the shareholders' rights to participate in shareholders' meetings and to exercise voting rights is conditional upon the prior deposit of the Shares.

2.4.5.2 Dividend rights

The Offer Shares carry dividend rights as of 1 January 2006. The business year of the Company commences on 1 January and ends on 31 December of the respective year. The Management Board has to prepare the annual financial statements including notes and the management report for the previous business year and present them, after they have been audited by the auditor, as well as a proposal for appropriation of the net profit to the Supervisory Board, which has to make a statement on the annual financial statements vis-à-vis the Management Board. The Shareholders Meeting resolves on the use of any annual profits. Should the Shareholders Meeting resolve to distribute dividends, such dividends would be attributed to shareholders pro rata to their shareholding. Capital contributions on Shares made during a business year are to be taken into account pro rata temporis. A different profit entitlement may be set in the issue of new Shares. The Company, however, as a matter of corporate policy, currently does not distribute dividends on Shares.

There are no fixed dates when dividend entitlements arise nor is there a time limit after which a dividend entitlement lapses, especially as the Company does not pay dividends.

Except for the corporate policy, not to pay dividends on Shares, there are no dividend restrictions nor are there any special procedures for non-resident holders.

As the Company does not pay dividends on Shares, the Company is not in a position to describe any rate of dividend, its method of calculation, periodicity and cumulative or non-cumulative nature of payments.

2.4.5.3 Voting Rights

Each Offer Share grants the right of participation, and one vote, in the Shareholders Meeting of the Company. However, pursuant to Section 13 subpara 3 of the Articles of Association, the voting rights of each shareholder in the Shareholders Meeting are limited to 15% of the voting rights attaching to the shares issued. Shares held by affiliated companies and persons acting in concert within the meaning of the Austrian takeover act are calculated together.

The ordinary Shareholders Meeting within the first eight months of the business year resolves inter alia on the release of members of the Management and Supervisory Board for the preceding business year and elects the auditors for the current business year.

The shareholders may pass resolutions at a shareholders' meeting by a simple majority of the share capital present at such shareholders' meeting unless mandatory law provides for a different majority.

By law the following measures require a majority of at least 75% (which may not be reduced by the Articles of Association) of the share capital at a shareholders' meeting:

- change of the business purpose;
- increase of the share capital with a simultaneous exclusion of subscription rights;
- approval of authorized or conditional capital;
- decrease of the share capital;
- exclusion of subscription rights for convertible bonds, participating bonds, and participation rights;
- dissolution of the Company or continuation if the company has already been dissolved;
- transformation of the Company into a company with limited liability (*Gesellschaft mit beschränkter Haftung*);
- approval of a merger or a demerger;
- transfer of all of the assets of the Company; and
- approval of profit pools or agreements on the operation of the business.

A shareholder or a group of shareholders with an aggregate shareholding of at least 20% of the share capital is entitled to object to settlements or waivers of liability claims of the Company against members of the Management Board, the Supervisory Board or third parties.

A shareholder or a group of shareholders with an aggregate shareholding of more than 10% of the share capital can block a resolution on an upstream merger pursuant to the Austrian Transformation Act (Umwandlungsgesetz) or for a demerger disproportionate to shareholdings pursuant to the Austrian Demerger Act (Spaltungsgesetz).

A shareholder or a group of the activities shareholders with an aggregate shareholding of at least 10% of the share capital is entitled to:

- demand special audits of the activities with respect to the establishment of the Company and its management, if these activities took place within the last two years, and make an application with respect to the appointment of a special auditor by a court, if such request has been rejected by a resolution of the shareholders' meeting;
- veto the appointment of a special auditor and request a court to appoint another special auditor;
- request the adjournment of a special auditor and request a court to appoint another special auditor;
- request the appointment of another auditor of the Company's financial statements by the court for cause; and
- request the assertion of damage claims on behalf of the Company against members of the Management Board, the Supervisory Board or third parties, if the claim is not obviously unfounded.

A shareholder or a group of shareholders with an aggregate shareholding of at least 5% of the share capital is entitled to:

- request the convocation of a shareholders' meeting or to convoke a shareholders' meeting upon judicial authorization, if the Management Board or the Supervisory Board does not comply with the request for a shareholders' meeting;
- request the inclusion of items on the agenda of the shareholders' meeting;
- request the assertion of damage claims of the Company against members of the Executive Board, the Supervisory Board or third parties, if a special audit report reveals facts which may lead to damage claims against the aforementioned persons;
- apply for the appointments or removal of liquidators for cause;
- apply for an audit of the annual financial statements during liquidation; and
- appeal against a resolution of the shareholders' meeting, if such resolution provides for amortisation, accumulated depreciation, reserves and accruals exceeding the limits set by law or the Articles of Association.

2.4.5.4 Subscription Rights

In principle, holders of Shares have subscription rights (Bezugsrechte) allowing them to subscribe any newly issued Shares (including securities convertible into shares, securities with warrants to purchase Shares, securities with profit participation or participation certificates) to maintain their existing share in the share capital of the Company. Such subscription rights are in proportion to the number of Shares held by such shareholder prior to the issue of the new Shares. Shareholders may also waive their subscription rights.

The aforementioned subscription rights will not apply if (i) the respective shareholder does not exercise his subscription rights, or (ii) the subscription rights are excluded by a resolution of the shareholder's meeting (in case of the exercise of approved or conditional capital, where the underlying resolution of the shareholder's meeting so provides).

Subscription rights may also be excluded and replaced by intermediate subscription rights, if the new Shares are subscribed by a credit institution (an underwriter) who undertakes to offer the new Shares to the shareholders. The rights of the shareholders against such credit institutions are fully substituted for and are treated as subscription rights.

According to the Austrian Stock Corporation Act, the period for the exercise of the subscription rights may not be shorter than two weeks. The Executive Board must publish the subscription price as well as the start and the duration of the subscription period in the Official Gazette. For a description of the procedure of the exercise of the subscription rights to purchase the Offer Shares, see Section 3.2.15.

2.4.5.5 Liquidation Proceeds

In case of a capital increase, each Share pro rata grants statutory subscription rights to new Shares.

In case of liquidation of the Company, the shareholders of the Company are entitled to liquidation proceeds pro rata to their shareholding after the satisfaction of any debt of the Company. However, Shareholders have no recourse to proceeds from a dissolution of the s IMMO INVEST. The liquidation of the Company requires a supermajority vote of at least 75% of the share capital present at a shareholders meeting.

There are no special redemption or conversion provisions with respect to the Shares.

2.4.6 Statement of the Resolutions, Authorizations and Approvals by virtue of which the Offer Shares have been Created

On 3 May 2006, the General Meeting of the Company resolved to increase the share capital of the Company from EUR 182,106,361.86, divided into 50,118,718 shares of no par value, by up to EUR 182,106,361.86 to a total of up to EUR 364,212,723.72, by issuing up to 50,118,718 ordinary bearer shares of no par value. The General Meeting authorized the Management Board, with approval of the Supervisory Board, to set the details of the transaction, in particular to determine the maximum and final Subscription and Offer Price and the Subscription and Offer Period.

With resolution dated 2 June 2006, the Management Board set the number of Offer Shares offered with 43,853,879, the maximum Subscription and maximum Offer Price with EUR 9.90 and determined the Subscription Period to run from 7 June 2006 to 23 June 2006 and the Offer Period to run from 7 June 2006 to 26 June 2006. By resolution dated 2 June 2006 the Supervisory Board approved this resolution of the Management Board.

On 26 June 2006, the Management Board, with approval of the Supervisory Board, is expected to set the final Subscription and Offer Price and the exact number of Offer Shares to be issued on the basis of the results of the bookbuilding.

2.4.7 Issue Date of the Offer Shares

Increase in the share capital of the Company is expected to be registered with the Commercial Register, and the Offer Shares are expected to be issued as of the Value Date.

2.4.8 Transferability

The Offer Shares are bearer shares and, accordingly, are freely transferable.

2.4.9 Mandatory Takeover bids and/or Squeeze-out and Sell-out Rules in Relation to the Shares

The Company is not aware of any mandatory takeover bids and/or squeeze-out and sell-out rules in relation to the Shares.

2.4.10 Takeover Bids by Third Parties

There have not been any public takeover bids by third parties in respect of the Company's equity during the last financial year and the current financial year.

2.4.11 Taxes

Investors should be aware that changes in the legislative framework, administrative taxation practice and case law as established by court decisions may lead to changes in the tax treatment of distributions and capital gains, and also in the taxation of the Shares. The consequences of such changes are the exclusive risk of the investor and must, therefore, be borne by him. Furthermore, the foregoing presentation makes no claim to be exhaustive; investors are, therefore, strongly advised to consult an accountant or attorney for the concrete clarification of the consequences in taxation law.

2.4.11.1 Preliminary Remarks

Attention is drawn to the following selected aspects of taxation. These make no claim to be an exhaustive account of the tax considerations relevant to the acquisition, ownership and disposal of the Offer Shares. The following summary is based on the tax legislation in force in Austria, Germany and the Czech Republic at the time this Prospectus went to press. It focuses on the tax treatment of share capital for investors.

It is not possible to discuss all tax aspects, particularly as tax consequences strongly depend on the circumstances of the individual subscribers or purchasers of Offer Shares. It is, therefore, strongly recommended to any potential investor to consult an accountant or lawyer to clarify individual tax implications.

Individuals having a place of residence in Austria or who are ordinarily resident in Austria, and legal entities having their principal place of business or their management in Austria are fully liable to tax in Austria and are generally treated as tax residents for the purpose of double taxation agreements (DTAs).

Natural persons with no place of residence in Austria and who are not ordinarily resident in Austria, and companies with neither their principal place of business nor their management in Austria are only partially liable to tax. They are only liable to Austrian taxes on income from specific sources and on income attributable to a place of business maintained in Austria. Those partially liable to tax are in general treated as non-resident for the purpose of DTAs.

2.4.11.2 Private Investors Residing in Austria

Dividend Payments

Dividend payments on stock owned by private individuals who reside in Austria are considered income from capital gains ("*Einkünfte aus Kapitalvermögen*").

The dividends are subject to withholding tax, which is currently 25%. The deduction of withholding tax means that the dividend payments have already been taxed, and the private investors incur no additional income taxes.

The taxes deducted from the dividends also include inheritance taxes, insofar as it is established that the testator owned a share of less than 1% of the share capital of the stock company on the date the (theoretical) inheritance tax debt was incurred. Gift taxes are not included in the taxes deducted from dividends.

It should be noted that the Company currently reinvests its net profits, i.e., it does not make dividend payments; thus no withholding taxes are currently incurred.

Gains from the Sale of Stock

In the event the stock is sold, the difference between the (higher) selling price and the acquisition price is not subject to individual income taxes. No withholding taxes are deducted here either.

An exception is made if the shares are sold within one year of purchase. In such case, the capital gain is subject to individual income tax ("speculation tax"). Expenses related to the purchase and sale of stock, particularly buying and selling fees, reduce the tax assessment basis.

Therefore, if a private investor holds the stock for at least one year and one day after purchase, the proceeds from selling the stock are not subject to individual income tax or withholding tax.

This does not apply in the event a private investor (or the investor's legal predecessor if the stock was not acquired for consideration) has within the last five years held a share package equal to at least 1% of the share capital of the Company ("significant investment") pursuant to § 31 of the Austrian Individual Income Tax Act - EStG).

2.4.11.3 Private Foundations Subject to Austrian Tax Law

The following statements are based on the assumption that all of the conditions pursuant to § 13 (1) of the Austrian Corporate Income Tax Act (KStG) have been met.

Dividend Payments

Dividend payments on stock are exempt from corporate income tax within the scope of general taxation regulations. Any withholding tax deducted in connection with dividend payments will be credited upon application (in the corporate income tax declaration).

Gains from the Sale of Stock

In the event the stock is sold, the difference between the (higher) selling price and the acquisition price is not subject to corporate income tax. No withholding taxes are deducted here either.

An exception is made if the shares are sold within one year of purchase. In such case, the capital gain is subject to corporate income tax ("speculation tax"). Expenses related to the purchase and sale of stock, particularly buying and selling fees, reduce the tax assessment basis.

Therefore, if a private investor holds the stock for at least one year and one day after purchase, the proceeds from selling the stock are not subject to individual income tax or withholding tax.

This does not apply in the event a private foundation holds a share package equal to at least 1% of the share capital of the Company ("significant investment") pursuant to § 31 of the Austrian Individual Income Tax Act - EStG).

2.4.11.4 Austrian Corporations

Dividend Payments

Dividend payments on stock are exempt from corporate income tax within the scope of general taxation regulations. Any withholding tax deducted in connection with dividend payments will be credited upon application (in the corporate income tax declaration).

Gains from the Sale of Stock

Gains from the sale of stock, i.e. the difference between the selling price and the carrying amount (for tax purposes) are not subject to corporate income tax within the scope of general taxation regulations.

2.4.11.5 Investors who are not Residents of Austria (for Tax Purposes) - Germany

2.4.11.5.1 Double Taxation Agreement (DTA) between Austria and Germany

Dividend Payments

According to Article 10 of the DTA between Germany and Austria dated August 24, 2000 dividend payments made by an Austrian stock corporation (Aktiengesellschaft) to a German resident shareholder can be taxed in Austria as well as in Germany. Austria can impose a withholding tax of up to 15 % of the gross dividend. Austria might only impose a tax of up to 5 % if a German resident corporate investor holds at least 10 % of the share capital of the dividend paying corporation.

According to the EU Parent-Subsidiary-Directive, no taxes might be imposed on dividend payments of an Austrian corporation made to its German corporate shareholder who holds at least 20 % of the share capital for a period of at least 12 months.

It should be noted that the Company currently reinvests its net profits, i.e., it does not make dividend payments; thus no withholding taxes are currently incurred.

Gains from the Sale of Stock

Capital gains deriving from the sale of stock might only be taxed in Germany. Only in case the assets of the Corporation are predominantly real estate located in Austria, Austria might tax capital gains.

2.4.11.5.2 German Corporate Investors

Dividend Payments

Dividends received by a German corporation from the Company are tax exempted in Germany. However, 5 % of the gross dividend (lump-sum) is deemed to be a non tax deductible expense. Taxes

on dividends imposed in Austria can not be credited since the dividend itself is tax exempted. Furthermore the taxes paid in Austria are not tax deductible.

Gains from the Sale of Stock

Capital gains from the sale of stock in a corporation are also tax exempted while 5 % of the gain is deemed to be a non deductible tax expense. Any taxes on respective gains imposed in Austria neither would be creditable nor tax deductible.

The aforesaid applies for corporate income tax as well as for trade tax.

2.4.11.5.3 German Individual Investors

Dividend Payments

Dividends received by individual investors are taxed based upon the semi income system. Only 50 % of the gross dividend is subject to taxation while only 50 % of related expenses are tax deductible. Austrian withholding taxes imposed in accordance with the DTA in general can be fully credited on German income taxes imposed on the dividend income. However, the tax credit is limited to the amount of German taxes imposed on respective income.

Gains from the Sale of Stock

Capital gains from the sale of stock are not subject to taxations if the period between acquisition and sale of the shares is longer than 12 months. If resold within a 12-month period, the capital gain is subject to income taxation. Austrian withholding taxes in accordance with the DTA can be credited. If shares are held via a trade business, a capital gain is subject to income tax irrespective of the period between acquisition and sale.

Dividends and capital gains subject to income taxation are not subject to German trade tax.

If the shares in the Corporation are donated or inherited by the German shareholders to another person, this is subject to German inheritance tax.

2.4.11.6 Investors who are not Residents of Austria (for Tax Purposes) - Czech Republic

2.4.11.6.1 Tax treaty between Austria and the Czech Republic

Dividend Payments

According to Article 10 of the double taxation agreement between Austria and the Czech Republic dated March 7, 1978, dividend payments made by an Austrian stock corporation (Aktiengesellschaft) to a Czech resident shareholder can be taxed in Austria as well as in the Czech Republic. Austria can impose of up to 10% of the gross dividend.

According to the EU Parent-Subsidiary Directive, no taxes might be imposed on dividend payments of an Austrian corporation made to its Czech corporate shareholder who holds at least 20% of the share capital for a period of at least 24 months.

It should be noted that the Company currently reinvests its net profits, i.e., it does not make dividend payments; thus no withholding taxes are currently incurred.

Gains from the Sale of Stock

Capital gains deriving from the disposal of shares might only be taxed in the Czech Republic according to Article 13 of the above treaty.

2.4.11.6.2 Czech Corporate Investors

Dividend Payments

Dividends received by a Czech corporation from the Company are generally included in a separate corporate income tax base of the recipient and are subject to 15% special tax rate. Tax from dividends imposed in Austria may be credited, but the credit is limited to the amount of Czech taxes imposed on respective income under Article 23 of the above treaty.

If Czech corporation (joint stock company, limited liability company or cooperative) holds at least 10% of the share capital of the Company for 12 months, dividend income is exempted from Czech tax according to Czech tax legislation.

Gains from the Sale of Stock

Gains from the disposal of shares are subject to corporate income tax at 24%. No withholding tax is deducted. Expenses related to the purchase and sale of shares, particularly buying and selling fees, reduce the tax assessment basis.

2.4.11.6.3 Czech Individual Investors

Dividend Payments

Dividends received by individual investors are included in a separate tax base and taxed by 15% special tax rate. Withholding tax imposed in Austria can be credited under the same rules as for corporate investors.

Gains from the Sale of Stock

Capital gains from sale of stock are not subject to tax if the period between acquisition and sale of the shares is longer than six months. If the shares are resold within a six-month's period the capital gain is subject to individual income tax at progressive rate (12% - 32%). No withholding tax is deducted. Expenses related to the purchase and sale of shares, particularly buying and selling fees, reduce the tax assessment basis.

If the shares in the Corporation owned by the Czech shareholder are donated/inherited to another person, this is subject to gift/inheritance tax. No income tax is then applied.

2.4.11.7 Investors who are not Residents of Austria (for Tax Purposes) – Other Countries, Based on Selected Double Taxation Treaties

For Switzerland, the Netherlands and the United Kingdom, investors should in particular consider the following:

Dividends paid on stock are subject to taxation in the country in which the investor is a resident (for tax purposes).

Such dividends are also subject to Austrian income tax, whereby the amount taxed may not exceed a certain percentage stipulated in the relevant double taxation treaty. Austrian income tax is deducted via the withholding tax in accordance with the applicable legal provisions. Generally, any Austrian withholding tax deducted which is too high based on the applicable double taxation treaty will be reimbursed upon application.

Exceptions are made if the shares are allocable to the domestic operation of a foreign company.

It should be noted that the Company currently reinvests its net profits, i.e., it does not make dividend payments; thus no income taxes are currently incurred.

Gains from the sale of stock are subject to taxation in the country in which the investor is a resident. In Austria, these gains are generally tax-free.

Again, one significant exception is if the shares are allocable to the domestic operation of a foreign company.

Moreover, in individual cases, the special provisions of the individual double taxation treaties must be heeded.

2.5 Terms and Conditions of the Offering

2.5.1 Conditions, Offer Statistics, Expected Timetable and Action Required to Apply for the Offering

2.5.1.1 Conditions to which the Offering is Subject

Up to 43,853,879 Offer Shares will be issued by the Company in the Offering, which consists of (a) a rights offering to shareholders of the Company in the ratio of 7 Offer Shares for every 8 Shares in the Company, and, to the extent shareholders of the Company do not exercise or waive their subscription rights, (b) a public Offering of Offer Shares to retail and institutional investors in the Republic of Austria, the Czech Republic and Germany and (c) an international private placement in Europe outside the Republic of Austria, the Czech Republic and Germany.

The Offer Shares will not be offered in any jurisdiction other than Austria, the Czech Republic and Germany where the Offer Shares are, or may be, subject to legal restrictions regarding registration or admission to listing or other matters in respect of public offerings. In particular, the Offer Shares will not be offered in the United States of America, Canada, Japan or publicly in the United Kingdom.

The Subscription and Offer Price will be no higher than € 9.90 per Offer Share. The Subscription Price and the Offer Price will be the same. The number of Offer Shares that will be available for subscription and sale in the Offering as well as the Subscription and Offer Price will be set by the Company in accordance with the Joint Global Coordinators after the Subscription and Offer Period has closed.

Existing agreements between the Company and the Joint Global Coordinators allow the Joint Global Coordinators to terminate or suspend the Offering only in line with market practice or mandatory laws.

The transaction may be postponed, or the Offering may be terminated by the Joint Global Coordinators if they come to the conclusion that a successful placement of the Offer Shares appears to be doubtful.

2.5.1.2 Total Amount of the Offering

Up to 43,853,879 new Shares are offered for subscription and sale, conferring rights to a total calculatory amount of up to € 159,343,069.35 of the share capital of the Company. Each Offer Share represents a calculatory amount of approximately € 3.63 of the share capital of the Company. The Subscription and Offer Price will be no higher than € 9.90 per Offer Share. On the basis of this maximum Subscription and Offer Price, the total amount of the Offering is up to € 434,153,402.10 (not taking into account Offer cost).

2.5.1.3 Subscription and Offer Period

The Subscription Period begins on 7 June 2006 and is expected to end on 23 June 2006. The Offer Period begins on 7 June 2006 and is expected to end on 26 June 2006. The right to shorten the Subscription and Offer Period by premature closure or to extend the Subscription and Offer Period is reserved. The Subscription Period for Shareholders may, however, not be shorter than the statutory minimum of two weeks and, therefore, may not end before 21 June 2006. Subscription orders will be accepted by Erste Bank, by other Austrian banks, including the Austrian Savings Banks, BNP Paribas, BayernLB, including German savings banks (*Sparkassen*), Cortal Consors and Brokerjet. Purchase orders will be accepted by Erste Bank, other Austrian banks including Austrian Savings Banks, BNP Paribas, BayernLB including German savings banks (*Sparkassen*), Ceska Sporitelna, Cortal Consors and Brokerjet. During the Subscription and Offer Period, orders to subscribe and/or purchase Offer Shares may be placed with price limits in 10 euro cent increments. Any Orders above each 10 euro cent increments will be automatically rounded to the lower 10 euro cent, e.g. an order for EUR 9.88 will be rounded to EUR 9.80.

Orders of retail investors with an order volume of up to 1,200 Offer Shares placed in a branch of either Erste Bank, the Austrian Savings Banks, BNP Paribas, BayernLB including German savings banks (*Sparkasse*), Ceska Sporitelna, or via Cortal Consors and Brokerjet on or before 16 June 2006 (inclusive) shall receive a preferred allotment depending on the exercise of subscription rights or demands of any other investors. The Company reserves the right to shorten such preferred allotment period at any time before 16 June 2006.

2.5.1.4 Revocation of the Offering

See Section 2.5.1.3 above.

The Company reserves the right to withdraw the Offering, to extend the Subscription and Offer Period and/or to shorten the Subscription and Offer Period and, thus, to reject any commitments to purchase the Offer Shares, in whole or in part, at any time and for any reason. In case the Offering is withdrawn during the Subscription Period, any exercised subscription rights become null and void and payments made will be returned to holders of subscription rights without interest. Any accrued subscription rights expire valueless. Any discontinuance of the Subscription Period or reduction of the Offer Period will be disclosed via electronic media. After commencement of trading of the Offer Shares no revocation is possible.

2.5.1.5 Description of the Possibility to Reduce Subscriptions and the Manner for Refunding Excess Amount Paid by Applicants

If the number of applications for orders exceeds the number of the Offer Shares, the Company is entitled to reduce orders, unless mandatory law requires a full allocation. Hence, subscription rights of Existing Shareholders may not be reduced.

Investors shall contact their respective bank, broker or other financial adviser for details regarding the refund of payments for any such possible surplus application already credited to the investors bank, broker or other financial advisor.

2.5.1.6 Details of the Minimum and/or Maximum Amount of Application (Whether in Number of Securities or Aggregate Amount to Invest)

The minimum number of Offer Shares which may be applied for by prospective investors is one Offer Share. The maximum number of Offer Shares which may be applied for by prospective investors is the number of Offer Shares, i.e. up to 43,853,879 Offer Shares.

In accordance with their subscription rights, Existing Shareholders are entitled to subscribe 7 Offer Shares for 8 Existing Shares, or, with a multiple of 8 Existing Shares, the corresponding number of the Offer Shares.

As to a possible preferential allocation for retail investors please see Section 2.5.2.1.

2.5.1.7 Indication of the Period During which an Application may be Withdrawn, Provided that Investors are Allowed to Withdraw their Subscription

In principle, subscriptions for the Offer Shares shall be binding. Unless mandatory law or any other statutory regulation applies, it is within the Company's entire discretion as to whether the Company meet such withdrawal demand.

2.5.1.8 Delivery of Offer Shares

The Offer Shares will be delivered to investors by way of a securities account credit on the Value Date, which is expected to be 29 June 2006. They are evidenced in the form of one or more interim global certificates (*Zwischensammelurkunden*) deposited with Oesterreichische Kontrollbank Aktiengesellschaft as the securities clearing and deposit bank. Individual share certificates will not be printed or issued.

2.5.1.9 Description of the Manner and Date in which Results of the Offering are to be made Public

Results of the Offering are expected to be published via ad-hoc publication on 26 June 2006.

2.5.1.10 Procedure for the Exercise of any Right of Pre-emption, the Negotiability of Subscription Rights and the Treatment of Subscription Rights not Exercised

Shareholders who hold a depository account with OeKB may exercise their subscription rights by instructing their depository bank to submit a subscription order for the Offer Shares on their behalf. The final amount of Offer Shares will not be set until the end of the Subscription and Offer Period. The Subscription Ratio is 8:7; i.e. 8 Existing Shares entitles the holder to subscribe for 7 Offer Shares.

Holders of subscription rights, who do not wish to exercise their subscription rights for the maximum Subscription and Offer Price of € 9.90, but who submit an order to subscribe for Offer Shares at a price that is lower than the maximum Subscription and Offer Price, will receive from the Joint Global Coordinators an allocation of Offer Shares corresponding to their number of subscription rights, unless the price limit they have set is lower than the Subscription and Offer Price.

In the event that a price limit set by a holder of subscription rights is lower than the Subscription and Offer Price, the subscription rights will become invalid and be deemed not exercised for the purpose of determining the number of Offer Shares available for subscription by holders of Existing Shares or purchase by interested investors respectively. Such possible consequence can only be avoided by submitting a subscription order without a price limit or with a price limit equaling the maximum Subscription and Offer Price of € 9.90. Orders to subscribe and/or purchase Offer Shares may be placed with price limits in 10 euro cent increments. Any Orders above each 10 euro cents increments will be automatically rounded to the lower 10 euro cents, e.g. an order for EUR 9.88 will be rounded to EUR 9.80.

There will be no trading in subscription rights.

2.5.2 Plan of Distribution and Allotment

2.5.2.1 Categories of Potential Investors to which the Securities are Offered

The Offer Shares will be offered for (a) subscription to Shareholders and, to the extent Shareholders waive or do not exercise their subscription rights, (b) for sale to investors in a public offering in Austria, the Czech Republic and Germany and a private placement throughout Europe outside Austria, Germany and the Czech Republic.

Orders of retail investors with an order volume of up to 1,200 Offer Shares placed in a branch of either Erste Bank, the Austrian Savings Banks, BNP Paribas, BayernLB, including German savings banks (*Sparkasse*), Ceska Sporitelna, or via Cortal Consors and Brokerjet on or before 16 June 2006 (inclusive) shall receive a preferred allotment depending on the exercise of subscription rights or demands of any other investors. The Company reserves the right to shorten such preferred allotment period at any time before 16 June 2006.

2.5.2.2 Indication of Whether Major Shareholders or Members of the Issuer's Management, Supervisory or Administrative Bodies Intended to Subscribe in the Offering, or Whether any Person Intends to Subscribe for more than 5% of the Offering

To the best knowledge of the Company, Erste Bank and Sparkasse Versicherung AG intend to at least partially exercise their statutory subscription rights to Offer Shares. Apart from these shareholders, the Company knows of no shareholder or members of the Management or Supervisory Board that intend to subscribe in the Offering nor has the Company knowledge of other persons intending to subscribe for more than 5% in the Offering.

2.5.2.3 Pre-allotment Disclosure

(a) the division into tranches of the offer including the institutional, retail and issuer's employee tranches and any other tranches;

Not applicable.

(b) the conditions under which the clawback may be used, the maximum size of such claw back and any applicable minimum percentages for individual tranches;

Not applicable.

(c) the allotment method or methods to be used for the retail and issuer's employee tranche in the event of an over-subscription of these tranches;

See Section 2.5.2.1.

(d) a description of any pre-determined preferential treatment to be accorded to certain classes of investors or certain affinity groups (including friends and family programmes) in the allotment, the percentage of the offer reserved for such preferential treatment and the criteria for inclusion in such classes or groups;

See Item (c) above.

(e) whether the treatment of subscriptions or bids to subscribe in the allotment may be determined on the basis of which firm they are made through or by;

Not applicable.

(f) a target minimum individual allotment if any within the retail tranche;

Not applicable.

(g) the conditions for the closing of the offer as well as the date on which the offer may be closed at the earliest;

See Section 2.5.1.3.

(h) whether or not multiple subscriptions are admitted, and where they are not, how any multiple subscriptions will be handled.

Multiple subscriptions are admitted.

2.5.2.4 Process for Notification to Applicants of the Amount Allotted and Indication Whether Dealing may Begin Before Notification is made

Investors will be informed from their depository bank how many shares they were allotted. The first day of trading in the Official Marked segment of the Vienna Stock Exchange is expected to be the 29 June 2006.

2.5.2.5 Over-allotment Option

In connection with the Offering, the Company has granted the Joint Global Coordinators an option, exercisable within 30 days from the date of public disclosure of the Subscription and Offer Price (after market close) to 26 July 2006 inclusive, to purchase or subscribe for up to 6,578,082 Shares at the Subscription and Offer Price, to cover over-allotments of Offer Shares and for the purpose of facilitating stabilization activities. There is no assurance that the Joint Global Coordinators will undertake stabilization transactions and, if commenced, such transactions may be discontinued at any time. Any stabilization activity shall begin on the date of the public disclosure of the Subscription and Offer Price and shall end on thirty (30) days after such date, i.e. from 26 June 2006 (market close) to 26 July 2006 inclusive.

The over-allotment option, if drawn, will be covered out of an increase in the share capital of the Company out of authorized capital under exclusion of the statutory subscription rights of Existing Shareholders.

2.5.3 Pricing

2.5.3.1 Subscription and Offer Price

The Subscription and Offer Price will be set by the Company in accordance with the Joint Global Coordinators at no higher than € 9.90 per Offer Share after the Subscription and Offer Period has expired and is expected to be published via electronic media and in the official gazette to the Wiener Zeitung on or about 28 June 2006.

2.5.3.2 Process for the Disclosure of the Subscription and Offer Price.

See Section 2.5.3.1.

2.5.3.3 If the Issuer's Equity Holders have Pre-emptive Purchase Rights and this Right is Restricted or Withdrawn, Indication of the Basis for the Issue Price if the Issue is for Cash, Together with the Reasons for and Beneficiaries of such Restriction or Withdrawal.

Not applicable.

2.5.3.4 Where There is or Could be a Material Disparity Between the Public Offer Price and the Effective Cash Cost to Members of the Administrative, Management or Supervisory Bodies or Senior Management, or Affiliated Persons, of Securities Acquired by them in Transactions During the past Year, or Which they have the Right to Acquire, Include a Comparison of the Public Contribution in the Proposed Public Offering and the Effective Cash Contributions of such Persons

Not applicable.

2.5.4 Placing and Underwriting

2.5.4.1 Lead Manager

Joint Global Coordinators, Lead Managers and Bookrunners in the Offering are BNP Paribas, with its registered office and its business address at 16 boulevard des Italiens, 75009 Paris/France, registered with the Commercial and Companies Register of Paris under No. 662 042449 and Erste Bank der oesterreichischen Sparkassen AG, with its registered office in Vienna/Austria and its business address at Graben 21, A-1010 Vienna, registered with the Commercial Register at the Commercial Court Vienna under FN 33209m.

2.5.4.2 Paying and Depositary Agents

The paying agent is Erste Bank, Graben 21, A-1010 Vienna, Austria. All banks that operate security accounts may act as depositary agents for the Shares. Depositary agent for the interim certificates issued by the Company is OeKB, Strauchgasse 1-3, A-1010 Vienna, Austria.

2.5.4.3 Name and Address of the Entities Agreeing to Underwrite the Issue on a Firm Commitment Basis, and Name and Address of the Entities Agreeing to Place the Issue Without a Firm Commitment or Under 'Best Efforts' Arrangements. Indication of the Material Features of the Agreements, Including the Quotas. Where not all of the Issue is Underwritten, a Statement of the Portion not Covered. Indication of the Overall Amount of the Underwriting Commission and of the Placing Commission.

In line with market standards BNP Paribas, 16 boulevard des Italiens, 75009 Paris, France, Erste Bank, Graben 21, A-1010 Vienna, Austria and BayernLB, Brienner Strasse 18, 80333 Munich, Germany shall underwrite the Offer Shares pursuant to an underwriting agreement up to the amount subscribed by shareholders and the public on the basis of an “open” proxy. Hence there shall be no hard underwriting. For any description of costs please see chapter 2.8.1.

Also in line with market standards, Ceska Sporitelna, Cortal Consors and Brokerjet, on a best efforts basis, have undertaken to place Offer Shares in the course of the Offering.

2.5.4.4 When the Underwriting Agreement has been or will be Reached

BNP Paribas and Erste Bank as Joint Global Coordinators, and the Company as issuer have concluded an engagement letter and will enter into an underwriting agreement on 26 June 2006, at the latest.

2.6 Admission to Trading and Dealing Arrangements

2.6.1 Application for Admission to Trading

Admission to listing is sought for, and the Offer Shares, as well as the 200 former registered Shares, which have been converted to ordinary bearer Shares by resolution of the general meeting held on 3 May 2006, are expected to be admitted to listing in the Official Market segment (*Amtlicher Handel*) of the Vienna Stock Exchange as of 29 June 2006. The Offer Shares will be fully placed before their first listing.

2.6.2 Markets on which the Shares are Already Admitted to Trading

To the best knowledge of the Company, the Shares are not admitted to trading on any other regulated or equivalent market than in the Official Market of the Vienna Stock Exchange.

2.6.3 If simultaneously or almost simultaneously with the creation of the securities for which admission to a regulated market is being sought securities of the same class are subscribed for or placed privately or if securities of other classes are created for public or private placing, give details of the nature of such operations and of the number and characteristics of the securities to which they relate

No other Shares of the Company are being offered for private subscription or placed or issued for the purposes of public or private placement.

2.6.4 Details of the Entities Which have a Firm Commitment to act as Intermediaries in Secondary Trading, Providing Liquidity Through bid and offer Rates and Description of the Main Terms of Their Commitment

Erste Bank has agreed to act as Market Maker for the Shares of the Company. Subject matter of the market maker agreement between Erste Bank and the Company is to provide liquidity for the Shares of the Company in the secondary market (*Sekundärmarktbetreuung*) within the framework of the Austrian securities exchange laws and regulations. For its acting as Market Maker for the securities of the Company, Erste Bank shall receive a fee which is within the scope of current market practice (for details see Section 1.19.6).

2.6.5 Where an Issuer or a Selling Shareholder has Granted an Over-allotment Option or it is Otherwise Proposed that Price Stabilizing Activities may be Entered into in Connection with an Offering

See Section 2.5.2.5.

2.7 Selling Securities Holders

2.7.1 Name and business address of the person or entity offering to sell the securities, the nature of any position office or other material relationship that the selling persons has had within the past three years with the issuer or any of its predecessors or affiliates

Not applicable.

2.7.2 The Number and Class of Securities Being Offered by each of the Selling Security Holders

Not applicable.

2.7.3 Lock-up Agreements

The Company will not, prior to 180 days after the delivery of the Offer Shares, without the prior written consent of the Joint Global Coordinators, (i) exercise an authorization pursuant to its Articles of Association to increase its capital except for eventually covering the over-allotment option granted to the Joint Global Co-ordinators; (ii) submit a proposal for a capital increase to any meeting of the shareholders for resolution; or (iii) offer, pledge, allot, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option to sell, grant any option, right exercisable or exchangeable for Shares or enter into any swap or other arrangement that transfers to another, in whole or in part, directly or indirectly, the economic consequence of ownership of Shares, whether any such transaction described above is to be settled by delivery of Shares or such other securities, in cash or otherwise, provided that the aforementioned restrictions will not apply to the Offer Shares sold in the Offering and new Shares to be issued under the Over-Allotment Option.

Erste Bank Group will not, prior to 180 days after the delivery of the Offer Shares, without the prior written consent of BNP Paribas, (i) submit a proposal for a capital increase to or decide on a capital increase in any meeting of the shareholders of the Company; or (ii) offer, pledge, allot, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option to sell, grant any option, right exercisable or exchangeable for Shares or enter into any swap or other arrangement that transfers to another, in whole or in part, directly or indirectly, the economic consequence of ownership of Shares, whether any such transaction described above is to be settled by delivery of Shares or such other securities, in cash or otherwise, provided that the aforementioned restrictions will not apply to the Offer Shares and new Shares to be issued under the Over-Allotment Option sold in the Offering and to Shares traded by Erste Bank under the ordinary course of its securities trading activities.

2.8 Expense of the Issue/Offering

2.8.1 Issue Costs

The Company estimates the issue costs, including the costs of printing and of publishing statutory announcements, bank commission and marketing/advertising costs, but not including official charges or fees, at no more than 5% of the issue volume. This does not include capital transfer tax, which is due at the rate of 1% of the issue volume.

The amount stated above includes a commission of 0.75% of the Offering for the activities of BNP Paribas and Erste Bank as Joint Global Coordinators, Lead Manager and Bookrunners as well as customary selling fees.

2.9 Dilution

2.9.1 The Amount and Percentage of Immediate Dilution resulting from the Offering

In the course of the Offering Existing Shareholders may exercise their statutory subscription rights and subscribe for Offer Shares pro rata to their shareholding. Accordingly, the pro rata shareholding of existing Shareholders in the Company will not be diluted unless such shareholders waive or do not exercise their statutory subscription rights.

2.9.2 In the case of a Subscription Offer to Existing Equity Holders, the Amount and Percentage of Immediate Dilution if they do not Subscribe to the new Offering

The Company's net asset value (based on market values), not taking into account assets and liabilities attributed to the s IMMO INVEST, as of 31 March 2006 was EUR 401 mn (rounded to mn EUR), or EUR 7.997 per Share, based on 50,118,718 Shares outstanding with a nominal value of approximately EUR 3.63 each. Net asset value per Share is determined by net asset value by the number of Shares.

After giving effect to the issue of 43,853,879 Offer Shares in this Offering, based on the maximum Offer Price of EUR 9.90 per Offer Share after deducting expected underwriting commissions and estimated Offer expenses as well as taxes payable by the Company, the net asset value of the Company as of 31 March 2006 would have been EUR 8.608 per Share. This represents an immediate negative dilution in net asset value of EUR 0.611 per Share.

The following table illustrates the dilution of the net asset value per Share as of 31 March 2006, based on the maximum Subscription and Offer Price of EUR 9.90, on a Share basis:

Net asset value per Share as of 31 March 2006	EUR 7.997
Increase per Share attributable to new investors (after deducting Offer cost)	EUR 9.306
Net asset value per Share after this Offering (after deducting Offer cost)	EUR 8.608
Dilution per Share	EUR -0.611

Investors should be aware that the dilution as calculated above is based on the maximum Subscription and Offer Price of € 9.90. The potential dilution may increase or a potential negative dilution may decrease if the final Subscription and Offer Price is set below the maximum Subscription and Offer Price. This means that, for example, based on the market price of the Shares as of 1 June 2006 (EUR 8.73), the negative dilution would decrease to EUR 0.098 (based on a calculation of the net asset value per Share as of 31 March 2006).

2.10 Additional Information

2.10.1 If Advisors Connected with an Issue are Mentioned in the Securities Note, a Statement of the Capacity in Which the Advisors have Acted

Not applicable.

2.10.2 Auditors Reports

The consolidated financial statements of Sparkassen Immobilien Aktiengesellschaft in accordance with IFRS (formerly IAS) for the year ending 31 December 2005 have been audited by Eidos Deloitte Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH under the supervision of Mr. Erich Kandler and DDr. Wolfgang Arndorfer, and given the following unqualified opinion dated 21 March 2006.

“We have audited the consolidated financial statements of Sparkassen Immobilien AG, Vienna for the fiscal year from January 1, 2005 to December 31, 2005. The Company's management is responsible for the preparation and the content of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and for the preparation of the management report for the group in accordance with Austrian regulations. Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to state whether the management report for the group is in accordance with the consolidated financial statements.”

We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing and International Standards on Auditing (ISA) issued by the International Federation of Accountants (IFAC). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement and whether we can state that the management report for the group is in accordance with the consolidated financial statements. In determining the audit procedures we considered our knowledge of the business, the economic and legal environment of the group as well as the expected occurrence of errors. An audit involves procedures to obtain evidence about amounts and disclosures in the consolidated financial statements predominantly on a sample basis. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements are in accordance with legal requirements and present fairly, in all material respects the financial position of the group as of December 31, 2005 and of the results of its operations and its cash-flows for the fiscal year from January 1, 2005 to December 31, 2005 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. The management report for the group is in accordance with the consolidated financial statements.”

The consolidated financial statements of Sparkassen Immobilien Aktiengesellschaft in accordance with IFRS (formerly IAS) for the year ending 31 December 2004 have been audited by Eidos Deloitte Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH under the supervision of Mr. Erich Kandler and DDr. Wolfgang Arndorfer, and given the following unqualified opinion dated 8 April 2005.

“We have audited the consolidated financial statements of Sparkassen Immobilien Aktiengesellschaft as of 31 December 2004 and 31 December 2003, respectively. These financial statements consist of the consolidated balance sheet as of 31 December 2004 and 31 December 2003, the consolidated statement of income, the consolidated cash flow-statement, the changes in consolidated equity-statement and the notes for the financial year from 1 January to 31 December 2004 and the financial year from 1 January to 31 December 2003.

These financial statements are the responsibility of the company’s board of directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The audit of the financial statements of individual consolidated subsidiaries was the work of other auditors. As far as these subsidiaries are concerned, our audit opinion is solely based on the report of the other auditors.

We conducted our audit in accordance with International Standards on Auditing (ISA) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federations of Accountants (IFAC) and the Standards on Auditing as practiced in Austria. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the board of directors, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated equity and financial position of Sparkassen

Immobilien Aktiengesellschaft as of 31 December 2004 and 31 December 2003, respectively and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

According to the Austrian Commercial Code the consolidated director's report and the fulfilment of the legal requirements for the exemption of the obligation to prepare consolidated financial statements in accordance with Section 245a of the Austrian Commercial Code are subject to an audit. We confirm that the director's report is consistent with the consolidated financial statements and that all requirements for the exemption of the obligation to prepare consolidated financial statements according to Austrian Law have been met."

The consolidated financial statements of Sparkassen Immobilien Aktiengesellschaft in accordance with IFRS (formerly IAS) for the year ending 31 December 2003 have been audited by Eidos Deloitte & Touche Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH under the supervision of Mr. Erich Kandler and DDr. Wolfgang Arndorfer, and given the following unqualified opinion dated 5 April 2004.

"We have audited the consolidated financial statements of Sparkassen Immobilien Aktiengesellschaft as of 31 December 2003 and 31 December 2002, respectively. These financial statements consist of the consolidated balance sheet as of 31 December 2003 and 31 December 2002, the consolidated statement of income, the consolidated cash flow-statement, the changes in consolidated equity-statement and the notes for the financial year from 1 January to 31 December 2003 and the financial year from 1 January to 31 December 2002.

These financial statements are the responsibility of the company's board of directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The audit of the financial statements of individual consolidated subsidiaries was the work of other auditors. As far as these subsidiaries are concerned, our audit opinion is solely based on the report of the other auditors.

We conducted our audit in accordance with International Standards on Auditing (ISA) of the International Federations of Accountants (IFAC) and the Standards on Auditing as practiced in Austria. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the board of directors, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated equity and financial position of Sparkassen Immobilien Aktiengesellschaft as of 31 December 2003 and 31 December 2002, respectively and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

According to the Austrian Commercial Code the consolidated director's report and the fulfilment of the legal requirements for the exemption of the obligation to prepare consolidated financial statements in accordance with Section 245a of the Austrian Commercial Code are subject to an audit. We confirm that the director's report is consistent with the consolidated financial statements and that all requirements for the

exemption of the obligation to prepare consolidated financial statements according to Austrian Law have been met.”

The annual accounts (including annual report) of Immorent AG to 31 December 2005 have been audited by Eidos Deloitte Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH under the supervision of Mr. Gerhard Marterbauer and Mr. Erich Kandler, and given the following unqualified opinion dated 7 April 2006.

“We have audited the financial statements, including the accounting records of IMMORENT Aktiengesellschaft, Vienna for the fiscal year from January 1, 2005 to December 31, 2005. The Company’s management is responsible for the preparation and content of the financial statements and the accounting records and the management report in accordance with Austrian regulations. Our responsibility is to express an opinion on these financial statements based on our audit and to state whether the management report is in accordance with the financial statements.

We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement and whether we can state that the management report is in accordance with the financial statements. In determining audit procedures we considered our knowledge of the business, the economic and legal environment of the company as well as the expected occurrence of errors.

The audit involves procedures to obtain evidence about amounts and disclosures in the financial statements predominantly on a sample basis. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial statements are in accordance with legal requirements and present fairly in all material respects, the financial position of the company as of December 31, 2005 and of the results of its operations for the fiscal year from January 1, 2005 to December 31, 2005 in accordance with Austrian generally accepted accounting principles. The management report is in accordance with the financial statements.”

The performance report for the s IMMO Share (“for its own account”) accounting entity pursuant to Section 14 KMG for the year ending 31 December 2005 has been audited by Eidos Deloitte Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH under the supervision of Mr Erich Kandler and DDr Wolfgang Arndorfer, and given the following unqualified opinion dated 25 April 2006.

“Based on our audit, the accounting and the report according to Section 14 of the Austrian Capital Market Act (Kapitalmarktgesetz, KMG) comply with legal regulations. The valuation of real estate property complies with the principles stated in the report according to Section 14 of the Austrian Capital Market Act (KMG). The report according to Section 14 of the Austrian Capital Market Act (KMG) presents a true and fair view, in all material respects, of the financial position of the accounting entity in conformity with the Generally Accepted Accounting Principles as practiced in Austria.”

The performance report for the s IMMO INVEST accounting entity pursuant to Section 14 KMG for the year ending 31 December 2005 has been audited by Eidos Deloitte Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH under the supervision of Mr. Erich Kandler and DDr. Wolfgang Arndorfer, and given the following unqualified opinion dated 25 April 2006.

“Based on our audit, the accounting and the report according to Section 14 of the Austrian Capital Market Act (Kapitalmarktgesetz, KMG) comply with legal regulations. The valuation of real estate property complies with the principles stated in the report according to Section 14 of the Austrian Capital Market Act (KMG). The report according to Section 14 of the Austrian Capital Market Act (KMG) presents a true and fair view, in all material respects, of the financial position of the accounting entity in conformity with the Generally Accepted Accounting Principles as practiced in Austria.”

2.10.3 Information Sourced from Third Parties

With respect to any information based on reports of DTZ, Erste Bank, Collier Columbus, Eurostat, Sveriges Riksbank and Schweizerische Nationalbank, the Company confirms that this information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by the respective third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

3 SUPPLEMENTARY PROSPECTUS FOR INVESTMENTS IN PROPERTY

3.1 Information on Persons Liable

See Section 2.1 of the Prospectus.

3.2 Information on the Proposed Investment in Real Property

3.2.1 Legal Form, Total Volume, Denomination

See Section 2.4.1 of the Prospectus.

3.2.2 Type of Collective Investment (Open/Closed)

The type of investment is an Austrian joint stock corporation subject to the applicable provisions of Austrian law.

3.2.3 Type, Number and Location of Real Property

See Section 1.8.1 and Appendices C.1. and C.2. (Performance Reports in accordance with Section 14 KMG).

3.2.4 Principles Underlying the Acquisition, Disposal and Administration of Real Property

For details on the investment policy of the Company and the s Immo Group see Section 1.6.1.1.

At the outset of every acquisition, the Company is forming a project team that is responsible for conducting a due diligence of the respective project covering tax, legal and technical issues. The project team will contract professional advisors being tax and legal counsels as well as technical experts. If such due diligence leads to satisfactory results, the project team will finalize the transaction documents with the assistance of said external counsels.

Once the acquisition is completed and the transaction documents are signed, the project will be handed over to the management team. In CEE countries the properties will be managed locally in the respective country and will be supervised by the competent persons of the Company in Vienna.

Disposals of property will be undertaken by a specific project team that is assisted by external tax and legal counsels.

3.2.5 Marketing, Remuneration and Management Costs

See Sections 1.15 and 1.19.1.

3.2.6 Legal Relationship with Third Parties Involved in Marketing and Management; their Services and Costs

See Section 1.19.1.

3.2.7 Valuation Methods

It is practice to use internationally accepted methods of valuation and, accordingly, where appropriate the valuation company values commercial and retail real estate using the Income Approach. This method involves capitalising the estimated fair rent of a property with a rate that fairly reflects the risks and benefits perceived in investing in the property. This is the base of the method one regularly uses to value the subject property. In relation to the subject property the valuation often carries out using the Income Approach or more specifically a 'Hard Core' or 'Top Slice' approach. The income from each lease has been capitalised for the duration of the term at the rent passing. On lease expiry future income flows have been capitalised in perpetuity at the current market rental level. Where current lease income is above the market level the difference between the market rent and the current rent (i.e. the Top Slice or Froth), has been capitalised at a rate intended to reflect the temporary nature of this portion of income and the increased risk of tenant default.

As a standard a vacancy period of 12 months has then been incorporated following lease expiries and the same has been allowed for lease-up of currently vacant areas. This period is an 'average' allowance, although in reality some void periods might be longer while some space might be re-leased without any loss of income. In order to estimate the core income of the properties, the valuation company considers among others a letting transactions which were concluded recently in comparable locations.

For the purposes of valuations the valuation agent uses market rental values such as:

Office € 11.00 per m² per month

Canteen € 6.00 per m² per month

Storage € 5.00 per m² per month

Basement car parking € 60 per space per month

The calculation of entity assets as at 31 December 2005 is shown in the 2005 Performance Reports (Appendices C.1. and C.2).

3.2.8 Information on Real Property

See Appendices C.1. and C.2. (Performance Reports in accordance with Section 14 KMG).

3.2.9 Book and Other Encumbrances

See Appendices C.1. and C.2. (Performance Reports in accordance with Section 14 KMG).

3.2.10 Provisions relating to the Annual Financial Statements and Performance Report

The determination of annual profits of the Company is subject to the provisions of the Austrian commercial code (*Handelsgesetzbuch*) relating to financial statements and accounting. Pursuant to Sections 222 et seq. HGB, Austrian joint stock corporations have to provide annual financial statements in compliance with the respective provisions of the HGB, comprising annual accounts, notes and management discussion. The provisions on the structure of the profit and loss account are set forth under Sections 231 et seq. HGB. For more detailed information of its shareholders, the Company has decided, in addition to the financial statements pursuant to the Austrian HGB, to provide consolidated financial statements and consolidated interim financial statements pursuant to IFRS.

For the Performance Reports see Appendices C.1. and C.2.

3.2.11 Provisions relating to the Distribution and Appropriation of the Annual Net Profit

Pursuant to the corporate policy of the Company the management does not intend to propose the distribution of dividends. Any annual profit will be used to purchase new real property or develop existing real property of the Company. Accordingly, any annual profit will be carried forward on new account.

3.2.12 Purchase Price of the Investment and Incidental Costs

See Section 2.5.3.1. The subscription or purchase of Offer Shares is subject to regular bank charges. Investors should inform themselves about such charges.

3.2.13 Protective Entries in the Land Register

None.

3.2.14 Situation and Rights of Investors in the Event of Structural Changes

The situation and rights of investors in the event of structural changes are those of a shareholder in the Company and, accordingly, are subject to the applicable provisions of the Articles of Association and the Austrian stock corporation act.

3.2.15 Subscription Rights, Subscription Prices, Form of Compensation for Variations in Asset Rights

See Sections 1.21.1.5 and 2.5.1.3. Shareholders may exercise their subscription rights during the Subscription Period for the Subscription Price. There will be no trading in subscription rights.

3.2.16 Projected Profitability

The value of the assets of the s IMMO Share depends on developments in real property markets, especially the markets in office, residential and commercial real property both in Austria and abroad, and also - for investments in cash - on developments in the financial markets. The peculiarities of stock market trading may cause the price of the Shares to perform other than in accordance with actual economic circumstances.

3.2.17 Surrendering the Investment; Surrender Price

A disposal of the Shares through the Vienna Stock Exchange incurs normal bank charges. The price achieved depends on supply and demand.

3.2.18 Provisions Relating to Procedures and the Situation of Investors in the Event of Insolvency

The situation and the rights of the investors in the event of insolvency are governed by the Austrian Joint Stock Corporation Act (*AktG*) as amended or, as the case may be, by the Austrian Insolvency Act (*Insolvenzgesetz*) as amended.

3.3 Information on Third Parties involved in Marketing and Managing the Investment

3.3.1 Company, Registered Office, Purpose

As has already been mentioned (see Sections 1.17.1 and 1.19), an administration and authorisation contract exists with Immorent AG, entered in the Commercial Register at the Vienna Commercial Court under registration number FN 49140s, with its registered office in Vienna and its business address at Windmühlgasse 22-24, 1060 Vienna. Immorent AG is a joint stock company established in accordance with Austrian law. Erste Bank is its sole shareholder.

The corporate purpose of Immorent AG is stated in its Articles of Association as follows:

- 1) The acquisition, letting and leasing of real property and mobile assets;
- 2) the administration of its assets;
- 3) asset planning, advice and administration, as well as the exercise of such trustee functions as are not reserved to particular professions such as that of certified accountant;
- 4) insurance brokering and advice on insurance matters;
- 5) the provision of investment services regarding financial instruments, provided that these services do not involve holding cash, securities or other instruments, so that the company's clients can never become its creditors; viz. advice on the investment of client assets and the arrangement of transactions for the acquisition or disposal of one or more of the instruments specified in Section 1 (1) Clause 7 b) – f) of the Austrian Banking Act (*Bankwesengesetz - BWG*);
- 6) trading in commodities of all types;
- 7) engaging in activities related to the operation of petrol stations, garages, restaurants, tourism facilities and the exploitation and administration of land, both on its own account and acting as a general partner of limited partnerships;
- 8) automated data processing and IT services and operating as concessionaire;
- 9) estate agency, property administration, construction, property development;
- 10) acquiring equity holdings in other companies;
- 11) banking business pursuant to Section 1 (1) BWG is excluded.

3.3.2 Supervisory Board and Management Board

The following Persons have been appointed to the Management Board of Immorent AG:

Peter Tichatschek

(Chairman, member of the Supervisory Boards of CEEPI and Sparkassen Immobilien Aktiengesellschaft)

Dr. Gerald Antonitsch

(also a member of the Supervisory Boards of Sparkassen Immobilien Aktiengesellschaft and CEEPI)

Dr. Gertrud Meisel-Ortner

(member of the Management Board in other Immorent group companies and member of the Supervisory Board of Immorent Bank GmbH).

The composition of the Supervisory Board of Immorent AG is as follows:

Christian Ahlfeld	Employee Erste Bank
Dr Klaus Braunegg	Attorney at law
Dr. Franz Hochstrasser	Member of the Management Board, Erste Bank
Reinhard Karl	Divisional Manager, Erste Bank
Dr Kurt Stöber	Divisional Manager, Erste Bank
Richard Wilkinson	Divisional Manager, Erste Bank

nominated by the Works Council:

Andreas Dossi	Employee
Dr Barbara Harrer	Employee
Johannes Ott	Employee

3.3.3 Last Annual Financial Statements; Annual Report

The annual financial statements of Immorent AG (see Appendix E) are included in the consolidated financial statements of Erste Bank. These are contained in the Erste Bank annual report, which is available in the bank's branches on request and on “www.erstebank.at”.

3.4 Information on Property Insurance Cover

See Performance Reports (Appendices C.1. and C.2.).

3.5 The Nature and Extent of Information Regularly Supplied to Investors on the Performance of the Investment

Pursuant to inter alia Section 277 of the Austrian Commercial Code (*Handelsgesetzbuch - HGB*) and Section 83 of the Stock Exchange Act (*Börsegesetz*) joint stock companies, whose shares are listed in the Official Market segment have to prepare and publish annual financial statements and annual reports. Further, joint stock companies whose shares are listed in the official market segment pursuant to Sections 87 et seq. Stock Exchange Act are required to publish quarterly interim reports on the first three, six and nine months of each fiscal year, which provide to the public all information necessary for assessing the business of the company in the respective period. Each interim report must be published within three months after expiry of the respective reporting period and must be submitted to the stock exchange and the financial market authority no later than at the time of publication.

Interim reports have to comprise information on the business and the results of the company during the reporting period and the notes thereto. Any financial data contained in the interim reports, which in any case must comprise revenues and results before and after taxes, must be compared to the respective financial data from the respective reporting period of the preceding fiscal year. The obligation to publish interim reports pursuant to Sections 87 et seq. Stock Exchange Act apply to issuers of participatory rights, which are listed in the official market segment, accordingly. The issuer will comply with its obligations pursuant to Sections 87 et seq. Stock Exchange Act.

Pursuant to Section 83 Stock Exchange Act, joint stock companies, whose shares are listed in the Official Market segment, must secure equal treatment of all shareholders in respect of the rights pertaining to the shares. Especially, the issuer must inform shareholders about the convening of general meetings of shareholders and shall secure the exercise of the respective voting rights. The issuer further has to inform the public about changes in the rights pertaining to the shares as well as material changes in the shareholder structure of the company compared to the shareholder structure published previously without undue delay. The obligations pursuant to Section 83 Stock Exchange Act apply to issuers of participatory rights listed in the Official Market segment accordingly. The Company will comply with its obligations pursuant to Section 83 Stock Exchange Act.

Any issuer of securities has to publish any insider information concerning the issuer without undue delay. Any certain information not known to the public, which directly or indirectly concerns the respective issuer of securities, and which, if known to the public, could materially influence the value of securities or derivatives thereof because such information would be used as basis for an investment decision of an informed investor (Section 48a para 1 Subpara 1 Stock Exchange Act). A chain of circumstances or a single event, even if not yet formally identified, must be published by the issuer without undue delay. Further, all relevant changes in respect of an insider information already published must be published without undue delay. Such publication must be effected in the same way as the publication of the original information. The publication of an insider information must be effected as contemporaneously as possible for all categories of investors in all member states in which the respective issuer has applied for admission, or has already been admitted, to trading on a regulated market. The issuer must provide any insider information, for which publication is required, also on its internet webpage for a reasonable period of time. Pursuant to Section 48d Para 2 Stock Exchange Act, the publication of an insider information may be postponed under certain circumstances.

Although, due to a change in Section 14 KMG, the Company is no longer obliged to prepare a performance report within the meaning of Section 14 KMG, the Company has decided, as additional information for its shareholders and holders of s IMMO Invest participatory certificates, to prepare performance reports for the s IMMO Share and the s IMMO Invest (see Appendices C.1 and C.2). The performance reports must be audited for accuracy and completeness by an independent auditor in compliance with Sections 268 to 276 HGB, and published within six months of the end of the financial year.

3.6 Performance Report

3.6.1 Performance Report of the s IMMO INVEST as of 31 December 2005

See Appendix C.1.

3.6.2 Performance Report of the s IMMO Share as of 31 December 2005

See Appendix C.2.

Transfer Restrictions

Due to the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge, or transfer of Offer Shares.

Regulation S

Each purchaser of Offer Shares offered in reliance on Regulation S will be deemed to have acknowledged, represented and agreed with the Company and the Managers as follows (terms defined in Regulation S shall have the same meaning when used in this section):

- (i) The Offer Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or territory of the United States and are subject to significant restrictions on transfer.
- (ii) The purchaser (and the person, if any, for whose account it is acquiring the Offer Shares) is outside the United States and is not a U.S. person and is acquiring the Offer Shares in an offshore transaction meeting the requirements of Regulation S under the Securities Act.
- (iii) It is not an affiliate of the Company or a person acting on behalf of such affiliate, and it is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of the Offer Shares.
- (iv) Such purchaser will not, prior to the expiration of 40 days after the later of the commencement of the Offering and the last closing date of the Offering (the “Distribution Compliance Period”), offer, sell, pledge or otherwise transfer any interest in the Offer Shares except an offshore transaction in accordance with Regulation S, in each case in accordance with any applicable securities laws of any state or territory of the United States and any other jurisdiction.

Notice to UK Investors

This Prospectus is being solely issued to and directed at persons who are

1. experienced investment professionals as specified in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 of the United Kingdom (the “Financial Promotions Order”);
2. certified high net worth individuals as specified in Article 48(2) of the Financial Promotions Order; please refer to Appendix 1 whether you qualify as a high net worth individual;
3. high net worth companies, unincorporated associations etc as specified in Article 49(2) of the Financial Promotions Order; please refer to Appendix 2 whether the relevant criteria are met;
4. sophisticated investors as specified in Article 50(1) of the Financial Promotions Order; please refer to Appendix 3 whether you qualify as a sophisticated investor.

Persons who do not fall within any of the above categories of investors should not take any action upon this document but should return it immediately to Erste Bank der oesterreichischen Sparkassen AG at Börsegasse 14, A-1010 Vienna/Austria, attn.: Dr. Ignaz Bodenstorfer. It is a condition of your receiving this document that you fall within, and you warrant to the Company and to Erste Bank that you fall within, at least one of the categories of persons described above.

This document is addressed exclusively to the persons listed in points 1) to 4) above and has therefore not been approved by an authorised person as would otherwise be required by section 21 of the

Financial Services and Markets Act 2000 of the United Kingdom. Any investment to which this document relates is available to only those persons described in points 1) to 4) above. Recipients of this Prospectus are nonetheless warned that reliance on this document for the purpose of engaging in any investment activity may expose them to a significant risk of losing all of the property invested.

If you are in any doubt about the investment to which this Prospectus relates, you should consult a person authorised by the Financial Services Authority who specialises in advising on investments of the kind described in this document.

Notice to Investors In Japan and Canada

The Shares offered hereby have not been and will not be registered under the Securities and Exchange Law of Japan or under applicable Canadian securities laws. Each Manager shall not offer or sell, directly or indirectly, any Shares in Japan or Canada or to, or for the benefit of, any resident of Japan or Canada (which term as used herein means any person resident in Japan or Canada, including any corporation or other entity organized under the laws of Japan or Canada), or to others for re-offering or re-sale, directly or indirectly, in Japan or Canada or to, or for the benefit of, any resident of Japan or Canada, except in compliance with the Securities and Exchange Law of Japan or under applicable Canadian securities laws and any other applicable laws and regulations of Japan or Canada.

Index of Appendices

A Consolidated Financial Statements

1. Consolidated Financial Statements as of 31 December 2005
2. Consolidated Financial Statements as of 31 December 2004
3. Consolidated Financial Statements as of 31 December 2003

B Interim Financial Statements

1. Interim Financial Statements as of 31 March 2006
2. Interim Financial Statements as of 31 March 2005

C Performance Reports

1. Performance Report s IMMO INVEST as of 31 December 2005
2. Performance Report s IMMO Share as of 31 December 2005

D Annual Report of Sparkassen Immobilien Aktiengesellschaft for the financial year 2005

E Financial Statements of Immorent AG for the financial year 2005

F Other Management Functions of Governing Bodies

1. Other Management Functions of the members of the Management Board
2. Other Management Functions of the members of the Supervisory Board

G List of Encumbrances

Signatures Pursuant to the Austrian Capital Markets Act

Sparkassen Immobilien Aktiengesellschaft
signs as issuer pursuant to Section 8 Para. 1 KMG

Ernst Vejdovszky
in his own hand

Holger Schmidtmayr
in his own hand

Vienna, 2 June 2006

APPENDIX A

Consolidated Financial Statements

1. Consolidated Financial Statements as of 31 December 2005

Consolidated balance sheet as at 31 December 2005

EUR ,000	Notes	2005	2004
ASSETS			
A. Non-current assets	15, 16		
I. Intangible assets			
Other		50	26
II. Property, plant and equipment			
Property		706,999	446,147
Other		2,187	1,242
III. Financial assets			
Associates		231	200
Group interests		5,806	5,802
IV. Long-term receivables			
Deferred tax assets	20	2,347	1,312
		717,620	454,729
B. Current assets			
I. Receivables and other assets	17		
Trade receivables		3,406	1,466
Finance receivables and advances		7,190	9,754
Other receivables and assets		13,511	8,135
		24,107	19,355
II. Marketable securities and investments	18	12,352	0
III. Cash and cash equivalents	19	166,098	4,337
		202,557	23,692
C. Accruals and prepayments		335	1,703
		920,512	480,124

EUR ,000	Notes	2005	2004
EQUITY AND LIABILITIES			
A. Shareholders' equity			
	21, 22		
I. Share capital		363,768	224,657
II. Minority interests		23,915	0
		387,683	224,657
B. Non-current liabilities			
	23		
Participating certificates		276,774	147,931
Long-term liabilities to banks		174,602	45,087
Provisions			
a) Deferred taxes	20, 24	3,459	2,003
b) Other	24	6,941	4,074
		10,400	6,076
Other liabilities	25		
a) Construction costs and tenants' financing		11,918	11,946
b) Housing construction subsidies		6,602	7,091
c) Undisclosed interests		2,000	0
d) Other		2,387	1,715
		22,906	20,752
		484,682	219,846
C. Current liabilities			
Liabilities to banks		4,466	6,475
Trade payables		9,425	1,654
Other		29,423	25,444
		43,314	33,573
D. Deferred income			
		4,833	2,047
		920,512	480,124

Consolidated income statement for the year ended 31 December 2005

EUR ,000	Notes	2005	2004
Revenues	7	42,154	35,312
whereof: rental income		34,192	29,351
Other operating income	8	7,587	2,095
Gains on property disposals	9	2,035	44
Operating revenue		51,776	37,451
Depreciation and amortisation	15	-16,309	-11,035
Other operating income	10	-19,378	-13,517
Operating profit / EBIT		16,090	12,899
Expenses of participating certificates	11	-5,939	-4,765
Other financing expense	12	-4,505	-2,746
Financial income	13	4,432	1,230
Net financing cost		-6,012	-6,280
Profit before tax / EBT		10,078	6,619
Taxes on income	14	-1,585	-1,582
Profit after tax		8,493	5,037
Interests of shareholders in parent company		6,806	5,037
Minority interests		1,687	0

Consolidated cash flow statement

EUR ,000	2005	2004
Profit before tax/EBT	10,078	6,619
Depreciation and amortisation	16,309	11,035
Reversal of impairment write-down	-1,100	0
Gains on property disposals	-2,035	-44
Accrued interest	-374	-686
Net financing expense	6,012	6,280
	28,890	23,204
Changes in net current assets		
Receivables and other assets	-15,736	9,857
Provisions and other long-term liabilities	5,021	32
Current liabilities and deferred income	12,527	11,149
Cash flow from operating activities	30,702	44,242
Cash flow from investing activities		
Purchase of investment properties	-288,557	-120,597
Purchase of office equipments and intangible assets	-1,673	-542
Investment in financial assets	-75	-920
Proceeds of property disposals	739	70
Proceeds of disposal of property holding companies	3,422	0
Net interest on financial investments	3,784	389
Net cash flow from investing activities	-282,360	-121,600
Cash flow from financing activities		
Proceeds of share issue	140,332	24,148
Change in minority interests	23,915	0
Proceeds of issue of participating certificates	147,322	17,951
Dividend paid by s IMMO INVEST	-9,784	-8,894
Issuing costs of shares and participating certificates	-16,223	-2,627
Net increase in long-term liabilities to banks	129,515	8,484
Interest paid	-1,658	-3,974
Net cash flow from financing activities	413,419	35,088
Change in cash and cash equivalents	161,761	-42,270
Cash and cash equivalents at 1 January 2005	4,337	46,607
Cash and cash equivalents at 31 December 2005	166,098	4,337
	161,761	-42,270

Changes in consolidated equity

EUR ,000	Share capital	Capital reserves	Revenue reserves	Minority interests	Total	2004
Balance 1 January 2005	121,404	73,174	30,079	0	224,657	196,491
Capital increase	60,702	79,630	-6,553	0	133,779	22,999
Acquisitions	0	0	0	22,944	22,944	0
Profit after tax	0	0	6,806	1,687	8,493	5,037
Exchange differences	0	0	-1,474	-716	-2,190	130
Balance 31 December 2005	182,106	152,804	28,858	23,915	387,683	224,657

Details of share capital

EUR ,000	31.12.2005	31.12.2004	Change
Total share capital	182,106	121,404	60,702
Treasury shares (nominal)	0	0	0
	182,106	121,404	60,702

Changes in share capital

	2005	2004
Issued share capital at 1 January 2005	33,412,479	30,375,000
Shares issued during year	16,706,239	3,037,479
Treasury shares sold	0	0
Issued share capital at 31 December 2005	50,118,718	33,412,479
Treasury shares	0	0
Total shares in issue	50,118,718	33,412,479

Notes to the consolidated financial statements

1. REPORTING UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The consolidated financial statements of Sparkassen Immobilien Aktiengesellschaft (s Immobilien AG), Vienna, for the year ended 31 December 2005 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

2. GENERAL

2.1. Business

s Immobilien AG Group is a real estate group (acquisition, development and letting of property) with activities in Austria and elsewhere in Central Europe. The parent company, s Immobilien AG, is headquartered in Windmühlgasse 22-24, A-1060 Vienna, Austria. The Company has subsidiaries in Austria, the Czech Republic, Germany, Hungary and Slovakia. Companies have recently been formed for the future expansion of business activities into Bulgaria and Romania. The parent company is a public limited liability company (Aktiengesellschaft). It is registered in the commercial register of the Commercial Court of Vienna under reference 58358x.

2.2. Accounting policies

The consolidated financial statements comply with all International Financial Reporting Standards, including the interpretations of the International Financial Reporting Interpretations Committee“ (“IFRIC”, formerly “SIC”) the application of which was mandatory as of 31 December 2005.

The accounting policies of the companies included in consolidation are based on the uniform accounting regulations of s Immobilien AG Group. The consolidated financial statements are presented rounded to the nearest 1,000 euro. The totals of rounded amounts and the percentages may be affected by rounding differences caused by software.

3. CONSOLIDATED GROUP

In addition to the accounts of s Immobilien AG, the consolidated financial statements include the accounts of the following companies (property holding or intermediary holding companies) which are directly or indirectly owned by s Immobilien AG:

Company	Location	Country	Nominal capital	%	Currency	Initial consolidation
CEE Immobilien GmbH	Vienna	A	35,000	100	EUR	
CEE PROPERTY-INVEST Immobilien AG	Vienna	A	48,000,000	100	EUR	
CEE CZ Immobilien GmbH	Vienna	A	35,000	100	EUR	
Aramisto Immobilien GmbH	Vienna	A	35,000	100	EUR	1.1.2005
Hotel DUNA Beteiligungs Gesellschaft m.b.H.	Vienna	A	145,346	100	EUR	1.6.2005
Gerngross Kaufhaus Aktiengesellschaft	Vienna	A	21,801,850	75	EUR	31.12.2005
Areal CZ spol. s.r.o.	Prague	CZ	100,000	100	CZK	
ELTIMA PROPERTY COMPANY s.r.o.	Prague	CZ	100,000	100	CZK	
Palác Karlin Property a.s	Prague	CZ	96,500,000	100	CZK	
Palác Karlín s.r.o.	Prague	CZ	1,200,000	100	CZK	
Vila Property s.r.o.	Prague	CZ	1,200,000	100	CZK	
REGA Property Invest s.r.o.	Prague	CZ	200,000	100	CZK	
Bank-garázs Ingatlanfejlesztési és Vagyonhasznosító Kft.	Budapest	H	100,100,000	100	HUF	
CEE Property-Invest Ingatlan Kft.	Budapest	H	100,000,000	100	HUF	
Maros utca Építési és Ingatlanhasznosítási Kft.	Budapest	H	477,000,000	100	HUF	
Buda Kereskedelmi Központ Kft.	Budapest	H	3,000,000	100	HUF	1.4.2005
Duna Szálloda Zrt.	Budapest	H	3,392,600,000	51	HUF	1.6.2005
Galvaniho 1, s.r.o.	Bratislava	SK	200,000	100	SKK	
Galvaniho Business Centrum, s.r.o.	Bratislava	SK	200,000	100	SKK	1.12.2005
SIAG Burstah Immobilien GmbH	Hamburg	D	25,000	100	EUR	1.11.2005

CEE PROPERTY-INVEST Immobilien AG acquired the shares in Buda Kereskedelmi Központ Kft at the end of the first quarter of 2005 for EUR 1.1m. The liabilities assumed amounted to EUR 4.8m.

With effect from 1 June 2005, it also acquired the shares in Hotel DUNA Beteiligungs Gesellschaft m.b.H., which owns a 51% interest in Duna Szálloda Zrt., Hungary, for a price of EUR 1.9m together with liabilities of EUR 50.3m. Duna Szálloda Zrt. is owner and operator of Hotel Marriott in Budapest. Operating management is provided by Marriott, under a management agreement. The company employs 283 staff. CEE PROPERTY-INVEST Immobilien AG also secured the right to acquire the remaining 49% of the shares in July 2006 by paying EUR 0.1m for the option. The purchase price will be EUR 1.1m. The profit for the period since initial consolidation was EUR 3.4m.

Aramisto Immobilien GmbH acts as an intermediary holding company for the property ownership companies in Germany. In November four ready-made companies were acquired for a total of EUR 0.1m. One of them, SIAG Burstah Immobilien GmbH, acquired two properties in Hamburg at the end of the year.

In December the shares in Galvaniho 1, s.r.o., Slovakia, were transferred within the Group to Galvaniho Business Centrum, s.r.o., from which point this intermediary holding company was included in consolidation.

At the year end s Immobilien AG acquired the majority of the shares in Gerngross Kaufhaus Aktiengesellschaft, Austria, for a provisional price of EUR 62.1m. The company has bank balances of EUR 52.6m, liabilities to banks of EUR 93.7m and other liabilities and provisions of EUR 7.5m.

The transaction was accounted for using the purchase method for initial consolidation, in accordance with IFRS 3.

In March the Hungarian property ownership company ECE-Buda Ingatlanhasznosító és Ingatlanforgalmazó Kft. was merged into Bank-garázs Ingatlanfejlesztési és Vagyonhasznosító Kft. In August the Czech intermediary holding company

GAMA Immorent S.R.O. and the property ownership company REAL-UNION a.s. were merged to form REGA Property Invest s.r.o.

In September the Austrian property ownership companies Gartenbau-Grundstücksverwertung Gesellschaft m.b.H., EBB Immobilienverwaltung GmbH und Arcade Meidling Errichtung und Verwaltung GmbH were merged into S Immo AG. They were acquired by the Group at the beginning of 2005. The purchase price was EUR 4.1m, and the liabilities taken over amounted to EUR 32.0m.

4. BASIS OF CONSOLIDATION

Consolidation means offsetting the acquisition cost of the investment (book value) against the value under IFRS of the proportionate share of the equity of the relevant subsidiary at the time of initial consolidation. The amount of any difference arising at this time is capitalised as goodwill. In calculating goodwill, foreign currencies are translated at the exchange rate ruling on the date of initial consolidation. There is currently no goodwill which arose from business combinations being carried as an asset.

Transactions within the consolidated Group together with the related income and expenses and receivables and payables are eliminated. Intra-group profits have also been eliminated.

5. FOREIGN CURRENCY TRANSLATION

Translation of financial statements in foreign currencies

The Group reporting currency is the euro. Annual financial statements prepared in foreign currencies (Czech crowns, Slovak crowns and Hungarian forints) are translated using the modified closing rate method. Investment property is translated at historical rates. As a general rule, income statement items are translated using average exchange rates; depreciation and amortisation of property is an exception – historical rates are used. Gains and losses on currency translation are not treated as income or expense but included under revenue reserves.

6. ACCOUNTING AND VALUATION POLICIES

Intangible assets

Intangible assets acquired for consideration are recognised at acquisition cost less scheduled straight-line amortisation and provision for any impairment losses. Amortisation rates are based on assumed useful lives of between three and six years.

Investment property, plant and equipment

In accounting for investment property, and other plant and equipment, advantage is taken of the option under IAS 40 to apply the cost model: assets are recognised at cost of acquisition or construction, less scheduled depreciation and provision for any impairment losses. Non-refundable investment grants are treated as reductions in acquisition costs. The costs of acquisition or construction do not contain any material financing costs.

The properties, the majority of which are rented, were valued in 2004 and 2005 on the basis of current market conditions, largely by independent, professional, court-recognised experts. The valuations were based on earnings, calculated on the basis of expected sustainable future rental yields and market interest rates (Austria: 3.5%–8%; elsewhere: 7.75%–9%). In one case, specific features of the property meant that asset values were also used. Properties purchased close to balance sheet date were valued on the basis of acquisition costs.

Property subject to wear and tear and other plant and equipment is depreciated on a straight-line basis over its expected useful life, which is as follows:

	Expected useful lives (years)	
	from	to
Buildings	33	50
Other plant and equipment	3	10

Where there are losses in value that are expected to be permanent, impairment losses are recognised. The carrying values of the properties are subjected to impairment tests, in which the carrying values are compared with the fair values of the properties. As a rule, impairment losses are recognised where the carrying values are higher, although this is not done if the higher carrying value is solely the result of incidental acquisition costs, such as property transfer tax, registration fees, etc. In 2005 impairment losses amounting to EUR 2,339,000 were recognised, and write-ups of EUR 1,100,000 were made to reflect permanent reversals of impairment losses.

Investments and securities

Shares in associated companies and investments for which fair values can not be established without disproportionate expense are recognised at acquisition cost, reduced by impairment losses where the loss in value is expected not to be merely temporary.

Shares and securities held as current assets are recognised at market values in accordance with IAS 39, and are generally intended for sale (available-for-sale).

Receivables and other assets

Trade receivables and other receivables are disclosed at their nominal value, less any provisions necessary. Other current assets are recognised at cost of acquisition.

Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and of bank deposits with a term of less than three months.

Taxes

The tax expense disclosed for the financial year comprises income tax on the taxable income of the individual companies at the rate applicable in the relevant country (actual tax) together with the changes in tax provisions affecting income or expense.

In accordance with IAS 12, all temporary accounting and valuation differences between the tax bases of assets and liabilities and their carrying amounts in the balance sheet and any tax loss carryforwards are reflected in the provisions for deferred taxation. In calculating the provisions necessary, the local tax rates used are those expected to apply to each Group company when the differences reverse: Austria 25%, Czech Republic 24%, Germany 26%, Hungary 16% and Slovakia 19%.

No provisions for deferred tax liabilities have been made with respect to temporary differences in connection with undisclosed reserves arising on initial consolidation on properties owned by foreign subsidiaries, since such properties can be disposed of without liability to tax by the tax-free sale of property ownership and intermediary holding companies in Austria under section 10(2) Austrian Corporate Income Tax Act (KStG). Provision has been made for deferred tax liabilities on differences arising on initial consolidation of Austrian subsidiaries on the basis of the tax rates and amounts applicable to any expected partial realisations.

Deferred taxes assets are provided on tax loss carryforwards to the extent that it is probable that the losses will be able to be offset against future taxable profits.

Financial liabilities

Financial liabilities are recognised at the amount repayable, with the exception of the participating certificates, which are valued in accordance with the Fund rules.

Provisions

The provision for deferred taxation is calculated using the liability method, using the tax rates which at balance sheet date are expected to be in force when the temporary differences reverse. Other provisions are for liabilities of uncertain amount, in which case the amount provided is the amount considered most likely to become payable.

Trade payables and other liabilities

Trade payables and other liabilities are recognised at the amount repayable.

Derivatives

s Immobilien AG Group uses interest rate caps to reduce the risks attendant on interest rate increases; these are the only derivative financial instruments the Group uses. The caps are generally measured at cost of acquisition: at 31 December 2005 their positive market value was EUR 349,000.

Income recognition

Rental income is recognised evenly over the term of the rental agreement.

Income from services is recognised in proportion to the services rendered at Group balance sheet date.

Interest income is measured on the basis of the applicable interest rate and the amount of the loan.

CONSOLIDATED INCOME STATEMENT

7. REVENUES AND SEGMENT REPORTING

Segment reporting is by region, based on where the property is situated (primary segmentation), and by type of use (secondary segmentation).

The primary segmentation is as follows (EUR '000):

	Austria		Hungary		Czech Republic		Slovakia		Germany		Total	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
Revenues	24,545	18,478	10,055	8,334	5,890	7,872	1,569	628	95	0	42,154	35,312
Other operating income	820	1,299	5,607	93	1,150	697	11	5	0	0	7,587	2,095
Income from the sale of property	-73	44	0	0	2,108	0	0	0	0	0	2,035	44
Operating income	25,292	19,821	15,662	8,427	9,148	8,569	1,580	633	95	0	51,776	37,451
Depreciation and amortisation	-10,186	-6,272	-3,437	-2,167	-2,317	-2,471	-298	-125	-71	0	-16,309	-11,035
Other operating expenses	-13,439	-8,655	-3,319	-2,688	-2,095	-2,120	-510	-54	-15	0	-19,378	-13,517
Profit from operating activities	1,667	4,894	8,906	3,572	4,736	3,978	772	454	9	0	16,090	12,899
Expenses of participating certificates	-2,611	-3,400	-2,092	-1,015	-1,124	-306	-113	-44	0	0	-5,939	-4,765
Finance costs	-1,395	-751	-1,806	-484	-1,309	-1,456	4	-54	0	0	-4,505	-2,746
Finance income	4,225	1,170	5	13	201	47	2	0	0	0	4,432	1,230
Finance profit/loss	219	-2,981	-3,893	-1,486	-2,232	-1,715	-107	-98	9	0	-6,012	-6,280
Consolidated net profit before tax	1,886	1,913	5,013	2,086	2,504	2,263	665	356	9	0	10,078	6,619
Non-current assets	463,382	275,649	135,633	82,592	72,708	84,655	11,541	11,834	34,358	0	717,620	454,729
Current assets	174,922	17,215	8,801	1,529	18,327	4,662	400	285	107	0	202,557	23,692
Non-current liabilities	421,435	178,474	25,568	15,786	37,441	25,346	223	241	15	0	484,682	219,846
Current liabilities	32,792	24,390	5,727	5,380	3,437	3,634	98	170	1,261	0	43,314	33,573

Segmentation by property type:

	Revenues 2005 EUR '000	%	Revenues 2004 EUR '000	%
Offices	27,509	65	28,683	81
Residential	4,463	11	4,229	12
Commercial	10,182	24	2,400	7
	42,154	100	35,312	100

Revenues were made up as follows:

EUR '000	2005	2004
Rental income	34,192	29,351
Service charges	7,748	5,810
Other	214	151
	42,154	35,312

8. OTHER OPERATING INCOME

Other operating income of EUR 7,587,000 (2004: EUR 2,095,000) includes the gross operating profit from the Hotel Marriott in Budapest (EUR 5,458,000), a write-up to the carrying value of the property of Palac Karlin a.s. (EUR 1,100,000), and the release of a proportion of the housing construction subsidies (EUR 489,000).

The Hotel Marriott group operating profit is made up as follows:

EUR '000	6-12/2005
Revenues	10.718
Directly attributable costs	- 6.189
Other costs	- 1.149
Earnings of prior periods	2.078
	5.458

At 31 December 2005 Duna Szálloda Zrt. employed 283 staff. Staff costs of the hotel employees are included in directly attributable costs.

9. INCOME FROM THE SALE OF PROPERTY

EUR '000	2005	2004
Disposal proceeds (including liabilities extinguished)	15,054	71
Book value of disposals	-13,019	-27
	2,035	44

Disposal proceeds for 2005 are from the disposal of a Czech office property (gain of EUR 2,108,000 on disposal of property ownership company Duha Property s.r.o.) and an Austrian office and commercial property (loss of EUR 73,000).

10. OTHER OPERATING EXPENSES

EUR '000	2005	2004
Expenses directly attributable to property		
Operating costs	8,074	6,365
Specific provisions on receivables	200	328
Maintenance costs	2,505	812
Commissions	568	545
Provision for project risks	1,000	0
Other	502	502
	12,849	8,552
General management expenses		
Management fees and administration expenses	3,202	2,898
Staff costs	146	0
Legal, audit, valuation and consultancy costs	1,119	866
Other taxes and charges	630	380
Marketing, advertising and hospitality expenses	390	146
Other	1,042	675
	6,529	4,965
	19,378	13,517

s Immobilien AG had no employees before 30 September 2005. Management services are provided by IMMORENT AG under a management agreement. With effect from 1 October 2005 there are contracts of employment for the two members of the Management Board.

As a result of the acquisition of Gerngross Kaufhaus Aktiengesellschaft, at 31 December 2005 s Immobilien AG had 22 of its own staff, in addition to the employees in hotel operations.

A provision of EUR 1,000,000 was made in connection with projects now in liquidation.

11. EXPENSES OF PARTICIPATING CERTIFICATES

EUR '000	2005	2004
Distribution	-16,932	-9,784
Release of premium	18,479	3,127
Issue costs	-7,486	-1,095
Valuation adjustment	0	2,987
	-5,939	-4,765

Under the rules of the s IMMO INVEST Participating Certificates Fund, the unit holders were entitled to a distribution of EUR 16,932,000 for 2005, which will be paid to unit holders in 2006.

EUR 18,479,000 of the premium on the capital issue was released during the year.

12. FINANCE COSTS

EUR '000	2005	2004
Bank loan interest	3,944	1,722
Other finance costs	561	1,024
	4,505	2,746

13. FINANCE INCOME

EUR '000	2005	2004
Bank interest	1,254	127
Other interest income (in particular, on cash deposits)	2,169	415
Income from investments	400	522
Other	609	166
	4,432	1,230

14. TAXES ON INCOME

Taxes on income comprise income tax on the taxable income of the individual companies for the financial year, adjustments to prior years' tax and changes in deferred taxation.

EUR '000	2005	2004
Current tax expense	349	755
Deferred tax expense	1,236	827
	1,585	1,582

The reconciliation of income tax at the standard rate to the income tax disclosed in the financial statements is as follows:

EUR '000	2005	2004
Consolidated net profit before tax	10,078	6,619
Income tax expense at the standard Austrian tax rate of 25% (2004: 34%)	2,520	2,250
Effect of differing tax rates	-516	-802
Reductions in tax relating to tax free or tax exempt income	-802	-85
Increases in tax relating to expenses not deductible for tax purposes	697	571
Prior years' taxes	-314	-352
Tax expense as disclosed	1,585	1,582

The effect of differing tax rates consists of the effects of lower foreign tax rates. Tax credits of EUR 252,000 in 2004 related to the reduction in the standard rate of Austrian corporate income tax from 34% to 25% with effect from 1 January 2005.

CONSOLIDATED BALANCE SHEET

15. NON-CURRENT ASSETS MOVEMENT SCHEDULE

	Acquisition costs	Additions	Disposals	Additions to consolidated Group	Acquisition costs
EUR '000	1.1.2005	(+)	(-)		31.12.2005
Intangible assets					
— a) Other intangible assets	30	34	0	0	64
Property, plant and equipment					
— a) Investment property	530,234	67,447	-13,372	221,110	805,419
— b) Other plant and equipment	2,075	1,673	-224	0	3,524
Financial assets					
— a) Associates	196	75	-40	0	231
— b) Group interests	5,806	0	0	0	5,806
Total	538,341	69,229	-13,636	221,110	815,044

	Accumulated depreciation	Write-downs/ write-ups	Disposals	Accumulated depreciation	Book values	Book values
EUR '000	1.1.2005			31.12.2005	1.1.2005	31.12.2005
Intangible assets						
— a) Other intangible assets	-5	-9	0	-14	25	50
Property, plant and equipment						
— a) Investment property		Add. 1,100				
	-84,087	-15,786	353	-98,420	446,147	706,999
— b) Other plant and equipment	-832	-514	9	-1,337	1,243	2,187
Financial assets						
— a) Associates	0	0	0	0	196	231
— b) Group interests	0	0	0	0	5,806	5,806
Total	-84,924	Add. 1,100 16,309	362	-99,771	453,417	715,273

The additions to investment property (including additions to the consolidated Group) consist of Austrian properties to the value of EUR 198.6m, Hungarian properties of EUR 55.3m, German properties of EUR 34.4m and Czech properties of EUR 0.2m.

The carrying value of investment property at balance sheet date consisted of developed rental properties amounting to EUR 689,610,000 (2004: EUR 421,579,000) (Austria, EUR 450,235,000; Hungary, EUR 134,432,000; Czech Republic, EUR 59,044,000; Slovakia, EUR 11,541,000; Germany,

EUR 34,358,000 and of properties under development for rental of EUR 17,390,000 (2004: EUR 24,568,000) (Austria, EUR 4,325,000; Hungary, EUR 33,000; Czech Republic, EUR 13,032,000).

Properties with carrying values of EUR 315,369,000 (2004: EUR 117,910,000) are subject to liens and charges. The carrying values of land and buildings are shown net of building grants of EUR 3,717,000 (2004: EUR 3,801,000).

A very limited number of facilities are used by the Group for its own purposes (included under other plant and equipment).

Investments in associates included under financial assets represent the companies not included in consolidation (note 3, Consolidated Group).

The Group interests consist of a 22.08% limited partnership interest in BGM-IMMORENT Aktiengesellschaft & Co KG with a carrying value of EUR 2,080,000 and a silent partnership in PCC- Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co. KG with a carrying value of EUR 3,722,000.

16. FAIR VALUES OF DEVELOPED RENTAL PROPERTIES

EUR '000	Carrying values	Fair values
s Immobilien AG (own account)		
Austria	245,358	274,224
Hungary	67,216	72,609
Czech Republic	29,522	35,635
Germany	17,179	17,214
Slovakia	5,771	6,348
	365,046	406,030
2004	278,072	308,063
s IMMO INVEST Participating Certificates Fund		
Austria	204,877	227,969
Hungary	67,216	72,609
Czech Republic	29,522	35,635
Germany	17,179	17,214
Slovakia	5,770	6,348
	324,564	359,775
2004	143,507	164,588
Total		
Austria	450,235	502,193
Hungary	134,432	145,218
Czech Republic	59,044	71,270
Germany	34,358	34,428
Slovakia	11,541	12,696
	689,610	765,805
2004	421,579	472,651

The undisclosed reserves of EUR 1,121,000 are attributable to minority interests. For details of how fair values are calculated, see note 6.

For details of s IMMO Invest Participating Certificates Fund, see note 23.

17. RECEIVABLES AND OTHER ASSETS

Trade receivables include rents receivable from tenants less any specific provisions required.

Receivables and other assets are made up as follows:

EUR '000	2005	2004
Present value of rental guarantee	2,307	2,538
Construction loan subsidies outstanding	867	1,031
Current tax credits	2,072	1,104
Property management agents — clearing accounts	1,740	823
Accrued interest and interest rate caps	3,419	643
Sundry	3,106	1,996
	13,511	8,135

Default risks on receivables are limited.

18. SHARES AND SECURITIES

The securities consist of investment certificates.

19. CASH AND CASH EQUIVALENTS

These consist of funds with banks available on demand and term deposits.

EUR '000	2005	2004
Erste Bank der oesterreichischen Sparkassen AG	108,668	1,583
Other banks in the Erste Bank Group	2,230	931
Other banks	55,169	1,819
Cash in hand	31	4
	166,098	4,337

20. DEFERRED TAX ASSETS AND LIABILITIES

EUR '000	Deferred tax assets		Deferred tax liabilities	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Tax loss carryforwards	4,649	4,318	1,043	529
Investment properties	-2,302	-2,986	-2,831	-1,963
Other	0	-20	-1,671	-569
	2,347	1,312	-3,459	-2,003

Deferred tax liabilities are shown under non-current liabilities. Deferred tax assets and liabilities are calculated on a company by company basis.

21. SHAREHOLDERS' EQUITY

The issued share capital of the Group's parent company amounts to EUR 182,106,000 and consists of 50,118,518 no par value bearer shares and 200 no par value registered shares. The holders of the registered shares numbered 1 to 7 are entitled to appoint up to a third of the members of the Supervisory Board. The issued share capital is fully paid up.

The shares are listed on the Vienna Stock Exchange.

The Management Board is authorised to increase the issued share capital by up to EUR 60,702,000 by the issue of new bearer shares for contributions in cash or in kind, and without subscription rights to existing shareholders in the case of subscriptions in kind (authorised capital).

An increase in share capital of EUR 45,526,000 (12,529,680 shares) was entered in the commercial register on 2 December 2005, and an increase of EUR 15,176,000 (4,176,559 shares) on 24 December 2005. The value of both issues together was EUR 140,332,000, and after deducting costs and taking the tax reliefs (EUR 2,184,000) into account the net proceeds were EUR 133,779,000.

22. MINORITY INTERESTS

In 2005 interests of 51% in Duna Szálloda, Zrt., Budapest and 75% Kaufhaus Aktiengesellschaft, Vienna were acquired. The minority interests disclosed in the financial statements of EUR 23,915,000 consisted of EUR 2,747,000 in respect of Duna Szálloda Zrt. (49% minority interest) and EUR 21,168,000 in respect of Gerngross Kaufhaus Aktiengesellschaft (25% minority interest).

23. NON-CURRENT FINANCIAL LIABILITIES

EUR '000	2005				2004			
	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total
Participating certificates	0	0	276,774	276,774	0	0	147,931	147,931
Long-term liabilities to banks	5,982	30,629	137,991	174,602	5,202	14,920	24,965	45,087

The participating certificates are shares in the IMMO INVEST Participating Certificates Fund, a property fund managed and owned by s Immobilien AG and accounted for as a separate entity.

The participating certificates document an entitlement to a share of the annual profit or loss from the property assets and represent a secured interest in the properties belonging to s IMMO INVEST Participating Certificate Fund. There is however no provision for a minimum distribution.

The certificates carry no entitlements to a share in the share capital of s Immobilien AG, or to a share of the Company's annual profits or any surplus on liquidation, and they confer no shareholder rights.

EUR '000	Nominal	Valuation adjustment	Issue premium	Book value
1 January 2005	163,078	-15,147	0	147,931
Capital increase	119,140		28,182	147,322
Release of premium			-18,479	-18,479
31 December 2005	282,218	-15,147	9,703	276,774

During 2005 1,639,399 s IMMO INVEST participating certificates were issued, bringing the total outstanding to 3,883,398. In accordance with the Fund rules, the valuation adjustment remained unchanged. In accordance also with the Fund rules, the premium on the issue of new certificates was released.

The distribution of EUR 16,932,000 for 2005 is included under other current liabilities.

Long-term liabilities to banks include mortgage loans of EUR 166,139,000 (2004: EUR 73,129,000) and other investment loans of EUR 8,463,000 (2004: EUR 9,859,000).

Details of the mortgage loans were as follows:

Lending institution	Amount EUR '000	Currency	Interest rate at yearend	Repayment
Fixed rate				
HVB Czech Republic	5,000	EUR	5.988%	in 2005 interest only
HVB Czech Republic	5,000	EUR	6.455%	in 2005 interest only
Erste Bank	8,325	EUR	5.52%	quarterly
Erste Bank	2,998	EUR	4.18%	quarterly
Raiffeisenlandesbank Wien, NÖ	9,095	EUR	3.0%	quarterly
Raiffeisenlandesbank Wien, NÖ	12,700	EUR	5.52%	half yearly
Raiffeisenlandesbank Wien, NÖ	7,077	EUR	3.44%	quarterly
Volksbank	11,040	EUR	3.03%	quarterly
	61,235			
Variable rate				
Erste Bank	10,153	EUR	2.9%	in 2005 interest only
Eurohypothekenbank	39,237	EUR	4.49%	quarterly
Raiffeisenlandesbank OÖ	1,009	EUR	5.0%	quarterly
BA CA	54,505	EUR	2.45%	on maturity
	104,904			

The fair value of the fixed rate mortgage loans, based on current market rates, is approximately EUR 1,795,000 more than the book value.

The fair values of the variable rate mortgage loans corresponds to the book values.

24. PROVISIONS

Changes in provisions were as follows:

	1.1.2005	Additions to consolidated Group	Utilised	Released	Additions	31.12.2005
Current income taxes	294	1,139	-274	0	5	1,164
Deferred income taxes	2,003	592	0	0	864	3,459
Other taxes and charges	1,962	0	-1,546	0	0	416
Project risks	1,800	800	0	0	1,000	3,600
Pensions	0	627	0	0	0	627
Sundry	17	853	-17	0	281	1,134
	6,076	4,011	-1,837	0	2,150	10,400

There is a provision of EUR 3,600,000 in connection with projects now in liquidation.

25. OTHER NON-CURRENT LIABILITIES

In the case of four properties, the contributions to construction costs and financing required under section 69 of Vienna's Housing Construction Subsidies and Rehabilitation Act (WWFSG 1989) amounting to EUR 11,918,000 (2004: EUR 11,946,000) were paid by the tenants. These contributions, the value of which is indexed, must be repaid to the tenants when their tenancies cease, the amount to be repaid being reduced by 2% for each year of tenancy.

The subsidies themselves, amounting to EUR 6,602,000 (2004: EUR 7,091,000), must be repaid if the conditions attaching to them are breached, and are secured by charges on the subsidised properties.

The remaining term of the contributions to construction and financing costs and of the housing construction subsidies is generally in excess of five years.

S-Tourismusfonds Management Aktiengesellschaft, Vienna, has an undisclosed interest in Duna Szálloda Zrt.

Other long-term liabilities consist mainly of tenants' deposits.

OTHER INFORMATION

26. OTHER OBLIGATIONS AND CONTINGENT LIABILITIES

Pending litigation

There are no material legal disputes that are unresolved or outside the ordinary course of business.

27. MATERIAL AGREEMENTS

The tenancy agreements concluded by the Group generally contain clauses specifying that rents and other fees are tied to the euro, and capital values linked to international indices.

28. CASH FLOW STATEMENT

The cash flow statement shows how the Group's funds change over time as a result of inflows and outflows. The statement distinguishes between cash flows from operating activities, investing activities and financing activities. The liquid assets shown in the statement consist of cash in hand and funds at banks.

29. RELATED PARTY DISCLOSURES

Until October 2005 s Immobilien AG was a subgroup within the parent Group, Erste Bank der oesterreichischen Sparkassen AG. The s Immobilien AG Group is no longer consolidated with the Erste Bank Group but included at equity instead because, as a result of rationalisation of the holding structures for organisational, financial and functional reasons, Erste Bank der oesterreichischen Sparkassen AG no longer has a controlling interest.

There were the following material receivables and payables with Erste Bank Group:

EUR '000	2005	2004
Receivables		
Financial receivables/cash deposits	0	7,740
Other receivables	432	0
Bank deposits	110,898	2,515
	111,330	10,255
Liabilities		
Non-current liabilities	25,294	15,618
Current financial liabilities	1,605	1,850
Trade payables	321	0
Other liabilities	13,064	1,527
	40,284	18,995

In financial 2005 there were the following material income and expenses in connection with Erste Bank Group:

EUR '000	2005	2004
Expenses		
Advertising	217	85
Commissions	362	165
Consultancy fees	185	331
Management fees IMMORENT AG	3,108	2,898
Issuing costs – participating certificates	5,910	907
Bank loan interest and charges	1,527	681
Other expenses	194	0
	11,503	5,067
Income		
Rent and service charges	288	281
Bank interest	939	127
Interest income from securities	0	36
Other interest income	807	282
	2,034	726

There were also costs of EUR 6,811,000 incurred by Erste Bank Group in connection with the issue of new shares, which have been charged directly against equity.

The shares in Hotel DUNA Beteiligungs Gesellschaft m.b.H. (see note 3) were acquired by S Tourismus Services GmbH. Like S-Tourismusfonds Management Aktiengesellschaft, which has the undisclosed interest in Duna Szálloda Zrt., this is an Erste Bank associated company. Under an agreement of 11 November 2005 Sparkassen Immobilien AG has acquired a plot of land at Brünnerstrasse 72a, 1210 Vienna, from S-Invest Beteiligungsgesellschaft m.b.H. for EUR 4,103,000.

Under an agreement dated 14 January 2003 IMMORANT AG has given Sparkassen Immobilien AG a rental guarantee for the property at Gasgasse 1-7, 1150 Vienna. The fee charged for this guarantee was EUR 3,000,000, its fair value at balance sheet date was EUR 2,307,000.

Properties management for the majority of the Austrian properties is provided by IMMORANT S-Immobilienmanagement GesmbH, Vienna, a member of the Erste Bank Group.

30. SHARE RATIOS

Earnings per share

The earnings per share ratio compares the consolidated net profit with the average number of shares in circulation during the year.

	2005	2004
Equity share of consolidated net profit (EUR '000)	6,806	5,037
Average number of shares in circulation	34,630,642	30,842,304
Earnings per share (EUR)	0.20	0.16
Diluted earnings per share (EUR)	0.20	0.16

Cash flow per share

Cash flow per share is calculated by dividing the consolidated cash flow from operating activities by the average number of shares in circulation during the year.

	2005	2004
Consolidated cash flow (after tax) (EUR '000)	30,702	44,242
Average number of shares in circulation	34,630,642	30,842,304
Cash flow per share (EUR)	0.89	1.43
Diluted cash flow per share (EUR)	0.89	1.43

31. EVENTS AFTER BALANCE SHEET DATE

Purchase agreements for three properties in Germany were concluded after balance sheet date.

In the centre of Munich, an office property with about 6,000 m² of lettable space has been acquired for approximately EUR 9m plus incidental expenses. The main tenant, Siemens, has a long-term tenancy agreement.

Ikaruspark in West Munich has been bought for roughly EUR 11m plus incidental expenses. The park is in an industrial zone with excellent transport connections and comprises over 8,000 m² of office space and about 6,000 m² of warehouse space. The property is fully let to a wide range of German and international companies.

A new 15,000 m² five-floor office building in top condition has been acquired in Halle on the Saale for about EUR 34m plus incidental expenses. The majority of the building is let to Kaufhof AG, a wholly owned Metro Group subsidiary.

In January 2006 the purchase of the property at Szegeci út. 35-37 in Budapest was concluded for the price of around EUR 7m plus incidental expenses. The tenant is Strabag Hungaria.

A purchase agreement for an approximately 1.200 m² plot of land in Prague's 8th district for EUR 2.5m was concluded in February 2006.

Also in February 2006, Sparkassen Immobilien AG disposed of an office property at Siriusstrasse 3, 9020 Klagenfurt, Austria for about EUR 3m. Profit on the sale amounted to around EUR 1m.

32. ADDITIONAL INFORMATION

The consolidated financial statements for the year ended 31 December 2005 have been prepared in accordance with International Financial Reporting Standards (IFRS).

The principal differences between the Austrian Commercial Code (HGB) and IFRS regulations are explained in section 245a HGB; those of relevance to the present financial statements are set out below.

Basic principles

Austrian accounting principles and International Financial Reporting Standards are in part based on fundamentally different accounting philosophies. While for HGB the principle of prudence and the protection of creditors are of primary importance, IFRS puts more emphasis on the provision of relevant information for investors.

Goodwill arising on consolidation

Under IFRS 3, goodwill is capitalised and subjected to an annual impairment test; application of this Standard is mandatory for all business acquisitions after 31 March 2004. Goodwill under HGB may be offset directly against reserves, with no effect on the income statement.

Investment property

IAS 40 offers the option of measuring properties using the fair value model (fair value at balance sheet date), or the cost model (original acquisition or construction cost less accumulated depreciation and impairment losses, if applicable). Under HGB, properties may only be measured at acquisition or construction cost less accumulated depreciation and any applicable impairment losses.

Securities forming part of current assets

Under HGB, securities must be measured at the lower of acquisition cost and market value. Securities forming part of current assets are measured at fair values under IFRS.

Deferred tax

Under IFRS, deferred taxes are calculated and disclosed on the basis of temporary differences: the carrying values of the individual assets and liabilities in the balance sheet are compared with their base values for tax purposes. The differences between these two values are temporary and – depending on the timing of their reversal – give rise to deferred tax assets or liabilities. Under IFRS, deferred tax assets and liabilities must be recognised, while under Austrian HGB recognition of deferred tax assets in the individual financial statements is optional. Under HGB, provisions for deferred tax may only be recognised in respect of temporary differences between the accounting profit and the profit for tax purposes to the extent that there was an actual tax charge before taking tax losses brought forward into account. Deferred tax assets may not be recognised on tax loss carryforwards.

Other provisions

The treatment of provisions under IFRS is based on a different approach to the principle of prudence than under HGB. IFRS sets stricter requirements for the probability of the relevant events and the measurability of the amounts that should be provided.

Treasury shares

Treasury shares under HGB are disclosed under current assets and with a matching entry in the form of a reserve (gross presentation). Under IFRS, treasury shares must be deducted from equity (net presentation).

Foreign currencies

There is a difference between the two systems in the treatment of unrealised gains on the measurement of foreign currencies at balance sheet date. Under HGB the treatment is asymmetrical, and only losses are recognised, while under IFRS unrealised gains must also be recognised.

33. MANAGEMENT BODIES

Supervisory Board

Martin SIMHANDL, Vienna (Chairman)
Klaus BRAUNEGG, Vienna (first deputy chairman)
Franz KERBER, Vienna (second deputy chairman)
Christian AHLFELD, Vienna
Gerald ANTONITSCH, Vienna
Reinhard AUMANN, Vienna (until 31 May 2005)
Michael BUHL, Vienna (until 31 December 2004)
Reinhold SCHÜRER-WALDHEIM, Vienna
Kurt STÖBER, Bruck an der Leitha (until 31 May 2005)
Peter TICHATSCHEK, Vienna
Richard WILKINSON, Vienna (from 31 May 2005)

Management Board

Holger SCHMIDTMAYR
Ernst VEJDOVSZKY

Authorised signatories
Peter GRÖLL
Christof RAUCHENSCHWANDTNER

With respect to compensation of the Management Board, advantage is taken of the exemption afforded by section 266 (7) HGB. Compensation paid to members of the Supervisory Board (including members of the supervisory board of a Group company) amounted to EUR 18,000. Members of the Management Board received neither loans nor advances, and no guarantees were given on their behalf.

Vienna, March 2006

Management Board

Holger Schmidtmayr m.p.

Ernst Vejdovszky m.p.

2. Consolidated Financial Statements as of 31 December 2004

Consolidated Income Statement for the Fiscal Year from January 1, 2004 to December 31, 2004

	Note	1.1.-31.12.2004 EUR '000S	1.1.-31.12.2003 EUR '000S
1. Revenues	7)	35,312	29,092
thereof rental income		29,351	24,057
2. Other operating income	8)	2,095	816
3. Income from the sale of property	9)	44	3,388
4. Aggregate operating performance		37,451	33,296
5. Depreciation/Amortization	15)	-11,035	-8,585
6. Other operating expenses	10)	-13,517	-12,984
7. Operating profit/EBIT		12,899	11,727
8. Expense for debenture-like participatory rights	11)	-4,765	-4,295
9. Other finance expense	12)	-2,746	-4,519
10. Other finance income	13)	1,230	2,912
11. Finance result		-6,280	-5,902
12. Earnings before taxes		6,619	5,826
13. Income taxes	14)	-1,582	-1,523
14. Net profit before minority interests		5,037	4,302
15. Minority interests		0	-16
16. Net profit for the period		5,037	4,286

Consolidated Balance sheet as of December 31, 2004

Assets	Note	31.12.2004 EUR '000S	31.12.2003 EUR '000S
A. Non-current assets	15), 16)		
I. Intangible assets			
1. Goodwill		0	113
2. Other intangible assets		26	28
II. Property, plant and equipment			
1. Investment property		446,147	336,611
2. Other property, plant and equipment		1,242	585
III. Financial assets			
1. Associates		200	76
2. Equity investments		5,802	5,006
IV. Non-current assets			
1. Deferred tax assets	20)	1,312	553
		454,729	342,972
B. Current assets			
I. Receivables and other assets	17)		
1. Trade receivables		1,466	2,344
2. Receivables from financing activities/cash disbursements		9,754	14,837
3. Other receivables and assets		8,135	9,884
		19,355	27,065
II. Marketable securities and investments	18)	0	2,000
III. Cash and cash equivalents	19)	4,337	46,607
		23,692	75,672
C. Prepaid expenses		1,703	1,851
		480,124	420,495

Liabilities and equity		31.12.2004	31.12.2003
	Note	EUR '000S	EUR '000S
A. Shareholders' equity	21)		
I. Share capital		121,404	110,368
II. Reserves		98,216	81,837
III. Accumulated profits		5,037	4,286
		224,657	196,491
B. Minority interests	22)	0	0
C. Non-current liabilities	23)		
1. Debenture-like participatory rights		147,931	136,093
2. Non-current liabilities to banks		45,087	36,603
3. Non-current provisions			
a) Deferred tax liabilities	20), 24)	2,003	2,042
b) Other	24)	4,074	3,740
		6,076	5,782
4. Other non-current liabilities	25)		
a) Tenant contributions to construction and financing costs		11,946	11,926
b) Housing subsidies		7,091	7,580
c) Other		1,715	1,548
		20,752	21,054
		219,846	199,532
D. Current liabilities			
1. Financial liabilities		6,475	3,728
2. Trade payables		1,654	2,484
3. Current provisions	24)	0	385
4. Other current liabilities		25,444	15,761
		33,573	22,358
E. Deferred income		2,047	2,113
		480,124	420,495

Consolidated Statement of Changes in Shareholders' Equity

	Share capital EUR '000S	Capital reserves EUR '000S	Revenue reserves EUR '000S	Accumu- lated profits EUR '000S	Total EUR '000S	Vorjahr EUR '000S
Balance as of Jan. 1, 2004	110,368	60,062	21,775	4,286	196,491	189,421
Allocation to accumulated profits	0	0	4,286	-4,286	0	0
Change in treasury shares	0	0	0	0	0	1,110
Capital increase	11,036	13,112	-1,149	0	22,999	0
Accumulated profits	0	0	0	5,037	5,037	4,286
Currency translation differences	0	0	130	0	130	1,674
Balance as of 31.12.2004	121,404	73,174	25,042	5,037	224,657	196,491

Changes in share capital	31.12.2004 EUR '000S	31.12.2003 EUR '000S	Veränderung EUR '000S
Total share capital	121,404	110,368	11,036
Treasury shares (nominal amount)	0	0	0
	121,404	110,368	11,036

Changes in shares outstanding	2004	2003
Number of shares outstanding at beginning of year	30,375,000	30,236,000
New shares issued (capital increase)	3,037,479	0
Treasury shares sold	0	139,000
Number of shares outstanding at end of year	33,412,479	30,375,000
Treasury shares held	0	0
Total number of shares in issue	33,412,479	30,375,000

Consolidated Cash Flow Statement

	2004 EUR '000S	2003 EUR '000S
Earnings before taxes	6,619	5,825
Depreciation/Amortization	11,035	8,585
Income from the sale of property	-44	-3,388
Income taxes paid	-686	-435
Net interest	6,280	5,902
Cash flow I	23,204	16,489
Changes in net current assets		
Receivables and other assets	9,857	11,358
Provisions and other non-current liabilities	32	2,180
Current liabilities and deferred income	11,149	-3,246
Cash flow from operating activities	44,242	26,781
Cash flow from investing activities		
Acquisition of property	-120,597	-39,073
Purchase of office equipment and intangible assets	-542	137
Investments in financial assets	-920	-3,772
Proceeds from the sale of property	70	10,182
Net interest from financial investments	389	3,084
Net cash from investing activities	-121,600	-29,443
Cash flow from financing activities		
Purchase/sale of treasury shares	0	1,163
Sale of own debenture-like participatory rights	0	472
Proceeds from the issue of new shares	24,148	0
Acquisition of minority shares	0	-810
Proceeds from the issue of debenture-like participatory rights	17,951	28,560
Dividends paid by s IMMO INVEST	-8,894	-7,413
Transaction costs from the issue of new shares and debenture-like participatory rights	-2,627	-1,752
Net cash flow from non-current financing agreements	8,484	-27,924
Interest paid	-3,974	-3,649
Net cash from financing activities	35,088	-11,352
Net change in cash and cash equivalents	-42,270	-14,014
Cash and cash equivalents at the beginning of the year	46,607	60,621
Cash and cash equivalents at the end of the year	4,337	46,607
	-42,270	-14,014

Notes to the consolidated financial statements

Sparkassen Immobilien Aktiengesellschaft

1. Reporting in Accordance With International Financial Reporting Standards (IFRS)

_____ The consolidated financial statements of Sparkasse Immobilien Aktiengesellschaft ("s IMMOBILIEN AG"), Vienna, have been prepared in accordance with the principles of the International Financial Reporting Standards ("IFRS") published by the International Accounting Standards Board ("IASB").

2. General Remarks

2.1. Operations

_____ s IMMOBILIEN AG is a real estate group (property acquisition, construction and rent) operating in Austria and Central Europe. The parent company is s IMMOBILIEN AG with its registered office in A-1060 Vienna, Windmühlgasse 22-24. Subsidiaries exist in Austria, the Czech Republic, Hungary and Slovakia. Companies have also been established in Romania and Bulgaria for the purpose of future business expansion. The parent company operates in the legal form of a joint stock company. It is registered in the Commercial Register of Vienna as No. 58358x.

2.2. Accounting principles

_____ The consolidated financial statements follow all International Financial Reporting Standards mandatory as of December 31, 2004, including the Interpretations of the International Financial Reporting Committee (IFRIC, formerly SIC). The accounting methods applied by the companies included in the consolidated financial statements are based on the uniform accounting policies of the s IMMOBILIEN AG Group.

_____ The figures in the consolidated financial statements are shown in thousands of Euros (EUR '000s), rounded off in accordance with standard practice. The total amounts of sums and percentages that have been rounded off may differ due to the use of automated calculation tools, depending on the rounding methods used.

3. Scope of Consolidation

_____ In addition to s IMMOBILIEN AG, the following companies that are directly or indirectly wholly-owned by s IMMOBILIEN AG have been included in the consolidated financial statements (full consolidation):

Company	Registered office	Country	Nominal capital	Currency	Date of initial consolidation	Audit-opinion *)
CEE Immobilien GmbH	Vienna	A	35,000	EUR		1
CEE PROPERTY-INVEST Immobilien AG	Vienna	A	40,000,000	EUR		1
Gartenbau-Grundstücksverwertung Gesellschaft m.b.H.	Vienna	A	72,673	EUR		1
CEE CZ Immobilien GmbH	Vienna	A	35,000	EUR		1
EBB Immobilienverwaltung GmbH	Vienna	A	763,065	EUR	31.12.2004	1
Areal CZ spol. s.r.o.	Prague	CZ	100,000	CZK		2
Duha Property s.r.o.	Prague	CZ	200,000	CZK		2
ELTIMA PROPERTY COMPANY s.r.o.	Prague	CZ	100,000	CZK	1.1.2004	2
Gama Immorent s.r.o.	Prague	CZ	100,000	CZK		2
Palác Karlín Property a.s	Prague	CZ	96,500,000	CZK		2
Palác Karlín s.r.o.	Prague	CZ	1,200,000	CZK		2
REAL UNION, a.s.	Prague	CZ	80,000,000	CZK		2
Vila Property s.r.o.	Prague	CZ	1,200,000	CZK		2
Bank-garazs Ingatlanfejlesztési és Vagyonghasznosító Kft.	Budapest	H	390,000,000	HUF		2
CEE Property - Invest Ingatlan Kft.	Budapest	H	100,000,000	HUF		2
ECE-Buda Ingatlanhasznosító és Ingatlanforgalmazó Kft.	Budapest	H	100,100,000	HUF		2
Maros utca Építési és Ingatlanhasznosítási Kft.	Budapest	H	477,000,000	HUF	1.7.2004	2
Galvaniho 1, s.r.o.	Bratislava	SK	200,000	SKK	1.8.2004	2

*) 1 ... Group auditor
2 ... Other auditor

_____ The following companies were not included due to their minor significance:

Company	Registered office	Country	Nominal capital	Currency
Aramisto Immobilien GmbH	Vienna	A	35,000	EUR
AKIM Beteiligungen GmbH	Vienna	A	35,000	EUR
IMMIN Beteiligungen GmbH	Vienna	A	35,000	EUR
CEE Beteiligungen GmbH	Vienna	A	35,000	EUR
CEE PROPERTY BULGARIA EOOD	Sofia	BG	20,000	BGL
City Property s.r.o.	Prague	CZ	200,000	CZK
Vltava Property s.r.o.	Prague	CZ	200,000	CZK
Leasing Property s.r.o.	Prague	CZ	200,000	CZK
CHH Ingatlanforgalmazó és Szolgáltató Kft.	Budapest	H	3,000,000	HUF
CEE Property-Invest Office 2004 Ingatlan Kft	Budapest	H	3,000,000	HUF
CEE Property-Invest Hungary 2003 Ingatlan Kft	Budapest	H	3,000,000	HUF
CEE PROPERTY INVEST ROMANIA SRL	Bucharest	RO	10,000,000	ROL
CEE Property-Invest Slovensko s.r.o.	Bratislava	SK	200,000	SKK

_____ CEE CZ Immobilien GmbH acquired the shares in ELTIMA PROPERTY COMPANY s.r.o., Czech Republic, at the beginning of the year for a purchase price of EUR 0.4 million. The liabilities assumed amounted to EUR 22.4 million.

In mid-year, ECE-Buda Ingatl. es Ingatl. Kft. acquired the shares in Maros utca Építési es Ingatlanhasznosítási Kft., Hungary, for a purchase price of EUR 9.0 million. Liabilities in the amount of EUR 3.4 million were assumed. CEE CZ Immobilien GmbH also acquired the shares in GALVANIHO 1, s.r.o., Slovakia, as of August 1, 2004 for a purchase price of EUR 5.5 million. The liabilities assumed amounted to EUR 6.6 million.

_____ At year-end, s- IMMOBILIEN AG acquired the shares in EBB Immobilienverwaltung GmbH, Austria, for a purchase price of EUR 0.1 million. Liabilities in the amount of EUR 30.4 million were assumed.

_____ Within the scope of initial consolidation, the transactions were treated as business combinations in accordance with IAS 22.

_____ In June, the Hungarian holding company DÓM Ingatlanhasznosító és Ingatlanforgalmazó Kft. was merged into the interim holding company ECE-Buda Ingatlanhasznosító és Ingatlanforgalmazó Kft.

4. Consolidation Methods

_____ Accounting for business combinations is carried out by setting off the cost of acquiring the equity investment (= carrying value) against the prorated equity of the respective subsidiary as of the date of initial consolidation in accordance with IFRS. Any goodwill arising is capitalized and

amortized. When calculating goodwill, foreign currency is translated at the rate prevailing on the date of initial consolidation. At present, no Group-related goodwill is capitalized.

_____ All intragroup transactions and the related income and expenses as well as receivables and liabilities are eliminated. Interim profits within the Group have been eliminated.

5. Currency Translation

Translation of separate financial statements in foreign currency

_____ The Group currency is the Euro (EUR). The financial statements prepared in foreign currencies (Czech Koruna, Slovak Koruna, Hungarian Forint) are translated using the modified closing rate method. Real estate assets are translated at the historical rate. Items on the income statement are translated at the average exchange rate for the period (exception: depreciation on real estate – historical rates). Profits and losses from currency translation are recognized as profit reserves and not reported in the income statement.

6. Accounting Policies

Intangible assets

_____ Intangible assets acquired for a consideration are recorded in the balance sheet at cost less amortization and any impairment losses. The following periods of useful life are assumed when calculating amortization rates:

	Useful life in years	
	from	to
Goodwill	5	7
Other intangible assets	3	6

Investment property and other property, plant and equipment

Investment property and other property, plant and equipment are recognized at cost less any accumulated depreciation and any accumulated impairment losses pursuant to the cost model provided as an option in IAS 40. Non-repayable investment subsidies are presented as a reduction in costs. The costs include financing costs to an insignificant extent only.

The properties, most of which are rented, were appraised between 2002 and 2004 – with a few minor exceptions – by independent, sworn, court-certified experts under consideration of the current market situation. The properties were measured using the income approach, taking the rent income sustainable in the long term and market interest rates (domestic: 3.5 – 7%, foreign: 7 – 9.5%) as the basis. In one instance, the net asset value was included in the calculation based on property-specific circumstances.

Depreciation of depreciable properties and other property, plant and equipment occurs on a straight-line basis over the expected useful life, as shown below:

	Useful life in years	
	from	to
Buildings	33	50
Other property, plant and equipment	3	10

Impairment losses are recognized for impairments expected to be of permanent duration. In order to identify whether a property is impaired, the fair value of the property is compared with the carrying value of the property to date. If the carrying amount is higher, an impairment loss is recognized. An impairment loss is not recognized if the higher carrying amount is attributable exclusively to transaction costs (property transfer taxes, registration fees, etc.). In fiscal year 2004, impairment losses totaling EUR 589 thousand were recognized.

Equity investments and securities

Shares in related companies and equity investments for which the market value cannot be readily determined are measured at cost less any impairment losses, provided the impairment is not of temporary duration only.

Securities held in current assets are measured at market value in accordance with IAS 39 and are considered available for sale. The income/expense measured is recognized as income.

Receivables and other assets

Trade receivables and other receivables are recognized at their nominal value less any impairments. Other assets are measured at cost.

Cash and cash equivalents

Cash and cash equivalents include cash, bank balances available for immediate withdrawal and bank deposits with residual terms to maturity of less than three months.

Taxes

The income tax expense reported for the fiscal year includes the income taxes calculated for the individual companies on the basis of taxable profit and the tax rate applicable in the respective country (“current tax”) and the change in deferred tax items recognized as income.

In compliance with IAS 12, all temporary accounting differences between the carrying amount of an asset or liability in the IFRS balance sheet and its tax base as well as unused tax losses carried forward are included in deferred tax items. The future tax rate expected upon reversal of the difference is taken as the basis for calculation, under consideration of the local tax rate for the company concerned (Austria: 25%, Hungary: 16%, the Czech Republic: 26% and Slovakia: 19%).

No deferred tax liabilities are recognized for temporary differences relating to hidden reserves of the property holdings of foreign subsidiaries allocated within the scope of initial consolidation, given that such investment property may be sold tax free in Austria pursuant to § 10 (2) of the Austrian Corporation Tax Act (KStG) relating to the sale of real estate holdings and interim holding companies.

Deferred taxes on loss carryforwards are capitalized provided it is highly probable that such deferred taxes can be set off against future tax profits.

Financial liabilities

Liabilities (with the exception of debenture-like profit participation rights) are recognized at the amount due. Debenture-like profit participation rights are recognized pursuant to the fund guidelines.

Provisions

_____ Deferred tax provisions are calculated in accordance with the liability method using the tax rate anticipated upon reversal of the temporary differences, based on the circumstances as of the reporting date. Other provisions are recognized in the amount of the contingent liability, whereby the most reliable estimate is taken.

Trade payables and other liabilities

_____ Trade payables and other liabilities are recognized at the amount due.

Derivatives

_____ The only derivatives used by the s IMMOBILIEN AG Group are interest caps for hedging interest rate risks. They are measured at cost in principle, and at the market value on the reporting date (EUR 643 thousand).

Revenue recognition

_____ Rental income is recognized on a straight-line basis over the term of the rent.

Revenue from services rendered is recognized to the extent the services are rendered by the reporting date.

Interest revenue is calculated on the basis of the applicable interest rate and the amount due.

Notes to the income statement and the balance sheet

Income Statement

7. Sales and Segment Reporting

_____ The segments are presented by region based on the location of the property (primary segment reporting) and type of use of the property (secondary segment reporting).

_____ Primary segment reporting comprises the following regions (in EUR '000s):

	Austria		Hungary	
	2004	2003	2004	2003
1. Sales	18,478	15,447	8,334	8,509
2. Other operating income	1,299	671	93	45
3. Revenue from the sale of property	44	918	0	0
4. Operating performance	19,821	17,036	8,427	8,554
5. Depreciation/amorization	-6,272	-4,834	-2,167	-1,956
6. Other operating expenses	-8,655	-6,475	-2,688	-2,489
7. Profit/loss from ordinary activities	4,894	5,727	3,572	4,109
8. Expense for debenture-like participatory rights	-3,400	-4,282	-1,015	-1,062
9. Financing cost	-751	-209	-484	-897
10. Financing income	1,170	2,391	13	503
11. Financial result	-2,981	-2,100	-1,486	-1,456
12. Net profit/loss before taxes	1,913	3,627	2,086	2,653
Non-current assets as of Dec. 31	275,649	208,882	82,592	71,864
Current assets as of Dec. 31	17,215	68,243	1,529	1,848
Non-current liabilities as of Dec. 31	178,474	169,599	15,786	9,635
Current liabilities as of Dec. 31	24,390	16,167	5,380	1,919

	Czech Republic		Slovakia		Total	
	2004	2003	2004	2003	2004	2003
1. Sales	7,872	5,136	628	0	35,312	29,092
2. Other operating income	697	99	5	0	2,095	816
3. Revenue from the sale of property	0	2,470	0	0	44	3,388
4. Operating performance	8,569	7,705	633	0	37,451	33,296
5. Depreciation/amorization	-2,471	-1,795	-125	0	-11,035	-8,585
6. Other operating expenses	-2,120	-4,020	-54	0	-13,517	-12,984
7. Profit/loss from ordinary activities	3,978	1,890	454	0	12,899	11,727
8. Expense for debenture-like participatory rights	-306	1,049	-44	0	-4,765	-4,295
9. Financing cost	-1,456	-3,413	-54	0	-2,746	-4,519
10. Financing income	47	18	0	0	1,230	2,912
11. Financial result	-1,715	-2,346	-98	0	-6,281	-5,902
12. Net profit/loss before taxes	2,263	-456	356	0	6,619	5,825
Non-current assets as of Dec. 31	84,655	62,225	11,834	0	454,729	342,972
Current assets as of Dec. 31	4,662	5,583	285	0	23,692	75,672
Non-current liabilities as of Dec. 31	25,346	20,298	241	0	219,846	199,532
Current liabilities as of Dec. 31	3,634	4,273	170	0	33,573	22,358

_____ The following shows the classification of property by type of use:

Segmentation by type of use	Sales distribution 1-12/2004		Sales distribution 1-12/2003	
	EUR '000s	%	EUR '000s	%
Office buildings	28,683	81	22,059	76
Residential property	4,229	12	3,951	13
Commercial property	2,400	7	3,082	11
	35,312	100	29,092	100

_____ Sales comprise the following:

	1-12/2004 EUR '000s	1-12/2003 EUR '000s
Rental income	29,351	24,057
Income from operating costs charged	5,810	4,645
Other	151	390
	35,312	29,092

8. Other Operating Income

_____ This item, which totals EUR 2,095 thousand (previous year: EUR 816 thousand), includes the pro-rata reversal of housing subsidies (EUR 489 thousand) and damage compensation payments (EUR 393 thousand).

9. Income from the Sale of Property

	1-12/2004	1-12/2003
	EUR '000s	EUR '000s
Sales proceeds	72	10,182
Carrying amount deducted	-26	-6,794
	44	3,388

_____ Sales proceeds in the current fiscal year were attributable to an office building in Austria

10. Other Operating Expenses

	1-12/2004	1-12/2003
	EUR '000s	EUR '000s
Expenses directly attributable to the properties		
Operating costs charged to tenants	5,810	4,645
Own operating costs, costs related to vacancies	555	2,000
Provisions for doubtful debts	328	278
Maintenance costs	812	502
Agency fees	545	346
Provision for project-related risks	0	850
Other	502	457
	8,552	9,078
General administrative expenses		
Management fees and administrative costs	2,898	2,033
Legal, auditing, consulting, and appraisal costs	866	893
Other taxes and fees	380	381
Selling costs, advertising and promotion costs	146	251
Other	675	348
	4,965	3,906
	13,517	12,984

_____ In fiscal year 2004, s IMMOBILIEN AG did not employ its own personnel. Management is provided by IMMORANT AG, with which a management agreement was concluded.

11. Expenses for Debenture-Like Participatory Rights

	1-12/2004	1-12/2003
	EUR '000s	EUR '000s
Dividend payments	-9,784	-8,894
Net income from the issue of new s IMMO INVEST participatory certificates	2,032	2,099
Value adjustment of s IMMO INVEST participatory certificates	2,987	2,500
	-4,765	-4,295

_____ The unitholders were paid dividends of EUR 9.784 thousand for the period from Jan. to Dec. 2004 in accordance with the provisions of the s IMMO INVEST participatory certificate fund. The same amount will be distributed to unitholders in 2005.

_____ A value adjustment in the amount of EUR 2,987 thousand was undertaken at Group level based on the applicable terms and conditions for participatory certificates.

12. Finance Expense

	1-12/2004	1-12/2003
	EUR '000s	EUR '000s
Interest on bank loans	1,722	2,147
Other financing costs	1,024	2,372
	2,746	4,519

13. Finance Income

	1-12/2004	1-12/2003
	EUR '000s	EUR '000s
Bank interest	127	1,122
Other interest income	415	672
Interest income from securities	88	108
Income from equity investments	522	403
Income from exchange rate differences	0	578
Other	78	29
	1,230	2,912

14. Income Taxes

Income taxes include current income taxes calculated in the individual Group companies based on the tax results, income tax adjustments for previous years and the change in deferred tax items.

	1-12/2004 EUR '000s	1-12/2003 EUR '000s
Current tax expense	755	421
Deferred taxes	827	1,102
	1,582	1,523

The following reconciliation shows the correlation between the income tax calculated and the income tax reported:

	1-12/2004 EUR '000s	1-12/2003 EUR '000s
Net profit before taxes	6,619	5,825
Income tax expense calculated in the fiscal year at the domestic income tax rate (34%)	2,250	1,980
Effects of varying tax rates	-802	-436
Tax reductions relating to tax-exempt and tax-neutral income	-85	-217
Increased taxes relating to tax-neutral expenses	571	440
Non-recurrent tax expense/income	-352	-244
Income taxes reported	1,582	1,523

The effects of varying tax rates include EUR 550 thousand for the effects of lower foreign tax rates and EUR 252 thousand from the reduction of the Austrian corporate tax rate from 34% to 25% as of January 1, 2005.

15. Balance Sheet

	Costs in EUR '000s	Additions (+)	Disposals (-)	Additions to the scope of consolidation	Costs in EUR '000s 31.12.04
Intangible Assets					
a) Goodwill	956	0	-956	0	0
b) Other intangible assets	32	2	-4	0	30
Non-current assets					
a) Investment property	410,195	46,236	-27	73,830	530,234
b) Other property, plant and equipment	1,000	1,046	0	29	2,075
Financial assets					
a) Investments in affiliated companies	76	148	-24	0	200
b) Equity investments	5,006	796	0	0	5,802
TOTAL	417,265	48,228	-1,011	73,859	538,341

	Accumulated depreciation	Depreciation	Disposals	Accumulated depreciation	Carrying amount	Carrying amount
in EUR '000s	1.1.04			31.12.04	1.1.04	31.12.04
Intangible Assets						
a) Firmenwerte	-843	-113	956	0	113	0
b) Other intangible assets	-4	-1	0	- 5	28	25
Non-current assets						
a) Investment property	-73,584	-10,504	1	-84,087	336,611	446,147
b) Other property, plant and equipment	-415	-417	0	-832	585	1,243
Financial assets						
a) Investments in affiliated companies	0	0	0	0	76	200
b) Equity investments	0	0	0	0	5,006	5,802
TOTAL	-74,846	-11,035	957	-84,924	342,419	453,417

_____ Additions to investment property (including additions to the scope of consolidation) were as follows: EUR 24.3 million (property in the Czech Republic), EUR 71.0 million (property in Austria), EUR 12.8 million (property in Hungary) and EUR 12.0 million (property in Slovakia).

_____ As of the reporting date, the carrying amount for investment property was EUR 421,579 thousand for rented, developed property (previous year: EUR 314,857 thousand), comprising EUR 267,682 thousand in Austria, EUR 82,294 thousand in Hungary, EUR 59,769 thousand in the Czech Republic, and EUR 11,834 thousand in Slovakia, and the carrying amount for investment property was EUR 24,568 thousand for construction in progress intended for rent (previous year: 21,754 thousand), comprising EUR 458 thousand in Austria, EUR 92 thousand in Hungary, and EUR 24,018 thousand in the Czech Republic.

_____ The carrying amount of property secured by mortgage was EUR 117,910 thousand (previous year: EUR 92,892 thousand). Public subsidies received in the amount of EUR 3,801 thousand (previous year: 3,885 thousand) were deducted from the carrying amount of the land and buildings.

_____ Facilities used by the company itself exist to a very limited extent only (other property, plant and equipment).

_____ Investments in affiliated companies that are disclosed in financial assets refer to the companies not included in the consolidated financial statements (note 3: Scope of Consolidation).

_____ The equity investments disclosed include a share of 22.08 % in BGM-IMMORENT Aktiengesellschaft & Co. KG (limited partnership) at a carrying amount of EUR 2,080 thousand, and the dormant equity holding in PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co. at a carrying amount of EUR 3,722 thousand.

16. Market Value of the Rented, Developed Properties

Accounting entity	Carrying amount EUR '000s	Market value EUR '000s
s IMMOBILIEN AG (for its own account)		
Austria	185,734	208,943
Hungary	49,377	53,760
Slovakia and the Czech Republic	42,961	45,360
	278,072	308,063
s IMMO INVEST participatory certificate fund		
Austria	81,947	98,508
Hungary	32,918	35,840
Slovakia and the Czech Republic	28,642	30,240
	143,507	164,588
TOTAL		
Austria	267,682	307,451
Hungary	82,294	89,600
Slovakia and the Czech Republic	71,603	75,600
	421,579	472,651

_____ We refer to note 6 with regard to the calculation of market value.
We refer to note 23 for information on the participatory certificate fund from s IMMO INVEST.

17. Receivables and Other Assets

_____ The claims outstanding against tenants, less the necessary provisions for doubtful debts, are disclosed under trade receivables.

The receivables from financing activities/cash disbursements refer to current claims against companies in the IMMORENT Group in the amount of EUR 7,740 thousand and claims against related companies not included in the scope of consolidations in the amount of EUR 2,014 thousand.

_____ Other receivables and assets comprise:

	31.12.2004 EUR '000s	31.12.2003 EUR '000s
Present value of profit guarantee	2,538	2,769
Interest and redemption subsidies committed but not yet received	1,031	1,211
Receivables from the sale of property	450	1,818
Current tax credit	1,104	810
Revenue from equity investments	468	329
Other	2,544	2,947
	8,135	9,884

18. Securities and Equity Shares

_____ The securities disclosed in the previous year were sold during the year under review.

19. Cash and Cash Equivalents

_____ Cash and cash equivalents refer to demand deposits with banks, fixed deposits and cash on hand.

	31.12.2004	31.12.2003
	EUR '000s	EUR '000s
Erste Bank der oesterreichischen Sparkassen AG	1,583	34,149
Other banks in the Erste Bank Group	931	10,000
Other financial institutes	1,819	2,451
Cash on hand	4	7
	4,337	46,607

20. Deferred Tax Assets and Tax Liabilities

Relating to temporary differences in	Deferred tax assets		Deferred tax liabilities	
	31.12.2004	31.12.2003	31.12.2004	31.12.2003
	EUR '000s	EUR '000s	EUR '000s	EUR '000s
tax loss carry forwards	4,318	2,556	529	1,536
Investment property	-2,986	-2,003	-1,963	-2,398
Other	-20	0	-569	-1,180
	1,312	553	-2,003	-2,042

_____ Deferred tax liabilities are disclosed in non-current provisions. Deferred tax assets and liabilities are calculated on a company-by-company basis.

21. Shareholders' equity

_____ The share capital (of the parent company) in the amount of EUR 121,404 thousand is broken down into 33,412,279 bearer shares and 200 registered shares. The registered shares numbered 1 through 7 are entitled to appoint up to one-third of the members of the Supervisory Board. All of the share capital was paid in in cash.

_____ The shares are listed on the Vienna Stock Exchange.

_____ The Management Board is entitled to increase the share capital by up to EUR 44,147 thousand by issuing new bearer shares in return for cash contributions or contributions in kind, with an exclusion of subscription rights in the case of contributions in kind (subscribed capital).

_____ The share capital was increased by EUR 11,037 thousand (3,037,479 shares) by virtue of entry in the commercial register on November 10, 2004. Proceeds from the capital increase totaled EUR 24,148 thousand. Net proceeds of EUR 22,999 thousand remained after deducting costs, taking into account deferred taxes of EUR 383 thousand.

22. Minority Shareholder Interests

_____ In 2004, all shares in the companies included were held directly or indirectly by s IMMOBILIEN AG. Therefore no minority shareholder interests need to be disclosed.

23. Non-Current Financial Liabilities

	31. 12. 2004				31. 12. 2003			
	< 1 year EUR '000s	1-5 years EUR '000s	> 5 years EUR '000s	Total EUR '000s	< 1 year EUR '000s	1-5 years EUR '000s	> 5 years EUR '000s	Total EUR '000s
Debtenture-like participatory rights	0	0	147,931	147,931	0	0	136,093	136,093
Non-current liabilities to banks	5,202	14,920	24,965	45,087	4,486	11,347	20,770	36,603

_____ The debtenture-like participatory rights refer to the participatory certificate fund from s IMMO INVEST. This fund is a real estate fund set up and managed by s IMMOBILIEN AG. The fund is owned by s IMMOBILIEN AG and is included in a separate accounting entity.

_____ The participatory certificates evidence ownership of a share in the net profits resulting from the value of the assets as well as contractual participation in the asset value of the participatory certificate fund of s IMMO INVEST. A minimum dividend payment is not guaranteed.

_____ The participatory certificates do not evidence ownership of a percentage of s IMMOBILIEN AG's share capital, nor do they grant any company rights or claims to net profits or liquidation proceeds.

Movement:	Nominal EUR '000s	Value adjustment EUR '000s	Carrying amount EUR '000s
As of Jan. 1, 2004	148,253	-12,160	136,093
Capital increase	14,825	0	14,825
Intragroup value adjustment	0	-2,987	-2,987
As of Dec. 31, 2004	163,078	-15,147	147,931

_____. During the fiscal year, 203,999 s IMMO INVEST participatory certificates were issued. There are 2,243,999 certificates in total. The value adjustment was made pursuant to the fund guidelines.

_____. The distribution payments of EUR 9.784 thousand in 2004 are disclosed under other current liabilities.

_____. Non-current liabilities to banks relate to mortgage loans of EUR 35,228 thousand (previous year: EUR 31,284 thousand) and other investment loans of EUR 9,859 thousand (previous year: EUR 5,319 thousand). The mortgage loans have the following features:

Lending Bank	Liability in EUR '000s	Currency	Interest rate on Dec. 31	Payment terms
mit fixer Verzinsung				
HVB Czech Republic	5,000	EUR	6.0 %	Only interest redemption in 2004
HVB Czech Republic	5,000	EUR	6.4 %	Only interest redemption in 2004
Bank Austria Creditanstalt	4,075	EUR	6.0 %	Quarterly
Erste Bank	2,180	EUR	5.6 %	Variable
	16,255			
With variable interest rate				
Erste Bank	489	EUR	3.4 %	Quarterly
Volksbank	12,530	EUR	2.98 %	Quarterly
Erste Bank inkl. ERP	5,954	EUR	5.4 %	Half-yearly
	18,973			

_____. With regard to the mortgage loans with fixed interest rates, the fair values determined under the assumption of the current market interest rate are a total of approx. EUR 921 thousand over the carrying amounts. With regard to the mortgage loans with variable interest rates, the market values correspond to the carrying amounts.

24. Provisions

_____. The total change in provisions was as follows in the fiscal year 2004 (in EUR '000s):

	As of Jan. 1	Additions to scope of consolidation	Use	Reversal	Allocation	As of Dec.31.
Current income taxes	0	0	0	0	294	294
Deferred income taxes	2,042	0	-661	0	622	2,003
Transaction taxes and fees	1,335	0	-352	0	979	1,962
Projekt risks	2,050	0	0	-920	670	1,800
Other	740	0	-330	-393	0	17
	6,167	0	-1,342	-1,313	2,565	6,076

_____. Provisions of EUR 1,800 thousand were recognized for risks related to projects in development.

25. Other Non-Current Liabilities

_____ The contributions to construction costs/financing pursuant to § 69 of the WWFSG of 1989 in the amount of EUR 11,946 thousand (previous year: EUR 11,926 thousand) were made by the tenants of four properties. The construction cost/financing contributions are subject to value adjustment and are to be repaid to the respective tenant upon termination of the rent, whereby the repayment amount is reduced by 2% for each year of the term of the rent ("Verwohnung"), or 1% without value adjustment.

_____ The housing subsidy of EUR 7,091 thousand (previous year: EUR 7,580 thousand) is to be repaid in the event of violation of the subsidy regulations (security by mortgage on the subsidized properties).

_____ The residual term to maturity of the contributions to construction costs/financing and the housing subsidy is more than five years in principle.

_____ The majority of other non-current liabilities relate to tenant security deposits and obligations from tenant rights granted.

Other Disclosures

26. Other Obligations and Contingent Liabilities

Legal disputes pending

_____ No notable legal disputes are pending beyond the scope of ordinary activities.

27. Significant Contracts

_____ The rental agreements concluded by the Group generally include the following essential contract components:

- > Commitment to EUR
- > Capital preservation through international indices

28. Cash Flow Statement

_____ The cash flow statement shows the change in Group cash due to inflows and outflows during the period under review. The cash flow statement is broken down into cash flow from current operations, investment and financing activities. The liquidity disclosed in the cash flow statement comprises cash on hand and in banks.

29. Related Party Disclosures

_____ s IMMOBILIEN AG is included as a subgroup in the consolidated financial statements of Erste Bank der oesterreichischen Sparkassen AG. The following significant receivables and liabilities exist vis-à-vis the Erste Bank Group:

	31.12.2004	31.12.2003
	EUR '000S	EUR '000S
Receivables:		
Financing receivables/cash advances	7,740	14,837
Other receivables	0	688
Securities and equity shares	0	2,000
Bank balances	2,515	44,161
	10,255	61,686
Liabilities:		
Non-current liabilities to banks	15,618	13,840
Current financial liabilities	1,850	1,757
Other liabilities	1,527	1,804
	18,995	17,401

_____ The following significant expenses and income accrued vis-à-vis the Erste Bank Group in the fiscal year from January 1, 2004 to December 31, 2004:

	2004 EUR '000s	2003 EUR '000s
Expenses:		
Advertising expense	85	130
Agency fees	165	67
Consulting	331	469
Management fees (IMMORENT AG)	2,898	2,033
Interest on bank loans, bank fees	681	594
	4,160	3,293
Income:		
Rent and operating expenses	281	520
Bank interest	271	1,046
Interest income from securities	36	83
Other interest income	138	665
	726	2,314

_____ IMMORENT AG submitted a profit guarantee with respect to the rental of the property at Gasgasse 1-7, 1150 Vienna for the benefit of Sparkasse Immobilien AG by way of an agreement dated January 14, 2003. The fee paid amounted to EUR 3,000 thousand; the market value on the reporting date was EUR 2,538 thousand.

_____ The shares in EBB Immobilienverwaltung GmbH were acquired by the Erste Bank Group (cf. note 3).

_____ IMMORENT S-Immobilienmanagement GesmbH, Vienna - a company belonging to the Erste Bank Group - supplies building management services for most Austrian properties.

30. Key Share Figures

Earnings per share

_____ Earnings per share represents the ratio of the Group's net profit to the average number of common shares in circulation.

	1-12/2004	1-12/2003
Net profit in EUR '000s	5,037	4,286
Average number of shares in circulation	30,842,304	30,332,231
Net profit per share	0.16	0.14
Diluted profit per share	0.16	0.14

Cash flow per share

_____ Cash flow is computed by dividing cash from current operations (Group cash flow) by the average number of common shares in circulation during the reporting period.

	1-12/2004	1-12/2003
Group cash flow in EUR '000s	44,242	26,781
Average number of shares in circulation	30,842,304	30,332,231
Group cash flow per share	1.43	0.88
Diluted Group cash flow per share	1.43	0.88

31. Events After the Balance Sheet Date

_____ The shares in Arcade Meidling Errichtung und Verwaltung GmbH were acquired at year-end 2004; the transfer of risk took effect at the start of 2005. The office and commercial building has a floor space of approx. 18,600 sqm and is located in a prime location directly at the Vienna-Meidling metro station.

In January 2005, the Hungarian interim holding company, ECE-Buda Ingatlanhasznosító és Ingatlanforgalmazó Kft. was merged into Bank-garazs Ingatlanfejlesztési és Vagyonhasznosító Kft.

In February 2005, Duha Property s.r.o., holding company for the property at Wenzel Square No. 3 in Prague, was sold. The sales proceeds amounted to approximately EUR 2 million.

In March 2005, the shares in Buda Kereskedelmi Kft, holding company for the Buda Center property at Hegyalija ut 7-13, 1016 Budapest, were acquired. The purchase price for the shares amounted to approx. EUR 1.1 million, and liabilities of approx. EUR 5 million were assumed.

Also in March 2005, an additional capital increase of approx. EUR 20 million was secured at s IMMO INVEST.

32. Additional Information

_____ The consolidated financial statements as of December 31, 2004 were prepared in accordance with IFRS accounting principles.

As a consequence, the material differences between the Austrian Commercial Code (HGB) and IFRS accounting principles that are of relevance to the financial statements at hand have been explained pursuant to § 245a of the HGB.

Basis

_____ The accounting principles under HGB and IFRS are to a certain extent based on varying principles. While HGB accounting focuses on prudence and creditor protection, IFRS places more emphasis on providing information to enable investors to make decisions.

Goodwill from business combinations

_____ Pursuant to IFRS 3, goodwill is capitalized and must be checked for impairment annually. IFRS 3 is not mandatory with regard to company acquisitions until March 31, 2004, however. In HGB accounting, goodwill may be offset directly against reserves.

Investment property

_____ IAS 40 provides for a free choice of method as to whether to measure property in accordance with the fair-value model (fair value as of the reporting date) or the cost model (depreciated cost less any accumulated impairment losses). Under HGB, investment property is measured at cost only, less scheduled depreciation and any impairment losses.

Marketable securities

_____ According to Austrian accounting regulations, securities are to be recognized at cost or the lower market value. In IFRS accounting, marketable securities are measured at market value, whereby changes in market value are recognized directly in the income statement.

Deferred taxes

_____ Under IFRS, deferred taxes are measured and recognized in accordance with the balance sheet liability method, which focuses on temporary differences. Temporary differences are differences between the amount attributed to an asset or liability for tax purposes and its carrying amount in the balance sheet. Deferred tax liabilities or assets must be recognized for all temporary differences, regardless of the date of reversal. By contrast, the Austrian HGB provides the option of recognizing deferred tax assets in the separate financial statements. In HGB accounting, tax deferrals are only permitted as a result of timing differences between the accounting profit and the taxable profit, insofar as a current tax expense would have been incurred before tax loss carryforwards. It is not permitted to capitalize deferred taxes on the tax loss carryforwards under HGB.

Other provisions

_____ In comparison with the Austrian HGB, IFRS is based on a different understanding of the concept of prudence. IFRS tends to place importance on the probability of the specific event and the ability to determine the amount of a provision.

Treasury shares

_____ Under the HGB, treasury shares are recorded in current assets; a reserve is also recognized (gross presentation). Under IFRS, treasury shares are to be deducted from shareholders' equity (net presentation).

Foreign currency translation

_____ The two accounting systems differ with regard to the recognition of unearned profits from the measurement of foreign currency amounts as of the reporting date. Austrian law follows the principle of imparity, under which only losses are recognized, while under IAS unearned profits must also be taken into account.

Extraordinary result

_____ In contrast with Austrian accounting, IFRS only counts profits and losses as part of the extraordinary result if they can be clearly differentiated from normal operations and if they are not expected to occur frequently or regularly.

33. Executive Bodies of Sparkassen Immobilien Aktiengesellschaft

Supervisory Board

Dr. Martin SIMHANDL, Vienna (Chairman) (from June 24, 2004)
Mag. Dr. Franz HOCHSTRASSER, Vienna (Chairman) (until June 24, 2004)
Dr. Klaus BRAUNEGG, Vienna (1st Deputy Chairman)
Mag. Franz KERBER, Vienna (2nd Deputy Chairman) (from June 24, 2004)
Mag. Dr. Gerhard FABISCH, Vienna (2nd Deputy Chairman) (until June 1, 2004)
Mag. Christian AHLFELD, Vienna
Dipl.Ing. Dr. Gerald ANTONITSCH, Vienna
Dr. Reinhard AUMANN, Vienna (from June 24, 2004)
Mag. Dr. Peter BOSEK, Langenzersdorf (until June 1, 2004)
MMag. Dr. Michael BUHL, Vienna
Dr. Reinhold SCHÜRER-WALDHEIM, Vienna
Mag. Dr. Kurt STÖBER, Bruck/Leitha
Ing. Mag. Peter TICHATSCHEK, Vienna

Management Board:

MMag. Holger SCHMIDTMAYR, Vienna (from October 1, 2004)
Mag. Ernst VEJDOVSZKY, Klosterneuburg
Mag. Dr. Othmar HAUSHOFER, Vienna (until March 31, 2004)
Mag. Heinrich REIMITZ, Vienna (until October 1, 2004)

Authorized signatories:

Mag. Dr. Peter GRÖLL, Vienna
Mag. Christof RAUCHENSCHWANDTNER, Vienna

_____ The Management Board members received no remuneration in the fiscal year. Compensation in the amount of EUR 17 thousand was made to Supervisory Board members (including the supervisory board members of a Group company). No loans or advances were made to the members of the Management Board and the Supervisory Board, nor were any liabilities entered into for the benefit of these individuals.

Vienna, April 2005

MMag. Holger Schmidtmayr
in his own hand

Mag. Ernst Vejdovszky
in his own hand

3. Consolidated Financial Statements as of 31 December 2003

**Consolidated Income Statement for the Fiscal Year
from January 1, 2003 to December 31, 2003**

	Note	1/1 -31/12 2003 TEUR	1/1 -31/12 2002 TEUR
1. Revenues	7)	29,092	26,719
2. Other operating income	8)	816	1,720
3. Income from the sale of property	9)	<u>3,388</u>	<u>5,950</u>
4. Aggregate operating performance		33,296	34,389
5. Depreciation/Amortization	15)	-8,585	-16,513
6. Other operating expenses	10)	-12,984	-12,419
7. Operating profit/EBIT		<u>11,727</u>	<u>5,457</u>
8. Expense for debenture-like participatory rights	11)	-4,295	-345
9. Other finance expense	12)	-4,519	-5,141
10. Other finance income	13)	<u>2,912</u>	<u>4,774</u>
11. Finance result		<u>-5,902</u>	<u>-712</u>
12. Earnings before taxes		<u>5,825</u>	<u>4,745</u>
13. Income taxes	14)	<u>-1,523</u>	<u>-2,436</u>
14. Net profit before minority interests		<u>4,302</u>	<u>2,309</u>
15. Minority interests		<u>-16</u>	<u>-60</u>
16. Net profit for the period		<u><u>4,286</u></u>	<u><u>2,249</u></u>

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2003

	31/12/2003	31/12/2002	EQUITY AND LIABILITIES	
	TEUR	TEUR	31/12/2003	31/12/2002
	Note	Note	TEUR	TEUR
ASSETS				
A. <u>Non-current assets</u>				
I. <u>Intangible assets</u>				
1. Goodwill		251	110,368	109,863
2. Other intangible assets		32	81,837	77,309
II. <u>Property, plant and equipment</u>				
1. Investment property		312,806	4,286	2,249
2. Other property, plant and equipment		580	196,491	189,421
III. <u>Financial assets</u>				
1. Associates		76	0	794
2. Equity investments		1,284	136,093	113,424
IV. <u>Non-current assets</u>				
1. Deferred tax assets		1,693	36,603	64,527
B. <u>Current assets</u>				
I. <u>Receivables and other assets</u>				
1. Trade receivables		3,323	2,042	1,069
2. Receivables from financing activities/cash disbursements		27,872	3,740	1,293
3. Other receivables and assets		3,519	5,782	2,362
II. <u>Marketable securities and investments</u>				
III. <u>Cash and cash equivalents</u>				
C. <u>Prepaid expenses</u>				
		4,180	11,926	12,079
		60,621	7,580	8,069
		99,516	1,548	1,173
		2,000	21,054	21,321
		75,672	199,532	201,634
		1,851	3,728	3,515
		3,378	2,484	1,633
		0	385	1,332
		0	15,761	14,385
		1,851	22,358	20,865
		0	2,113	6,852
		420,495	420,495	419,566
		419,566	419,566	419,566

Consolidated Statement of Changes in Shareholders' Equity

	Share capital TEUR	Capital reserves TEUR	Revenue reserves TEUR	Accumulated profits TEUR	Total TEUR	2002 TEUR
Balance as of Jan. 1, 2003	109,863	59,561	17,748	2,249	189,421	187,357
Allocation to accumulated profits	0	0	2,249	-2,249	0	0
Change in treasury shares	505	501	104	0	1,110	2,143
Additions due to mergers	0	0	0	0	0	25,525
Withdrawal of Series C earnings certificates	0	0	0	0	0	-27,395
Accumulated profits	0	0	0	4,286	4,286	2,249
Currency translation differences	0	0	1,674	0	1,674	-458
Balance as of December 31, 2003	110,368	60,062	21,775	4,286	196,491	189,421

Changes in share capital

	31/12/2003 TEUR	31/12/2002 TEUR	Change TEUR
Total share capital	110,368	110,368	0
Treasury shares (nominal amount)		-505	505
	<u>110,368</u>	<u>109,863</u>	<u>505</u>

Changes in shares outstanding

	2003	2002
Number of shares outstanding at beginning of year	30,236,000	29,898,980
New shares issued (capital increase)	0	-2,163,589
Treasury shares sold	139,000	2,500,609
Number of shares outstanding at end of year	30,375,000	30,236,000
Treasury shares held	0	139,000
Total number of shares in issue	30,375,000	30,375,000

Consolidated Cash Flow Statement

	2003 TEUR	2002 TEUR
Earnings before taxes	5,825	4,745
Depreciation/Amortization	8,585	16,513
Profits from the sale of property	-3,388	-5,950
Income taxes paid	-435	-95
Net interest	5,902	712
Cash flow I	16,489	15,925
Changes in net current assets		
Receivables and other assets	11,358	29,425
Provisions and other non-current liabilities	2,180	-1,811
Current liabilities and deferred income	-3,246	7,292
Deferred distribution s IMMO INVEST	0	-7,416
Cash flow from operating activities	26,781	43,415
Cash flow from investing activities		
Acquisition of investment property	-39,073	-52,189
Acquisition of office equipment and intangible assets	137	-197
Investments in financial assets	-3,772	1,159
Proceeds from the sale of property	10,182	12,836
Net interest from financial investments	3,084	4,036
Net cash from investing activities	-29,443	-34,355
Cash flow from financing activities		
Purchase/Sale of treasury shares	1,163	1,044
Sale of own debenture-like participatory rights	472	0
Acquisition of minority shares	-810	0
Cashflow from the issue of debenture-like participatory rights	28,560	36,945
Dividends paid by s IMMO INVEST	-7,413	-4,360
Payment for the purchase of s IMMO INVEST participatory certificates for exchange	0	-26,206
Transaction costs for the issue of new debenture-like participatory certificates	-1,752	-1,107
Net cash flow from non-current financing agreements	-27,924	-4,831
Interest paid	-3,649	-4,115
Net cash from financing activities	-11,352	-2,630
Net change in cash and cash equivalents	-14,014	6,430
Cash and cash equivalents at the beginning of the year	60,621	54,191
Cash and cash equivalents at the end of the year	46,607	60,621
	-14,014	6,430

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Sparkassen Immobilien Aktiengesellschaft

1. Reporting in Accordance With International Financial Reporting Standards (IFRS)

The consolidated financial statements of Sparkassen Immobilien Aktiengesellschaft ("s IMMOBILIEN AG"), Vienna, have been prepared in accordance with the principles of the International Financial Reporting Standards ("IFRS") published by the International Accounting Standards Board ("IASB").

2. General Remarks

2.1. Operations

s IMMOBILIEN AG is a real estate group (property acquisition, construction and rental) operating in Austria and Central Europe. The parent company is s IMMOBILIEN AG with its registered office in A-1060 Vienna, Windmühlgasse 22-24. Subsidiaries exist in Austria, the Czech Republic and Hungary. The parent company operates in the legal form of a joint stock company. It is registered in the Commercial Register of Vienna as No. 58358x.

2.2. Accounting principles

The consolidated financial statements follow all International Financial Reporting Standards mandatory as of December 31, 2003, including the Interpretations of the International Financial Reporting Committee (IFRIC, formerly SIC).

The accounting methods applied by the companies included in the consolidated financial statements are based on the uniform accounting policies of the s IMMOBILIEN AG Group. The figures in the consolidated financial statements are shown in thousands of Euros (EUR '000s), rounded off in accordance with the methods standard in the industry. The total amounts of sums and percentages that have been rounded off may differ due to the use of automated calculation tools, depending on the rounding methods used.

3. Scope of Consolidation

In addition to s IMMOBILIEN AG, the following companies that are directly or indirectly wholly-owned by s IMMOBILIEN AG have been included in the consolidated financial statements (full consolidation):

Company	Registered office	Country	Nominal capital	Currency	Date of initial consolidation	Audit opinion *)
CEE Immobilien GmbH	Vienna	A	35,000	EUR		-
CEE PROPERTY-INVEST Immobilien AG	Vienna	A	40,000,000	EUR		1
DÓM Ingatlanhasznosító és Ingatlanforgalmazó Kft.	Budapest	H	308,100,000	HUF		2
Areal CZ spol. s.r.o.	Prague	CZ	100,000	CZK		2
Palác Karlín s.r.o.	Prague	CZ	1,200,000	CZK		2
Palác Karlín Property a.s	Prague	CZ	96,500,000	CZK		2
Gama Immorent s.r.o.	Prague	CZ	100,000	CZK		2
REAL UNION, a.s.	Prague	CZ	80,000,000	CZK		2
ECE-Buda Ingatl. es Ingatl. Kft.	Budapest	H	3,000,000	HUF		2
Bank-garazs Ingatlanfejlesztési es Vagyonhasznosító Kft.	Budapest	H	390,000,000	HUF		2
CEE Property - Invest Ingatlan Kft.	Budapest	H	100,000,000	HUF	1.1.2003	2
Duha Property s.r.o.	Prague	CZ	200,000	CZK	1.1.2003	2
Vila Property s.r.o.	Prague	CZ	1,200,000	CZK	1.1.2003	2
Gartenbau-Grundstücksverwertung Gesellschaft m.b.H.	Vienna	A	1,000,000	ATS	30.6.2003	-
CEE CZ Immobilien GmbH	Vienna	A	35,000	EUR	29.9.2003	-

*) 1 ... Group auditor
2 ... Other auditor

The following companies were not included due to their minor significance:

Company	Registered office	Country	Nominal capital	Currency
CHH Ingatlanforgalmazó és Szolgáltató Kft.	Budapest	H	3,000,000	HUF
Aramisto Immobilien GmbH	Vienna	A	35,000	EUR
CEE Property-Invest Office 2004 Ingatlan Kft	Budapest	H	3,000,000	HUF
CEE Property-Invest Hungary 2003 Ingatlan Kft	Budapest	H	3,000,000	HUF
City Property s.r.o.	Prague	CZ	200,000	CZK
Vltava Property s.r.o.	Prague	CZ	200,000	CZK
Leasing Property s.r.o.	Prague	CZ	200,000	CZK

In June 2003, s IMMOBILIEN AG acquired the shares in Gartenbau-Grundstücksverwertung Gesellschaft m.b.h. for EUR 6,454 thousand. The liabilities assumed amounted to approx. EUR 6,600 thousand.

Duha Property s.r.o. and Vila Property s.r.o, which were initially consolidated at the start of the year, were founded by the Group, having taken up operations in 2003. Each of these companies has a property under development.

CEE Property - Invest Ingatlan Kft. was also founded by the Group. In September, the Hungarian holding company RIVER ESTATES Idrohasz Kft. was merged into the interim holding company European Property Investment Kft. As a result, CEE Property – Invest Ingatlan Kft. acquired the shares in European Property Investment Kft. within the group. In November, European Property Investment Kft. was merged into CEE Property – Invest Ingatlan Kft.

CEE CZ Immobilien GmbH was founded as an interim holding company for equity investments in the Czech Republic in September.

Within the scope of initial consolidation, all transactions were treated as business combinations in accordance with IAS 22.

Delta Haus s.r.o., Prague, a real estate holding company with one property, was removed from the group of consolidated companies in 2003 due to the sale of the equity investment.

4. Consolidation Methods

Accounting for business combinations is carried out by setting off the cost of acquiring the equity investment (= carrying value) against the prorated equity of the respective subsidiary as of the date of initial consolidation in accordance with IFRS. Any goodwill arising is capitalized and amortized on a straight-line basis over a period of five years. When calculating goodwill, foreign currency is translated at the rate prevailing on the date of initial consolidation.

All intragroup transactions and the related income and expenses as well as accounts receivable and liabilities are eliminated. Interim profits within the Group have been eliminated.

5. Currency Translation

Translation of separate financial statements in foreign currency

The Group currency is the Euro (EUR). The financial statements prepared in foreign currencies (Czech Koruna, Hungarian Forint) are translated at the modified closing rate. Real estate assets are translated at the historical rate. Items on the income statement are translated at the average exchange rate for the period (exception: depreciation on real estate – historical rates). Profits and losses from currency translation are recognized as profit reserves and are not reported in the income statement.

6. Accounting Policies

Intangible Assets

Intangible assets acquired for a consideration are recorded in the balance sheet at cost less amortization and any impairment losses. The following periods of useful life are assumed when calculating amortization rates:

	Useful life in years	
	from	to
Goodwill	5	7
Other intangible assets	3	6

Investment property and other property, plant and equipment

Investment property and other property, plant and equipment are recognized at cost less any accumulated depreciation and any accumulated impairment losses pursuant to the cost model provided as an option in IAS 40. Non-repayable investment subsidies are presented as a reduction in costs. The costs include financing costs to an insignificant extent only.

The properties, most of which are rented, were appraised between 2001 and 2003 – with a few minor exceptions – by independent, sworn, court-certified experts under consideration of the current market situation. The properties were measured using the income approach, taking the rent income sustainable in the long term and market interest rates (domestic: 3.5 – 7%, foreign: 7 – 9.75%) as the basis. In one instance, the net asset value was included in the calculation based on property-specific circumstances.

Depreciation of depreciable properties and other property, plant and equipment occurs on a straight-line basis over the expected useful life, as shown below:

	Useful life in years	
	from	to
Buildings	33	50
Other property, plant and equipment	3	10

Impairment losses are recognized for impairments expected to be of permanent duration. In order to identify whether a property is impaired, the fair value of the property is compared with the carrying value of the property to date. If the carrying amount is higher, an impairment loss is recognized. In fiscal year 2003, no impairment losses were recognized.

Equity investments and securities

Shares in related companies and equity investments for which the market value cannot be readily determined are measured at cost less any impairment losses, provided the impairment is not of temporary duration only.

Securities held in current assets are measured at market value in accordance with IAS 39 and are considered available for sale. The income/expense measured is recognized as income.

Receivables and other assets

Trade receivables and other receivables are recognized at their nominal value less any impairments. Other assets are measured at cost.

Cash and Cash Equivalents

Cash and cash equivalents include cash, bank balances available for immediate withdrawal and bank deposits with residual terms to maturity of less than three months.

Taxes

The income tax expense reported for the fiscal year includes the income taxes calculated for the individual companies on the basis of taxable profit and the tax rate applicable in the respective country (“current tax”) and the change in deferred tax items recognized as income.

In compliance with IAS 12 of IFRS, all temporary accounting differences between the carrying amount of an asset or liability in the IFRS balance sheet and its tax base as well

No deferred tax liabilities are recognized for temporary differences relating to hidden reserves of the property holdings of foreign subsidiaries allocated within the scope of initial consolidation, given that such investment property may be sold tax free in Austria pursuant to § 10 (2) of the Austrian Corporation Tax Act (KStG) relating to the sale of real estate holdings and interim holding companies.

Deferred taxes on loss carryforwards are capitalized provided it is highly probable that such deferred taxes can be set off against future tax on profits.

Financial liabilities

Liabilities (with the exception of debenture-like profit participation rights) are recognized at the amount due. Debenture-like profit participation rights are recognized pursuant to the fund guidelines.

Provisions

Deferred tax provisions are calculated in accordance with the liability method using the tax rate anticipated upon reversal of the temporary differences, based on the circumstances as of the reporting date. Other provisions are recognized in the amount of the contingent liability, whereby the most reliable estimate is taken.

Trade payables and other liabilities

Trade payables and other liabilities are recognized at the amount due.

Derivatives

The only derivatives used by the s IMMOBILIEN AG Group are interest caps for hedging interest rate risks. They are measured at cost in principle, and at the market value on the reporting date (EUR 198 thousand).

Revenue recognition

Rental income is recognized on a straight-line basis over the term of the rent.

Revenue from services rendered is recognized to the extent the services are rendered by the reporting date.

Interest revenue is calculated on the basis of the applicable interest rate and the amount due.

Notes to the income statement and the balance sheet

Income Statement

7. Sales and Segment Reporting

The segments are presented by region based on the location of the property (primary segment reporting) and type of use of the property (secondary segment reporting).

Primary segment reporting comprises the following regions (in EUR '000s):

	Austria		Hungary	
	1-12/03	1-12/02	1-12/03	1-12/02
1. Sales	15,447	14,452	8,509	7,528
2. Other operating income	671	1,540	45	86
3. Revenue from the sale of property	918	5,950	0	0
4. Operating performance	17,036	21,942	8,554	7,614
5. Depreciation/amorization	-4,834	-4,559	-1,956	-2,868
6. Other operating expenses	-6,475	-8,059	-2,489	-2,107
7. Revenue from operating activities / EBIT	5,727	9,324	4,109	2,639
8. Expenses for debenture-like participatory rights	-4,282	-3,240	-1,062	-202
9. Financing Cost	-209	-1,191	-897	-2,148
10. Financing Income	2,391	4,053	503	202
11. Financial result	-2,100	-378	-1,456	-2,148
12. Net profit/loss before taxes / EBT	3,627	8,946	2,653	491
Non-current assets as of Dec. 31	208,882	196,630	71,864	73,839
Current assets as of Dec. 31	68,243	76,217	1,848	18,450
Non-current liabilities as of Dec. 31	169,599	141,544	9,635	34,982
Current liabilities as of Dec. 31	16,167	15,356	1,919	774

	Czech Republic		Total	
	1-12/03	1-12/02	1-12/03	1-12/02
1. Sales	5,136	4,739	29,092	26,719
2. Other operating income	99	94	816	1,720
3. Revenue from the sale of property	2,470	0	3,388	5,950
4. Operating performance	7,705	4,833	33,296	34,389
5. Depreciation/amorization	-1,795	-9,086	-8,585	-16,513
6. Other operating expenses	-4,020	-2,253	-12,984	-12,419
7. Revenue from operating activities / EBIT	1,890	-6,506	11,727	5,457
8. Expenses for debenture-like participatory rights	1,049	3,097	-4,295	-345
9. Financing Cost	-3,413	-1,802	-4,519	-5,141
10. Financing Income	18	519	2,912	4,774
11. Financial result	-2,346	1,814	-5,902	-712
12. Net profit/loss before taxes / EBT	-456	-4,692	5,825	4,745
Non-current assets as of Dec. 31	62,225	46,203	342,972	316,672
Current assets as of Dec. 31	5,583	4,849	75,672	99,516
Non-current liabilities as of Dec. 31	20,298	25,108	199,532	201,634
Current liabilities as of Dec. 31	4,273	4,735	22,358	20,865

The following table shows the classification of property by type of use:

Segmentation by type of use	Sales distribution 1-12/2003		Sales distribution 1-12/2002	
	EUR '000s	%	EUR '000s	%
Office buildings	22	76	18	71
Residential property	3	13	4	15
Commercial property	3	11	3	14
	<u>29</u>	<u>100</u>	<u>26</u>	<u>100</u>

Sales comprise the following

	1-12/2003 EUR '000s	1-12/2002 EUR '000s
Rental income	24,057	21,563
Income from operating costs charged	4,645	4,945
Other	390	211
	<u>29,092</u>	<u>26,719</u>

8. Other Operating Income

This item, which totals EUR 816 thousand (previous year: EUR 1,720 thousand), comprises the pro-rata reversal of housing subsidies.

9. Income from the Sale of Property

	1-12/2003 EUR '000s	1-12/2002 EUR '000s
Sales proceeds	10,182	12,836
Carrying amount deducted	-6,794	-6,886
	<u>3,388</u>	<u>5,950</u>

Most of the sales proceeds in the current fiscal year were attributable to an office building in the Czech Republic and one in Austria.

10. Other Operating Expenses

	1-12/2003 EUR '000s	1-12/2002 EUR '000s
<u>Expenses directly attributable to the properties</u>		
Operating costs charged to tenants	4,645	4,945
Own operating costs, costs related to vacancies	2,000	867
Provisions for doubtful debts	278	556
Maintenance costs	502	531
Agency fees	346	371
Provision for project-related risks	850	0
Other	457	525
	9,078	7,795
<u>General administrative expenses</u>		
Management fees and administrative costs	2,033	1,803
Legal, auditing, consulting, and appraisal costs	893	957
Other taxes and fees	381	967
Selling costs, advertising and promotion costs	251	338
Other	348	559
	3,906	4,624
	12,984	12,419

In fiscal year 2003, s IMMOBILIEN AG did not employ its own personnel, Management is provided by IMMORENT AG, with which a management agreement was concluded.

11. Expenses for Debenture-Like Participatory Rights

	1-12/2003 EUR '000s	1-12/2002 EUR '000s
Dividend payments	-8,894	-4,687
Net income from the issue of new s IMMO INVEST participatory certificates	2,099	3,135
Value adjustment of s IMMO INVEST participatory certificates	2,500	1,207
	-4,295	-345

The unitholders were paid dividends of EUR 8,894 thousand for the period from Jan. to Dec. 2003 in accordance with the provisions of the s IMMO INVEST participatory certificate fund. The same amount will be distributed to unitholders in 2004.

A value adjustment in the amount of EUR 2,500 thousand was undertaken at Group level based on the applicable terms and conditions for participatory certificates.

Presentation in the financial result was adjusted in comparison with the previous year: now revenue from the issue of new participatory certificates and profits from the value adjustment

at Group level are stated in this item on the income statement. The figures for previous year have been adapted.

12. Finance Expense

	1-12/2003 EUR '000s	1-12/2002 EUR '000s
Interest on bank loans	2,147	3,586
Other financing costs	2,372	1,555
	<u>4,519</u>	<u>5,141</u>

13. Finance Income

	1-12/2003 EUR '000s	1-12/2002 EUR '000s
Bank interest	1,122	1,482
Other interest income	672	1,332
Interest income from securities	108	775
Income from equity investments	403	304
Income from exchange rate differences	578	371
Other	29	510
	<u>2,912</u>	<u>4,774</u>

14. Income Taxes

Income taxes include current income taxes calculated in the individual Group companies based on the tax results, income tax adjustments for previous years and the change in deferred tax items.

	1-12/2003 EUR '000s	1-12/2002 EUR '000s
Current tax expense	421	95
Deferred taxes	1,102	2,341
	<u>1,523</u>	<u>2,436</u>

The following reconciliation shows the correlation between the income tax calculated and the income tax reported:

	1-12/2003 EUR '000s	1-12/2002 EUR '000s
Net profit before taxes	<u>5,825</u>	<u>4,745</u>
Income tax expense calculated in the fiscal year at the domestic income tax rate (34%)	1,980	1,613
Effects of varying foreign tax rates	-436	-107
Tax reductions relating to tax-exempt income	-217	0
Increased taxes relating to tax-neutral expenses	440	3,363
Non-recurrent tax expense/income	-244	-2,433
Income taxes reported	<u>1,523</u>	<u>2,436</u>

Balance Sheet

15. Reconciliation of Carrying Amounts at the Beginning and the End of the Period (Fixed-Assets Schedule)

	Costs	Additions	Disposals	Additions to the scope of consolidation	Costs
in EUR '000s	1.1.03	(+)	(-)		31.12.03
Intangible Assets					
a) Goodwill	2,460	0	-1,504	0	956
b) Other intangible assets	56	0	-24	0	32
Non-current assets					
a) Investment property	380,512	31,350	-9,027	7,360	410,195
b) Other property, plant and equipment	914	327	-241	0	1,000
Financial assets					
a) Investments in affiliated companies	26	60	-10	0	76
b) Equity investments	1,284	0	0	3,722	5,006
TOTAL	385,252	31,737	-10,806	11,082	417,264

	Accumulated depreciation	Depreciation	Disposals	Accumulated depreciation	Carrying amount	Carrying amount
in EUR '000s	1.1.03			31.12.03	1.1.03	31.12.03
Intangible assets						
a) Goodwill	-2,209	-138	1,504	- 843	251	113
b) Other intangible assets	-24	-3	23	-4	32	28
Non-current assets						
a) Investment property	-67,706	-8,172	2,294	-73,584	312,806	336,611
b) Other property, plant and equipment	-334	-272	191	- 415	580	585
Financial assets						
a) Investments in affiliated companies	0	0	0	0	26	76
b) Equity investments	0	0	0	0	1,284	5,006
TOTAL	-70,273	-8,585	4,012	-74,846	314,979	342,419

Additions to investment property (including additions to the scope of consolidation) were as follows: EUR 21.9 million (property in the Czech Republic), EUR 16.5 million (property in Austria), and EUR 0.3 million (property in Hungary). The additions due to expansion of the scope of consolidations related to one Austrian property and one Austrian equity investment.

As of the reporting date, the carrying amount for investment property was EUR 314,857 thousand for rented, developed property (previous year: EUR 300,935 thousand), comprising EUR 202,950 thousand in Austria, EUR 71,466 thousand in Hungary, and EUR 40,441 thousand in the Czech Republic, and the carrying amount for investment property was EUR 21,754 thousand for construction in progress intended for rental (previous year: EUR 11,871 thousand), comprising EUR 170 thousand in Austria, EUR 21 thousand in Hungary, and EUR 21,563 thousand in the Czech Republic.

The carrying amount of property secured by mortgage was EUR 92,892 thousand (previous year: EUR 94,760 thousand), Public subsidies received in the amount of EUR 3,885 thousand (previous year: EUR 3,970 thousand) were deducted from the carrying amount of the land and buildings.

Facilities used by the company itself exist to a very limited extent only (other property, plant and equipment).

Investments in affiliated companies that are disclosed in financial assets refer to the companies not included in the consolidated financial statements (note 3: Scope of Consolidation).

The equity investments disclosed include a share of 18.33% in BGM-IMMORENT Aktiengesellschaft & Co. KG (limited partnership) (formerly BGM-Büro-und Geschäftshaus Mariahilferstrasse "Immo-Rent" Vermögensberatung and Treuhand GesmbH & Co KG) at a carrying amount of EUR 1,284 thousand, and the dormant equity holding in PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co. KG added in the reporting year at a carrying amount of EUR 3,722 thousand.

16. Market Value of the Rented, Developed Properties

Accounting entity	Carrying amount EUR '000s	Market value EUR '000s
s IMMOBILIEN AG (for its own account)		
Austria	141,159	156,544
Hungary	42,880	45,176
Czech Republic	24,264	25,740
	<u>208,303</u>	<u>227,460</u>
s IMMO INVEST participatory certificate fund		
Austria	61,791	76,931
Hungary	28,586	30,118
Czech Republic	16,177	17,160
	<u>106,554</u>	<u>124,209</u>
TOTAL		
Austria	202,950	233,475
Hungary	71,466	75,294
Czech Republic	40,441	42,900
	<u>314,857</u>	<u>351,669</u>

We refer to note 6 with regard to the calculation of market value.

We refer to note 23 for information on the participatory certificate fund from s IMMO INVEST.

17. Receivables and other assets

The claims outstanding against tenants, less the necessary provisions for doubtful debts, are disclosed under trade receivables.

The receivables from financing activities/cash disbursements refer to current claims against companies in the IMMORENT Group.

Other receivables and assets comprise:

	31.12.2003 EUR '000s	31.12.2002 EUR '000s
Present value of profit guarantee (cf. note 29)	2,769	0
Deferred interest	419	451
Interest and redemption subsidies committed but not yet received	1,211	1,369
Operating costs owed	263	925
Receivables from the sale of property	1,818	0
Claims on project partners	900	0
Tax office	810	512
Revenue from equity investments	329	127
Other	1,365	135
	<u>9,884</u>	<u>3,519</u>

The receivables only involve a low risk of default.

18. Securities and equity shares

The securities and equity shares disclosed relate to a CMS floater 1999/2014 Dip Series 2b from Erste Bank der Oesterreichischen Sparkassen AG at an interest rate of 4 % as of the reporting date.

19. Cash and Cash Equivalents

Cash and cash equivalents refer to demand deposits with banks and fixed deposits.

	31.12.2003 EUR '000s	31.12.2002 EUR '000s
Erste Bank der oesterreichischen Sparkassen AG	34,149	30,000
s Wohnbaubank AG	10,000	10,000
Other financial institutes	2,451	20,617
Cash on hand	7	4
	<u>46,607</u>	<u>60,621</u>

20. Deferred Tax Assets and Tax Liabilities

Relevant temporary differences in:	<u>Deferred tax assets</u>		<u>Deferred tax liabilities</u>	
	31.12.2003	31.12.2002	31.12.2003	31.12.2002
	EUR '000s	EUR '000s	EUR '000s	EUR '000s
tax loss carry forwards	2,556	3,011	1,536	52
Investment property	-2,003	-1,318	-2,398	-584
Other	0	0	-1,180	-537
	<u>553</u>	<u>1,693</u>	<u>-2,042</u>	<u>-1,069</u>

Deferred tax liabilities are disclosed in non-current provisions. Deferred tax assets and liabilities are calculated on a company-by-company basis.

21. Shareholders' equity

The share capital (of the parent company) in the amount of EUR 110,368 thousand is broken down into 30,374,800 bearer shares and 200 registered shares. All of the share capital was paid in in cash.

The shares held by the company itself on the reporting date of the previous year were sold in the period under review.

The shares are listed on the Vienna Stock Exchange.

The Annual Shareholders' Meeting of May 28, 1999 authorized the Management Board of s IMMOBILIEN AG – upon approval by the Supervisory Board – to increase the share capital by an additional EUR 55,184 thousand to EUR 165,551 thousand, if necessary in several steps, by issuing new bearer shares at a minimum offering price of 150% in return for cash contributions within five years (subscribed capital).

22. Minority Shareholder Interests

The shares held by third parties in the amount of EUR 794 thousand disclosed in the previous year were acquired by the company in September at the carrying amount after allocation of a profit share of EUR 16 thousand.

23. Non-Current Financial Liabilities

	31. 12. 2003				31. 12. 2002			
	< 1 year EUR '000s	1 - 5 years EUR '000s	>5 years EUR '000s	Total EUR '000s	< 1 year EUR '000s	1 - 5 years EUR '000s	> 5 years EUR '000s	Total EUR '000s
Debenture-like participatory rights	0	0	136,093	136,093	0	0	113,424	113,424
Non-current liabilities to banks	4,486	11,347	20,770	36,603	0	33,222	31,305	64,527

The debenture-like participatory rights refer to the participatory certificate fund from s IMMO INVEST. This fund is a real estate fund set up and managed by s IMMOBILIEN AG. The fund is owned by s IMMOBILIEN AG and is included in a separate accounting entity.

The participatory certificates evidence ownership of a share in the net profits resulting from the value of the assets as well as contractual participation in the asset value of the participatory certificate fund of s IMMO INVEST. A minimum dividend payment is not guaranteed.

The participatory certificates do not evidence ownership of a percentage of s IMMOBILIEN AG's share capital, nor do they grant any company rights or claims to net profits or liquidation proceeds.

Movement:	Nominal EUR '000s	Value adjustment EUR '000s	Treasury shares EUR '000s	Carrying amount EUR '000s
As of Jan. 1, 2003	123,544	-9,660	-460	113,424
Capital increase	24,709	0	0	24,709
Sale of treasury shares	0	0	460	460
Intragroup value adjustment	0	-2,500	0	-2,500
As of Dec. 31, 2003	148,253	-12,160	0	136,093

During the fiscal year, 340,000 s IMMO INVEST participatory certificates were issued, There are 2,040,000 certificates in total. The value adjustment was made pursuant to the fund guidelines.

The distribution payments of EUR 8,894 thousand in 2003 are disclosed in other current liabilities.

Non-current liabilities to banks relate to mortgage loans of EUR 31,284 thousand (previous year: EUR 49,772 thousand) and other investment loans of EUR 5,319 thousand (previous year: EUR 11,790 thousand).

The mortgage loans have the following features:

Lending bank	Liability in EUR '000s	Currency	Interest rate on Dec. 31	Payment terms
With fixed interest rate				
HVB Czech Republic	3,997	EUR	5.3 %	Only interest redemption in 2003
HVB Czech Republic	5,000	EUR	6.0 %	Only interest redemption in 2003
HVB Czech Republic	5,000	EUR	6.4 %	Only interest redemption in 2003
Bank Austria Creditanstalt	4,361	EUR	6.0 %	Quarterly
Erste Bank	2,180	EUR	5.6 %	Variable
	20,538			
With variable interest rate				
Raiffeisenlandesbank OÖ	485	EUR	3.4 %	Quarterly
Raiffeisenlandesbank OÖ	3,920	EUR	3.4 %	Quarterly
Erste Bank incl. ERP	6,341	EUR	5.4 %	Half-yearly
	10,746			

With regard to the mortgage loans with fixed interest rates, the fair values determined under the assumption of the current market interest rate are a total of approx. EUR 720 thousand over the carrying amounts.

With regard to the mortgage loans with variable interest rates, the market values correspond to the carrying amounts.

24. Provisions

The total change in (current and non-current) provisions was as follows:

	As of Jan. 1	Additions to the scope of consolidation	Use	Reversal	Allocation	As of Dec. 31
Deferred taxes	1,069	858	-707	0	822	2,042
Disputed taxes and fees	1,030	0	0	0	305	1,335
Project risks	1,200	0	0	-1,200	2,050	2,050
Other	395	0	0	0	345	740
	3,694	858	-707	-1,200	3,522	6,167

Provisions of EUR 2,050 thousand were recognized for risks related to projects in development.

25. Other Non-Current Liabilities

The contributions to construction costs/financing pursuant to § 69 of the WWFSG of 1989 in the amount of EUR 11,926 thousand (previous year: EUR 12,079 thousand) were made by the tenants of four properties. The construction cost/financing contributions are subject to value adjustment and are to be repaid to the respective tenant upon termination of the rent, whereby the repayment amount is reduced by 2% for each year of the term of the rent ("*Verwohnung*"), or 1% without value adjustment.

The housing subsidy of EUR 7,580 thousand (previous year: EUR 8,069 thousand) is to be repaid in the event of violation of the subsidy regulations (security by mortgage on the subsidized properties).

The residual term to maturity of the contributions to construction costs/financing and the housing subsidy is more than five years in principle.

The majority of other non-current liabilities relate to tenant security deposits and obligations from tenant rights granted.

Other Disclosures

26. Other Obligations and Contingent Liabilities

Legal disputes pending

No notable legal disputes are pending beyond the scope of ordinary activities.

27. Significant Contracts

The rental agreements concluded by the Group generally include the following essential contract components:

- Commitment to EUR
- Capital preservation through international indices

28. Cash Flow Statement

The cash flow statement shows the change in Group cash due to inflows and outflows during the period under review. The cash flow statement is broken down into cash flow from current operations, investment and financing activities. The liquidity disclosed in the cash flow statement comprises cash on hand and in banks.

29. Related Party Disclosures

s IMMOBILIEN AG is included as a subgroup in the consolidated financial statements of Erste Bank der oesterreichischen Sparkassen AG. The following significant receivables and liabilities exist vis-à-vis the Erste Bank Group:

	31.12.2003 EUR '000s	31.12.2002 EUR '000s
<u>Receivables:</u>		
Financing receivables/cash advances	14,837	27,630
Other receivables	688	677
Securities and equity shares	2,000	2,000
Bank balances	<u>44,161</u>	<u>40,387</u>
	<u>61,686</u>	<u>70,694</u>
<u>Liabilities</u>		
Non-current liabilities to banks	13,840	15,947
Current financial liabilities	1,757	480
Other liabilities	<u>1,804</u>	<u>2,022</u>
	<u>17,401</u>	<u>18,449</u>

The following significant expenses and income accrued vis-à-vis the Erste Bank Group in the fiscal year from January 1, 2003 to December 31, 2003:

	2003 EUR '000s	2002 EUR '000s
<u>Expenses:</u>		
Advertising expense	130	169
Agency fees	67	62
Consulting	469	455
Management fees (IMMORENT AG)	2,033	1,803
Interest on bank loans	575	819
Bank fees	19	59
	3,293	3,367
<u>Income:</u>		
Rent and operating expenses	520	330
Bank interest	1,046	1,012
Interest income from securities	83	5
Other interest income	665	1,154
	2,314	2,501

IMMORENT AG submitted a profit guarantee with respect to the renting of the property at Gasgasse 1-7, 1150 Vienna for the benefit of Sparkasse Immobilien AG by way of an agreement dated January 14, 2003. The fee paid amounted to EUR 3,000 thousand.

The shares in Gartenbau-Grundstücksverwertung Gesellschaft m,b,h, were acquired by the Erste Bank der oesterreichischen Sparkassen AG (cf. note 3).

A domestic developed property (Vienna XIV, Wolfgang-Pauli-Gasse 3) was sold to an Erste Bank Group company. This resulted in book profits of EUR 0,92 million.

IMMORENT S-Immobilienmanagement GesmbH, Vienna – a company belonging to the Erste Bank Group – supplies building management services for most Austrian properties.

30. Key Share Figures

Earnings per share

Earnings per share represents the ratio of the Group's net profit to the average number of common shares in circulation.

		1-12/2003	1-12/2002
Net profit	in EUR '000s	4,286	2,249
Average number of shares in circulation		30,332,231	29,026,349
Net profit per share	in EUR	0.14	0.08

Cash flow per share

Cash flow per share is computed by dividing cash from current operations (Group cash flow) by the weighted number of common shares in circulation during the reporting period.

		1-12/2003	1-12/2002
Group cash flow	in EUR '000s	26,781	43,415
Weighted number of shares in circulation		30,332,231	29,026,349
Group cash flow per share	in EUR	0.88	1.50

31. Events After the Balance Sheet Date

In January 2004, a property was purchased at Wenzel Square 22 in Prague for approx. EUR 21 million. The Austrian portfolio was expanded in March 2004 to include two properties at Otto-Wagner-Platz 5, 1090 Vienna, and a property at Gerasdorferstrasse 151, 1210 Vienna, for a total purchase price of EUR 30 million.

The company is negotiating on the purchase of various properties in Austria and abroad. No details can be provided due to the confidentiality agreements signed.

A Bulgarian company was founded for the planned expansion. A Romanian and a Slovakian company are in the process of being established.

32. Additional Disclosures

The consolidated financial statements as of December 31, 2003 were prepared in accordance with IFRS accounting principles.

As a consequence, the material differences between the Austrian Commercial Code (HGB) and IFRS accounting principles that are of relevance to the financial statements at hand are explained pursuant to § 245a of the HGB.

Basis

The accounting principles under HGB and IFRS are to a certain extent based on varying principles. While HGB accounting focuses on prudence and creditor protection, IFRS places more emphasis on providing information to enable investors to make decisions.

Goodwill from business combinations

Goodwill is capitalized and depreciated over the useful period of life pursuant to IAS 22. In HGB accounting, goodwill may be offset directly against reserves.

Investment property

IAS 40 provides for a free choice of method as to whether to measure property in accordance with the fair-value model (fair value as of the reporting date) or the cost model (depreciated cost less any accumulated impairment losses). Under HGB, investment property is measured at cost only, less scheduled depreciation and any impairment losses.

Marketable securities

According to Austrian accounting regulations, securities are to be recognized at cost or the lower market value. In IFRS accounting, marketable securities are measured at market value, whereby changes in market value are recognized directly in the income statement.

Deferred taxes

Under IFRS, deferred taxes are measured and recognized in accordance with the balance sheet liability method, which focuses on temporary differences. Temporary differences are differences between the amount attributed to an asset or liability for tax purposes and its carrying amount in the balance sheet. Deferred tax liabilities or assets must be recognized for all temporary differences, regardless of the date of reversal. By contrast, the Austrian HGB provides the option of recognizing deferred tax assets in the separate financial statements. In HGB accounting, tax deferrals are only permitted as a result of timing differences between the accounting profit and the taxable profit, insofar as a current tax expense would have been incurred before tax loss carryforwards. It is not permitted to capitalize deferred taxes on the tax loss carryforwards according to HGB.

Other provisions

In comparison with the Austrian HGB, IFRS is based on a different understanding of the concept of prudence. IFRS tends to place importance on the probability of the specific event and the ability to determine the amount of a provision.

Treasury shares

Under the HGB, treasury shares are recorded in current assets; a reserve is also recognized (gross presentation). Under IFRS, treasury shares are to be deducted from shareholders' equity (net presentation).

Foreign currency translation

The two accounting systems differ with regard to the recognition of unearned profits from the measurement of foreign currency amounts as of the reporting date. Austrian law follows the principle of imparity, under which only losses are recognized, while under IAS unearned profits must also be taken into account.

Extraordinary result

In contrast with Austrian accounting, IFRS only counts profits and losses as part of the extraordinary result if they can be clearly differentiated from normal operations and if they are not expected to occur frequently or regularly.

33. Executive Bodies of Sparkassen Immobilien Aktiengesellschaft

Supervisory Board

Mag. Dr. Franz HOCHSTRASSER, Vienna (Chairman)
Dr. Klaus BRAUNEGG, Vienna (1st Deputy Chairman)
Mag. Dr. Gerhard FABISCH, Vienna (2nd Deputy Chairman)
Mag. Christian AHLFELD, Vienna (from October 6, 2003)
Dipl.Ing. Dr. Gerald ANTONITSCH, Vienna
Mag. Dr. Peter BOSEK, Langenzersdorf
MMag. Dr. Michael BUHL, Vienna
Mag. Walter SCHMIDT, Vienna (until October 6, 2003)
Dr. Reinhold SCHÜRER-WALDHEIM, Vienna
Mag. Dr. Kurt STÖBER, Bruck/Leitha
Ing. Mag. Peter TICHATSCHEK, Vienna

Management Board:

Mag. Dr. Othmar HAUSHOFER (until March 31, 2004)
Mag. Heinrich REIMITZ
Mag. Ernst VEJDOVSZKY

Authorized signatories:

Mag. Dr. Peter GRÖLL
Mag. Christof RAUCHENSCHWANDTNER

The Management Board members received no remuneration in the fiscal year. Compensation in the amount of EUR 8 thousand was made to Supervisory Board members (including the supervisory board members of a Group company). No loans or advances were made to the members of the Management Board and the Supervisory Board, nor were any liabilities entered into for the benefit of these individuals.

Vienna, April 2004

Mag. Heinrich Reimitz
in his own hand

Mag. Ernst Vejdovszky
in his own hand

APPENDIX B

Interim Financial Statements

1. Interim Financial Statements as of 31 March 2006

Sparkassen Immobilien AG

An Investment for Life



Interim Report for the three months
ended 31 March 2006

IMMOBILIEN AG

Interim report for the three months ended 31 March 2006

Dear shareholders and investors,

Sparkassen Immobilien AG made an extremely promising start to 2006: the interim report for the first quarter of the new year clearly shows that we have carried on where we left off in 2005, the most successful year in the company's history. All financial indicators are up, typically by around 50%.

We have also significantly expanded our property portfolio and now have our sights set on further dynamic growth. In accordance with our long-term strategy, which is geared towards generating sustainable and reasonable profits, this means maintaining a well-balanced property portfolio and an equity base sufficient to ensure maximum stability. Which means that we are on the right track: Sparkassen Immobilien AG recently commissioned IMAS, a respected market research institute, to survey some 506 securities owners. The results show that – faced with the choice between high yields/earnings or high levels of security – over half of respondents opted for the latter. Second most important was a well-balanced portfolio, and only then were they willing to accept significantly higher risk.

Our investors benefited from our low-risk, high quality investment strategy in the first quarter: over the last year (March 05 – March 06), s IMMO Aktie gained 8.0%, s IMMO Invest 7.5% and 6.6% (second tranche). Market capitalisation at the end of the quarter rose to EUR 819m, up 61% year on year.

A DETAILED LOOK AT THE COMPANY'S PERFORMANCE IN THE FIRST QUARTER OF 2006

Property portfolio increased by 66% – entry into Romanian market

In December 2005 we expanded into the German property market, which we see as highly attractive. We continued our investment in Germany in the first quarter of 2006. We acquired three properties with a total of 35,000 m² lettable space: two office buildings in Munich and a large retail property in Halle on the Saale, with Metro Group as the long-term tenant. The acquisition of a 3,100 m² plot of land in the centre of Bucharest marked our entry into the high-yield Romanian property market. In Budapest we acquired another office property with about 8,000 m² lettable space which takes our total to about 100,000 m²

in the Hungarian capital. At 31 March 2006 total lettable space was 578,100 m², and the value of the portfolio rose year-on-year by 66%, to EUR 784m. The average occupancy rate was 92.9%. Currently, we are 55% invested in Austria, 38% in CEE countries (Czech Republic, Hungary, Romania and Slovakia) and 7% in Germany.

Sustainable improvements in earnings: revenues up 58%, profit up 54%

First quarter revenues were up 58% year-on-year, to EUR 16.1m. Rental income for the period was also up 57%, to EUR 12.8m. The increases are attributable to the judicious expansion of our property portfolio and the efficient management of existing portfolios in Austria, Germany and CEE countries. Operating profit (EBIT) of EUR 8.3m was at a record high, up 50% on the first quarter of 2005. Profit before tax for the period (EBT) was up 59%, to EUR 4.7m. Consolidated net profit of EUR 3.7m was up 54% on the same period last year.

We shall make every effort to ensure that these excellent results continue unabated throughout the current year by posting outstanding revenues and earnings. We intend to achieve this by promoting the dynamic growth of our portfolio. To this end, we have planned acquisitions to a value of some EUR 500m in existing investment areas in 2006. This will enable us to realise our objective of expanding our property portfolio significantly beyond the one billion euro mark this year.

Some 20,000 shareholders have already shown their trust in us, and we hope to attract further investors in the future with our low-risk investment strategy geared towards quality and long-term growth. Based on cash/earnings and net asset value (NAV) indicators, s IMMO Aktie is today one of the most attractive property shares listed on the Vienna Stock Exchange. For investors this means more property for less money.

Your Management Board team



Holger Schmidtmayr



Ernst Vejdovsky

Consolidated balance sheet as at 31 March 2006

EUR '000	31.03.2006	31.03.2005	Change
ASSETS			
A. Non-current assets			
I. Intangible assets	49	26	
II. Property, plant and equipment	748,915	471,592	+59%
III. Financial assets	6,084	6,006	
IV. Non-current receivables	1,972	1,205	
	757,020	478,829	+58%
B. Current assets			
I. Receivables and other assets	41,030	23,623	
II. Securities and investments	28,466	11,880	
III. Cash and cash equivalents	134,331	5,134	
	203,827	40,637	
C. Accrued and deferred assets	378	425	
	961,225	519,891	+85%
EQUITY AND LIABILITIES			
A. Equity	367,018	226,886	+62%
B. Minority interests	23,948	0	
C. Non-current liabilities			
1. Participation certificates	275,506	166,214	+66%
2. Non-current liabilities to banks	209,084	58,930	+255%
3. Provisions	10,855	6,349	
4. Other liabilities	22,850	21,330	
	518,295	252,823	
D. Current liabilities	47,143	37,831	
E. Accrued and deferred liabilities	4,821	2,350	
	961,225	519,891	+85%

Consolidated income statement for the three months ended 31 March 2006

EUR '000	01.01.-31.03.2006	01.01.-31.03.2005	Change
Revenues	16,116	10,172	+58%
thereof rental income	12,842	8,176	+57%
Other operating income	1,069	253	
Income from the sale of property	1,132	2,108	
Total operating income	18,317	12,533	+46%
Depreciation and amortisation	-4,982	-3,018	
Other operating expenses	-4,998	-3,951	
Operating profit / EBIT	8,338	5,564	+50%
Financial expenses	-3,657	-2,629	
Profit for the period before taxes (EBT)	4,680	2,935	+59%
Taxes on income	-912	-524	
Net profit for the period before minorities	3,767	2,411	+56%
Minority interests	-64	0	
Consolidated net profit	3,703	2,411	+54%

Consolidated segment reporting as at 31 March 2006

EUR '000	Austria	%	Hungary	%	Czech Republic	%
Revenues	9,887	61	2,574	16	1,713	11
Operating profit (EBIT)	5,571	66	915	11	1,070	13
EUR '000	Germany	%	Slovakia	%	Romania	%
Revenues	1,122	7	820	5	0	
Operating profit (EBIT)	545	6.5	294	3.5	-57	

Summarised consolidated cash flow statement for the three months ended 31 March 2006

EUR '000	01.01.-31.03.2006	01.01.-31.03.2005	Change
Profit before taxes	4,680	2,935	
Depreciation and amortisation	4,982	3,018	
Income from the sale of property	-1,132	-2,108	
Taxes paid	-88	-35	
Net interest payable	3,657	2,629	
Consolidated cash flow	12,099	6,439	+88%

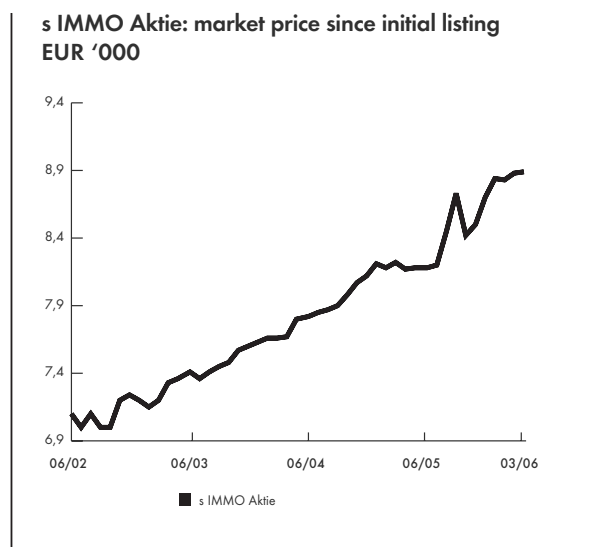
Sparkassen Immobilien AG products

Sparkassen Immobilien AG has two attractive property investments to offer:

- s IMMO Aktie – the accumulating share
- s IMMO INVEST – the distributing participation certificate.

Sparkassen Immobilien AG keeps the two products legally distinct: the assets and associated income of the two groups of investors are accounted for separately.

s IMMO-Aktie



Stock exchange information

ISIN code	AT000 065225 0
Income	accumulation
Stock exchange listing	official market
Market segment	auction Market
Reuters	SIAG.VI

Performance data as at 31 March 2006

Initial listing	28 June 2002
Market price as at 31 March 2006	8.88
One-year performance	8.0 %
Three-year performance (p.a.)	7.2 %
Since initial listing (p.a.)	6.1 %

s IMMO Aktie – key figures

EUR '000

Market price 31 March 2006	
Number of shares in issue	
Market capitalisation (EUR m)	
Cash flow per share (EUR)	
Price/cashflow ratio	

s IMMO Aktie – assets, liabilities and equity

Book value (EUR '000)

Properties/non-current assets	
Receivables	
Securities	
Cash and cash equivalents	
Accrued and deferred assets	
Total assets	
Liabilities to banks	
Provisions	
Other liabilities	
Current liabilities	
Total liabilities	

Equity

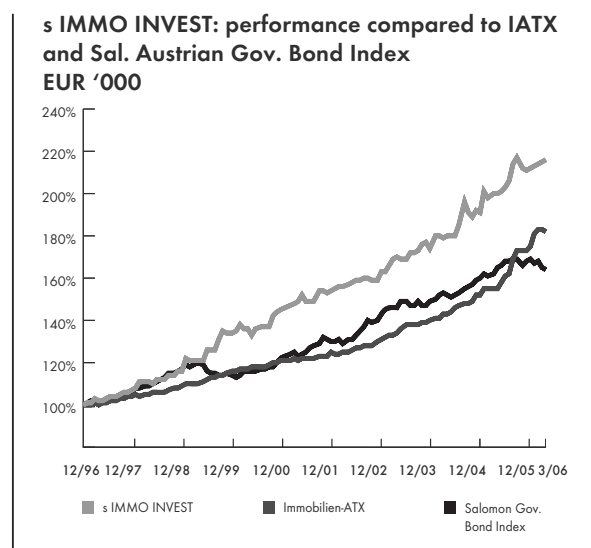
s IMMO Aktie - earnings

EUR '000

Revenues	
— thereof rental income	
Operating profit (EBIT)	
Profit before taxes (EBT)	
Profit after taxes (EAT)	
Consolidated net profit	

	31.03.2006	31.03.2005	
Market price	8.88	8.22	
Number of shares in issue	50,118,718	33,412,279	
Market capitalisation (EUR m)	445.05	274.6	
Cash flow per share (EUR)	0.11	0.10	
Price/cashflow ratio	20	20	
Total assets	560,946	326,076	+72%
Liabilities to banks	106,175	29,985	
Provisions	5,476	2,684	
Other liabilities	20,447	20,194	
Current liabilities	46,697	46,326	
Total liabilities	178,795	99,189	+80%
Equity	382,151	226,886	+68%
Revenues	8,262	5,928	+39%
— thereof rental income	6,497	4,735	+37%
Operating profit (EBIT)	4,664	3,105	+50%
Profit before taxes (EBT)	4,442	2,771	+60%
Profit after taxes (EAT)	3,735	2,411	+55%
Consolidated net profit	3,703	2,411	+54%

s IMMO INVEST



Performance incl. annual distributions. In recent years the s IMMO INVEST participation certificate has significantly outperformed the benchmark index, the IATX.

Stock exchange information

ISIN code	AT000 079573 7/AT000 063069 0
Income	Annual distribution
Legal form	Participation certificates (section 174, AktG)
Stock exchange listing	Official market
Market segment	Other Listings
Reuters	SIMlg.VI

Performance data

Initial listing	29 December 1996	
Market price 31 March 2006	96.85	95.90
One-year performance	7.5 %	6.6 %
Three-year performance (p.a.)	8.3 %	
Since initial listing (p.a.)	8.6 %	9.2 %

s IMMO INVEST – key figures

EUR '000

Market price 31 March 2006	
Number of certificates in issue	
Market capitalisation (EUR m)	
Cash flow per certificate (weighted)	
Price/cash flow ratio	

s IMMO INVEST (participating capital) – assets

Book value (EUR '000)

Properties/non-current assets	
Group interests	
Receivables	
Securities	
Cash and cash equivalents	
Accrued and deferred assets	
Total assets	
Liabilities to banks	
Other liabilities	
Total liabilities	

Participating capital

s IMMO INVEST (participating capital) – earnings

EUR '000

Revenues	
— thereof rental income	
Operating profit (EBIT)	
Profit before taxes (EBT)	
Profit after taxes (EAT)	

	31.03.2006	31.03.2005	
	96.85	94.40	
	3,883,398	2,468,398	
	379.6	183.6	
	1.2	1.1	
	19	20	
	31.03.2006	31.03.2005	Change
	356,428	183,572	+94%
	5,802	5,802	
	52,602	49,136	
	6,163	4,752	
	47,041	2,249	
	158	107	
	468,194	245,618	+91%
	106,034	28,946	
	85,993	45,473	
	192,027	79,405	+142%
	276,167	166,214	+66%
	31.03.2006	31.03.2005	Change
	7,854	4,244	+85%
	6,345	3,441	+84%
	3,673	2,459	+49%
	3,184	2,275	+40%
	2,978	2,111	+41%

Sparkassen Immobilien AG's Markets



■ Current Investments

■ Prospective Investments

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2. Interim Financial Statements as of 31 March 2005

Sparkassen Immobilien AG

Report on the first quarter of 2005

Dear Ladies and Gentlemen, Shareholders and Investors,

In the first quarter of 2005, we made major progress in continuing the success enjoyed by Sparkassen Immobilien AG to date.

We carried out a capital increase for s IMMO INVEST during the reporting period as a result of uninterrupted high demand for real estate securities. The capital increase made up nearly 10% of participation certificates outstanding, just as it did last fall. Domestic institutional investors showed particular interest in the new participation certificates. We were therefore able to place the entire volume within a very short period of time.

This fresh capital was used to purchase extremely lucrative properties which perfectly match our company's strategy.

We completed the inclusion of ARCADE Meidling into the accounting group of s IMMO INVEST. ARCADE Meidling is one of our most attractive domestic properties with its modern concept, convenient, easy-to-reach location and good tenant structure.

We also purchased our fifth property in Hungary – the BUDA Center in Budapest, giving us first-class income-yielding properties on both sides of the Danube.

Your Management Board Team

Mag. Ernst Vejdovszky eh.

MMag. Holger Schmidtmayr eh.

Consolidated balance sheet as of March 31, 2005 (in EUR '000s)

ASSETS

	Mar. 31, 2005	Mar. 31, 2004	Change in %
<u>A. Non-current assets</u>			
I. Intangible assets	26	27	
II. Property, plant and equipment	471,592	389,712	+21%
III. Financial assets	6,006	5,098	
IV. Non-current assets	1,205	518	
	478,829	395,433	+21%
<u>B. Current assets</u>			
I. Receivables	23,623	15,663	
II. Investments	11,880	2,000	
III. Cash and cash equivalents	5,134	3,643	
	40,637	21,306	
<u>C. Prepaid expenses</u>	425	1,886	
	519,891	418,624	

EQUITY AND LIABILITIES

	Mar. 31, 2005	Mar. 31, 2004	Change in %
<u>A. Equity</u>	226,886	197,760	+ 15%
<u>B. Minority interest</u>	0	0	
<u>C. Non-current liabilities</u>			
1. Debenture-like participation rights	166,214	135,441	+22%
2. Non-current liabilities to banks	58,930	29,807	
3. Provisions	6,349	6,657	
4. Other liabilities	21,330	21,411	
	252,823	193,317	
<u>D. Current liabilities</u>	37,831	25,479	
<u>E. Deferred income</u>	2,350	2,068	
	519,891	418,624	+24%

Consolidated income statement for the period from January 1, 2005 – March 31, 2005 In EUR '000s

	Jan. 1-Mar. 31, 2005	Jan. 1-Mar. 31, 2004	Change in %
Revenue	10,172	8,363	+ 22%
thereof rental income	8,176	6,936	+ 18%
Other operating income	253	273	
Income from disposal of property	2,108	0	
Aggregate operating performance	12,533	8,635	+ 45%
Depreciation/amortization	-3,018	-2,368	
Other operating expenses	-3,951	-3,092	
Earnings before interest and tax	5,564	3,176	+ 75%
Net financial loss	-2,629	-1,436	
Earnings before tax	2,935	1,739	+69%
Income taxes	-524	-470	
Net income for the period	2,411	1,269	
Minority interests	0	0	
Net profit for the period	2,411	1,269	+ 90%

Segment reporting as of March 31, 2005 (in EUR '000s)

	AUSTRIA	HUNGARY	CZECH REPUBLIC	SLOVAK REPUBLIC	Total
Revenue	5,950	2,406	1,428	390	10,172
Earnings before interest and tax	1,685	1,085	2,600	194	5,564

Abrided consolidated cash flow statement for the period from January 1, 2005 – March 31, 2005

In EUR '000s

	Jan. 1-Mar. 31, 2005	Jan. 1-Mar. 31, 2004	Change in %
Earnings before tax	2,935	1,739	
Depreciation/amortization	3,018	2,368	
Income from the disposal of property	-2,108	0	
Income taxes paid	-35	-26	
Net interest	2,629	1,436	
Cash flow I	6,439	5,517	+ 17%

PRODUCTS OF s IMMOBILIEN AG

s IMMOBILIEN AG offers two attractive real estate products from a single source:

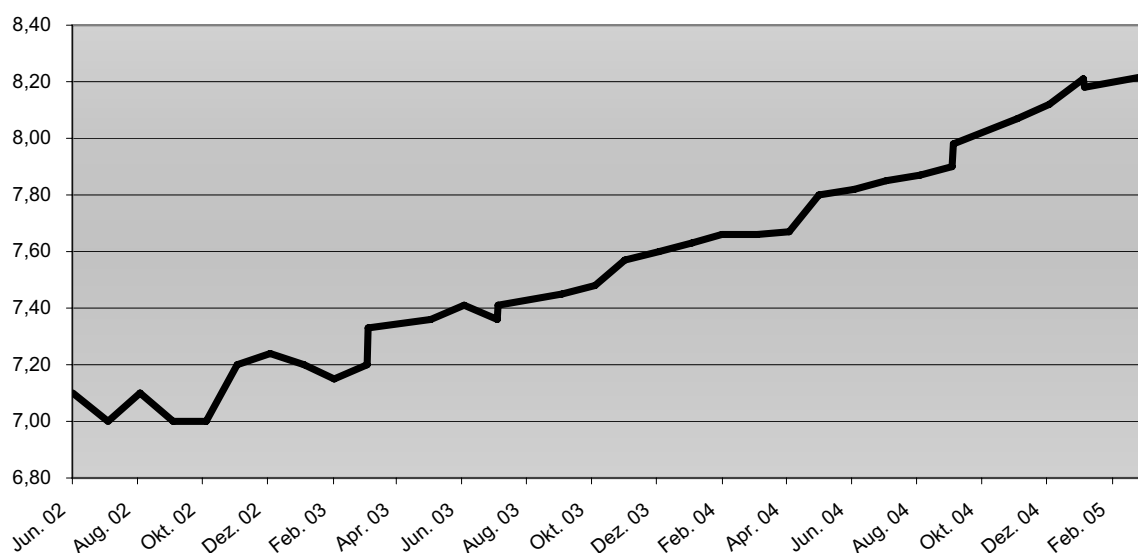
- s IMMO Aktie – dividend reinvestment stock
- s IMMO INVEST – dividend-paying participation certificates

The proprietary structure at s IMMOBILIEN AG is characterized by a strict separation of our products – s IMMO Aktie and s IMMO INVEST. The assets and returns of the two investment groups are accounted for separately.

s IMMO Aktie

Stock exchange data	
ISIN No.	AT000 065225 0
Profit appropriation	reinvestment
Admitted to the stock exchange for	official trading
Trading segment	auction market
Reuters	SIAG.VI
Performance data as of March 31, 2005	
Initial listing on June 28, 2002	7.10
Share price as of March 31, 2005	8.22
Annual performance	7.3%
Performance since initial listing	5.45%

Performance s IMMO Aktie Jun. 02 - März 05



Key figures for s IMMO Aktie			
	Mar. 31, 2005	Mar. 31, 2004	
Number of shares issued	33,412,479	30,375,000	
Market capitalization (in EUR million)	274.6	232.6	
Assets of s IMMO Aktie			
in EUR '000s (carrying amounts)	Mar. 31, 2005	Mar. 31, 2004	Change
Property portfolio	280,214	249,653	+ 12%
Equity investments	4	0	
Receivables	26,288	11,568	
Securities	7,128	2,000	
Cash and cash equivalents	2,885	2,059	
Prepaid expenses	318	1,241	
Total assets	326,076	269,683	+ 21%
Non-current liabilities to banks	29,985	18,830	
Provisions	2,684	2,549	
Tenant contributions to construction and financing costs	12,074	11,971	
Housing subsidies	6,969	7,458	
Current liabilities	44,161	28,104	
Total Liabilities	99,189	71,922	
Equity	226,886	197,761	+15%

Key earnings figures for s IMMO Aktie			
in EUR '000s	Mar. 31, 2005	Mar. 31, 2004	Change
Revenue	5,928	5,028	+ 18%
Rental income	4,735	4,112	+ 15%
Earnings before interest and tax	3,105	1,730	+ 79%
Earnings before tax	2,771	1,571	+ 76%
Earnings after tax	2,411	1,269	+ 90%

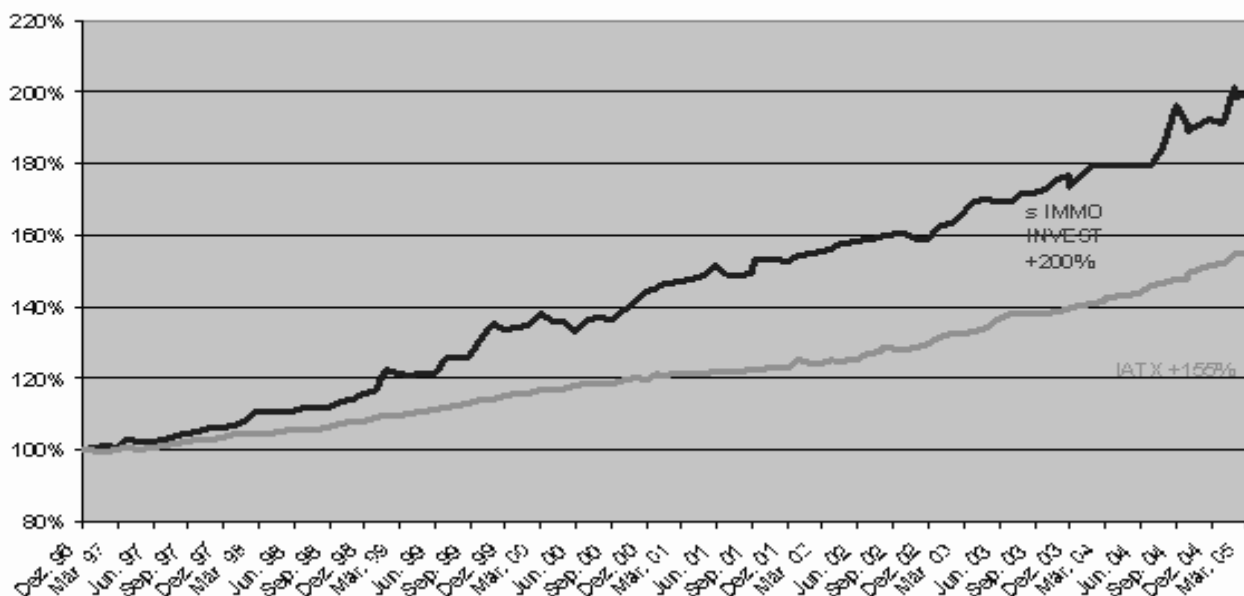
Property assets increased significantly (+12%) in the reporting period in line with the expansion plan. Revenue also rose substantially, as clearly reflected in the growth of EBIT (+80%) and EAT (+90%).

s IMMO INVEST

Stock exchange data	
ISIN No.	AT000 079573 7
Profit appropriation	annual dividend payments
Legal form	debenture-like participation right in accordance with § 174 of the Austrian Stock Corporation Act (AktG)
Admitted to the stock exchange for	official trading
Trading segment	other listings
Reuters	SIMlg.VI

Performance data	
Initial listing on Dec. 29, 1996	
Share price as of March 31, 2005	94.40
1 year	11.6%
3 years	8.7%
Performance since initial listing	8.8%

Performance s IMMO INVEST Dez. 96 - März 05



Since its initial listing, s IMMO INVEST has well outperformed the IATX benchmark index. Over the past years, s IMMO INVEST has well outperformed the ATX index as well as the IATX benchmark index.

Key figures for s IMMO INVEST participation certificate		
	Mar. 31, 2005	Mar. 31, 2004
Share price on reporting date	94.40	88.95
Dividend payment in June 2005	4.36	
Number of certificates issued	2,468,398	2,040,000
Market capitalization (in EUR million)	233.0	181.4

Assets of s IMMO INVEST (Participation certificate capital)			
in EUR '000s (carrying amounts)	Mar. 31, 2005	Mar. 31, 2004	Change
Property portfolio	177,683	135,995	+31%
Equity investments	5,802	5,006	
Receivables	49,136	26,912	
Securities	4,752	0	
Cash and cash equivalents	2,249	1,584	
Prepaid expenses	107	645	
Total Assets	245,618	171,796	+43%
Liabilities to Banks	28,946	10,977	
Current liabilities	45,473	20,655	
Total Liabilities	79,405	36,256	
Participation certificate capital	166,214	135,441	+23%

Key earnings figures for s IMMO INVEST (participation certificate capital)			
in EUR '000s	Mar. 31, 2005	Mar. 31, 2004	Change
Revenue	4,244	3,335	+ 27%
Rental income	3,441	2,824	+ 22%
Earnings before interest and tax	2,459	1,443	+ 70%

Not only did the property portfolio of s IMMO INVEST increase during the reporting period (+30%); revenue also increased markedly (+27%). Rental income from the s IMMO INVEST accounting group increased a pleasing 22%.

Property portfolio transactions

ARCADE Meidling

The Arcade Meidling is conceived as a modern shopping arcade, offering space for offices and leisure activities along with retail space.

Of particular interest is the public library and the music school housed in the arcade. A 20-year lease was concluded with the City of Vienna as operator of the two municipal organizations.

The property is located at the corner of Meidlinger Hauptstrasse and Wilhelmstrasse (Eichenstrasse) and can be accessed directly from both streets. The passage is a shortcut from the metro station to Meidling Hauptstrasse.

The U6 metro stops right in front of the Meidling Arcade (Philadelphiabrücke station). In connection with the Meidling Bahnhof, the station is a highly-frequented regional traffic hub, offering possibilities to transfer to the high-speed city railway and other forms of public transportation (streetcar, Badner Bahn, various bus lines).

Long-term leases have been concluded with renowned tenants such as SPAR, Drogerie Müller, McDonald's and Starbucks for space of over 5,600 m². Most of the office space has been leased to ÖBB-Infrastruktur Bau AG. The remaining office space has been rented individually to several different tenants. The entire garage is leased to BOE Bauobjekt-Entwicklung Ges.m.b.H Co.KG.

BUDA Center in Budapest

Sparkasse Immobilien AG's fifth property in Budapest – the BUDA Center – is located in the 1st district of the city. With total floor space of approx. 6,000 m², the BUDA Center is one of our smaller properties in Budapest.

The building has a total of eight floors, with the basement level being used as an underground parking garage containing 65 parking spaces.

The rest of the building is used as office space and meets international standards for modern offices.

The current tenants have long-term leases. The most prominent names among them are HVB Leasing and Citibank.

Occupancy level

In the new year, new leases/renewals were concluded for space totaling 12,500 m². Our new tenants include long-standing organizations such as the Institute of Higher Learning (*IHS*) as well as young, dynamic enterprises like Sport&Concept.

Sparkassen Immobilien AG has excellent capacity levels in both accounting groups: For instance, the occupancy level for s IMMO INVEST is currently nearly 97%. An occupancy level of 90% was determined for s IMMO Aktie in the first quarter of 2005. These excellent capacity ratios are essential for the future earnings situation in both accounting groups and play a major part in the success of Sparkassen Immobilien AG.

MARKET REPORT

Domestic report

AUSTRIA - VIENNA

The Austrian economy (real GNP) has been growing continuously since 2003 (2003: +0.8%; 2004: +1.9%). An additional increase of 2.4% is anticipated for 2005. Inflation was 2.1% in 2004, and the unemployment rate was approx. 4.2%. Total space leased in 2004 was approx. 280,000 m². This figure is expected to amount to approximately 140,000 m² for the first half of 2005. The vacancy rate will fall to approx. 6% in the course of 2005. Office rents are stabilizing, though pressure on rent levels is generally expected to continue in non-prime locations. The new office buildings completed in 2005 are already more than 50% pre-leased or foreseen for owner occupancy. In 2004, institutional investors in Austria invested approx. EUR 3.4 billion in real estate. The investment market was completely dominated by Austrian and German investors, while in previous years other international investors had shares of approx. 20% each.

Return on investment is increasingly determined by the quality of the lease (term of lease and credit quality of the tenant), and less by the location and quality of the property. The number of leases signed rose again in 2004.

Available office space is decreasing due to fewer new office buildings and a high level of pre-leasing.

IMMOBILIEN AG

**Sparkassen Immobilien
Aktiengesellschaft**

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We have prepared this interim report with the greatest possible care and checked all data.
It is nevertheless not possible to rule out errors in rounding, transmission, typesetting or printing.
The automated calculation of figures may result in what appear to be errors due to the rounding off of numbers.

APPENDIX C
Performance Reports

1. Performance Report s IMMO INVEST as of 31 December 2005

ACCOUNTING REPORT for the year ended 31 December 2005
pursuant to section 14 of the Austrian Capital Markets Act
s IMMO INVEST participatory certificates
Identification Numbers AT0000795737, AT0000063069

I. Investors' right to information
(pursuant to Clause 9(1), Participation Certificates Agreement)

A. Calculation of net income for the year

Calculation of profits in accordance with the relevant statutory regulations

In accordance with the Participation Certificates Agreement, the annual profit or loss of s IMMO INVEST to which holders of participation certificates have a proportional entitlement is calculated as follows.

Amounts (EUR)

	Annual profit / loss as defined in Clause 4, Participation Certificates Agreement	2,668,565.12
+	Amortisation and depreciation (section 231(2)(7) Austrian Commercial Code (HGB))	3,507,141.87
-	Allocations to reserves in accordance with Clause 5(3), Participation Certificates Agreement	-1,813,098.00
-	Issuing costs in accordance with Clause 5(4), Participation Certificates Agreement	-7,507,614.81
+	Premium (for distribution) in accordance with Clause 3(5) Participation Certificates Agreement	13,285,621.10
+	Profit / loss from investment companies in accordance with Clause 5(6), Participation Certificates Agreement	6,791,000.00
	Adjusted annual profit for distribution	16,931,615.28

Distribution per certificate (3,883,398 shares)

EUR 4.36

II. Information on assets (EUR)

A. Investment per property

Parkring 12a, A-1010 Vienna
Hotel Marriott, office and retail building

- a) Location: Register no. EZ 1753
Cadastral area 01004 Innere Stadt
Property nos. 1348/1, 1348/2, 1348/4, 1348/5, 1348/6
3,532/43,153 share in freehold
- b) Area: Plot size: 5,080 m² (total)
Lettable space 8,426 m² (proportionate)
- c) Year of construction: 1991
- d) Year of acquisition: 2005 (amalgamation)
- e) Acquisition costs
- | | | |
|--|-----------------------------------|---------------------|
| | Acquisition costs of land | 706,136.24 |
| | <u>Purchase price of building</u> | <u>6,413,212.87</u> |
| | <u>Total investment costs</u> | <u>7,119,349.11</u> |
- f) Lettable space:
- | | | |
|--|-----------------------------|----------------------------|
| | Office and retail space | 2,896 m ² |
| | <u>Hotel</u> | <u>5,530 m²</u> |
| | <u>Total lettable space</u> | <u>8,426 m²</u> |
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 12,843.88
- i) Total costs for repair, maintenance, improvement and extension works planned: 130,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | | |
|--|--------------------------|---------------|
| | Insured sum: | 72,617,911.00 |
| | (for the whole property) | |
| | Degree of coverage: | 100% |

Franzensbrückenstrasse 5, A-1020 Vienna
Office building

- a) Location: Register no. EZ 535
Cadastral area 01657 Leopoldstadt
Property no. 1210
Freehold
- b) Area: Plot size: 609 m²
Lettable space 2,959 m²
- c) Year of construction: 1992
- d) Year of acquisition: 1990 – transfer from Series C accounting entity on 31 December 2000
- e) Acquisition costs, Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|-------------------------------|---------------------|
| Purchase price of land | 726,728.34 |
| <u>Incidental expenses</u> | <u>39,911.33</u> |
| Acquisition costs of land | 766,639.67 |
| Purchase price of building | 4,003,002.16 |
| <u>Incidental expenses</u> | <u>31,894.76</u> |
| <u>Total investment costs</u> | <u>4,801,536.59</u> |
- f) Lettable space: Office space (net lettable space) 2,161 m²
Other space 798 m²
Total lettable space 2,959 m²
including: 31 car parking spaces
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 23,964.67
- i) Total costs for repair, maintenance, improvement and extension works planned: 15,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 5,351,753.00 |
| Degree of coverage: | 100% |

Franzosengraben 12, A-1030 Vienna
Office and commercial building

- a) Location: Register no. EZ 3797
Cadastral area 01006 Landstrasse
Property no. 2604/3
Freehold
- b) Area: Plot size: 2,460 m²
Lettable space 5,992 m²
- c) Year of construction: 1992
- d) Year of acquisition: 1990
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|--------------------------------|---------------------|
| Purchase price of land | 533,665.72 |
| <u>Incidental expenses</u> | <u>44,513.21</u> |
| Acquisition costs of land | 578,178.93 |
| Construction costs of building | 7,138,665.06 |
| <u>Incidental expenses</u> | <u>69,464.33</u> |
| <u>Total investment costs</u> | <u>7,786,308.32</u> |
- f) Lettable space:
- | | |
|------------------------------|----------------------------|
| Office space | 3,313 m ² |
| Storage space | 1,454 m ² |
| <u>49 car parking spaces</u> | <u>1,225 m²</u> |
| <u>Total lettable space</u> | <u>5,992 m²</u> |
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 6,165.00
- i) Total costs for repair, maintenance, improvement and extension works planned: 52,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 8,652,505.00 |
| Degree of coverage: | 100% |

Ghegastrasse 1, A-1030 Vienna
Office building

- a) Location: Register no. EZ 4141
Cadastral area 01006 Landstrasse
Property no. 3297/2
Freehold
- b) Area: Plot size: 6,774 m²
Lettable space 24,001 m²
- c) Year of construction: 1982–1985
- d) Year of acquisition: 2005
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | | |
|--|--------------------------------------|----------------------|
| | Acquisition costs of land | 5,570,735.00 |
| | <u>Acquisition costs of building</u> | <u>22,282,940.00</u> |
| | <u>Total investment costs</u> | <u>27,853,675.00</u> |
- f) Lettable space:
- | | | |
|--|-----------------------------|-----------------------------|
| | Office space | 17,670 m ² |
| | 198 car parking spaces | 4,950 m ² |
| | <u>Other space</u> | <u>1,381 m²</u> |
| | <u>Total lettable space</u> | <u>24,001 m²</u> |
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: none
- i) Total costs for repair, maintenance, improvement and extension works planned: 10,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | | |
|--|---------------------|---------------|
| | Insured sum: | 38,000,000.00 |
| | Degree of coverage: | 100% |

Obere Viaduktgasse 36 / Zollgasse 3, A-1030 Vienna
Office building

- a) Location: Register no. EZ 1718
Cadastral area 01006 Landstrasse
Property no. 89/1
Freehold
- b) Area: Plot size: 393 m²
Lettable space 1,533 m²
- c) Year of construction: 1992/93
- d) Year of acquisition: 1990
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|-------------------------------------|---------------------|
| Purchase price of land | 214,203.18 |
| Purchase price of original building | 236,368.39 |
| <u>Incidental expenses</u> | <u>57,204.42</u> |
| Acquisition costs | 507,775.99 |
| Construction costs | 3,402,257.38 |
| <u>Total investment costs</u> | <u>3,910,033.37</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| Office space | 878 m ² |
| Retail space | 165 m ² |
| <u>Other space</u> | <u>490 m²</u> |
| <u>Total lettable space</u> | <u>1,533 m²</u> |
- including: 8 car parking spaces
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: none
- i) Total costs for repair, maintenance, improvement and extension works planned: 2,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 4,340,000.00 |
| Degree of coverage: | 100% |

Windmühlgasse 22-24, A-1060 Vienna
Office building

- a) Location: Register no. EZ 1105
Cadastral area 01009 Mariahilf
Property no. 78
Freehold, share in freehold of the building
- b) Area: Plot size: 3,339 m²
Lettable space 4,646 m²
- c) Year of construction: 1989
- d) Year of acquisition: 1987
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|--------------------------------|---------------------|
| Purchase price of land | 339,018.77 |
| <u>Incidental expenses</u> | <u>24,708.92</u> |
| Acquisition costs of land | 363,727.69 |
| Construction costs of building | 4,714,857.24 |
| <u>Incidental expenses</u> | <u>67,218.12</u> |
| <u>Total investment costs</u> | <u>5,145,803.05</u> |
- f) Lettable space: Office space 4,190 m²
Retail space 92 m²
Storage space 364 m²
Total lettable space 4,646 m²
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 58,775.82
- i) Total costs for repair, maintenance, improvement and extension works planned: 30,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 6,389,075.00 |
| Degree of coverage: | 100% |

Mariahilfer Strasse 121b / Millergasse 52, A-1060 Vienna
Office and retail building

- a) Location: Register no. EZ 709
Cadastral area 01009 Mariahilf
Property nos. 1447/1, 1447/5
Freehold
- b) Area: Plot size: 1,075 m²
Lettable space 5,485 m²
- c) Year of construction: 1991–1993
- d) Year of acquisition: 2000 – transfer from Series C accounting entity on 31 December 2000
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | | |
|--|-------------------------------|----------------------|
| | Purchase price of land | 5,137,969.38 |
| | Incidental expenses | 43,576.09 |
| | Purchase price of building | 6,268,154.55 |
| | <u>Incidental expenses</u> | <u>53,152.18</u> |
| | <u>Total investment costs</u> | <u>11,502,852.20</u> |
- f) Lettable space:
- | | | |
|--|-----------------------------|----------------------------|
| | Office space | 3,461 m ² |
| | Retail space | 745 m ² |
| | <u>Storage space</u> | <u>1,279 m²</u> |
| | <u>Total lettable space</u> | <u>5,485 m²</u> |
- including: 49 car parking spaces
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 104,894.14
- i) Total costs for repair, maintenance, improvement and extension works planned: 29,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | | |
|--|---------------------|--------------|
| | Insured sum: | 8,061,108.00 |
| | Degree of coverage: | 100% |

Meidlinger Hauptstrasse 73, A-1120 Vienna
Office and retail building

- a) Location: Register no. EZ 539
Cadastral area 01305 Meidling
Property no. 238/2
Freehold
- b) Area: Plot size: 4,267 m²
Lettable space 18,886 m²
- c) Year of construction: 2002–2004
- d) Year of acquisition: 2005 (amalgamation)
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|--------------------------------------|----------------------|
| Acquisition costs of land | 6,799,885.01 |
| <u>Acquisition costs of building</u> | <u>27,443,996.14</u> |
| <u>Total investment costs</u> | <u>34,243,881.15</u> |
- f) Lettable space:
- | | |
|-----------------------------|-----------------------------|
| Office space | 5,975 m ² |
| Retail space | 5,556 m ² |
| 178 car parking spaces | 4,450 m ² |
| <u>Other space</u> | <u>2,905 m²</u> |
| <u>Total lettable space</u> | <u>18,886 m²</u> |
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 7,637.52
- i) Total costs for repair, maintenance, improvement and extension works planned: 25,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|---------------|
| Insured sum: | 25,089,075.00 |
| Degree of coverage: | 100% |

Scheringgasse 2, A-1140 Vienna
Office and commercial building

- a) Location: Register no. EZ 426
Cadastral area 01216 Weidlingau, 01201 Auhof
Property nos. 3/16, 137/6, 137/12, 143/50, 190, .341, .342, .343
Freehold
- b) Area: Plot size: 24,677 m²
Lettable space 10,564 m²
- c) Year of construction: 1971 (former business premises of Schering)
- d) Year of acquisition: 2004
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | | |
|--|-------------------------------|---------------------|
| | <u>Purchase price</u> | 7,857,150.00 |
| | <u>Total investment costs</u> | <u>7,857,150.00</u> |
- f) Lettable space:
- | | | |
|--|-----------------------------|-----------------------------|
| | Office space | 2,576 m ² |
| | <u>Other</u> | <u>7,988 m²</u> |
| | <u>Total lettable space</u> | <u>10,564 m²</u> |
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 722,019.06
- i) Total costs for repair, maintenance, improvement and extension works planned: 40,000.00
- j) Administrative costs; where these were not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | | |
|--|---------------------|---------------|
| | Insured sum: | 11,728,102.00 |
| | Degree of coverage: | 100% |

Gasgasse 1-7, A-1150 Vienna
Office and retail building

- a) Location: Register no. EZ 269, 261
Cadastral area 01302 Fünfhaus
Property nos. 239/12, 239/5, 529
Freehold
- b) Area: Plot size: 1,955 m²
Lettable space 7,358 m²
- c) Year of construction: 1996
- d) Year of acquisition: 2002
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|-------------------------------|----------------------|
| Purchase price of land | 2,403,104.00 |
| <u>Incidental expenses</u> | <u>144,180.00</u> |
| Acquisition costs of land | 2,547,284.00 |
| Purchase price of building | 9,696,896.00 |
| <u>Incidental expenses</u> | <u>581,820.00</u> |
| <u>Total investment costs</u> | <u>12,826,000.00</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| Office space | 5,736 m ² |
| Retail space | 272 m ² |
| <u>Other space</u> | <u>1,350 m²</u> |
| <u>Total lettable space</u> | <u>7,358 m²</u> |
- including: 54 car parking spaces
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 8,140.39
- i) Total costs for repair, maintenance, improvement and extension works planned: 10,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: Limited period option of the Federal Republic of Austria for parts of the building
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|---------------|
| Insured sum: | 13,043,701.00 |
| Degree of coverage: | 100% |

Gerasdorfer Strasse 151, A-1210 Vienna
Office building

- a) Location: Register no. EZ 5470
Cadastral area 01613 Leopoldau
Property nos. 516/1, 1914/2, 914/4
Freehold
- b) Area: Plot size: 45,000 m²
Lettable space 9,099 m²
- c) Year of construction: 1987
- d) Year of acquisition: 2004
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | | |
|--|-------------------------------|----------------------|
| | <u>Purchase price</u> | 14,532,485.00 |
| | <u>Total investment costs</u> | <u>14,532,485.00</u> |
- f) Lettable space:
- | | | |
|--|-----------------------------|----------------------------|
| | <u>Office space</u> | 6,783 m ² |
| | <u>Other space</u> | 2,316 m ² |
| | <u>Total lettable space</u> | <u>9,099 m²</u> |
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: none
- i) Total costs for repair, maintenance, improvement and extension works planned: 5,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | | |
|--|---------------------|---------------|
| | Insured sum: | 22,014,755.00 |
| | Degree of coverage: | 100% |

Hauptstrasse 107, A-2384 Breitenfurt
Retail building

- a) Location: Register no. EZ 3038
Cadastral area 16104 Breitenfurt
831/3145 freehold, property no. 323/10
Share in freehold in unit B-top2
- b) Area: Plot size: 10,502 m²
Lettable space 850 m²
- c) Year of construction: 1984
- d) Year of acquisition: 1987
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | | |
|--|-------------------------------|-------------------|
| | Purchase price | 897,509.50 |
| | <u>Incidental expenses</u> | <u>66,341.54</u> |
| | <u>Total investment costs</u> | <u>963,851.04</u> |
- f) Lettable space: Retail space 850 m²
In addition: 45 car parking spaces
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: none
- i) Total costs for repair, maintenance, improvement and extension works planned: 3,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | | |
|--|---------------------|------------|
| | Insured sum: | 672,583.00 |
| | Degree of coverage: | 100% |

Wiener Strasse 9, A-2500 Baden
School building

- a) Location: Register no. EZ 165
Cadastral area 04002 Baden
Property no. 98/1
Freehold
- b) Area: Plot size: 1,128 m²
Lettable space 745 m²
- c) Year of construction: 1969/70
- d) Year of acquisition: 1988
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|--------------------------------|-------------------|
| Purchase price of land | 327,027.75 |
| <u>Incidental expenses</u> | <u>26,098.60</u> |
| Purchase price of building | 353,126.35 |
| Conversion and extension costs | 422,360.51 |
| <u>Total investment costs</u> | <u>775,486.86</u> |
- f) Lettable space: School building 745 m²
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 1,025.06
- i) Total costs for repair, maintenance, improvement and extension works planned: 20,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: Preemption right
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|------------|
| Insured sum: | 656,460.00 |
| Degree of coverage: | 100% |

Wiener Strasse 95-99, A-2500 Baden
Retail building

- a) Location: Register no. EZ 551
Cadastral area 04017 Leersdorf
Property no. 189/1
Freehold
- b) Area: Plot size: 3,741 m²
Lettable space 800 m²
- c) Year of construction: 1991
- d) Year of acquisition: 1990
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|--------------------------------|---------------------|
| Purchase price of land | 545,046.26 |
| <u>Incidental expenses</u> | <u>127,647.94</u> |
| Acquisition costs of property | 672,694.20 |
| Construction costs of building | 1,014,744.04 |
| <u>Incidental expenses</u> | <u>5,036.19</u> |
| <u>Total investment costs</u> | <u>1,692,474.43</u> |
- f) Lettable space: Retail space 600 m²
Adjoining rooms 200 m²
Total lettable space 800 m²
In addition: 75 car parking spaces
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: none
- i) Total costs for repair, maintenance, improvement and extension works planned: 2,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 1,375,665.00 |
| Degree of coverage: | 100% |

Sterneckstrasse 50 – 52, A-5020 Salzburg
Sterneckhaus
Office and retail building

- a) Location: Register no. EZ 1166
Cadastral area 56513 Gnigl
Property no. 205/13
Freehold
- b) Area: Plot size: 3,897 m²
Lettable space 5,596 m²
- c) Year of construction: 1992/93
- d) Year of acquisition: 1990
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | | |
|--|---------------------------------------|---------------------|
| | Purchase price of land | 1,676,696.14 |
| | <u>Incidental expenses</u> | <u>136,668.53</u> |
| | Acquisition costs of land | 1,813,364.67 |
| | <u>Construction costs of building</u> | <u>7,274,292.52</u> |
| | <u>Total investment costs</u> | <u>9,087,657.19</u> |
- f) Lettable space:
- | | | |
|--|-------------------------------|----------------------------|
| | Office space | 2,583 m ² |
| | Retail space | 702 m ² |
| | <u>Other space / basement</u> | <u>2,311 m²</u> |
| | <u>Total lettable space</u> | <u>5,596 m²</u> |
- including: 73 car parking spaces
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 130,165.36
- i) Total costs for repair, maintenance, improvement and extension works planned: 270,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | | |
|--|---------------------|---------------|
| | Insured sum: | 10,225,831.00 |
| | Degree of coverage: | 100% |

Karlauergürtel 1 / Lazarettgürtel 81, A-8020 Graz
Office and retail building

- a) Location: Register no. EZ 868
Cadastral area 63105 Gries
Property no. 1675/1
Freehold
- b) Area: Plot size: 11,649 m²
Lettable space 5,503 m²
- c) Year of construction: 1990
- d) Year of acquisition: 1988
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|--------------------------------|---------------------|
| Purchase price of land | 567,894.60 |
| <u>Incidental expenses</u> | <u>28,154.32</u> |
| Acquisition costs of land | 596,048.92 |
| Construction costs of building | 5,532,243.60 |
| <u>Incidental expenses</u> | <u>40,120.33</u> |
| <u>Total investment costs</u> | <u>6,168,412.85</u> |
- f) Lettable space:
- | | |
|-------------------------------|----------------------------|
| Office space | 2,285 m ² |
| Retail space | 1,900 m ² |
| <u>Other space / basement</u> | <u>1,318 m²</u> |
| <u>Total lettable space</u> | <u>5,503 m²</u> |
- including: 40 underground car parking spaces
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 54,578.22
- i) Total costs for repair, maintenance, improvement and extension works planned: 25,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 7,399,738.00 |
| Degree of coverage: | 100% |

Lazarettgürtel 81, A-8020 Graz
Office building

a) Location: Register no. EZ 868
Cadastral area 63105 Gries
Property no. 1675/1
Freehold

b) Area: Plot size: 11,649 m²
Lettable space 2,400 m²

c) Year of construction: 1978, conversion and extension 1992/93

d) Year of acquisition: 1988

e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:

Purchase price of land	459,666.72
<u>Incidental expenses</u>	<u>41,058.06</u>
Acquisition costs of land	500,724.78
Purchase price of building	654,055.51
Incidental expenses	118,616.94
<u>Conversion and extension costs</u>	<u>1,593,237.34</u>
<u>Total investment costs</u>	<u>2,866,634.57</u>

f) Lettable space: Office space 924 m²
Retail space 1,155 m²
Other space 321 m²
Total lettable space 2,400 m²

g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.

h) Total costs for repair, maintenance, improvement and extension works carried out: 9,301.05

i) Total costs for repair, maintenance, improvement and extension works planned: 400,000.00

j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs

k) Building authority requirements where these are of significance for the valuation: none

l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none

m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage: Insured sum: 3,213,524.00
Degree of coverage: 100%

Ankerstrasse 2, A-8160 Graz
Retail building

- a) Location: Register no. EZ 2930
Cadastral area 63125 Webling
Property no. 2207/3
Freehold
- b) Area: Plot size: 2,927 m²
Lettable space 900 m²
- c) Year of construction: 1989
- d) Year of acquisition: 1989
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|---------------------------------------|---------------------|
| Purchase price of land | 212,713.39 |
| <u>Incidental expenses</u> | <u>15,261.47</u> |
| Acquisition costs of land | 227,974.86 |
| <u>Construction costs of building</u> | <u>870,582.87</u> |
| <u>Total investment costs</u> | <u>1,098,557.73</u> |
- f) Lettable space:
- | | |
|-----------------------------|--------------------------|
| Retail space | 600 m ² |
| <u>Other space</u> | <u>300 m²</u> |
| <u>Total lettable space</u> | <u>900 m²</u> |
- In addition: 42 car parking spaces
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: none
- i) Total costs for repair, maintenance, improvement and extension works planned: 2,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation:
Preemption right
Development restriction:
maximum height limited to 2 floors
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 1,053,963.00 |
| Degree of coverage: | 100% |

Eppensteinerstrasse 14, A-9560 Feldkirchen
Retail building

- a) Location: Register no. EZ 857
Cadastral area 72308 Feldkirchen
Property no. 295/1
Freehold
- b) Area: Plot size: 7,352 m²
Lettable space: 2,000 m²
- c) Year of construction: 1987
- d) Year of acquisition: 1987
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|--------------------------------|---------------------|
| Purchase price of land | 339,527.48 |
| <u>Incidental expenses</u> | <u>25,531.56</u> |
| Acquisition costs of land | 365,059.04 |
| Construction costs of building | 1,065,431.71 |
| <u>Incidental expenses</u> | <u>30,079.12</u> |
| <u>Total investment costs</u> | <u>1,460,569.87</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| <u>Retail space</u> | <u>2,000 m²</u> |
| <u>Total lettable space</u> | <u>2,000 m²</u> |
- g) Basis of service charge allocation
Service charges are passed on directly to the tenants via the property management company.
- h) Total costs for repair, maintenance, improvement and extension works carried out: none
- i) Total costs for repair, maintenance, improvement and extension works planned: 2,000.00
- j) Administrative costs, where these are not charged under operating costs: Administrative costs were charged under operating costs
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: Preemption right
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 2,155,762.00 |
| Degree of coverage: | 100% |

B. Investments in real estate investment associations, per investment association

Company

1. Legal details

- a) Company:** BGM – IMMORENT Aktiengesellschaft & Co KG
b) Register: Commercial register no.FN 6616 f, Commercial Court, Vienna
c) Legal form: Limited partnership
d) Year of formation: 1976
e) Registered office / principal office: Vienna
f) Objects: The objects of the Company are to purchase properties or to develop properties for use, and to utilise buildings and developed properties, in particular by means of leasing and letting. The Company's objects also include the construction of car parks, in particular underground car parks, and the operation of these and all associated facilities, particularly filling and service stations.
The company's actual business activity is the leasing of buildings in Mariahilfer Strasse 41–43, A-1060 Vienna (retail and office building) and Windmühlgasse 14, A-1060 Vienna (residential building).

g) Members of management bodies, administration and supervisory board

Management: IMMORENT Aktiengesellschaft is the general partner

2. Carrying value of the investment

EUR 2,548,461.18 (carrying value EUR 2,080,047.60, plus profit clearing account of EUR 564,894.08)

3. Distribution of profits

Drawings of EUR 237,519.50

4. Key figures

(pursuant to section 2 of the regulations of the Federal Ministry of Finance of 29 September 1982, Federal Law Gazette 505/1982)

a) Equity ratio

95.3%

b) Cash flow to operating profit

75.3%

c) Return on assets

21.3%

d) Effective debt to cash flow

0.1 year

e) Number of employees

Nil

C. Investments in companies, per investment (where not listed under section B)

Company 1

1. Legal details

- a) Company:** CEE PROPERTY–INVEST Immobilien AG
b) Register: Commercial register no. 205014 t, Commercial Court, Vienna
c) Legal form: Public limited company
d) Year of formation / acquisition: 2000
e) Registered office / principal office: Vienna
f) Objects: Business activities in the financial year concerned the holding and administration of investments.

g) Members of management bodies, administration and supervisory board

Management Board

Holger Schmidtmayr
Ernst Vejdovszky

Supervisory Board

Klaus Braunegg
Chairman (from 28 September 2005)
First deputy chairman (until 28 September 2005)
Martin Simhandl
First deputy chairman (since 28 September 2005)
Chairman (until 28 September 2005)
Franz Kerber
Second deputy chairman
Christian Ahlfeld
Gerald Antonitsch
Reinhard Karl (until 31 May 2005)
Peter Tichatschek
Richard Wilkinson
Manfred Wimmer (until 4 May 2005)

2. Carrying value of investment

EUR 93,876,858.86

3. Distribution of profits

None

4. Key figures

(pursuant to section 2 of the regulations of the Federal Ministry of Finance of 29 September 1982, Federal Law Gazette 505/1982)

a) Equity ratio

96%

b) Cash flow to operating profit

not meaningfully calculable

c) Return on assets

2.6%

d) Effective debt to cash flow

not meaningfully calculable

Number of employees

Nil

Company 2

1. Legal details

a) **Company:** Gerngross Kaufhaus Aktiengesellschaft
b) **Register:** Commercial register no. 90304 a, Commercial Court, Vienna

c) **Legal form:** Public limited company

d) **Year of formation / acquisition:** 1983

e) **Registered office / principal office:** Vienna

f) **Objects:** Business activities in the financial year principally concerned the development, financing and operation of retail stores

g) Members of management bodies, administration and supervisory board

Management Board

Gernot Essl (from 1 February 2005)
Johann Koini
Michael Winter (until 31 January 2005)

Supervisory Board

Martin Neidhart
Chairman
Gerhard Eckert
Deputy chairman
Robert Kremlicka
Deputy chairman
Peter Amhof
Michael Enzinger (from 12 July 2005)
Freddy Schmid

2. Carrying value of investment

EUR 31,038,500.00

3. Distribution of profits

None

4. Key figures

(pursuant to section 2 of the regulations of the Federal Ministry of Finance of 29 September 1982, Federal Law Gazette 505/1982)

a) Equity ratio

9.9%

b) Cashflow to operating profit

41.8%

c) Return on assets

0.8%

d) Effective debt to cash flow

-8.4%

e) Number of employees

20

Companies 3 and 4

Details of IMMIN Beteiligungen GmbH (100%) and Aramisto Immobilien GmbH (50 %) are not disclosed, as the carrying values of these investments (EUR 35,000 and EUR 942,500 respectively) are not material.

**5. Investments in the companies listed under section C, where the holding amounts to at least 25%
Interests of CEE Property-Invest Immobilien AG**

CEE Immobilien GmbH, Vienna
CEE CZ Immobilien GmbH, Vienna
CEE Beteiligungen GmbH, Vienna
Hotel DUNA Beteiligungs Gesellschaft m.b.H., Vienna
Buda Kereskedelmi Központ Kft., Budapest
Bank-garázs Ingatlanfejlesztési és Vagyongazdálkodó Kft., Budapest
CEE Property-Invest Kft., Budapest
CEE Property-Invest Hungary 2003 Ingatlan Kft., Budapest
CEE Property-Invest Office 2004 Ingatlan Kft., Budapest
CHH Ingatlanforgalmazó és Szolgáltató Kft., Budapest
REGA Property Invest s.r.o., Prague
Vila Property s.r.o., Prague
CEE Property Bulgaria EOOD, Sofia
CEE PROPERTY INVEST ROMANIA SRL, Bucharest

D) Other proprietary interests, per proprietary interest

Loan stock rights amounting to EUR 4,006,669.74 (including silent partnership in PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co. KG with a carrying value of EUR 4,003,169.74)

E) Investment reserve

Assets (receivables and credit balances with banks) amounting to EUR 55.5m are included under the current assets of the s IMMO INVEST participation certificate fund. The corresponding short-term liabilities (other provisions, provisions for tax and payables) are EUR 40.8m, resulting in an investment reserve of EUR 14.7m for the s IMMO INVEST participation certificate fund.

F) Management, staff and other operating costs, where these were not recorded under section II.A

There is an agreement with IMMORENT Aktiengesellschaft, Vienna, transferring the business management of the Company to IMMORENT Aktiengesellschaft. IMMORENT Aktiengesellschaft provides the entire infrastructure and staff for Sparkassen Immobilien Aktiengesellschaft. The charges for the services provided are at market rates. Administrative costs for the fund totalled EUR 1,445,795.54.

III. Distribution of profits

1. Total investment volume

The total volume of the fund amounted to EUR 282,217,538.86.

2. Denomination

The fund is divided into 3,883,398 units (certificates).

3. Net income for the year

Profits for the year calculated in accordance with the Participation Certificates Agreement were EUR 16,931,615.28.

4. Distribution of profits per certificate

EUR 4.36

IV. Changes in assets, per investment

1. Total assets as at 31 December 2005, including details of valuation

s IMMO INVEST (EUR '000)

Investment property	161,020 ¹
CEE PROPERTY - INVEST Immobilien AG	
Windmühlgasse 22-24, A-1060 Vienna (49.99%)	108,564 ²
Gerngross Kaufhaus AG (37.5%)	31,039 ³
Aramisto Immobilien GmbH (50%)	957 ²
BGM-IMMORENT Aktiengesellschaft & Co KG (limited partner's share – 22.08%)	
Windmühlgasse 22-24, A-1060 Vienna	4,548 ⁴
Other investments	35
Plant and equipment	126
Loan stock rights	4,003
Trade receivables	211
Receivables from associated companies	52,955
Other receivables	1,750
Cash in hand and at banks	46
Accruals and deferred income	2,769
Provisions	-1,400
Liability for distribution to participation certificate holders	-16,932
Trade payables	-82
Liabilities to banks	-10,653
Other liabilities	-28,675
Accruals and deferred liabilities	-2
Total assets (fund assets as at 31 December 2005)	310,279
Entitlements of participation certificate holders to distributions for 2005	16,932
Total assets of participation certificate holders	327,211
Value per unit (50,118,718 certificates) in EUR (rounded)	84,3

¹ The estimated value of properties is based principally on current valuations by CB Richard Ellis GmbH, Herrengasse 16, A-1010 Vienna.

² The interests in CEE PROPERTY-INVEST Immobilien AG and Aramisto Immobilien GmbH were valued on the basis of current valuations by reputable real estate valuers or on the basis of a valuation of the properties and taking into account other assets (investments, bank balances, etc.) and liabilities (loans, etc.) as well. The net asset value thus calculated was attributed to s IMMO INVEST in proportion to the share of capital held.

³ This valuation is based on the acquisition costs (calculated on the basis of a property valuation).

⁴ The limited partner's share in BGM-IMMORENT Aktiengesellschaft & Co KG was valued on the basis of a valuation of the company by Ernst & Young Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH., Wagramerstrasse 19, A-1220 Vienna. The net asset value thus calculated was attributed to s IMMO INVEST in proportion to the share of capital held.

All other assets and liabilities are based on the annual financial statements for the year ended 31 December 2005 prepared under the Austrian Commercial Code (HGB).

2. Assets per certificate

Net assets per certificate (rounded) amounted to EUR 84.30

3. Return on investment and calculation method

The return on investment for the year ended 31 December 2005 was calculated on the following basis:

Price on 31 December 2004	EUR	90.01
Distribution 2005 (gross)	EUR	4.36
Price on 31 December 2005	EUR	95.20

The return calculated using the Österreichische Kontrollbank (ÖKB) method is thus approximately 11.2% (2004: approximately 10.1%).

Since the stock market listing in December 1996 (Security Identification Number 079573) the average annual yield using the Österreichische Kontrollbank (ÖKB) method has been approximately 8.6%.

On the basis of distribution per participation certificate, the yield was 6.0%.

V. Notes

To Section II.A.

To (e) Acquisition costs

These consist of the total acquisition costs of the property requiring to be capitalised.

The total costs detailed in item (h) are the costs incurred in the period from 1 January 2005 to 31 December 2005. Where these are required to be capitalised, they are also included in the amount shown in item (e).

To Section IV. 1.

All properties have been recently valued by international real estate valuers. As a general rule, the estimated values were calculated using the earning capacity method.

VI. Publication details

All announcements regarding the participation certificates are made in the Official Journal of the Wiener Zeitung with legal effect. Should that newspaper cease publication, the daily newspaper in which such official announcements are then made shall serve in its stead. Special notification to holders of participation certificates is not required.

This accounting report is published in the Official Journal of the Wiener Zeitung in accordance with section 14(5) in combination with section 10(1)(3) of the Austrian Capital Markets Act (KMG). Brochures containing the accounting report can be obtained free of charge from Austrian Sparkassen, Erste Bank der oesterreichischen Sparkassen AG and from the issuer.

Vienna, April 2006

The issuer

Sparkassen Immobilien Aktiengesellschaft

Ernst Vejdovsky m.p.

Holger Schmidtmayr m.p.

VII. Auditors' report

Based on our audit, the accounting and the report according to Section 14 of the Austrian Capital Market Act (Kapitalmarktgesetz - KMG) comply with legal regulations. The valuation of real estate property complies with the principles stated in the report according to Section 14 of the Austrian Capital Market Act (KMG). The report according to Section 14 of the Austrian Capital Market Act (KMG) presents a true and fair view, in all material respects, of the financial position of the accounting

Vienna, 25 April 2006

Eidos Deloitte
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH

Erich Kandler m.p.
Certified accountant

p.p. Wolfgang Arndorfer m.p.
Certified accountant

2. Performance Report s IMMO Share as of 31 December 2005

ACCOUNTING REPORT for the year ended 31 December 2005
pursuant to Section 14 of the Austrian Capital Markets Act
s IMMOBILIEN Share Identification Number AT0000652250

I. Investors' right to information for

The following tables

Balance sheet as of 31 December 2005

Income statement for the year ended 31 December 2005

Non-current assets movement statement for the financial year 2005

provide information on the calculation of profits in accordance with the relevant statutory requirements

II. Assets (EUR)

A. Investment per property

1. Properties

Ballgasse 4, A-1010 Vienna
Residential and retail property

- a) Location: Register no. EZ 71
Cadastral area 01004 Innere Stadt
Property no. 963
Freehold
- b) Area: Plot size 473 m²
Lettable space 1,410 m²
- c) Year of construction: 1785, total renovation of the building completed in 1997
- d) Year of acquisition: 1990

Acquisition costs, broken down between purchase price, incidental expenses and construction costs:

Purchase price	2,906,913.36
<u>Incidental expenses</u>	<u>625,521.03</u>
Acquisition costs	3,532,434.39
<u>Construction costs</u>	<u>4,652,375.36</u>
<u>Total investment costs</u>	<u>8,184,809.75</u>

- f) Lettable space: Residential space 1,203 m²
Retail space 207 m²
Total lettable space 1,410 m²

- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act (MRG): equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.

- h) Total costs for repair, maintenance, improvement and extension works carried out: 2,979.36

- i) Total costs for repair, maintenance, improvement and extension works planned: 3,000.00

- j) Administrative costs, where these are not charged under operating costs: none

- k) Building authority requirements, where these are of significance for the valuation: none

- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: Protected building, proceedings under section 18 MRG
Lien of EUR 856,158.66

- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage: Insured sum: 3,844,901.63
Degree of coverage: 100%

Theresianumgasse 7, A-1040 Vienna
Office and residential property

a) Location: Register no. 806
Cadastral area 01011 Wieden
Property no. 147
Freehold

b) Area: Plot size: 1,350 m²
Lettable space 5,507 m²

c) Year of construction: 1990

d) Year of acquisition: 2003

e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:

<u>Purchase price</u>	<u>7,559,206.06</u>
<u>Total investment costs</u>	<u>7,559,206.06</u>

f) Lettable space:	Office space	1,955 m ²
	Residential space	1,498 m ²
	Retail space	82 m ²
	<u>Other space</u>	<u>1,972 m²</u>
	<u>Total lettable space</u>	<u>5,507 m²</u>
	including:	car parking spaces

g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.

h) Total costs for repair, maintenance, improvement and extension works carried out: none

i) Total costs for repair, maintenance, improvement and extension works planned: 35,000.00

j) Administrative costs, where these are not charged under operating costs: none

k) Building authority requirements, where these are of significance for the valuation: none

l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none

m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:

Insured sum:	6,665,148.00
Degree of coverage:	100%

Bräuhausgasse 3-5, A-1050 Vienna
Office property

- a) Location: Property register no. 308
Cadastral area 01008 Margarethen
Property nos. 252/2, 252/4
Freehold
- b) Area: Plot size: 720 m²
Lettable space 2,277 m²
- c) Year of construction: 1989, constructed by the Company
- d) Year of acquisition: 1989
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | | |
|--|-------------------------------|---------------------|
| | Purchase price | 981,083.26 |
| | <u>Incidental expenses</u> | <u>8,836.00</u> |
| | Acquisition costs | 989,919.26 |
| | <u>Construction costs</u> | <u>1,306,617.74</u> |
| | <u>Total investment costs</u> | <u>2,296,537.00</u> |
- f) Lettable space:
- | | | |
|--|-----------------------------|----------------------------|
| | Office space | 1,852 m ² |
| | <u>Other space</u> | <u>425 m²</u> |
| | <u>Total lettable space</u> | <u>2,277 m²</u> |
- including: 17 car parking spaces
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are calculated by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 8,548.47
- i) Total costs for repair, maintenance, improvement and extension works planned: 20,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | | |
|--|---------------------|--------------|
| | Insured sum: | 3,076,250.00 |
| | Degree of coverage: | 100% |

Schönbrunner Strasse 108, A-1050 Vienna
Office property

- a) Location: Property register no. 520
Cadastral area 01008 Margarethen
Property no. 491
Freehold
- b) Area: Plot size: 514 m²
Lettable space 3,072 m²
- c) Year of construction: 2001–2002 constructed by the Company
- d) Year of acquisition: 2000
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|-------------------------------|---------------------|
| Purchase price | 930,212.28 |
| <u>Incidental expenses</u> | <u>41,910.42</u> |
| Acquisition costs | 972,122.70 |
| <u>Construction costs</u> | <u>4,205,010.49</u> |
| <u>Total investment costs</u> | <u>5,177,133.19</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| Office space | 2,484 m ² |
| Retail space | 158 m ² |
| <u>Other space</u> | <u>430 m²</u> |
| <u>Total lettable space</u> | <u>3,072 m²</u> |
| including: | 16 car parking spaces |
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 3,661.36
- i) Total costs for repair, maintenance, improvement and extension works planned: 3,000.00
- j) Administrative costs, where these are charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 4,458,758.00 |
| Degree of coverage: | 100% |

Schönbrunner Strasse 131, A-1050 Vienna
Office property

- a) Location: Property register no. 536
Cadastral area 01008 Margarethen
Property nos. 438/1, 438/2
Freehold
- b) Area: Plot size: 983 m²
Lettable space 2,901 m²
- c) Year of construction: 2001–2002, constructed by the Company
- d) Year of acquisition: 2000
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|-------------------------------|---------------------|
| Purchase price | 872,074.01 |
| <u>Incidental expenses</u> | <u>39,294.20</u> |
| Acquisition costs | 911,368.21 |
| <u>Construction costs</u> | <u>3,147,873.79</u> |
| <u>Total investment costs</u> | <u>4,059,242.00</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| Office space | 1,899 m ² |
| Retail space | 249 m ² |
| <u>Other space</u> | <u>753 m²</u> |
| <u>Total lettable space</u> | <u>2,901 m²</u> |
- including: 27 car parking spaces
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are calculated by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 13,010.57
- i) Total costs for repair, maintenance, improvement and extension works planned: 16,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 3,394,036.00 |
| Degree of coverage: | 100% |

Mariahilfer Strasse 103, A-1060 Vienna
Office, retail and residential property

- a) Location: Property register no. 699
Cadastral area 01009 Mariahilf
Property no. 621
Freehold
- b) Area: Plot size: 3,363 m²
Lettable space 11,181 m²
- c) Year of construction: 1910 (old building) / 1995 (new building)
- d) Year of acquisition: 2005 (amalgamation)
- e) Acquisition costs, broken down between purchase price and incidental expenses or construction costs:
- | | |
|--------------------------------------|----------------------|
| Acquisition costs of land | 2,789,072.28 |
| <u>Acquisition costs of building</u> | <u>16,010,927.72</u> |
| <u>Total investment costs</u> | <u>18,800,000.00</u> |
- f) Lettable space:
- | | |
|-----------------------------|-----------------------------|
| Office space | 5,705 m ² |
| 90 car parking spaces | 2,250 m ² |
| Retail space | 1,329 m ² |
| Other space | 1,178 m ² |
| <u>Residential space</u> | <u>719 m²</u> |
| <u>Total lettable space</u> | <u>11,181 m²</u> |
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 69,165.91
- i) Total costs for repair, maintenance, improvement and extension works planned: 165,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: Liens in the maximum amount of 37,063.145
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|---------------|
| Insured sum: | 29,787,108.00 |
| Degree of coverage: | 100% |

Schottenfeldgasse 29, A-1070 Vienna
Office property

- a) Location: Property register no. 913
Cadastral area 01010 Neubau
Property no. 1191, 1192
Freehold
- b) Area: Plot size: 3,255 m²
Lettable space 9,355 m²
- c) Year of construction: 1992
- d) Year of acquisition: 2005 (amalgamation)
- e) Acquisition costs, broken down between purchase price and incidental expenses:
- | | |
|--------------------------------------|----------------------|
| Acquisition costs of land | 2,223,788.73 |
| <u>Acquisition costs of building</u> | <u>7,955,640.50</u> |
| <u>Total investment costs</u> | <u>10,179,429.23</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| Office space | 6,461 m ² |
| 90 car parking spaces | 2,250 m ² |
| <u>Other space</u> | <u>644 m²</u> |
| <u>Total lettable space</u> | <u>9,355 m²</u> |
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 96,356.11
- i) Total costs for repair, maintenance, improvement and extension works planned: 49,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: Liens in the maximum amount of EUR 48,690,798.89
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|---------------|
| Insured sum: | 22,743,310.00 |
| Degree of coverage: | 100% |

Sankt-Ulrichs-Platz 4, A-1070 Vienna
Residential and retail property

- a) Location: Property register no. 1121
Cadastral area 01010 Neubau
Property no. 81/1, 81/2
Freehold
- b) Area: Plot size: 1,563 m²
Lettable space 2,433 m²
- c) Year of construction: 19th century, total renovation in 1988
- d) Year of acquisition: 2000
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|----------------------------|---------------------|
| Purchase price | 3,044,991.75 |
| <u>Incidental expenses</u> | <u>137,024.63</u> |
| <u>Acquisition costs</u> | <u>3,182,016.38</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| Residential space | 1,951 m ² |
| Retail space | 429 m ² |
| <u>Other space</u> | <u>53 m²</u> |
| <u>Total lettable space</u> | <u>2,433 m²</u> |
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 13,463.43
- i) Total costs for repair, maintenance, improvement and extension works planned: 45,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: Protected building
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 6,026,833.00 |
| Degree of coverage: | 100% |

Burggasse 51 / Siebensterngasse 46, A-1070 Vienna
Adlerhof

Residential, office and retail property

- a) Location: Property register no. 163
 Cadastral area 01010 Neubau
 Property no. 636
 Freehold
- b) Area: Plot size: 4,411 m²
 Lettable space 11,303 m²
- c) Year of construction: 1874 / total renovation 1997–2000 by IMMORENT Wohnbau GmbH
- d) Year of acquisition: 1998
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | | |
|--|-------------------------------|----------------------|
| | Purchase price | 4,265,890.74 |
| | <u>Construction costs</u> | <u>11,702,282.96</u> |
| | <u>Total investment costs</u> | <u>15,968,173.70</u> |
- f) Lettable space:
- | | | |
|--|-----------------------------|-----------------------------|
| | Residential space | 10,453 m ² |
| | Retail space | 712 m ² |
| | <u>Office space</u> | <u>138 m²</u> |
| | <u>Total lettable space</u> | <u>11,303 m²</u> |
- g) Basis of service charge allocation
 Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 47,543.07
- i) Total costs for repair, maintenance, improvement and extension works planned: 35,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation:
- | | | |
|--|---|---------------|
| | Restriction on disposal under Vienna's Housing Construction Subsidies and Rehabilitation Act (WWFSG 89) | |
| | Lien of | 10,755,665.47 |
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | | |
|--|---------------------|---------------|
| | Insured sum: | 34,657,440.00 |
| | Degree of coverage: | 100% |

Stuckgasse 9, A-1070 Vienna
Residential property

- a) Location: Property register no. 1111
Cadastral area 01010 Neubau
Property no. 858/2
- b) Area: Plot size: 820 m²
3,930/16,670 share in freehold
- c) Year of construction: around 1900
- d) Year of acquisition: 1990
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | | |
|--|-------------------------------|------------|
| | <u>Total investment costs</u> | 284,933.45 |
|--|-------------------------------|------------|
- f) Lettable space:
- | | | |
|--|-----------------------------|--------------------|
| | Residential space | 386 m ² |
| | Office space | 29 m ² |
| | <u>Other space</u> | 237 m ² |
| | <u>Total lettable space</u> | 652 m ² |
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: none
- i) Total costs for repair, maintenance, improvement and extension works planned: 1,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | | |
|--|--------------------------|--------------|
| | Insured sum: | 4,161,759.00 |
| | (for the whole property) | |
| | Degree of coverage: | 100% |

Otto-Wagner-Platz 5, A-1090 Vienna
Office property

- a) Location: Property register no. 2041
Cadastral area 01002 Alsergrund
Property no. 234/1
Freehold
- b) Area: Plot size: 1,758 m²
Lettable space 9,067 m²
- c) Year of construction: 1930
- d) Year of acquisition: 2004
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|-------------------------------|----------------------|
| <u>Purchase price</u> | <u>18,338,484.97</u> |
| <u>Total investment costs</u> | <u>18,338,484.97</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| Office space | 7,721 m ² |
| Storage space | 846 m ² |
| <u>Other space</u> | <u>500 m²</u> |
| <u>Total lettable space</u> | <u>9,067 m²</u> |
| including: | 20 car parking spaces |
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 15,190.47
- i) Total costs for repair, maintenance, improvement and extension works planned: 3,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|---------------|
| Insured sum: | 21,518,647.00 |
| Degree of coverage: | 100% |

Hasengasse 56/Fernkorngasse 10 A-1100 Vienna
Office / commercial property

- a) Location: Property register no. 2077
Cadastral area 01101 Favoriten
Property nos. 1897/3, 1897/5, 1901/11, 1901/12, 1902/15, 1902/16
Freehold
- b) Area: Plot size: 2,315 m²
Lettable space 7,781 m²
- c) Year of construction: Old stock before 1945 (former business premises of Swarovski AG)
Extensions in 1970 and 1981
- d) Year of acquisition: 1999
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|-------------------------------|----------------------|
| Purchase price | 1,954,899.24 |
| <u>Incidental expenses</u> | <u>90,371.21</u> |
| Acquisition costs | 2,045,270.45 |
| <u>Construction costs</u> | <u>7,996,906.00</u> |
| <u>Total investment costs</u> | <u>10,042,176.45</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| Office space | 5,522 m ² |
| Retail space | 789 m ² |
| <u>Other space</u> | <u>1,470 m²</u> |
| <u>Total lettable space</u> | <u>7,781 m²</u> |
- including: 37 car parking spaces
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 5,401.30
- i) Total costs for repair, maintenance, improvement and extension works planned: 82,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|---------------|
| Insured sum: | 12,717,161.00 |
| Degree of coverage: | 100% |

Amalienstrasse 48, A-1130 Vienna
Office property

- a) Location: Property register no. 204
Cadastral area 01209 Ober St Veit
Property no. 371/4, 371/11, 371/12
1/1 Freehold
- b) Area: Plot size: 1,298 m²
Lettable space 2,078 m²
- c) Year of construction: 1991, constructed by the Company
- d) Year of acquisition: 1990
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|-------------------------------|---------------------|
| Purchase price | 486,907.99 |
| <u>Incidental expenses</u> | <u>22,067.83</u> |
| Acquisition costs | 508,975.82 |
| <u>Construction costs</u> | <u>2,143,455.42</u> |
| <u>Total investment costs</u> | <u>2,652,431.24</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| Office space | 1,561 m ² |
| <u>Other space</u> | <u>517 m²</u> |
| <u>Total lettable space</u> | <u>2,078 m²</u> |
- including: 16 car parking spaces
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 38,643.50
- i) Total costs for repair, maintenance, improvement and extension works planned: 25,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 3,890,000.00 |
| Degree of coverage: | 100% |

Meiselstrasse 8, A-1150 Vienna
Meiselmarkt
Retail and residential property

a)	Location:	Property register no. 852 Cadastral area 01306 Rudolfsheim Property no. 346/15, 1068/2 Freehold												
b)	Area:	Plot size: 5,406 m ² Lettable space 17,107 m ²												
c)	Year of construction:	1997–1998, constructed by the Company												
d)	Year of acquisition:	1996												
e)	Acquisition costs, broken down between purchase price, incidental expenses and construction costs:	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Purchase price</td> <td style="text-align: right;">1,513,649.05</td> </tr> <tr> <td><u>Incidental expenses</u></td> <td style="text-align: right;"><u>107,010.75</u></td> </tr> <tr> <td>Acquisition costs</td> <td style="text-align: right;">1,620,659.80</td> </tr> <tr> <td><u>Construction costs*</u></td> <td style="text-align: right;"><u>19,616,738.30</u></td> </tr> <tr> <td><u>Total investment costs</u></td> <td style="text-align: right;"><u>21,237,398.10</u></td> </tr> <tr> <td colspan="2" style="font-size: small;">* including financing from the Province of Vienna</td> </tr> </table>	Purchase price	1,513,649.05	<u>Incidental expenses</u>	<u>107,010.75</u>	Acquisition costs	1,620,659.80	<u>Construction costs*</u>	<u>19,616,738.30</u>	<u>Total investment costs</u>	<u>21,237,398.10</u>	* including financing from the Province of Vienna	
Purchase price	1,513,649.05													
<u>Incidental expenses</u>	<u>107,010.75</u>													
Acquisition costs	1,620,659.80													
<u>Construction costs*</u>	<u>19,616,738.30</u>													
<u>Total investment costs</u>	<u>21,237,398.10</u>													
* including financing from the Province of Vienna														
f)	Lettable space:	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Residential space</td> <td style="text-align: right;">11,758 m²</td> </tr> <tr> <td>Office space</td> <td style="text-align: right;">77 m²</td> </tr> <tr> <td>Retail space</td> <td style="text-align: right;">2,172 m²</td> </tr> <tr> <td><u>Other space</u></td> <td style="text-align: right;"><u>3,100 m²</u></td> </tr> <tr> <td><u>Total lettable space</u></td> <td style="text-align: right;"><u>17,107 m²</u></td> </tr> <tr> <td>including:</td> <td style="text-align: right;">124 car parking spaces</td> </tr> </table>	Residential space	11,758 m ²	Office space	77 m ²	Retail space	2,172 m ²	<u>Other space</u>	<u>3,100 m²</u>	<u>Total lettable space</u>	<u>17,107 m²</u>	including:	124 car parking spaces
Residential space	11,758 m ²													
Office space	77 m ²													
Retail space	2,172 m ²													
<u>Other space</u>	<u>3,100 m²</u>													
<u>Total lettable space</u>	<u>17,107 m²</u>													
including:	124 car parking spaces													
g)	Basis of service charge allocation	Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.												
h)	Total costs for repair, maintenance, improvement and extension works carried out:	32,199.46												
i)	Total costs for repair, maintenance, improvement and extension works planned:	62,000.00												
j)	Administrative costs, where these are not charged under operating costs:	none												
k)	Building authority requirements where these are of significance for the valuation:	none												
l)	Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation:	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Restriction on disposal under WWFSG 89</td> <td></td> </tr> <tr> <td>Preemption right for the Province of Vienna</td> <td></td> </tr> <tr> <td>Lien of</td> <td style="text-align: right;">6,462,024.81</td> </tr> </table>	Restriction on disposal under WWFSG 89		Preemption right for the Province of Vienna		Lien of	6,462,024.81						
Restriction on disposal under WWFSG 89														
Preemption right for the Province of Vienna														
Lien of	6,462,024.81													
m)	Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Insured sum:</td> <td style="text-align: right;">23,516,078.00</td> </tr> <tr> <td>Degree of coverage:</td> <td style="text-align: right;">100%</td> </tr> </table>	Insured sum:	23,516,078.00	Degree of coverage:	100%								
Insured sum:	23,516,078.00													
Degree of coverage:	100%													

Lerchenfelder Gürtel 43, A-1160 Vienna

Office property

-
- a) Location: Property register no. 191
Cadastral area 01403 Neulerchenfeld
Property no. 8/1
Building lease
- b) Area: Plot size: 965 m²
Lettable space 5,804 m²
- c) Year of construction: 2001–2003, constructed by the company, building lease until 31 December 2005
- d) Year of acquisition: 2000
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|------------------------|---------------------|
| Building lease | 27,999,53 |
| Construction costs | <u>7,572,661.21</u> |
| Total investment costs | <u>7,600,660.74</u> |
- f) Lettable space:
- | | |
|----------------------|----------------------------|
| Office space | 4,089 m ² |
| Retail space | 190 m ² |
| Other space | <u>1,525 m²</u> |
| Total lettable space | <u>5,804 m²</u> |
- including: 61 car parking spaces
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 69,313.81
- i) Total costs for repair, maintenance, improvement and extension works planned: 55,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: Annual rental charge of EUR 15,604.08
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|-------------------------------|
| Insured sum: | 5,634,954.00 |
| Degree of coverage: | 75% (dependent on completion) |

Lobmeyrgasse 5-7 / Sandleitengasse 38, A-1160 Vienna
Residential and retail property

- a) Location: Property register no. 3269
Cadastral area 01405 Ottakring
Property nos. 772/7, 772/9, 772/10
Freehold
- b) Area: Plot size: 4,858 m²
Lettable space 16,691 m²
- c) Year of construction: 1991/92
- d) Year of acquisition: 1992
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | | |
|--|---|----------------------|
| | Purchase price | 17,393,650.21 |
| | <u>Incidental expenses</u> | <u>931,892.33</u> |
| | Acquisition costs | 18,325,542.54 |
| | Contributions to construction costs and financing taken over under section 69 | |
| | <u>WWFSG 1989</u> | <u>2,049,266.00</u> |
| | Total | 20,374,808.54 |
| | <u>Construction costs</u> | <u>844,306.64</u> |
| | <u>Total investment costs</u> | <u>21,219,115.18</u> |
- f) Lettable space:
- | | | |
|--|-----------------------------|-----------------------------|
| | Residential space | 8,335 m ² |
| | Office space | 1,169 m ² |
| | Retail space | 4,762 m ² |
| | <u>Other space</u> | <u>2,425 m²</u> |
| | <u>Total lettable space</u> | <u>16,691 m²</u> |
- including: 93 car parking spaces
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 57,664.37
- i) Total costs for repair, maintenance, improvement and extension works planned: 230,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation:
- | | | |
|--|--|--------------|
| | Restriction on disposal under WWFSG 89 | |
| | Lien of | 2,639,353.79 |
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | | |
|--|---------------------|---------------|
| | Insured sum: | 23,174,366.00 |
| | Degree of coverage: | 100% |

Kreuzgasse 72-74, A-1180 Vienna
Kreuzgasse residential park
Retail and residential property

a)	Location:	Property register nos. 1055, 1179, 2690 Cadastral area 01514 Währing Property nos. 286/8, 286/12, 286/18 Freehold											
b)	Area:	Plot size: 11,600 m ² Lettable space 19,735 m ²											
c)	Year of construction:	1999–2001, constructed by the Company											
d)	Year of acquisition:	1999											
e)	Acquisition costs, broken down between purchase price, incidental expenses and construction costs:	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Purchase price</td> <td style="text-align: right;">3,962,693.62</td> </tr> <tr> <td><u>Incidental expenses</u></td> <td style="text-align: right;"><u>70,800.78</u></td> </tr> <tr> <td>Acquisition costs</td> <td style="text-align: right;">4,033,494.40</td> </tr> <tr> <td><u>Construction costs*</u></td> <td style="text-align: right;"><u>21,632,738.77</u></td> </tr> <tr> <td><u>Total investment costs</u></td> <td style="text-align: right;"><u>25,666,233.17</u></td> </tr> </table> <p style="margin-left: 20px;">* including financing from the Province of Vienna</p>	Purchase price	3,962,693.62	<u>Incidental expenses</u>	<u>70,800.78</u>	Acquisition costs	4,033,494.40	<u>Construction costs*</u>	<u>21,632,738.77</u>	<u>Total investment costs</u>	<u>25,666,233.17</u>	
Purchase price	3,962,693.62												
<u>Incidental expenses</u>	<u>70,800.78</u>												
Acquisition costs	4,033,494.40												
<u>Construction costs*</u>	<u>21,632,738.77</u>												
<u>Total investment costs</u>	<u>25,666,233.17</u>												
f)	Lettable space:	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Residential space</td> <td style="text-align: right;">10,939 m²</td> </tr> <tr> <td>Retail space</td> <td style="text-align: right;">3,737 m²</td> </tr> <tr> <td><u>Other space</u></td> <td style="text-align: right;"><u>5,059 m²</u></td> </tr> <tr> <td><u>Total lettable space</u></td> <td style="text-align: right;"><u>19,735 m²</u></td> </tr> </table> <p style="margin-left: 20px;">including: 201 car parking spaces</p>	Residential space	10,939 m ²	Retail space	3,737 m ²	<u>Other space</u>	<u>5,059 m²</u>	<u>Total lettable space</u>	<u>19,735 m²</u>			
Residential space	10,939 m ²												
Retail space	3,737 m ²												
<u>Other space</u>	<u>5,059 m²</u>												
<u>Total lettable space</u>	<u>19,735 m²</u>												
g)	Basis of service charge allocation	<p>Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.</p>											
h)	Total costs for repair, maintenance, improvement and extension works carried out:	44,299.11											
i)	Total costs for repair, maintenance, improvement and extension works planned:	25,000.00											
j)	Administrative costs, where these are not charged under operating costs:	none											
k)	Building authority requirements where these are of significance for the valuation:	none											
l)	Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation:	<p>Restriction on disposal under WWFSG 89 Preemption right for the Province of Vienna and Wiener Stadtwerke; right of repurchase for Wiener Stadtwerke</p> <p>Lien of 5,978,939.41</p>											
m)	Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:	<p>Insured sum: 24,315,062.00</p> <p>Degree of coverage: 100%</p>											

Heiligenstädter Strasse 181, A-1190 Vienna
Residential property

- a) Location: Property register no. 210
Cadastral area 01507 Nussdorf
Property no. 180
Freehold
- b) Area: Plot size: 316 m²
Lettable space 2,012 m²
- c) Year of construction: 1996
- d) Year of acquisition: 1996
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | | |
|--|-------------------------------|---------------------|
| | Purchase price | 3,337,631.83 |
| | <u>Incidental expenses</u> | <u>30,177.00</u> |
| | <u>Acquisition costs</u> | <u>3,367,808.83</u> |
| | <u>Total investment costs</u> | <u>3,367,808.83</u> |
- f) Lettable space:
- | | | |
|--|-----------------------------|----------------------------|
| | Residential space | 1,512 m ² |
| | <u>Other space</u> | <u>500 m²</u> |
| | <u>Total lettable space</u> | <u>2,012 m²</u> |
- including: 20 car parking spaces
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 12,507.45
- i) Total costs for repair, maintenance, improvement and extension works planned: 2,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | | |
|--|---------------------|--------------|
| | Insured sum: | 3,050,000.00 |
| | Degree of coverage: | 100% |

Am Kaisermühlendamm 87-91, A-1220 Vienna
Residential, office and retail property

a)	Location:	Property register no. 161 Cadastral area 01669 Kaisermühlen Property nos. 2355/3, 2356 Freehold		
b)	Area:	Plot size: 4,532 m ² Lettable space 10,923 m ²		
c)	Year of construction:	1994–1996, constructed by the Company		
d)	Year of acquisition:	1993		
e)	Acquisition costs, broken down between purchase price, incidental expenses and construction costs:		Purchase price 1,772,501.33 <u>Incidental expenses</u> 785,065.46 Acquisition costs 2,557,566.79 <u>Construction costs*</u> 12,113,465.47 <u>Total investment costs</u> 14,671,032.26 <small>* including financing from the Province of Vienna</small>	
f)	Lettable space:		Residential space 4,622 m ² Office space 800 m ² Retail space 2,846 m ² <u>Other space</u> 2,655 m ² <u>Total lettable space</u> 10,923 m ² including: 88 car parking spaces	
g)	Basis of service charge allocation	Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.		
h)	Total costs for repair, maintenance, improvement and extension works carried out:		55,337.49	
i)	Total costs for repair, maintenance, improvement and extension works planned:		180,000.00	
j)	Administrative costs, where these are not charged under operating costs:		none	
k)	Building authority requirements where these are of significance for the valuation:		none	
l)	Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation:		Restriction on disposal under WWFSG 89 Lien of 9,658,067.47	
m)	Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:		Insured sum: 17,288,941.00 Degree of coverage: 100%	

Ketzergasse 6-8, A-1230 Vienna
Office property

- a) Location: Property register no. 93
Cadastral area 01808 Siebenhirten
Property no. 94
Freehold
- b) Area: Plot size: 925 m²
Lettable space 2,334 m²
- c) Year of construction: 1993, constructed by the Company
- d) Year of acquisition: 1989
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|-------------------------------|---------------------|
| Purchase price | 363,364.17 |
| <u>Incidental expenses</u> | <u>16,514.90</u> |
| Acquisition costs | 379,879.07 |
| <u>Construction costs</u> | <u>2,982,617.47</u> |
| <u>Total investment costs</u> | <u>3,362,496.54</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| Office space | 1,344 m ² |
| Retail space | 455 m ² |
| <u>Other space</u> | <u>535 m²</u> |
| <u>Total lettable space</u> | <u>2,334 m²</u> |
- including: 20 car parking spaces
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 8,469.02
- i) Total costs for repair, maintenance, improvement and extension works planned: 3,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 3,688,000.00 |
| Degree of coverage: | 100% |

Prof. Dr. Stefan Koren-Strasse 8a, A-2700 Wiener Neustadt
Office property

- a) Location: Property register no. 2913
Cadastral area 23443 Wr.Neustadt-Vorstadt
Property no. 1869/51
2,655/2,655 share in freehold
- b) Area: Plot size: 4,631 m²
Lettable space 2,604 m²
- c) Year of construction: 1993, constructed by the Company
- d) Year of acquisition: 1991/2004
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|-------------------------------|---------------------|
| Purchase price | 981,722.27 |
| <u>Incidental expenses</u> | <u>51,424.86</u> |
| Acquisition costs | 1,033,147.13 |
| <u>Construction costs</u> | <u>1,536,542.09</u> |
| <u>Total investment costs</u> | <u>2,569,689.22</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| Office space | 1,546 m ² |
| Retail space | 607 m ² |
| <u>Other space</u> | <u>451 m²</u> |
| <u>Total lettable space</u> | <u>2,604 m²</u> |
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 118,255.43
- i) Total costs for repair, maintenance, improvement and extension works planned: 15,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 3,362,372.00 |
| Degree of coverage: | 100% |

Rainerstrasse 6-8, A-4020 Linz
Retail and office property

a) Location:	Property register no. 356 Cadastral area 45203 Linz Property nos. 1491/2, 1493, 1495 Freehold											
b) Area:	Plot size: 1,623 m ² Lettable space 5,836 m ²											
c) Year of construction:	1993, constructed by the Company											
d) Year of acquisition:	1988											
e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:		<table border="0"> <tr> <td>Purchase price</td> <td style="text-align: right;">2,015,158.54</td> </tr> <tr> <td><u>Incidental expenses</u></td> <td style="text-align: right;"><u>211,022.58</u></td> </tr> <tr> <td>Acquisition costs</td> <td style="text-align: right;">2,226,181.12</td> </tr> <tr> <td><u>Construction costs</u></td> <td style="text-align: right;"><u>13,171,413.24</u></td> </tr> <tr> <td><u>Total investment costs</u></td> <td style="text-align: right;"><u>15,397,594.36</u></td> </tr> </table>	Purchase price	2,015,158.54	<u>Incidental expenses</u>	<u>211,022.58</u>	Acquisition costs	2,226,181.12	<u>Construction costs</u>	<u>13,171,413.24</u>	<u>Total investment costs</u>	<u>15,397,594.36</u>
Purchase price	2,015,158.54											
<u>Incidental expenses</u>	<u>211,022.58</u>											
Acquisition costs	2,226,181.12											
<u>Construction costs</u>	<u>13,171,413.24</u>											
<u>Total investment costs</u>	<u>15,397,594.36</u>											
f) Lettable space:		<table border="0"> <tr> <td>Office space</td> <td style="text-align: right;">2,097 m²</td> </tr> <tr> <td>Retail space</td> <td style="text-align: right;">2,014 m²</td> </tr> <tr> <td><u>Other space</u></td> <td style="text-align: right;"><u>1,725 m²</u></td> </tr> <tr> <td><u>Total lettable space</u></td> <td style="text-align: right;"><u>5,836 m²</u></td> </tr> <tr> <td>including:</td> <td style="text-align: right;">69 car parking spaces</td> </tr> </table>	Office space	2,097 m ²	Retail space	2,014 m ²	<u>Other space</u>	<u>1,725 m²</u>	<u>Total lettable space</u>	<u>5,836 m²</u>	including:	69 car parking spaces
Office space	2,097 m ²											
Retail space	2,014 m ²											
<u>Other space</u>	<u>1,725 m²</u>											
<u>Total lettable space</u>	<u>5,836 m²</u>											
including:	69 car parking spaces											
g) Basis of service charge allocation	Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.											
h) Total costs for repair, maintenance, improvement and extension works carried out:		106,561.00										
i) Total costs for repair, maintenance, improvement and extension works planned:		30,000.00										
j) Administrative costs, where these are not charged under operating costs:		none										
k) Building authority requirements where these are of significance for the valuation:		none										
l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation:		none										
m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:		<table border="0"> <tr> <td>Insured sum:</td> <td style="text-align: right;">10,548,096.00</td> </tr> <tr> <td>Degree of coverage:</td> <td style="text-align: right;">100%</td> </tr> </table>	Insured sum:	10,548,096.00	Degree of coverage:	100%						
Insured sum:	10,548,096.00											
Degree of coverage:	100%											

Schärdinger Strasse 5, A-4061 Linz-Pasching
Retail property

- a) Location: Property register no. 1810, 1888
Cadastral area 45308 Pasching
Property nos. 1670/18, 1670/21
Freehold
- b) Area: Plot size: 7,342 m²
Lettable space 2,800 m²
- c) Year of construction: 1985
- d) Year of acquisition: 1990
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|-------------------------------|---------------------|
| Purchase price | 1,324,825.77 |
| <u>Incidental expenses</u> | <u>340,606.45</u> |
| Acquisition costs | 1,665,432.22 |
| <u>Construction costs</u> | <u>3,633.68</u> |
| <u>Total investment costs</u> | <u>1,669,065.90</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| Office space | 586 m ² |
| <u>Other space</u> | <u>2,214 m²</u> |
| <u>Total lettable space</u> | <u>2,800 m²</u> |
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 2,001.71
- i) Total costs for repair, maintenance, improvement and extension works planned: 5,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 2,750,000.00 |
| Degree of coverage: | 100% |

Ernst Grein-Strasse 5, A-5020 Salzburg
Office property

- a) Location: Property register no. 2222
Cadastral area 56501 Aigen I
Property nos. 569/3, 569/35, 613/6, 613/7, 613/14
Freehold
- b) Area: Plot size: 2,560 m²
Lettable space 1,240 m²
- c) Year of construction: 1991
- d) Year of acquisition: 1991
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | | |
|--|-------------------------------|---------------------|
| | Purchase price | 2,543,549.20 |
| | <u>Incidental expenses</u> | <u>229,458.88</u> |
| | <u>Total investment costs</u> | <u>2,773,008.07</u> |
- f) Lettable space:
- | | | |
|--|-----------------------------|----------------------------|
| | Office space | 1,130 m ² |
| | <u>Other space</u> | <u>110 m²</u> |
| | <u>Total lettable space</u> | <u>1,240 m²</u> |
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges which fall due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 89,960.81
- i) Total costs for repair, maintenance, improvement and extension works planned: 5,000.00
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | | |
|--|---------------------|--------------|
| | Insured sum: | 3,143,304.00 |
| | Degree of coverage: | 100% |

Siriusstrasse 3, A-9020 Klagenfurt
Office property

- a) Location: Property register no. 237
Cadastral area 72127 Klagenfurt, 6th District
Property no. 1059/1
Freehold
- b) Area: Plot size: 2,281 m²
Lettable space 2,191 m²
- c) Year of construction: 1993, constructed by the Company
- d) Year of acquisition: 1988
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|-------------------------------|---------------------|
| Purchase price | 153,034.82 |
| <u>Incidental expenses</u> | <u>16,013.90</u> |
| Acquisition costs | 169,048.72 |
| <u>Construction costs</u> | <u>2,625,996.81</u> |
| <u>Total investment costs</u> | <u>2,795,045.53</u> |
- f) Lettable space:
- | | |
|-----------------------------|----------------------------|
| Office space | 1,941 m ² |
| <u>Other space</u> | <u>250 m²</u> |
| <u>Total lettable space</u> | <u>2,191 m²</u> |
- including: 10 car parking spaces
- g) Basis of service charge allocation
Service charges are allocated in accordance with the relevant provisions of the Rent Act: equal monthly instalments are charged to cover service charges and public charges falling due during the year. The service charges for the past year are accounted for and settled by 30 June of the following year. Any surplus is repaid, or any shortfall is recovered.
- h) Total costs for repair, maintenance, improvement and extension works carried out: 9,465.90
- i) Total costs for repair, maintenance, improvement and extension works planned: (sold in 2006)
- j) Administrative costs, where these are not charged under operating costs: none
- k) Building authority requirements where these are of significance for the valuation: none
- l) Registered charges listed in the land register, and other encumbrances where these are of material significance for the valuation: none
- m) Fire insurance, insured sum (excluding debris removal and other incidental costs) and degree of coverage:
- | | |
|---------------------|--------------|
| Insured sum: | 3,542,218.00 |
| Degree of coverage: | 100% |

Brünner Strasse 72 a, A-1210 Vienna
Retail property under development

- a) Location: Property register no.: new
Cadastral area 01607 Grossjedlersdorf II
Property no. 1,157/21
1/1 Freehold
- b) Area: Plot size: 10,857 m²
Proposed lettable space 8,725 m²
- c) Year of construction: 2006
- d) Year of acquisition: 2005
- e) Acquisition costs, broken down between purchase price, incidental expenses and construction costs:
- | | |
|----------------------------|---------------------|
| <u>Purchase price land</u> | <u>4,325,384.10</u> |
|----------------------------|---------------------|
- f) Proposed lettable space:
- | | |
|-----------------------------|----------------------------|
| <u>Retail space</u> | <u>8,725 m²</u> |
| <u>Total lettable space</u> | <u>8,725 m²</u> |

B. **Investments in real estate investment associations, per investment association**
None

C. **Investment in companies, per investment (where not listed under section B)**

Company 1

1. Legal details

- a) **Company:** CEE PROPERTY – INVEST Immobilien AG
b) **Register:** Commercial register no. 205014 t, Commercial Court, Vienna
c) **Legal form:** Public limited company
d) **Year of formation / acquisition:** 2000
e) **Registered office / principal office:** Vienna
f) **Objects:** Business activities in the financial year were concerned with the ownership and administration of investments.
g) **Members of management bodies, administration and supervisory board**

Management Board

Holger Schmidtmayr

Ernst Vejdovszky

Supervisory Board

Klaus Braunegg

Chairman (from 28 September 2005)

First deputy chairman (until 28 September 2005)

Martin Simhandl

First deputy chairman (from 28 September 2005)

Chairman (until 28 September 2005)

Franz Kerber

Second deputy chairman

Christian Ahlfeld

Gerald Antonitsch

Reinhard Karl (until 31 May 2005)

Peter Tichatschek

Richard Wilkinson

Manfred Wimmer (until 4 May 2005)

2. Carrying value of investment

EUR 86,720,992,03

3. Distribution of profits

none

4. Key figures

(pursuant to section 2 of the regulations of the Federal Ministry of Finance of 29 September 1982, Federal Law Gazette 505/1982)

a) Equity ratio

96%

b) Cash flow to operating profit

Not meaningfully calculable

c) Return on assets

2.6 %

d) Effective debt to cash flow

Not meaningfully calculable

e) Number of employees

None

Company 2

1. Legal details

- a) **Company:** Gerngross Kaufhaus Aktiengesellschaft
b) **Register:** Commercial register no.90304 a, Commercial Court, Vienna
c) **Legal form:** Public limited company
d) **Year of formation / acquisition:** 1983
e) **Registered office / principal office:** Vienna
f) **Objects:** Business activities in the financial year principally concerned the development, financing and operation of retail stores

g) **Members of management bodies, administration and supervisory board**

Management Board

- Gernot Essl (from 1 February 2005)
Johann Koini
Michael Winter (until 31 January 2005)

Supervisory Board

- Martin Neidhart
Chairman
Gerhard Eckert
Deputy chairman
Robert Kremlicka
Deputy chairman
Peter Amhof
(from 12 July 2005)
Freddy Schmid

2. Carrying value of investment

EUR 31,038,500.00

3. Distribution of profits

None

4. Key figures

(pursuant to section 2 of the regulations of the Federal Ministry of Finance of 29 September 1982, Federal Law Gazette 505/1982)

a) **Equity ratio**

9.9%

b) **Cash flow to operating profit**

41.8%

c) **Return on assets**

0.8%

d) **Effective debt to cash flow**

-8.4 %

e) **Number of employees**

20

Companies 3 and 4

Aramisto Immobilien GmbH (100%)

AKIM Beteiligungen GmbH (100%)

Details of these companies are not disclosed, as the carrying values of these investments (EUR 942,500 and EUR 35,000 respectively) are not material.

5. Investments in the companies listed under section C, where the holding amounts to at least 25%

Interests of CEE Property-Invest Immobilien AG

CEE Immobilien GmbH, Vienna
CEE CZ Immobilien GmbH, Vienna
CEE Beteiligungen GmbH, Vienna
Hotel DUNA Beteiligungs Gesellschaft m.b.H., Vienna
Buda Kereskedelmi Központ Kft., Budapest
Bank-garázs Ingatlanfejlesztési és Vagyron hasznosító Kft., Budapest
CEE Property-Invest Kft., Budapest
CEE Property-Invest Hungary 2003 Ingatlan Kft., Budapest
CEE Property-Invest Office 2004 Ingatlan Kft., Budapest
CHH Ingatlanforgalmazó és Szolgáltató Kft., Budapest
REGA Property Invest s.r.o., Prague
Vila Property s.r.o., Prague
CEE Property Bulgaria EOOD, Sofia
CEE PROPERTY INVEST ROMANIA SRL, Bucharest

D) Other proprietary interests, per proprietary interest

EUR 3,500.00 (10% interest in Neutorgasse 2-8 Projektverwertungs GmbH)

E) Investment reserve

Assets (receivables and credit balances with banks) amounting to EUR 94.3m are included under the current assets of s IMMOBILIEN Aktie. The corresponding short-term liabilities (other provisions, provisions for tax and payables) are EUR 41.4m, resulting in an investment reserve of EUR 52.9m for s IMMOBILIEN Aktie.

F) Management, staff and other operating costs, where these were not recorded under section II.A

There is an agreement with IMMORANT Aktiengesellschaft, Vienna, transferring the business management of the Company to IMMORANT Aktiengesellschaft. IMMORANT Aktiengesellschaft provides the entire infrastructure and staff for Sparkassen Immobilien Aktiengesellschaft. The charges for the services provided are at market rates. Administrative costs totalled EUR 1,277,914.29. From 1 October 2005, the remuneration of the Management Board of the Company, including bonuses and pension fund contributions amounting to EUR 146,282.75, was paid by Sparkassen Immobilien Aktiengesellschaft.

III. Distribution of profits

1. Total investment volume

The issued share capital of the Company amounted to EUR 182,106,361.86

2. Denomination

The issued share capital is divided into 50,118,518 ordinary voting bearer shares of no par value and 200 registered shares of no par value.

3. Net income / loss for the year

In 2005 the company registered a net loss of EUR 6,976,426.60, with a profit for the year of nil.

4. Distribution of profits

No dividend has been distributed since the formation of the Company, and all profits have been retained and invested in real estate (reinvestment of earnings).

IV. Changes in assets, per investment

1. Total assets as at 31 December 2005, including details of valuation

s IMMO Aktie (EUR '000)

Intangible assets	0
Property	211,599 ¹
Plant and equipment	38
CEE PROPERTY-INVEST Immobilien AG (50.01%)	108,607 ²
Gerngross Kaufhaus AG (50.01%)	31,039 ³
Aramisto Immobilien GmbH (50%)	957 ²
Other investments	35
Securities forming part of fixed assets	3
Trade receivables	297
Receivables from associated companies	16,299
Other receivables	2,635
Cash in hand and at banks	75,022
Prepayments and accrued income	70
Provisions	-761
Liabilities to banks	-13,868
Trade payables	-6,605
Other liabilities	-20,192
Accruals and deferred income	-1,885
Total assets	403,290
Value per share (50,118,718 shares) in EUR (rounded)	8.10

¹ The estimated value of properties is based principally on current valuations by CB Richard Ellis GmbH, Herrengasse 16, A-1010 Vienna.

² The interests in CEE PROPERTY-INVEST Immobilien AG and Aramisto Immobilien GmbH were valued on the basis of current valuations by reputable real estate valuers or on the basis of a valuation of the properties and taking into account other assets (investments, bank balances, etc.) and liabilities (loans, etc.) as well. The net asset value thus calculated was attributed to s IMMO INVEST in proportion to the share of capital held.

³ This valuation is based on the acquisition costs (calculated on the basis of a property valuation).

2. **Assets by investment**

Net assets per share (rounded) amounted to EUR 8.10.

3. **Return on investment and calculation method**

Growth in share price in 2005

Share price at 31 December 2004:	EUR 8.12
Share price at 31 December 2005:	EUR 8.70

Price increase: approximately 7% (2004: approximately 7%)

The average annual price increase since stock market listing is 6.1%.

V. Notes

To Section II.A.

To (e) Acquisition costs

These consist of the total acquisition costs of the property requiring to be capitalised.

The total costs detailed in item (h) are the costs incurred in the period from 1 January 2005 to 31 December 2005. Where these are required to be capitalised, they are also included in the amount shown in item (e).

To Section IV.1.

The properties have been recently valued by international real estate valuers.

As a general rule, the estimated values have been calculated using the earning capacity method.

VI. Publication details

This accounting report is published in the Official Journal of the Wiener Zeitung in accordance with section 14(5) in combination with section 10(1)(3) of the Austrian Capital Markets Act (KMG). Brochures containing the accounting report can be obtained free of charge from Austrian Sparkassen, Erste Bank der oesterreichischen Sparkassen AG and from the issuer.

Vienna, April 2006

The issuer

Sparkassen Immobilien Aktiengesellschaft

Ernst Vejdovsky m.p.

Holger Schmidtmayr m.p.

VII. Auditors' report

Based on our audit, the accounting and the report according to Section 14 of the Austrian Capital Market Act (Kapitalmarktgesetz - KMG) comply with legal regulations. The valuation of real estate property complies with the principles stated in the report according to Section 14 of the Austrian Capital Market Act (KMG). The report according to Section 14 of the Austrian Capital Market Act (KMG) presents a true and fair view, in all material respects, of the financial position of the accounting entity in conformity with the Generally Accepted Accounting Principles as practiced in Austria.

Vienna, 25 April 2006

Eidos Deloitte
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH

Erich Kandler m.p.
Certified accountant

p.p. Wolfgang Arndorfer m.p.
Certified accountant

APPENDIX D

**Annual Report of Sparkassen Immobilien Aktiengesellschaft
for the financial year 2005**

Sparkassen Immobilien AG

An Investment for Life



Annual Report 2005

IMMOBILIEN AG

Mission Statement

We create lasting value for future generations.

For our shareholders, to deliver stable growth and consistent performance over time. For our tenants, to provide enduring quality and excellent service. For our partners, to be a trustworthy and far-sighted partner.

We focus long-term on markets with price/yield ratios that are both attractive and fair. We contribute to society by adding value to our properties and preserving the integrity of the townscape.

Group structure



Key Financial data

EUR m	2005	2004	Change
GROUP			
Revenues	42.2	35.3	+20%
EBITDA	32.4	23.9	+36%
EBIT	16.1	12.9	+25%
EBT	10.1	6.6	+53%
Equity ratio ¹	72%	78%	
Number of properties ²	63	56	+13%
Property portfolio (NAV)	758.8	472.7	+61%
Total lettable space ²	548,194 m ²	424,773 m ²	+29%
Market capitalisation	803.6	473.3	+70%
s IMMO AKTIE (the share)			
Revenues	23.8	21.2	+12%
EBITDA	18.9	14.5	+30%
EBIT	9.9	7.6	+31%
EBT	9.1	6.2	+47%
Equity ratio	70%	72%	
Number of properties ^{2,3}	42	37	+14%
Property portfolio (NAV)	402.6	308.1	+31%
Total lettable space ²	300,393 m ²	261,361 m ²	+15%
Market capitalisation	436.1	271.3	+60%
Closing price (EUR)	8.70	8.12	+7%
Earnings per share (EUR) ⁴	0.44	0.43	+2%
s IMMO GENUSSSCHEIN (participation certificate)			
Revenues	18.3	14.1	+30%
EBITDA	13.5	9.5	+42%
EBIT	6.2	5.4	+15%
EBT	6.9	5.2	+33%
Equity ratio	67%	75%	
Number of properties ^{2,3}	37	31	+19%
Property portfolio (NAV)	356.2	164.6	+116%
Total lettable space ²	247,801 m ²	163,412 m ²	+52%
Market capitalisation	367.5	202	+55%
Closing price (EUR)	95.2/94	90	+6%/+4%
Earnings per share (EUR) ⁴	4.9	4.0	+23%
Distribution per participation certificate	4.36	4.36	

¹ Including participation capital

² Including development projects

³ Including 50.01% CEE, 50% Germany

⁴ Fair Value Model

Financial highlights 2005

Healthy earnings

- _ Operating profit (EBIT) up 25% to EUR 16m
- _ Profit before tax (EBT) up 53% to EUR 10m
- _ Rental income up 19.4% to EUR 42.2m
- _ Total assets almost doubled, to EUR 920.5m

Major portfolio growth and extended investment range

- _ Volume of new investment up 136% to EUR 288m
- _ Total of 548,194 m² lettable space up to 29%
- _ Germany to become new focus of investment

Success in the capital markets

- _ Substantial increases in value:
 - s IMMO shares up 7.1%,
 - s IMMO INVEST (second tranche) up 9.5%,
 - s IMMO INVEST (first tranche) up 10.8%.
- _ Issue proceeds of EUR 290m to fund future growth

March 2005: s IMMO Invest participation certificate issue proceeds of EUR 20.2m, chiefly placed with Austrian and international institutional investors.

June 2005: a second capital increase for s IMMO INVEST raises EUR 127m for further acquisitions in Austria and CEE.

November/December 2005: two successfully placed capital increases for s IMMO Aktie, generating proceeds of EUR 144m.

- _ Market capitalisation up 70% to EUR 803.6m.

Contents

2	Letter from the Management Board
4	Management bodies
5	Supervisory Board report
6	Corporate strategy
8	Management Board report
8	Economic climate
10	Performance of the Group
18	s IMMO share
28	s IMMO INVEST
38	Additions to Group portfolio
39	Outlook for the Group
40	Significant events after balance sheet date
41	Consolidated financial statements
67	Auditors' report

Letter from the Management Board



Ernst Vejdovszky, Holger Schmidmayr

Dear investors,

For you a successful year means a good performance from your investment, for our customers it means continuity and equitable business relationships and for our partners it means successfully managed projects. For our employees, what is important is challenging and satisfying work, salaries that reflect the contribution they make and the business health which provides job security.

As Management Board of Sparkassen Immobilien AG, we see a good year as being more than the sum of its individual achievements – short-term measurements of financial success seem much in vogue at the moment, but we have longer time horizons. For over 20 years, the Group has focused on consistent long-term growth, security and sustainability. We are proud to have fulfilled this responsibility to the benefit of our business partners, who have entrusted their funds to us. Returns on some investments can mushroom suddenly, but quality property yields do not. We keep our feet planted firmly on the ground and concentrate on our core business – generating sustainable, stable earnings from substantial properties with Austrian and international tenants. As cornerstones of our strategy, we maintain a well balanced geographical and industrial mix, and an exceptionally sound equity ratio. Our acquisitions policy goes beyond flashy successes and quick returns and looks for something more substantial – which is what enables us to offer a stable, sustainable investment.

Your support, as existing or prospective shareholders, demonstrates that you value the prudence of our policies as much as we do.

But more importantly: 2005 was of course another year of excellent results. Revenues were up 20% to EUR 42.2m and EBIT was up 25% to EUR 16m. An important contribution came from our new acquisitions during the year – we spent a total of EUR 288m, double our outlay in 2004.

We have added a number of excellent properties to our s IMMO Aktie and s IMMO INVEST participation certificate portfolios, and we have entered a new and promising market. From our perspective Germany is an interesting prospect, both now and over the longer term, and it will therefore be a new focus for future investment.

And as far as investments are concerned, our capital markets policy continues to reflect our strategy, „What you see is what you get.“ We tell our investors exactly which properties we are acquiring with the money they have entrusted to us. This puts us in the enviable position of not subsequently being forced to invest speculatively acquired capital under pressure and at correspondingly higher prices.

And while on the subject of speculation: the s IMMO shares and participation certificates are anything but speculative investments. They are suited to investors who – like us – plan for the longer term and know the value of stable and sustainable performance. In 2005 our investors enjoyed a return of 7.14% on the s IMMO share and 9.5% or 10.8% (tax-advantaged first tranche) on the s IMMO INVEST participation certificate. On a price/cash earnings and net asset value basis, the s IMMO share was, moreover, one of the most attractive property shares at Vienna Stock Exchange in 2005: for shareholders this means more property for less money.

Not even we can guarantee absolute security. But what we can offer our investors is our 20 years' of experience in real estate investment and our ties to one of Central Europe's largest financial services providers, Erste Bank Group. We have the necessary background to be able to continue to profit from market opportunities. We shall continue to grow at a respectable rate, and our activities will continue to be aligned to match the interests of our customers, our shareholders, our partners and our staff.

Our especial thanks go to all our staff, and to our colleagues at IMMORENT – it is their exceptional dedication and expertise that has meant that we have more than achieved our objectives over the past year.

And finally, a big thank you to our shareholders, customers and partners for their faith in us and their support over the past year, which has been a major factor in the Group's successful performance.

Your Management Board team



Holger Schmidtmayr



Ernst Vejdovzsky

Management bodies

Management Board

ERNST VEJDOVSZKY
Member of the Management Board

HOLGER SCHMIDTMAYR
Member of the Management Board

Supervisory Board

MARTIN SIMHANDL
Chairman

KLAUS BRAUNEGG
First deputy chairman

FRANZ KERBER
Second deputy chairman

CHRISTIAN AHLFELD

GERALD ANTONITSCH

REINHARD AUMANN (until 31 May 2005)

REINHOLD SCHÜRER-WALDHEIM

KURT STÖBER (until 31 May 2005)

PETER TICHATSCHEK

RICHARD WILKINSON

Supervisory Board report

In the exercise of our responsibility to advise the Management Board and to supervise its management of the Group's operations, we, the Supervisory Board, received regular, timely and comprehensive reports from the Management Board, and all matters requiring to be put before the Supervisory Board were submitted to us. Between our meetings, we received written information from the Management Board on important activities.

The Management Board reported regularly on corporate policies and other fundamental issues of corporate strategy, planning and management, on the earnings and financial performance of the Group, on the management of risk, and on business transactions of material significance to Sparkassen Immobilien Aktiengesellschaft. Topics and decisions of current interest were the subject of regular discussions between the Management and Supervisory Boards.

The annual financial statements, in accordance with the Austrian Commercial Code (HGB), and the consolidated financial statements, in accordance with International Financial Reporting Standards (IFRS), have been audited by the independent auditors appointed by the Annual General Meeting, Eidos Deloitte Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH, Vienna, and awarded an unqualified audit opinion. The auditors have also confirmed that the operating review for the Company is consistent with the annual financial statements and that the Group operating review is consistent with the consolidated financial statements.

The auditors attended the meeting of the Supervisory Board to consider the financial statements and gave explanations.

We have inspected the reports by the auditors and accept the outcomes.

We have approved the financial statements prepared by the Management Board, which in accordance with section 125 (2) Austrian Companies Act are therefore adopted.



Martin Simhandl, Chairman

The Supervisory Board would like to thank the Management Board and the staff of Sparkassen Immobilien Aktiengesellschaft for their efforts and dedication during the past year.

Vienna, April 2006

The Supervisory Board

A handwritten signature in black ink, appearing to read 'Simhandl', written over a light-colored background.

Martin Simhandl
Chairman

Corporate strategy

Two separate products for two separate investment needs

Investors can reap the benefits of Sparkassen Immobilien AG's expert knowledge of the property market in several ways:

1. By investing in the accumulating s IMMO Aktie, where investors can realise tax free profits after a one year qualifying period.
2. By investing in s IMMO INVEST's distributing participation certificates, which are Austria's only security with a tax-structure that corresponds to a Real Estate Investment Trust (REIT).

With s IMMO Aktie and s IMMO INVEST, Sparkassen Immobilien AG has taken into account the differing tax positions and individual demands of private and institutional investors.

Long-term investment and portfolio strategy

Sparkassen Immobilien AG pursues a selective acquisitions policy based on security and sustainability. Only properties that satisfy the following criteria are of interest: prime locations in major European cities, top quality building fabrics, long-term tenants of impeccable financial standing and yields that provide our shareholders with long-term growth.

Another major consideration is the price one pays for property quality, i.e., the price per square metre. Sparkassen Immobilien AG's long-term investment strategy does not include high short-term yields bought expensively. Sparkassen Immobilien AG is not prepared to buy yields at any price – it is more important to protect shareholders' interests and to ensure that values are sustainable. When expanding into new markets we invest in markets we know, such as Germany and Eastern Europe. Here we can use the expertise of Erste Bank specialists who generally have many years of local, on-the-ground experience. As part of Erste Bank Group, Sparkassen Immobilien AG benefits from synergies when making acquisitions in new markets.

Lease agreements are mainly concluded in euro, so that Sparkassen Immobilien AG's exposure to exchange rate risks is minimal. The properties are managed by our in-house experts, ensuring high levels of customer and tenant satisfaction.

The optimum portfolio mix

Different regions and sectors experience different cycles. Sparkassen Immobilien AG's policy is therefore to maintain a regional balance, with a backbone of stable yields in Austria and Germany complemented by higher yielding CEE-EU properties with capital growth potential. The CEE proportion is to be expanded until it represents about half the portfolio, and Austria and Germany will make up most of the other half. The portfolio currently consists predominantly of office property; it will in future be further diversified by adding residential and retail properties to improve the mix, until the ideal balance of property types is achieved.

Security through equity funding

Sparkassen Immobilien AG's focus is on long-term security, and it will therefore maintain a respectable equity ratio of at least 50%, so as to continue to be able to take advantage of opportunities in the property markets without being affected by interest rate risks.

Healthy growth

The basis of our further measured growth will be reliable rental incomes and judicious acquisitions, in order to gradually expand our portfolio. Sparkassen Immobilien AG's philosophy is to pursue growth vigorously and consistently, while being fully aware of all the risks. Expansion will be financed by regular capital issues. We aim to achieve market capitalisation well in excess of EUR 1 bn during 2006, and the investment portfolio will pass the EUR 1 bn mark.

Clear-cut property valuations and substantial reserves

Appropriate and understandable property valuations are important, because they enable investors to have an overall grasp of a business's performance. Here, too, we are extremely conservative. Our property valuations err on the side of prudence, so that substantial undisclosed reserves are built up. For the sake of maximum transparency and impartiality, Sparkassen Immobilien AG employs internationally respected valuers such as CB Richard Ellis or DTZ. In the financial statements, the cost model is used to account for the property portfolio, which produces the more conservative results. For comparative purposes, the results using the fair value model are also shown.

Specialist skills under management agreement

As Erste Bank Group's property investment company, we can draw on the skills and expertise of the many specialists employed in the Group, which gives our investors even greater security. As examples: there are professionals in financing we call on, and experts with local knowledge of the markets in the individual countries of Central and Eastern Europe. Sparkassen Immobilien AG has a management agreement with IMMO-RENT AG to provide the acquisition expertise, administration and infrastructure, so as to have direct and immediate access to the necessary skills and resources. The members of Sparkassen Immobilien AG's Management Board have contracts of employment directly with Sparkassen Immobilien AG.

Diversification through foreign subsidiaries

Sparkassen Immobilien AG has grouped its holdings outside Austria in wholly owned subsidiaries. CEE Property-Invest Immobilien AG is the Central European holding company for all activities in Bulgaria, Croatia, the Czech Republic, Hungary, Romania and Slovakia. The advantage of this is that the activities are better managed separately, and separate disclosure of the results makes for greater transparency. Investors see the benefits of portfolio diversification.

Management Board report

Economic climate

EUROZONE, AUSTRIA, CZECH REPUBLIC, GERMANY, HUNGARY, AND SLOVAKIA

Eurozone growth slower than that of global economy and growth engine USA

Real economic growth in the eurozone of 1.5% in 2005 compared with 2.1% in 2004 was disappointing in comparison with global growth, although performance within the eurozone varied considerably. The eurozone interest base rate of 2.25% was significantly lower than the base rate of 4.25% in the USA, where an end to interest rate increases is however in sight. The ECB increased the base rate in December 2005 for the first time in five years, on the grounds that the economic outlook was improving.

Austria eurozone growth leader

Austria outperformed the eurozone for the fourth year in succession in 2005, with growth of 1.7%. GDP per capita of EUR 29,800 was among the highest in the European Union. Unemployment fell back to 5.1%, significantly lower than the eurozone average of 8.5%. Inflation increased slightly, to 2.2%.

Germany on track for modest growth

While the overall economic climate did not improve in 2005, the German economy advanced by 1.1% thanks to strong exports. Unemployment of 11.5% remains far above the European average. Inflation rose to 2.0%, due to increased energy prices.

Growth in Eastern Europe again stronger

In 2005, the Czech Republic had the fastest growing economy of all the new EU countries. GDP was up 5.0% thanks to increased exports, while domestic demand was positive but muted. At EUR 9,600, GDP per capita was among the highest in Central and Eastern Europe. This positive development was reflected in unemployment, which fell to 7.9%. Slovakia's economic performance was also encouraging, with growth of 5.7% and GDP per capita of EUR 6,900. As private consumption remained stable, unemployment fell from 18.1% in 2004 to 16.4%. Progress was also made in the fight against inflation, which halved to 2.7%.

The Hungarian economy also posted respectable growth, with GDP of 3.7% and GDP per capita of EUR 8,700. Growth was driven by strong domestic demand in the form of private consumption and increased investment. Unemployment increased slightly to 7% while inflation fell to 3.7%.

REAL ESTATE TRENDS

Austria and Central Europe

Rents for office property in Vienna remained stable, resulting in average returns of between 5.5% and 6.5%. Vacancy rates continued low at 6.5%, and no major changes in the situation are expected in 2006. A number of moves by government offices in 2005 meant that new lettings increased significantly: volumes were up by roughly 40%. Up until 2004, it was mainly German funds investing heavily in Viennese office space; 2005 saw Austrian investors clearly leading the field, particularly in residential property.

Germany

In the German office and residential property market in 2005 there were pronounced regional differences in major cities such as Frankfurt, Hamburg, Munich and Berlin with respect to rentals and yields. The generally low level of domestic demand contrasts markedly with the growing interest of international investors in residential property, which led to a slight increase in prices. The commercial property market (office and retail property) was characterised throughout by low rents and high vacancy rates, although yields were in general considerably higher than in Austria.

CEE EU countries

The interest of property investors in the Czech Republic, Hungary, Poland and Slovakia was concentrated on commercial property.

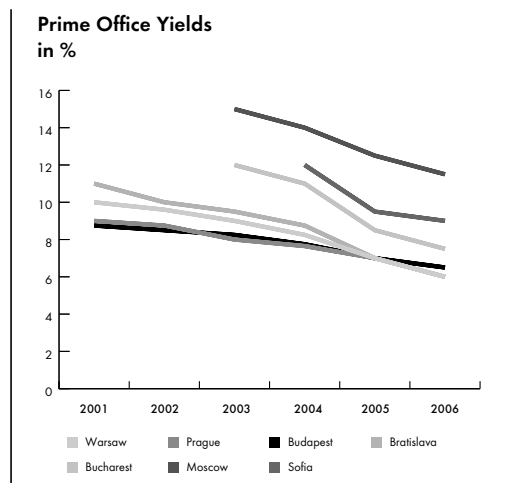
Although yields in the Czech property market have now almost reached Austrian levels, international investors continue to be very interested. Rising vacancy rates have however increased the pressure on the level of rents. Rents in Slovakia continued to decline, as a result of the large amount of new space available. Yields on office property were still somewhat higher than in Budapest or Prague. In the meantime rents in Budapest have stabilised at low levels, while vacancy rates fell to 11%. At present projects and new development are again on the increase. In Poland rent levels fell as a result of exchange rate fluctuations of the euro and the dollar and the increased amount of space on offer.

CEE EU candidate countries: Bulgaria and Romania

Overall, there are few suitable investment properties on the market in either country, even though there is a considerable shortage of Western-standard lettable office space to be made good. Rents fell slightly, and yields were almost 8.5%.

Emerging markets: Serbia and Ukraine

The almost total absence of office space from the market has pushed rents up to very high levels. There are currently many projects in the pipeline, but the practical effect on rent levels will not be felt for two or three years. At present yields are still around 11%, but liable to fall sharply.



Source: DTZ Research, January 2006

Performance of the Group

Sparkassen Immobilien AG has posted nothing but profits since its beginnings almost 20 years ago. In 2005 the Company continued its record of success, surpassing 2004's already excellent result and exceeding all its internal budgetary targets for 2005 by a significant margin.

The following summary presents an overview of the consolidated results for the Group. Summaries of the two separately accountable parts – s IMMO Aktie and s IMMO INVEST – are on pages 18 and 28.

Revenues increased by nearly 20%

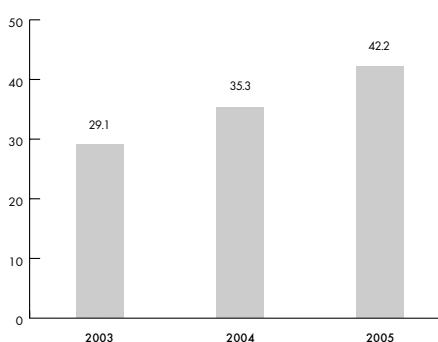
In comparison with 2004, revenues were up 19.4%, from EUR 35.3m to EUR 42.2m, and rental income rose by 16.5% to EUR 34.2m. Operating revenue, which also includes the results of Hotel Marriott in Budapest, climbed by 38.2% to EUR 51.8m. This above average increase was principally attributable to the new acquisitions, combined with the established portfolio of secure, long-term lease agreements and the additional lettings both in Austria and abroad. The Central European portfolio contributed 40.3% of total rental income of EUR 13.8m.

Excellent earnings

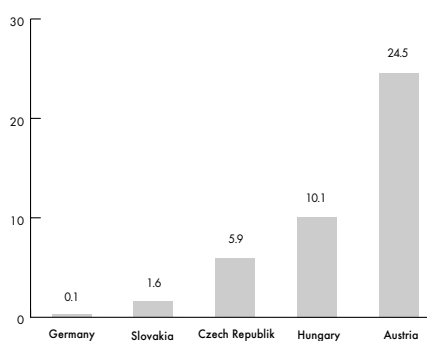
Operating profit (EBIT) climbed by 25% compared with last year, from EUR 12.9m to EUR 16.1m. This increase, which exceeded what we had budgeted internally, was primarily attributable to increased rental income in connection with new acquisitions, gains on the sale of properties and a disproportionately low increase in expenses. The regular revenues from the core Austrian portfolio have come to be matched by the high income CEE properties, which in 2005 contributed more than 50% of operating profit. Sparkassen Immobilien AG's EBITDA for 2005 was EUR 32.4m (2004: EUR 23.9m), and consolidated profit before tax amounted to EUR 6.8m (2004: EUR 5.0m).

Total assets of EUR 920.5m have nearly doubled in comparison with last year, mainly as a result of the increase of 58% in the property portfolio from EUR 446m to EUR 707m. Following capital issues in June and November-December, the Group's capital and reserves have risen by 62%, to EUR 387.7m. Despite all our investments in the property portfolio, the equity ratio at balance sheet date still stands at 72%. Our policy is gradually to reduce the ratio by further acquisitions, to around 50%, which will still be above other institutions' benchmark rate.

Revenues
EUR m



Portfolio by region
EUR m



Summarised balance sheet as at 31 December 2005

EUR m	2005	2004	Change
ASSETS			
Non-current assets	717.6	454.7	+58%
Current assets	202.6	23.7	
Accruals and prepayments	0.3	1.7	
Total assets	920.5	480.1	+92%
EQUITY AND LIABILITIES			
Capital and reserves	387.7	224.7	+73%
Participation certificates	276.8	147.9	+87%
Non-current liabilities	207.9	71.9	
Current liabilities	43.3	33.6	
Deferred income	4.8	2.0	
Total equity and liabilities	920.5	480.1	+92%

Summarised income statement for the year ended 31 December 2005

EUR m	2005	2004	Change
Revenues	42.2	35.3	+19%
Other operating income	7.6	2.1	
Gains on property disposals	2.0	0.0	
Operating income	51.8	37.5	+38%
Other operating expenses	-19.4	-13.5	
EBITDA	32.4	23.9	+35%
Depreciation and amortisation	-16.3	-11.0	
Operating profit (EBIT)	16.1	12.9	+25%
Financial expenses	-6.0	-6.3	
Consolidated profit before tax (EBT)	10.1	6.6	+52%
Taxes on income	-1.6	-1.6	
Profit after tax	8.5	5.0	+69%
whereof interests of shareholders in parent company	6.8	5.0	
whereof minority interests	1.7	0.0	

PROPERTIES

New investments doubled

During 2005 Sparkassen Immobilien AG completed property investments totalling EUR 287.9m, double the amount we invested in 2004. Some 69% went into properties in Austria, 12% was invested in Germany, and 19% was channelled through our wholly owned subsidiary, CEE Property-Invest, into CEE countries. The total number of properties rose to 63 and the total lettable space rose by 29% to 548,194 m².

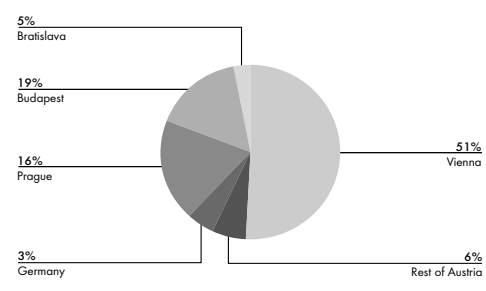
Acquisition costs	287.9 EUR m
Total lettable space	548,000 m ²
Occupancy rate	93%

Eight new properties were acquired. The most important acquisitions in Austria included a majority interest in Vienna's two most renowned department stores, Steffl and Herzmansky, and the building that houses the Social Insurance Fund for Farmers, in Vienna's 3rd District.

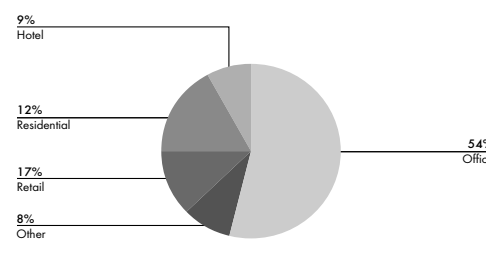
Sparkassen Immobilien AG made its first purchase in the German property market by acquiring two office buildings in Hamburg which satisfy our strict investment criteria and have attractive price/yield ratios. The Group's meticulous preparations also enabled it to buy or initiate development of some exceptional properties in the otherwise somewhat overheated markets of Budapest and Bratislava. Unit II of the Galvaniho development project in Bratislava was largely completed and rented in 2005. During the year, we received planning permission for a total of 40,000 m² of office space for another development project, the Office Center Pankrac in Prague. Construction on the Brünner Strasse project in Vienna's 21st District is proceeding according to plan. The 10,000 m² of commercial space is already fully let and will be opening in the third quarter of 2006. In 2005 we invested a total of EUR 2.5m in maintaining the fabric of our properties, in line with our value and quality strategy, and in support of the long-term capital growth of the portfolio.

The average occupancy rate for the Group in 2005 was 92%. In Austria it was 93%, but for CEE Property-Invest Immobilien AG it fell back to 89%, principally because of the departure of

Total lettable space by region



Total lettable space by sector



RISK MANAGEMENT

In the interests of its stakeholders, Sparkassen Immobilien AG recognises a clear duty to deal seriously and responsibly with the risks to which it is exposed in its business activities: risk assessment and monitoring forms an integral part of its business processes. The major risks involved are market risks, strategic and operational risks, and financing and exchange risks.

Market risk

Property markets are commonly exposed to the cyclical fluctuations of different industries and countries. Sparkassen Immobilien AG avoids potential exposure to such trends by a broad spread of property portfolio investments, both sectorally and geographically, and is shortly planning even more extensive diversification. Last year's expansion into the German real estate market was in both respects a major step in this direction, and plans for the future include greater emphasis on the acquisition of hotel and residential property in Germany. An additional safety factor is the regular market monitoring, which makes possible a more accurate assessment of price trends in the regions of the Group's existing and prospective investments.

Strategic risk management

Sparkassen Immobilien AG has clearly defined investment guidelines in relation to legal requirements, markets, locations, tenants and pricing policies. All proposed acquisitions are checked by in-house experts and on the basis of analysis by our international business partners to ensure that they comply with these guidelines, before being presented to the Supervisory Board for approval. The primary function of the investment guidelines is to protect the durable, sustainable long-term growth in portfolio value and to increase it wherever possible.

Operational risk management

large, international tenants with top credit ratings, so that the risk of tenants defaulting is reduced to a minimum. And in order to enhance customer satisfaction, long-term tenant loyalty and high occupancy rates the Group uses its own experts to manage the properties.

Financing and exchange risks

With a respectable equity ratio (including participating capital of 72%, Sparkassen Immobilien AG has created the preconditions which provide stability even in economically troubled times and make continuity possible. This is the best possible insurance against rising interest rates. Use is of course also made of refinancing instruments such as fixed interest loans and – predominantly – variable term borrowing combined with long-term interest rate caps. The finance specialists of core shareholder Erste Bank play a key role in advising and agreeing on financing questions. Sparkassen Immobilien AG's exposure to exchange risks is minimal, since tenancy agreements are as a general rule concluded in euro.

Sparkassen Immobilien AG offers its investors sustainable returns through investment in two stock exchange listed securities: s IMMO Aktie, an accumulation share with long-term value growth and tax-free capital gains, and s IMMO INVEST, a participation certificate which offers the invest

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Operational risk management

The basis of stable, sustainable income from real estate management is rental income, which is why Sparkassen Immobilien AG prefers to make longer-term lease agreements with provision for indexation. The majority of agreements are with

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The two securities are accounted for separately, for legal reasons.

Vienna - Steffl department store



The heart of Vienna's main shopping street





As a Sparkassen Immobilien AG investor I decided to see some of our properties for myself. After all, our portfolio features distinguished and highly profitable properties. This year I decided to focus on properties in the capital cities of our key investment markets. My journey began in Vienna and took me to Prague and finally Budapest. And here are my findings.

Saturday, 11 February 2006: Kärntnerstrasse 19, Vienna. I am standing in front of this up-market department store, in Vienna's busiest shopping street. Sparkassen Immobilien AG's managers acquired the property for us in 2005. The impressive façade makes the building stand out from its surroundings. Inside, the design is immediately convincing – the building was remodelled when the department store was extended in 1997. Almost 40 different tenants of all kinds are spread across the 11-floor 20,400 m² property. It seems as though the architecture with its many levels and visual interruptions is well received, since the building is full and the customers are buying. Mr Mooswalder, our man on the ground, treats me to a peek behind the scenes. State-of-the art air conditioning, centralised security systems – it's all there. By 17.59 I am convinced. This is a superb property with excellent yields in a great location.

s IMMO Aktie (the share)

Key indicators – s IMMO Aktie

	2005	2004
Earnings per share (EUR) ¹	0.44	0.43
Cash-flow/share (EUR)	0.46	0.40
DPS (Accumulating)	0.0	0.0
Net Asset Value (EUR)	8.1	7.7
Gearing	-2%	24%
P/E ¹	19.7	19.0
P/CE	19.0	20.0
P/NAV	107%	106%

¹ Fair Value Model

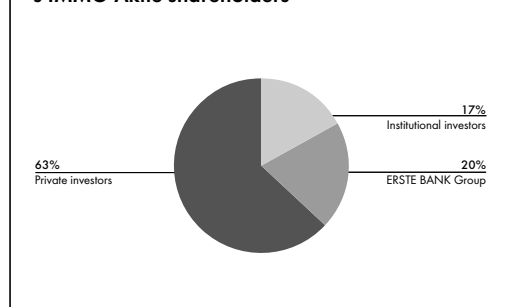
Stock exchange information (31 Dec 2005)

ISIN code	AT000.0652250
Reuters code	SIAG.VI
Bloomberg	SPLAV
Number of shares 31 December 2005	50,118,518
Market capitalisation	436.1 EUR m
High	8.73 EUR
Low	8.15 EUR

Performance (31 Dec 2005)

1 year	7.1%
3 years, p. a.	6.3%

s IMMO Aktie shareholders



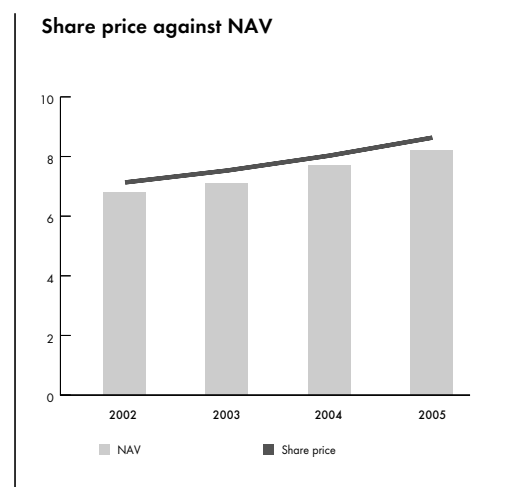
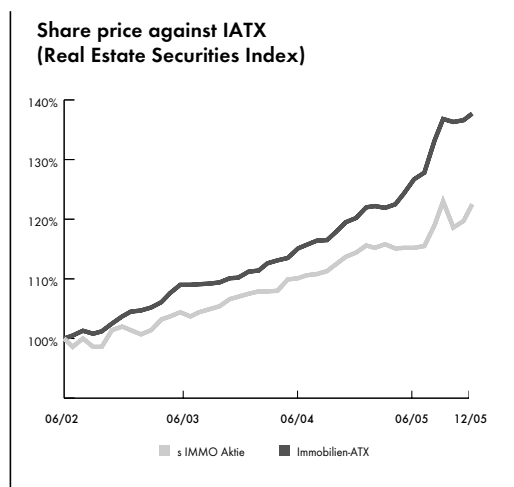
PROFILE

s IMMO Aktie is invested for maximum security. The broad diversification of its portfolio, both geographically and sectorally, and its strong equity basis make it an investment with stable, long-term returns. Provided the shares are held for at least a year, capital gains are tax free.

Based on its cash earnings and NAV indicators for 2005, s IMMO Aktie was particularly attractively valued relative to investments in all other listed property companies. The share is an attractive core investment for any balanced property securities portfolio.

Success in the capital markets: performance up 7.1%, market capitalisation up 60%

While global leading indexes ended 2005 slightly down or with minor gains (Dow Jones Industrial Index -0.6%, Nasdaq +1.4%), Vienna's ATX Index recorded a recent all-time high, with an increase of 50.8%, making the Vienna Stock Exchange one of the world's best performers. One of the principal factors in this above-average performance were the climbing profits of those listed companies which have successfully positioned themselves in the growth markets of Central and Eastern Europe. The extremely satisfactory development of the 14 stocks making up the Vienna Exchange's Real Estate Securities Index (IATX) also played an important part: during 2005 the IATX



climbed 14%, and s IMMO Aktie's performance in the capital markets paralleled it. At the beginning of 2005 the share price stood at EUR 8.24, and it closed the year at a high of EUR 8.70.

Demand for Austrian property stocks continued strong throughout the year, and the Group took the opportunity to raise fresh capital, placing two new issues with institutional investors in Austria and internationally, and with Austrian private investors. With a free float of 79.99% at 31 December 2005, we have significantly broadened our shareholder base. In November and December we issued 16,706,239 new shares in two tranches at a price of EUR 8.40, and with the rise in share price our market capitalisation reached new heights, with an increase of 60% over the figure of EUR 271.3m at the end of 2004. Earnings per share (EPS) based on the fair value model were EUR 0.44, as compared with EUR 0.43 for last year. s IMMO Aktie's net asset value (NAV per share) rose in 2005 by 5.7%, from EUR 7.70 to EUR 8.10. With a price/cash earnings ratio of 19.0 the stock was one of the best bargains among Vienna listed property companies.

With an equity ratio of 70% (2004: 72%), s IMMO Aktie is one of Austria's property shares with the strongest equity backing. Our target in the medium term is an equity ratio of 50–60%.

Property portfolio grows to EUR 403 million

During 2005 we purchased a total of seven properties in which s IMMO Aktie has an interest. This brings the assets attributable to the s IMMO Aktie portfolio to EUR 402.6m and the total lettable space to 300.393 m².

Sparkassen Immobilien AG has a clear-cut investment strategy for s IMMO Aktie: a mixture of Austrian properties (residential, commercial, office, hotel) provide the basic security, while the current 35% high yield portion of total lettable space is properties in Central and Eastern Europe.

In terms of square metres, the Austrian portion of the portfolio at the year end was 62%; with its average yield of 6% for 2005, it compares well with the domestic property market and represents the portfolio's backbone of stable and assured revenues. The dynamic 35% part of the portfolio is provided by CEE markets. The CEE portfolio as a whole, in which s IMMO Aktie has a more than 50% interest through CEE Property-Invest, showed an average return of 8.5%, boosting the overall yield on s IMMO Aktie's property portfolio. The remaining 3% of total lettable space is in Germany, the Group's new investment area.

s Immo Aktie's average rental yield in 2005 was 6.8%, at the same level as last year. Occupancy rates for s IMMO Aktie in 2005 were an average of 91%, slightly higher than the industry average.

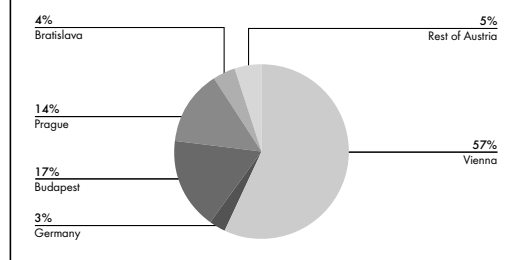
As in previous years, property valuations were carried out by a number of well-known international property firms such as CB Richard Ellis and DTZ. Our policy of prudence extends to valuations as well.

Total lettable space (m²) ¹	300,393
Austria	186,218
Central Europe ²	105,800
Germany ³	8,375

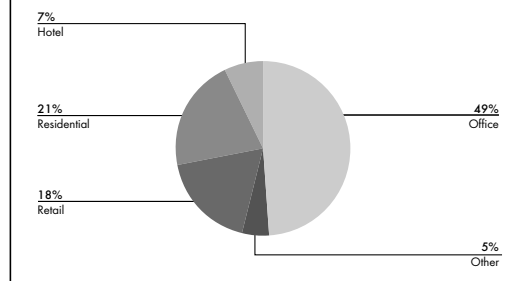
Market value of rental property (EUR m)	402.6
Austria	270.8
Central Europe ²	114.6
Germany ³	17.2

Average yield of rental properties	6.8 %
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Regional distribution ¹



Primary use



As at 31 December 2005

¹ Including development property

² Proportionate 50.01% share

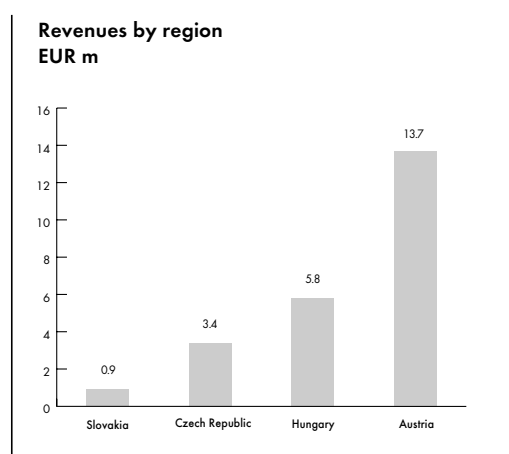
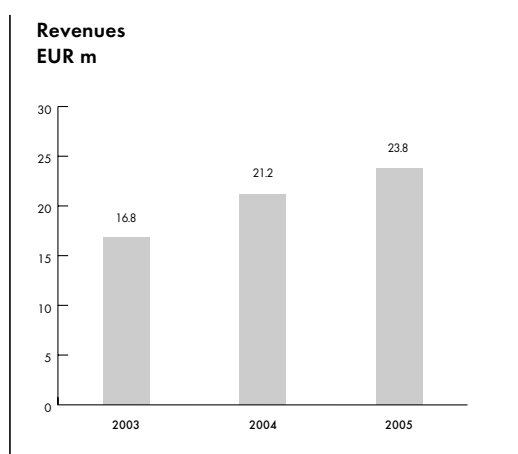
³ Proportionate 50% share

Consolidated balance sheet s IMMO share as at 31 December 2005

EUR_000	2005	2004	Change
ASSETS			
A. Non-current assets			
I. Intangible assets	37	26	+42%
II. Property, plant and equipment	376,952	293,685	+28%
III. Financial assets	120	167	
IV. Long-term receivables	2,347	1,312	+79%
	379,455	295,190	+29%
B. Current assets			
I. Receivables and other assets	32,139	12,502	
II. Marketable securities and investments	6,176	0	
III. Cash and cash equivalents	120,537	2,488	
	158,852	14,990	
C. Accruals and prepayments	203	1,096	
	538,509	311,275	+73%
EQUITY AND LIABILITIES			
A. Shareholders' equity			
I. Share capital	366,925	224,657	+63%
II. Minority interests	11,958	0	
	378,883	224,657	+69%
B. Non-current liabilities	114,693	49,939	+130%
C. Current liabilities	41,575	34,686	+20%
D. Deferred income	3,358	1,993	+68%
	538,509	311,275	+73%

Consolidated income statement for the year ended 31 December 2005

EUR_000	2005	2004	Change
Revenues	23,812	21,205	+12%
whereof: rental income	19,127	17,360	+10%
Other operating income	4,532	1,696	
Gains on property disposals	1,192	0	
Operating revenue	29,536	22,903	+29%
Depreciation and amortisation	-8,939	-6,909	+29%
Other operating expenses	-10,670	-8,439	+26%
Operating profit/EBIT	9,927	7,554	+31%
Expenses of participating certificates	-3,196	-1,931	
Other financing expenses	2,344	557	
Net financing cost	-852	-1,375	
Profit before tax/EBT	9,075	6,179	+47%
Taxes on income	-1,366	-1,142	
Profit after tax	7,709	5,037	+53%
Interests of shareholders in parent company	6,806	5,037	
Minority interests	-903	0	



Revenues up by 12%

Revenues for s IMMO Aktie rose in 2005 by 12%, from EUR 21.2m to EUR 23.8m, mainly as a result of new acquisitions and the consistently high occupancy rate of 91%. Around 58% of the revenue (EUR 13.7m) arose in Austria, while the Czech Republic and Hungary contributed 42%, or EUR 10.1m.

EBIT up by 31%

EBITDA in 2005 was EUR 18.9m compared with EUR 14.5m in 2004, and operating profit (EBIT) rose by 31%, from EUR 7.6m to EUR 9.9m, largely as a result of increases in rental income. The consolidated profit after tax also rose again – by 35%, from EUR 5m to EUR 6.8m.

Net Asset Value (NAV)

EUR m	31.12.2005	31.12.2004
Capital and reserves	366.9	224.7
Undisclosed reserves in property portfolio	41.0	31.3
Net Asset Value	407.9	256.0
Number of shares	50,118,718	33,412,479
NAV/share EUR	8.1	7.7
Share price	8.7	8.12
Share price/NAV	107%	106%

s IMMO Aktie – Fair value model reconciliation

EUR ,000	Cost model 2005	Adjustment	Fair value model 2005
Revenues	23,812		23,812
Revaluation of properties (IAS 40)	0	5,650	5,650
Other operating income	4,532	-550	3,982
Income from the sale of property	1,192	-1,192	0
Operating income	29,536	3,908	33,444
Depreciation and amortisation	-8,939	8,608	-331
Other operating expenses	-10,670	-350	-11,020
Operating profit (EBIT)	9,927	12,166	22,093
Financial expenses	-852	0	-852
Profit for before tax (EBT)	9,075	12,166	21,241
Taxes on income	-1,366	-3,243	-4,609
Profit after tax	7,709	8,923	16,632
— whereof interests of shareholders in parent company	6,806	8,483	15,289
— whereof minority interests	903	439	1,342
Average number of shares in circulation	34,630,642		34,630,642
Earnings per share	0.20		0.44

Earnings under IAS 40

Sparkassen Immobilien AG's accounting policy is to use the cost model as described in IAS 40: properties are recognised at cost of acquisition or construction less accumulated depreciation and impairment losses. The alternative under IAS 40, the fair value model, is gaining increasing acceptance. This method recognises all changes in the market value of the property in the income statement. For the sake of completeness and transparency, Sparkassen Immobilien AG presents the income statement for s IMMO Aktie under the fair value method as well.

s IMMO Aktie property portfolio

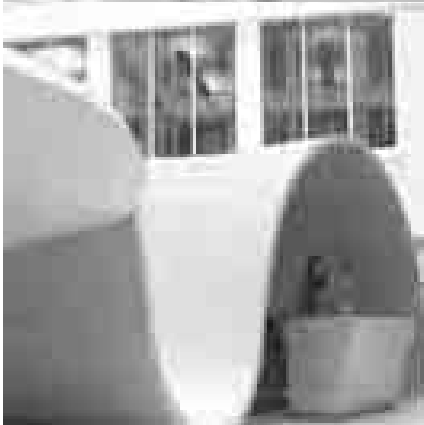
as at 31 December 2005	Acquisition	Use	Area in m ²	Market value EUR m	Yield/ market value
Rental property					
1010 Vienna, Kärntner Straße 19, Kaufhaus Steffl (37.5% interest)	2005	commercial	6,400	33.0	7.2%
1010 Vienna, Ballgasse 4	1990	residential	1,410	3.6	3.5%
1040 Vienna, Theresianumgasse 7	2003	office and residential	5,507	8.2	5.7%
1050 Vienna, Bräuhausgasse 3-5	1989	office	2,277	2.7	5.9%
1050 Vienna, Schönbrunnerstraße 108	2000	office	3,072	5.6	6.4%
1050 Vienna, Schönbrunnerstraße 131	2000	office	2,901	4.7	6.7%
1060 Vienna, Mariahilfer Straße 103	2004	office and residential	11,181	18.8	5.1%
1070 Vienna, Mariahilfer Straße 26-30, — Kaufhaus Herzmannsky (37.5% interest)	2005	commercial	7,450	30.5	5.7%
1070 Vienna, Burggasse 51	1998	residential	11,303	13.4	4.5%
1070 Vienna, St. Ulrichsplatz 4	2000	residential	2,433	3.7	5.7%
1070 Vienna, Stückgasse 9	1990	residential (condominium)	652	0.4	2.5%
1070 Vienna, Schottenfeldgasse 29	2004	office	9,355	10.9	7.7%
1090 Vienna, Otto Wagner Platz 5	2004	office	9,067	16.6	6.9%
1100 Vienna, Hasengasse 56	1999	industrial	7,781	7.7	4.3%
1130 Vienna, Amalienstraße 48	1990	office	2,078	3.2	6.5%
1150 Vienna, Meiselstraße 8	1996	commercial and residential	17,107	23.4	6.1%
1160 Vienna, Lerchenfeldergürtel 43	2000	industrial (site)	5,804	7.5	5.8%
1160 Vienna, Lobmeyrgasse 5-7	1992	commercial and residential	16,691	14.7	6.2%
1180 Vienna, Kreuzgasse 72-74	1999	commercial and residential	19,735	27.4	6.1%
1190 Vienna, Heiligenstädterstraße 181	1996	residential	2,012	2.6	5.9%
1220 Vienna, Am Kaisermühlendamm 87	1993	office and residential	10,923	14.3	6.3%
1230 Vienna, Ketzerergasse 6-8	1989	office	2,334	2.4	4.1%
2700 Wr. Neustadt, Prof.-Dr.-Stefan-Koren-Str. 8a	1991	office and commercial	2,604	2.8	5.1%
4020 Linz, Rainerstraße 6-8	1988	commercial and office	5,836	7.0	6.2%
4061 Linz-Pasching, Schärldinger Straße 5	1990	industrial	2,800	1.1	5.3%
5020 Salzburg, Ernst-Grain-Straße 5	1991	office	1,240	1.7	4.6%
9020 Klagenfurt, Siriusstraße 3	1988	office	2,191	3.1	6.5%
			172,144	270.8	6.0%
Development property					
1210 Vienna, Brünner Straße 72 a	2005	commercial	14,074		
			14,074		
Total lettable space – Austria			186,218		
Central Europe CEE Property-Invest Immobilien AG					
Rental property					
11000 Prague, Narodni 41, (Areal)	2003	office	2,781	7.7	7.7%
11000 Prague, Wenzelsplatz 22 (Hotel Julius)	2004	hotel and commercial	6,870	20.0	9.8%
11000 Prague, Wenzelsplatz 41, (Luxor)	2002	hotel and commercial	8,767	20.0	8.2%
18600 Prague, Thámova 13, (Palác Karlín)	2001	office	16,043	23.6	3.7%
1051 Budapest, Bajcsy-Zsilinszky út. 12, (City Center) – ECE Buda	2001	office	10,749	17.5	8.5%
1134 Budapest, Váci út. 35, (The River Estates) – CFE Kft	2001	office	29,325	43.0	7.6%
1138 Budapest, Váci út. 202, (Unilever HQ) – Bank Garasz	2001	office	14,371	16.0	8.8%
1122 Budapest, Maros utca 19-21 (Maros Utca Business Center)	2004	office	8,758	12.4	8.6%
1016 Budapest, Hegyalja út. 7-13 (Buda Center)	2005	office	7,580	8.0	7.3%
1052 Budapest, Apaczai Csere János u. 2-4 (Budapest Marriott Hotel)	2005	Hotel	30,000	48.3	9.9%
82104 Bratislava 2, Galvaniho 7 (Galvaniho Business Center Unit I)	2004	office	11,374	12.7	9.0%
			146,617	229.2	8.5%
Development property					
82104 Bratislava 2, Galvaniho 7 (Galvaniho Business Center Unit II)	2005	office	13,940		
14000 Prague, Na Pankraci 127/1683	2003	office	approx. 51,000		
			64,940		
Total lettable space – Central Europe	31.12.2005		211,557	229.2	
Germany					
Rental property					
20457 Hamburg, Großer Burstah 18-30 + 32-34	2005	office	16,750	34.4	6.6%
			16,750	34.4	6.6%
Total lettable space – Germany	31.12.2005		16,750	34.4	
Total Austria					
			186,218	270.8	
Central European property held through CEE Property-Invest Immobilien AG (50.01%)					
			105,800	114.6	
German property held through Beteiligung Aramisto Immobilien GmbH (50%)					
			8,375	17.2	
Total lettable space – s IMMO Aktie	31.12.2005		300,393	402.6	6.8%

Prague – Palác Karlín



Interplay between history and modern architecture





Monday, 13 February 2006: Prague. I leave my hotel in central Prague for the district known locally as Karlín. Within ten minutes I am among the imposing, old industrial and commercial buildings that are typical of this part of the city. There is really something going on here! Old buildings are being lovingly restored, small shops and restaurants are springing up. At the heart of this bustling activity is the Palác Karlín office complex. The building, owned by Sparkassen Immobilien AG since 2001, makes a powerful impression thanks to its meticulously renovated façade. I enter the building and stand in the huge atrium absolutely speechless. I really didn't expect this: a stylish modern reception area, offices with state-of-the-art equipment and top of the range security systems! The total of 16,000 m² of office space is split across five levels. Only a few offices are still unoccupied, and the last free office units are well on the way to being rented. I hope that even more properties like this one will be added to our portfolio soon.

s IMMO INVEST participation certificate

Key indicators s IMMO INVEST

	2005	2004
Earnings per share (EUR) ¹	4.9	4.0
Cash-Flow/share (EUR)	4.2	4.4
DPS	4.4	4.4
Net Asset Value (EUR)	84.5	81.0
Gearing	17 %	14 %
P/E ¹	19.4/19.1	22.3
P/CE	22.6/22.3	20.5
P/NAV	113 %/111 %	111 %

¹ Fair Value Model

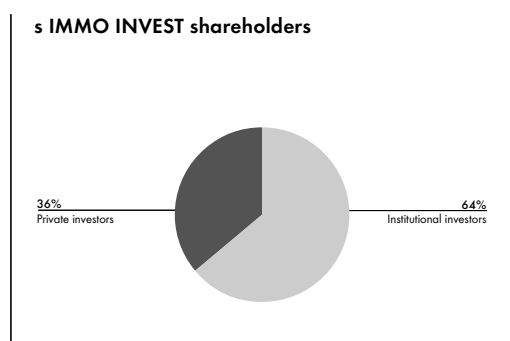
Stock exchange information (31 Dec 2005)

ISIN code	AT000 079573 7/AT000 63069 4
Reuters code	SIIG.VI
Bloomberg	SPIG.AV
Certificates in issue	2,040,000/1,843,398 (2 nd tranche)
Market capitalisation	367.5 EUR m.
Distribution	June 2006
High	EUR 96.10/97.40
Low	EUR 91.20/90.68

Performance (31 Dec 2005)

1 year	10.8%
3 years, p.a.	9.2%
Since issue, p.a.	8.7%

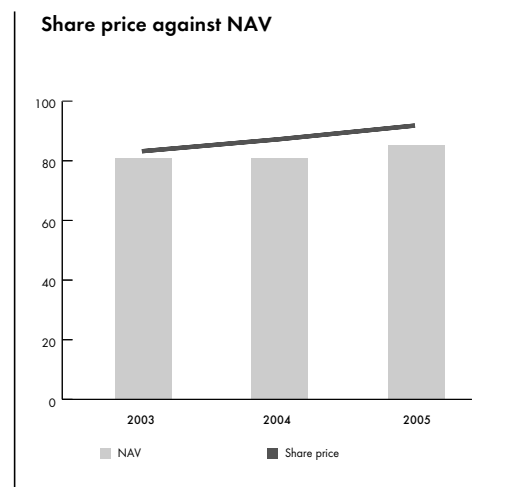
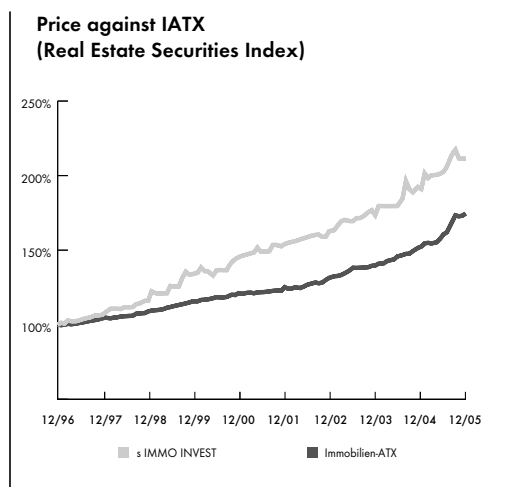
s IMMO INVEST shareholders



PROFILE

The s IMMO INVEST participation certificate is the only property security listed on the Vienna Stock Exchange – participating bond in the meaning of section 174 Austrian Companies Act (AktG) – to make distributions out of profit. It aims to generate long-term capital growth on a widely diversified property portfolio. s IMMO INVEST gives investors the right to participate in the company's profits. We concentrate on office and commercial properties, and our investors also benefit from our 49% interest in CEE Property-Invest Immobilien AG's Central and Eastern European growth portfolio. Since December 2005, about 3% of s IMMO INVEST's total lettable space has been accounted for by Germany.

Distribution-oriented and, in particular, institutional investors value s IMMO INVEST's tax optimised structure: it is currently the only Austrian property security structured as a real estate investment trust (REIT), an investment vehicle in widespread use around the world. It allows the net cash flows to be distributed to the investors so that earnings are not taxed in the hands of the company. For individual investors, the tax paid is limited to the investment income tax deducted at source.



Success in the capital markets: performance up 10.8%, market capitalisation up 55%

At the start of 2005 the market price of the s IMMO INVEST participation certificate was EUR 90.00, and EUR 90.70 for the first tranche, which was issued in 1996. The closing market prices were EUR 94.00 and EUR 95.20. This represents a performance of 10.8% and 8.7% p.a. respectively.

In March and June 2005 we increased the capital in order to drive forward growth of the s IMMO INVEST property portfolio. We placed a total of 1,639,399 new participation certificates at an issue price of EUR 90, generating issue proceeds of EUR 127.4m. With this issue we have tapped a group of major international investors for the first time. The s IMMO INVEST participation certificate is intended to be held entirely by the public, with a free float of 100%. At balance sheet date market capitalisation of EUR 367.5m was up 55%, as a result of constant value growth and the capital increase.

s IMMO INVEST participation certificates distribution for 2005

(Clause 5 Participating Certificates Agreement)

EUR_000	2005	2004
Attributable profit	2,669	5,207
+ Depreciation and amortisation	3,507	1,939
Issuing costs	-7,508	-
Premium (for distribution)	13,286	-
Allocation to reserves (clause 5)	-1,813	-942
Income from investments	6,791	3,579
Distribution	16,932	9,783
Distribution/certificate (EUR)	4.36	4.36

Earnings per participation certificate calculated on the basis of the fair value model were up to EUR 4.90, following EUR 4.00 in 2005. This increase is chiefly attributable to a revaluation of virtually all properties in the s IMMO INVEST portfolio. Significant capital appreciation, particularly in Central and Eastern Europe, confirms the correctness of our investment strategy. The price/cash earnings ratio of 22.4 (22.1) is excellent in comparison with that of its peers. Net asset value per participation certificate was up 4.4% to EUR 84.50, reflecting the long-term value growth. Following the issue in 2005, participation certificate capital increased from EUR 147.9m to EUR 277.4m, so that at balance sheet date there were 3,883,398 participation certificates were in circulation. The proposed distribution is unchanged at EUR 4.36 per certificate (before investment income withholding tax) and is expected to be paid in June 2006.

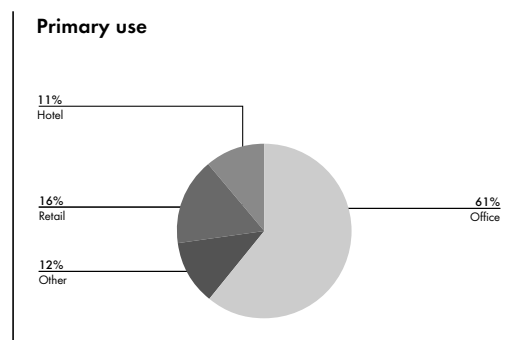
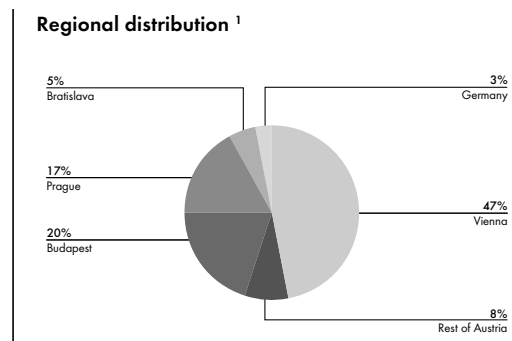
At balance sheet date the proportion of s IMMO INVEST securities funded by external borrowings as a proportion of total assets amounted to just 33.1%. As with s IMMO Aktie, the aim is to increase the proportion to 50–60%.

Property portfolio doubled to EUR 356.2m

As a result of ongoing acquisitions the total value of s IMMO INVEST's property portfolio has doubled, from EUR 164.6m to EUR 356.2m. In 2005 we acquired a total of seven properties with a total lettable space of 247,801 m². This is the largest expansion of the property portfolio since its initial listing in 1996.

s IMMO INVEST's investment strategy places greater emphasis on CEE investments than that of s IMMO Aktie, and its portfolio contains no residential properties, with their low yields. At 31 December 2005 the proportion of lettable space in Central and Eastern Europe (including Germany) amounted to 42%, compared with 41% in 2004. Of this, 61% was invested in office property, 16% in retail space and 11% in hotel space.

Total lettable space (m ²) ¹	247,801
Austria	133,668
Central Europe ²	105,758
Germany ³	8,375
Market value of rental property (EUR m)	356.2
Austria	224.4
Central Europe ²	114.6
Germany ³	17.2
Average yield of rental properties	7.2%

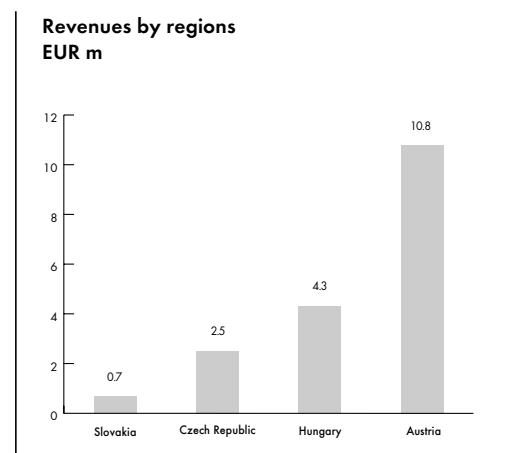
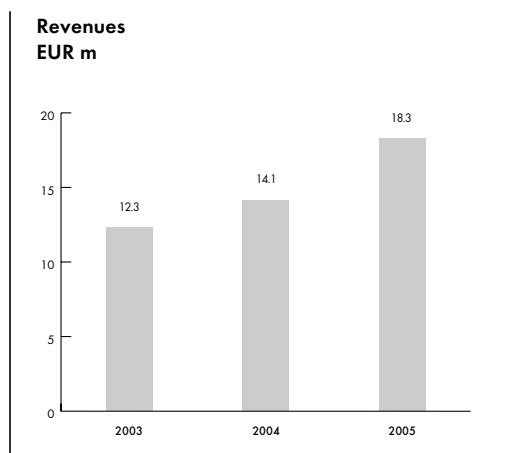


As at 31 December 2005

¹ Including development property

² Proportionate 49.99% share

³ Proportionate 50% share



The average rental yield on the Austrian portfolio in 2005 was 6.6%, slightly down on the 7.3% achieved in 2004, but still significantly higher than the industry average of 5.8%. As a result of lively demand, the estimated values of the properties making up the CEE portfolio have risen. The ratio of rental revenues to these higher valuations is now 8.5%, compared with 9.1% last year. We expect demand to continue strong, and prices in these markets to rise. As this trend continues, we see further medium-term increases in the value of our CEE portfolio of the order of 20–30%. Occupancy rates for the s IMMO INVEST portfolio are at a consistently high level of 94% and were slightly higher than in 2004 (93%).

The market value of the s IMMO INVEST property portfolio was reviewed by international property experts including CB Richard Ellis and DTZ on an earnings basis. The valuation revealed that at 31 December 2005 s IMMO INVEST had undisclosed reserves on its property portfolio (including indirect holdings) of EUR 37.1m.

Revenues up by 30%

Rapid expansion of the property portfolio caused revenues for 2005 to advance by 30% to EUR 18.3m. About 59% of revenues came from the Austrian portfolio and 41% from the CEE portfolio. Excluding revenues from new acquisitions, revenues performed counter to market trends and maintained their constant high level in both Austria and Central and Eastern Europe, thanks to efficiencies in properties management.

EBIT up 15%, EBT up 33%

EBITDA was up 42% on the previous year at EUR 13.5m. Operating profit (EBIT) was up 15% to EUR 6.2m. EBT was up 33% to EUR 6.9%. The successful outcomes of 2004 were repeated in 2005.

Consolidated balance sheet s IMMO INVEST as at 31 December 2005

EUR_000	2005	2004	Change
ASSETS			
A. Non-current assets			
I. Intangible assets	13	1	
II. Property, plant and equipment	335,394	153,705	+118%
III. Financial assets	5,918	5,836	
IV. Long-term receivables	0	1	
	341,324	159,543	+114%
B. Current assets			
I. Receivables and other assets	39,750	34,325	+16%
II. Marketable securities and investments	6,176	0	
III. Cash and cash equivalents	45,562	1,849	
	91,488	36,173	
C. Accruals and prepayments	133	607	
	432,945	196,322	+121%
EQUITY AND LIABILITIES			
A. Shareholders' equity	11,958	0	
B. Non-current liabilities			
I. Participating certificates	277,435	147,931	+88%
II. Long-term liabilities to banks	85,693	17,255	
III. Provisions	5,151	3,818	
IV. Other liabilities	2,371	904	
	370,650	169,908	+118%
C. Current liabilities	48,861	26,360	+85%
D. Deferred income	1,475	54	
	432,945	196,322	+121%

Consolidated income statement for the year ended 31 December 2005

EUR_000	2005	2004	Change
Revenues	18,342	14,107	+30%
whereof: rental income	15,065	11,992	+26%
Other operating income	3,055	398	
Gains on property disposals	843	44	
Operating revenue	22,240	14,549	+53%
Depreciation and amortisation	-7,370	-4,126	+79%
Other operating expenses	-8,706	-5,078	+71%
Operating profit/EBIT	6,163	5,345	+15%
Other financing expenses	-2,517	-1,238	
Financial income	3,295	1,097	
Net financing cost	778	-141	
Profit before tax/EBT	6,941	5,204	+33%
Taxes on income	-219	-439	
Minority interest	-783	0	
Profit after taxes	5,939	4,765	
Dividends on participating certificates	-16,932	-9,784	

Our accounting policy is to use the cost model as described in IAS 40: properties are recognised at cost of acquisition or construction less accumulated depreciation and impairment losses. The alternative under IAS 40, the fair value model, is gaining increasing acceptance. This method recognises all changes in the market value of the property in the income statement. For the sake of completeness and transparency, we present the income statement for s IMMO INVEST under the fair value method as well.

Net Asset Value

EUR m	31.12.2005	31.12.2004
Participating capital	277.4	147.9
Distribution entitlement of participation certificates	16.9	9.8
Undisclosed reserves on property portfolio	34.0	23.9
Net asset value	328.3	181.6
Number of shares	3,883,398	2,243,999
NAV/share EUR	84.5	80.9
Share price	95.2	90
Share price/NAV	113%	111%

s IMMO INVEST – Fair value model reconciliation

EUR ,000	Cost model 2005	Adjustment	Fair value model 2005
Revenues	18,342		18,342
Revaluation of properties (IAS 40)	0	7,067	7,067
Other operating income	3,055	-550	2,505
Income from the sale of property	843	-843	0
Operating income	22,240	5,674	27,914
Depreciation and amortisation	-7,370	7,187	-183
Other operating expenses	-8,706	350	-8,356
Operating profit (EBIT)	6,163	13,212	19,375
Financial expenses	778	0	778
Profit before tax (EBT)	6,941	13,212	20,153
Taxes on income	-219	-3,380	-3,599
Minority interests	-783	-439	-1,222
Consolidated net profit	5,939	9,392	15,332
Average number of certificates in circulation	3,119,798		3,119,798
Earnings per certificate	1.9		4.9

s IMMO INVEST property portfolio

as at 31 December 2005	Acquisition	Use	Area in m ²	Market value EUR m	Yield/ market value
Rental property					
1010 Vienna, Kärntner Straße 19, Kaufhaus Steffl (37.5% interest)	2005	commercial	6,400	33.0	7.2%
1010 Vienna, Parking 12a	2003	office and commercial (condominium)	2,896	6.4	5.9%
1010 Vienna, Parking 12a, hotel Marriott (28.2% interest)	2003	hotel	5,530		
1020 Vienna, Franzensbrückenstraße 5	2001	office	2,959	4.7	7.1%
1030 Vienna, Franzosengraben 12	1990	office and industrial	5,992	8.2	6.5%
1031 Vienna, Ghegastraße 1	2005	office	24,001	27.9	6.6%
1030 Vienna, Obere Viadruckgasse 36	1990	office	1,533	3.0	9.9%
1060 Vienna, Mariahilfer Straße 121 b	2001	office and commercial	5,485	12.3	6.3%
1060 Vienna, Windmühlgasse 22-24	1989	office	4,646	7.3	6.8%
1060 Vienna, Mariahilfer Straße 41-43 (21.6% interest)	1989	office and commercial	2,141		
1070 Vienna, Mariahilfer Straße 26-30, Kaufhaus Herzmannsky (37.5% interest)	2005	commercial	7,450	30.5	5.7%
1120 Vienna, Meidlinger Hauptstraße 73	2002	office and commercial	18,886	34.2	6.4%
1140 Vienna, Scheringgasse 2	2004	office and industrial	10,498	8.3	4.8%
1150 Vienna, Gaspasse 1-7	2002	office	7,358	16.0	7.1%
1210 Vienna, Gerasdorferstraße 151	2004	office	9,099	12.9	7.1%
2384 Breitenfurt, Hauptstraße 107	1987	commercial	850	0.8	13.8%
2500 Baden, Viennaer Straße 9	1988	school	745	0.6	14.4%
2500 Baden, Viennaer Straße 97-99	1990	commercial	800	1.7	8.3%
5020 Salzburg, Sterneckstraße 50-52	1994	office and commercial	5,596	5.0	4.9%
8020 Graz, Ankerstraße 2	1989	commercial	900	1.0	9.7%
8020 Graz, Karlauer Gürtel 1	1988	office and commercial	5,503	6.3	6.1%
8020 Graz, Lazarettgürtel 81	1988	office	2,400	2.5	9.7%
9560 Feldkirchen, Eppensteinerstr. 14	1987	commercial	2,000	1.9	8.6%
			133,668	224.4	6.6%
Total lettable space – Austria			133,668		
Central Europe CEE Property-Invest Immobilien AG					
Rental property					
11000 Prague, Narodni 41, (Areal)	2003	office	2,781	7.7	7.7%
11000 Prague, Wenzelsplatz 22 (Hotel Julius)	2004	hotel and commercial	6,870	20.0	9.8%
11000 Prague, Wenzelsplatz 41, (Luxor)	2002	hotel and commercial	8,767	20.0	8.2%
18600 Prague, Thámava 13, (Palác Karlin)	2001	office	16,043	23.6	3.7%
1051 Budapest, Bajcsy-Zsilinszky út. 12, (City Center) – ECF Buda	2001	office	10,749	17.5	8.5%
1134 Budapest, Váci út. 35, (The River Estates) – CEE Kft	2001	office	29,325	43.0	7.6%
1138 Budapest, Váci út. 202, (Unilever HQ) – Bank Garasz	2001	office	14,371	16.0	8.8%
1122 Budapest, Maros utca 19-21 (Maros Utca Business Center)	2004	office	8,758	12.4	8.6%
1016 Budapest, Hegyalja út. 7-13 (Buda Center)	2005	office	7,580	8.0	7.3%
1052 Budapest, Apaczai Csere János u. 2-4 (Budapest Marriott hotel)	2005	hotel	30,000	48.3	9.9%
82104 Bratislava 2, Galvaniho 7 (Galvaniho Business Center Unit I)	2004	office	11,374	12.7	9.0%
			146,617	229.2	8.5%
Development property					
14000 Prague, Na Pankraci 127/1683	2003	office	approx. 51,000		
82104 Bratislava 2, Galvaniho 7 (Galvaniho Business Center Unit II)	2005	office	13,940		
			64,940		
Total lettable space – Central Europe			31,12,2005	211,557	229.2
Germany					
Rental property					
20457 Hamburg, Großer Burstah 18-30 + 32-34	2005	office	16,750	34.4	6.6%
			16,750	34.4	6.6%
Total lettable space – Germany			31,12,2005	16,750	34.4
Total Austria			133,668	224.4	
Central European property held through CEE Property-Invest Immobilien AG (49.99%)			105,758	114.6	
German property held through Beteiligung Aramisto Immobilien GmbH (50%)			8,375	17.2	
Total lettable space – s IMMO Invest			31,12,2005	247,801	7.2%

Budapest - Hotel Marriott



Imposing building in prime location





Tuesday, 14 February 2006, 17.30: Budapest. For the last stop in this year's property tour, I drive straight to Budapest city centre where Sparkassen Immobilien AG's new acquisition, the Hotel Marriott, awaits me. What a location: right next to the Danube, opposite the Fisherman's Bastion and next to the chain bridge. The hotel's commercial director, Herbert Wiesinger, tells me that there are 362 excellently appointed rooms –all of which are being renovated and refurbished – reaching up 10 floors. He's right about the standards! My room is on the eighth floor and has a breathtaking view, balcony and everything else you could ask for. Together the rooms, meeting rooms, restaurants and lobby account for a total of 30,000 m² of lettable space. The hotel's PR boss, Éva Trembác, outlines plans for further investments, including renewing the exterior, the restaurant and public areas. They have a lot to do, and after two days I am in a position to sum it up: great location, great people and a great property, which means a great investment for us shareholders.

Additions to Group portfolio

Social Insurance Fund for Farmers – Vienna

The headquarters of the Social Insurance Fund for Farmers has 12 floors and comprises a total of 19,900 m² of lettable office space. The entire building is leased to the Social Insurance Fund for Farmers for a minimum of ten years. Conveniently located next to the Stadtautobahn, it will also be served by the U2 underground line in a few years' time.

Steffl and Herzmansky – Vienna

Sparkassen Immobilien AG has acquired a majority of the renowned Steffl and Herzmansky department stores, which are located on Kärntner Strasse and Mariahilfer Strasse, two of Vienna's busiest shopping streets. The historically famous Herzmansky department store was partially replaced with a new construction in 1957. Since 1998 it has flourished as part of Peek and Cloppenburg, the German fashion chain. In total the facility covers 21,600m² spread over eight floors. In 1997 Steffl was rebuilt and extended on a larger scale, so that it now has 11 floors and gross lettable space of 20,400 m². It houses an ideal mixture of retailers, restaurants and cafés run by 37 tenants, many of them international.

Brünner Strasse development project – Vienna

In the up-and-coming residential 21st District, Sparkassen Immobilien AG is erecting a commercial property, with some 10,100 m² of lettable space and parking or garage space for 250 cars. The development is scheduled for completion in the third quarter of 2006, and is already let to two major chains, Media Markt and Kastner & Öhler.

Buda Center – Budapest

The Buda Center office building is at a prime location in Budapest's 1st District. This architecturally interesting building has a total of around 5,800 m² of lettable space on five floors. There are also 65 parking spaces. This superbly equipped centre's long-term tenants include major international companies, such as Citibank and HVB Leasing.

Budapest Marriott

The Budapest Marriott is one of the city's largest five star hotels. It has a prime location directly on the bank of the Danube in the centre of Budapest. The hotel has a total of 30,000 m² of lettable space and a total of 362 excellently appointed rooms commensurate with its classification. The building has an impressive view of the Danube and the famous Fisherman's Bastion. The 10 floor property also includes an underground parking garage and all the facilities, including shops, that you would expect in a five star hotel. The hotel is being completely renovated, with particular emphasis on technical services and conference facilities: the total investment will come to roughly EUR 25m. An additional 6,000 m² of office and commercial space on the site is being developed at the same time – it will cost approximately EUR 16m, and is scheduled for completion in 2008.

Grosser Burstah – Hamburg

To launch its expansion into Germany, Sparkassen Immobilien AG has acquired an office and retail property in one of the most sought after office locations in the centre of Hamburg. The six and eight floor properties are in the immediate vicinity of the City Hall and cover a total of 15,900 m² of lettable space. Both properties are fully let, and the main tenant, Deutsche Bank, has a long-term lease in both properties. The retail areas are also fully occupied, thanks to its location close to Hamburg's main shopping district.

Outlook for the Group

According to the latest forecasts, Austria's economy is set to grow again in 2006. At between 2.3% and 2.4%, economic growth will be considerably ahead of the rest of the eurozone, chiefly driven by exports and investment activities. The friendly investment environment and continuing low interest rates combine to create a fundamentally good climate for property investors.

We expect property in premium locations in Vienna to continue to fetch high prices. Competition for properties of this nature will further intensify, as demand remains high. At the same time, we do not expect upward pressure on rental prices to abate substantially. We will continue to apply a highly selective investment policy in Vienna.

Economic growth in Central and Eastern Europe on the other hand will be stronger than ever: currently, growth of between 4% and 6.5% is forecast. A combination of positive economic data, the continued increase in demand for property, a resulting increase in availability of lettable space and the still markedly higher yields means that these markets will continue to provide attractive investments for Sparkassen Immobilien AG during 2006 and beyond.

Currently prevailing prices mean that Sparkassen Immobilien AG will continue to concentrate more of its investment in Germany. The German share of lettable space will in the medium term be increased to a quarter.

Additions to the property portfolio

We plan to invest about EUR 500m in 2006. The money will be used to expand the property portfolio so that growth continues. The current focus of investments in Central and Eastern Europe will be progressively extended, but only after careful reviews. Activities will concentrate to a greater extent on Bulgaria, Romania and Ukraine, where we have been getting to know the markets and inspecting suitable properties for some time. Germany will continue to be an investment focus in 2006 on the basis of forecasts that price/yield ratios will continue to be attractive. At the moment Sparkassen Immobilien AG is evaluating a number of projects in Berlin, Hamburg and Munich. Higher prices in Austria mean that we will only be involved in a small number of carefully selected projects.

Positive revenue and earnings indicators

In 2006 Sparkassen Immobilien AG will continue to build on the strong growth achieved in earlier years. In its expansion, it will take advantage of low interest rates and make increased use of external financing. s IMMO Aktie's equity ratio will not however fall below 50% for a major period of time, in order to ensure that interest rate risk remains relatively low. Our aim is to offer s IMMO Aktie shareholders attractive and sustainable long-term returns of between 6.5% and 8% and to keep annual distributions from s IMMO INVEST at their present level. Management expects the planned expansion of the property portfolio to lead to a significant increase in rental income in 2006 and a comparable improvement in all key indicators to that achieved in 2005.

Significant events after balance sheet date

Purchase agreements for three properties in Germany were concluded after balance sheet date.

In the centre of Munich, an office property with about 6,000 m² of lettable space has been acquired for approximately EUR 9m plus incidental expenses. The main tenant, Siemens, has a long-term tenancy agreement.

Sparkassen Immobilien AG has bought Ikaruspark for roughly EUR 11m plus incidental expenses. The park is in an industrial zone in Western Munich with excellent transport connections and comprises over 8,000 m² of office space and about 6,000m² of warehouse space. The property is fully let to a wide range of German and international companies.

A new 15,000 m² five floor office building in top condition has been acquired in Halle on the Saale for about EUR 34m plus incidental expenses. The majority of the building is let to Kaufhof AG, a wholly owned Metro Group subsidiary.

In January 2006 the purchase of the property at Szegedi út. 35-37 in Budapest was concluded for around EUR 7m plus incidental expenses. The tenant is Strabag Hungaria.

A purchase agreement for an approximately 1.200 m² plot of land in Prague's 8th district for EUR 2.5m was concluded in February 2006.

Also in February 2006, Sparkassen Immobilien AG disposed of an office property at Siriusstrasse 3, 9020 Klagenfurt, Austria for about EUR 3m. Profit on the sale amounted to around EUR 1m.

Consolidated financial statements

- 42 Consolidated balance sheet
- 44 Consolidated income statement
- 45 Consolidated cash flow statement
- 46 Changes in consolidated equity
 - Details of share capital
 - Changes in share capital
- 47 Notes
- 67 Auditors' report

Consolidated balance sheet as at 31 December 2005

EUR,000	Notes	2005	2004
ASSETS			
A. Non-current assets			
15, 16			
I. Intangible assets			
Other		50	26
II. Property, plant and equipment			
Property		706,999	446,147
Other		2,187	1,242
III. Financial assets			
Associates		231	200
Group interests		5,806	5,802
IV. Long-term receivables			
Deferred tax assets	20	2,347	1,312
		717,620	454,729
B. Current assets			
17			
I. Receivables and other assets			
Trade receivables		3,406	1,466
Finance receivables and advances		7,190	9,754
Other receivables and assets		13,511	8,135
		24,107	19,355
II. Marketable securities and investments	18	12,352	0
III. Cash and cash equivalents	19	166,098	4,337
		202,557	23,692
C. Accruals and prepayments			
		335	1,703
		920,512	480,124

EUR ,000	Notes	2005	2004
EQUITY AND LIABILITIES			
A. Shareholders' equity			
I. Share capital	21, 22	363,768	224,657
II. Minority interests		23,915	0
		387,683	224,657
B. Non-current liabilities			
Participating certificates	23	276,774	147,931
Long-term liabilities to banks		174,602	45,087
Provisions			
a) Deferred taxes	20, 24	3,459	2,003
b) Other	24	6,941	4,074
		10,400	6,076
Other liabilities	25		
a) Construction costs and tenants' financing		11,918	11,946
b) Housing construction subsidies		6,602	7,091
c) Undisclosed interests		2,000	0
d) Other		2,387	1,715
		22,906	20,752
		484,682	219,846
C. Current liabilities			
Liabilities to banks		4,466	6,475
Trade payables		9,425	1,654
Other		29,423	25,444
		43,314	33,573
D. Deferred income			
		4,833	2,047
		920,512	480,124

Consolidated income statement
for the year ended 31 December 2005

EUR,000	Notes	2005	2004
Revenues	7	42,154	35,312
— whereof: rental income		34,192	29,351
Other operating income	8	7,587	2,095
Gains on property disposals	9	2,035	44
Operating revenue		51,776	37,451
Depreciation and amortisation	15	-16,309	-11,035
Other operating income	10	-19,378	-13,517
Operating profit / EBIT		16,090	12,899
Expenses of participating certificates	11	-5,939	-4,765
Other financing expense	12	-4,505	-2,746
Financial income	13	4,432	1,230
Net financing cost		-6,012	-6,280
Profit before tax / EBT		10,078	6,619
Taxes on income	14	-1,585	-1,582
Profit after tax		8,493	5,037
— Interests of shareholders in parent company		6,806	5,037
— Minority interests		1,687	0

Consolidated cash flow statement

EUR, 000	2005	2004
Profit before tax/EBT	10,078	6,619
Depreciation and amortisation	16,309	11,035
Reversal of impairment write-down	-1,100	0
Gains on property disposals	-2,035	-44
Accrued interest	-374	-686
Net financing expense	6,012	6,280
	28,890	23,204
Changes in net current assets		
Receivables and other assets	-15,736	9,857
Provisions and other long-term liabilities	5,021	32
Current liabilities and deferred income	12,527	11,149
Cash flow from operating activities	30,702	44,242
Cash flow from investing activities		
Purchase of investment properties	-288,557	-120,597
Purchase of office equipments and intangible assets	-1,673	-542
Investment in financial assets	-75	-920
Proceeds of property disposals	739	70
Proceeds of disposal of property holding companies	3,422	0
Net interest on financial investments	3,784	389
Net cash flow from investing activities	-282,360	-121,600
Cash flow from financing activities		
Proceeds of share issue	140,332	24,148
Change in minority interests	23,915	0
Proceeds of issue of participating certificates	147,322	17,951
Dividend paid by s. IMMO INVEST	-9,784	-8,894
Issuing costs of shares and participating certificates	-16,223	-2,627
Net increase in long-term liabilities to banks	129,515	8,484
Interest paid	-1,658	-3,974
Net cash flow from financing activities	413,419	35,088
Change in cash and cash equivalents	161,761	-42,270
Cash and cash equivalents at 1 January 2005	4,337	46,607
Cash and cash equivalents at 31 December 2005	166,098	4,337
	161,761	-42,270

Changes in consolidated equity

EUR ,000	Share capital	Capital reserves	Revenue reserves	Minority interests	Total	2004
Balance 1 January 2005	121,404	73,174	30,079	0	224,657	196,491
Capital increase	60,702	79,630	-6,553	0	133,779	22,999
Acquisitions	0	0	0	22,944	22,944	0
Profit after tax	0	0	6,806	1,687	8,493	5,037
Exchange differences	0	0	-1,474	-716	-2,190	130
Balance 31 December 2005	182,106	152,804	28,858	23,915	387,683	224,657

Details of share capital

EUR ,000	31.12.2005	31.12.2004	Change
Total share capital	182,106	121,404	60,702
Treasury shares (nominal)	0	0	0
	182,106	121,404	60,702

Changes in share capital

	2005	2004
Issued share capital at 1 January 2005	33,412,479	30,375,000
Shares issued during year	16,706,239	3,037,479
Treasury shares sold	0	0
Issued share capital at 31 December 2005	50,118,718	33,412,479
Treasury shares	0	0
Total shares in issue	50,118,718	33,412,479

Notes to the consolidated financial statements

1. REPORTING UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The consolidated financial statements of Sparkassen Immobilien Aktiengesellschaft (s Immobilien AG), Vienna, for the year ended 31 December 2005 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

2. GENERAL

2.1. Business

s Immobilien AG Group is a real estate group (acquisition, development and letting of property) with activities in Austria and elsewhere in Central Europe. The parent company, s Immobilien AG, is headquartered in Windmühlgasse 22-24, A-1060 Vienna, Austria. The Company has subsidiaries in Austria, the Czech Republic, Germany, Hungary and Slovakia. Companies have recently been formed for the future expansion of business activities into Bulgaria and Romania. The parent company is a public limited liability company (Aktiengesellschaft). It is registered in the commercial register of the Commercial Court of Vienna under reference 58358x.

2.2. Accounting policies

The consolidated financial statements comply with all International Financial Reporting Standards, including the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC", formerly "SIC") the application of which was mandatory as of 31 December 2005.

The accounting policies of the companies included in consolidation are based on the uniform accounting regulations of s Immobilien AG Group. The consolidated financial statements are presented rounded to the nearest 1,000 euro. The totals of rounded amounts and the percentages may be affected by rounding differences caused by software.

3. CONSOLIDATED GROUP

In addition to the accounts of s Immobilien AG, the consolidated financial statements include the accounts of the following companies (property holding or intermediary holding companies) which are directly or indirectly owned by s Immobilien AG:

Company	Location	Country	Nominal capital	%	Currency	Initial consolidation
CEE Immobilien GmbH	Vienna	A	35,000	100	EUR	
CEE PROPERTY-INVEST — Immobilien AG	Vienna	A	48,000,000	100	EUR	
CEE CZ Immobilien GmbH	Vienna	A	35,000	100	EUR	
Aramisto Immobilien GmbH	Vienna	A	35,000	100	EUR	1.1.2005
Hotel DUNA Beteiligungs — Gesellschaft m.b.H.	Vienna	A	145,346	100	EUR	1.6.2005
Gerngross Kaufhaus Aktiengesellschaft	Vienna	A	21,801,850	75	EUR	31.12.2005
Areal CZ spol. s.r.o.	Prague	CZ	100,000	100	CZK	
ELTIMA PROPERTY — COMPANY s.r.o.	Prague	CZ	100,000	100	CZK	
Palác Karlin Property a.s.	Prague	CZ	96,500,000	100	CZK	
Palác Karlin s.r.o.	Prague	CZ	1,200,000	100	CZK	
Vila Property s.r.o.	Prague	CZ	1,200,000	100	CZK	
REGA Property Invest s.r.o.	Prague	CZ	200,000	100	CZK	
Bank-garázs Ingatlanfejlesztési — és Vagyonhasznosító Kft.	Budapest	H	100,100,000	100	HUF	
CEE Property-Invest Ingatlan Kft.	Budapest	H	100,000,000	100	HUF	
Maros utca Építési és — Ingatlanhasznosítási Kft.	Budapest	H	477,000,000	100	HUF	
Buda Kereskedelmi Központ Kft.	Budapest	H	3,000,000	100	HUF	1.4.2005
Duna Szálloda Zrt.	Budapest	H	3,392,600,000	51	HUF	1.6.2005
Galvaniho I, s.r.o.	Bratislava	SK	200,000	100	SKK	
Galvaniho Business Centrum, s.r.o.	Bratislava	SK	200,000	100	SKK	1.12.2005
SIAG Burstah Immobilien GmbH	Hamburg	D	25,000	100	EUR	1.11.2005

CEE PROPERTY-INVEST Immobilien AG acquired the shares in Buda Kereskedelmi Központ Kft at the end of the first quarter of 2005 for EUR 1.1m. The liabilities assumed amounted to EUR 4.8m.

With effect from 1 June 2005, it also acquired the shares in Hotel DUNA Beteiligungs Gesellschaft m.b.H., which owns a 51% interest in Duna Szálloda Zrt., Hungary, for a price of EUR 1.9m together with liabilities of EUR 50.3m. Duna Szálloda Zrt. is owner and operator of Hotel Marriott in Budapest. Operating management is provided by Marriott, under a management agreement. The company employs 283 staff. CEE PROPERTY-INVEST Immobilien AG also secured the right to acquire the remaining 49% of the shares in July 2006 by paying EUR 0.1m for the option. The purchase price will be EUR 1.1m. The profit for the period since initial consolidation was EUR 3.4m.

Aramisto Immobilien GmbH acts as an intermediary holding company for the property ownership companies in Germany. In November four ready-made companies were acquired for a total of EUR 0.1m. One of them, SIAG Burstah Immobilien GmbH, acquired two properties in Hamburg at the end of the year.

In December the shares in Galvaniho 1, s.r.o., Slovakia, were transferred within the Group to Galvaniho Business Centrum, s.r.o., from which point this intermediary holding company was included in consolidation.

At the year end s Immobilien AG acquired the majority of the shares in Gerngross Kaufhaus Aktiengesellschaft, Austria, for a provisional price of EUR 62.1m. The company has bank balances of EUR 52.6m, liabilities to banks of EUR 93.7m and other liabilities and provisions of EUR 7.5m.

The transaction was accounted for using the purchase method for initial consolidation, in accordance with IFRS 3.

In March the Hungarian property ownership company ECE-Buda Ingatlanhasznosító és Ingatlanforgalmazó Kft. was merged into Bank-garázs Ingatlanfejlesztési és Vagyonghasznosító Kft. In August the Czech intermediary holding company

GAMA Immorent S.R.O. and the property ownership company REAL-UNION a.s. were merged to form REGA Property Invest s.r.o.

In September the Austrian property ownership companies Gartenbau-Grundstücksverwertung Gesellschaft m.b.H., EBB Immobilienverwaltung GmbH und Arcade Meidling Errichtung und Verwaltung GmbH were merged into S Immo AG. They were acquired by the Group at the beginning of 2005. The purchase price was EUR 4.1m, and the liabilities taken over amounted to EUR 32.0m.

4. BASIS OF CONSOLIDATION

Consolidation means offsetting the acquisition cost of the investment (book value) against the value under IFRS of the proportionate share of the equity of the relevant subsidiary at the time of initial consolidation. The amount of any difference arising at this time is capitalised as goodwill. In calculating goodwill, foreign currencies are translated at the exchange rate ruling on the date of initial consolidation. There is currently no goodwill which arose from business combinations being carried as an asset.

Transactions within the consolidated Group together with the related income and expenses and receivables and payables are eliminated. Intra-group profits have also been eliminated.

5. FOREIGN CURRENCY TRANSLATION

Translation of financial statements in foreign currencies

The Group reporting currency is the euro. Annual financial statements prepared in foreign currencies (Czech crowns, Slovak crowns and Hungarian forints) are translated using the modified closing rate method. Investment property is translated at historical rates. As a general rule, income statement items are translated using average exchange rates; depreciation and amortisation of property is an exception – historical rates are used. Gains and losses on currency translation are not treated as income or expense but included under revenue reserves.

6. ACCOUNTING AND VALUATION POLICIES

Intangible assets

Intangible assets acquired for consideration are recognised at acquisition cost less scheduled straight-line amortisation and provision for any impairment losses. Amortisation rates are based on assumed useful lives of between three and six years.

Investment property, plant and equipment

In accounting for investment property, and other plant and equipment, advantage is taken of the option under IAS 40 to apply the cost model: assets are recognised at cost of acquisition or construction, less scheduled depreciation and provision for any impairment losses. Non-refundable investment grants are treated as reductions in acquisition costs. The costs of acquisition or construction do not contain any material financing costs.

The properties, the majority of which are rented, were valued in 2004 and 2005 on the basis of current market conditions, largely by independent, professional, court-recognised experts. The valuations were based on earnings, calculated on the basis of expected sustainable future rental yields and market interest rates (Austria: 3.5%–8%; elsewhere: 7.75%–9%). In one case, specific features of the property meant that asset values were also used. Properties purchased close to balance sheet date were valued on the basis of acquisition costs.

Property subject to wear and tear and other plant and equipment is depreciated on a straight-line basis over its expected useful life, which is as follows:

	Expected useful lives (years)	
	from	to
Buildings	33	50
Other plant and equipment	3	10

Where there are losses in value that are expected to be permanent, impairment losses are recognised. The carrying values of the properties are subjected to impairment tests, in which the carrying values are compared with the fair values of the properties. As a rule, impairment losses are recognised where the carrying values are higher, although this is not done if the higher carrying value is solely the result of incidental acquisition costs, such as property transfer tax, registration fees, etc. In 2005 impairment losses amounting to EUR 2,339,000 were recognised, and write-ups of EUR 1,100,000 were made to reflect permanent reversals of impairment losses.

Investments and securities

Shares in associated companies and investments for which fair values can not be established without disproportionate expense are recognised at acquisition cost, reduced by impairment losses where the loss in value is expected not to be merely temporary.

Shares and securities held as current assets are recognised at market values in accordance with IAS 39, and are generally intended for sale (available-for-sale).

Receivables and other assets

Trade receivables and other receivables are disclosed at their nominal value, less any provisions necessary. Other current assets are recognised at cost of acquisition.

Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and of bank deposits with a term of less than three months.

Taxes

The tax expense disclosed for the financial year comprises income tax on the taxable income of the individual companies at the rate applicable in the relevant country (actual tax) together with the changes in tax provisions affecting income or expense.

In accordance with IAS 12, all temporary accounting and valuation differences between the tax bases of assets and liabilities and their carrying amounts in the balance sheet and any tax loss carryforwards are reflected in the provisions for deferred taxation. In calculating the provisions necessary, the local tax rates used are those expected to apply to each Group company when the differences reverse: Austria 25%, Czech Republic 24%, Germany 26%, Hungary 16% and Slovakia 19%.

No provisions for deferred tax liabilities have been made with respect to temporary differences in connection with undisclosed reserves arising on initial consolidation on properties owned by foreign subsidiaries, since such properties can be disposed of without liability to tax by the tax-free sale of property ownership and intermediary holding companies in Austria under section 10(2) Austrian Corporate Income Tax Act (KStG). Provision has been made for deferred tax liabilities on differences arising on initial consolidation of Austrian subsidiaries on the basis of the tax rates and amounts applicable to any expected partial realisations.

Deferred taxes assets are provided on tax loss carryforwards to the extent that it is probable that the losses will be able to be offset against future taxable profits.

Financial liabilities

Financial liabilities are recognised at the amount repayable, with the exception of the participating certificates, which are valued in accordance with the Fund rules.

Provisions

The provision for deferred taxation is calculated using the liability method, using the tax rates which at balance sheet date are expected to be in force when the temporary differences reverse. Other provisions are for liabilities of uncertain amount, in which case the amount provided is the amount considered most likely to become payable.

Trade payables and other liabilities

Trade payables and other liabilities are recognised at the amount repayable.

Derivatives

s Immobilien AG Group uses interest rate caps to reduce the risks attendant on interest rate increases; these are the only derivative financial instruments the Group uses. The caps are generally measured at cost of acquisition: at 31 December 2005 their positive market value was EUR 349,000.

Income recognition

Rental income is recognised evenly over the term of the rental agreement.

Income from services is recognised in proportion to the services rendered at Group balance sheet date.

Interest income is measured on the basis of the applicable interest rate and the amount of the loan.

CONSOLIDATED INCOME STATEMENT

7. REVENUES AND SEGMENT REPORTING

Segment reporting is by region, based on where the property is situated (primary segmentation), and by type of use (secondary segmentation).

The primary segmentation is as follows (EUR '000):

	Austria		Hungary		Czech Republic		Slovakia		Germany		Total	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
Revenues	24,545	18,478	10,055	8,334	5,890	7,872	1,569	628	95	0	42,154	35,312
Other operating income	820	1,299	5,607	93	1,150	697	11	5	0	0	7,587	2,095
Income from the sale of property	-73	44	0	0	2,108	0	0	0	0	0	2,035	44
Operating income	25,292	19,821	15,662	8,427	9,148	8,569	1,580	633	95	0	51,776	37,451
Depreciation and amortisation	-10,186	-6,272	-3,437	-2,167	-2,317	-2,471	-298	-125	-71	0	-16,309	-11,035
Other operating expenses	-13,439	-8,655	-3,319	-2,688	-2,095	-2,120	-510	-54	-15	0	-19,378	-13,517
Profit from operating activities	1,667	4,894	8,906	3,572	4,736	3,978	772	454	9	0	16,090	12,899
Expenses of participating certificates	-2,611	-3,400	-2,092	-1,015	-1,124	-306	-113	-44	0	0	-5,939	-4,765
Finance costs	-1,395	-751	-1,806	-484	-1,309	-1,456	4	-54	0	0	-4,505	-2,746
Finance income	4,225	1,170	5	13	201	47	2	0	0	0	4,432	1,230
Finance profit/loss	219	-2,981	-3,893	-1,486	-2,232	-1,715	-107	-98	9	0	-6,012	-6,280
Consolidated net profit before tax	1,886	1,913	5,013	2,086	2,504	2,263	665	356	9	0	10,078	6,619
Non-current assets	463,382	275,649	135,633	82,592	72,708	84,655	11,541	11,834	34,358	0	717,620	454,729
Current assets	174,922	17,215	8,801	1,529	18,327	4,662	400	285	107	0	202,557	23,692
Non-current liabilities	421,435	178,474	25,568	15,786	37,441	25,346	223	241	15	0	484,682	219,846
Current liabilities	32,792	24,390	5,727	5,380	3,437	3,634	98	170	1,261	0	43,314	33,573

Segmentation by property type:

	Revenues 2005 EUR '000	%	Revenues 2004 EUR '000	%
Offices	27,509	65	28,683	81
Residential	4,463	11	4,229	12
Commercial	10,182	24	2,400	7
	42,154	100	35,312	100

Revenues were made up as follows:

EUR '000	2005	2004
Rental income	34,192	29,351
Service charges	7,748	5,810
Other	214	151
	42,154	35,312

8. OTHER OPERATING INCOME

Other operating income of EUR 7,587,000 (2004: EUR 2,095,000) includes the gross operating profit from the Hotel Marriott in Budapest (EUR 5,458,000), a write-up to the carrying value of the property of Palac Karlin a.s. (EUR 1,100,000), and the release of a proportion of the housing construction subsidies (EUR 489,000).

The Hotel Marriott group operating profit is made up as follows:

EUR '000	6-12/2005
Revenues	10,718
Directly attributable costs	- 6,189
Other costs	- 1,149
Earnings of prior periods	2,078
	5,458

At 31 December 2005 Duna Szálloda Zrt. employed 283 staff. Staff costs of the hotel employees are included in directly attributable costs.

9. INCOME FROM THE SALE OF PROPERTY

EUR '000	2005	2004
Disposal proceeds (including liabilities extinguished)	15,054	71
Book value of disposals	-13,019	-27
	2,035	44

Disposal proceeds for 2005 are from the disposal of a Czech office property (gain of EUR 2,108,000 on disposal of property ownership company Duha Property s.r.o.) and an Austrian office and commercial property (loss of EUR 73,000).

10. OTHER OPERATING EXPENSES

EUR '000	2005	2004
Expenses directly attributable to property		
Operating costs	8,074	6,365
Specific provisions on receivables	200	328
Maintenance costs	2,505	812
Commissions	568	545
Provision for project risks	1,000	0
Other	502	502
	12,849	8,552
General management expenses		
Management fees and administration expenses	3,202	2,898
Staff costs	146	0
Legal, audit, valuation and consultancy costs	1,119	866
Other taxes and charges	630	380
Marketing, advertising and hospitality expenses	390	146
Other	1,042	675
	6,529	4,965
	19,378	13,517

s Immobilien AG had no employees before 30 September 2005. Management services are provided by IMMORENT AG under a management agreement. With effect from 1 October 2005 there are contracts of employment for the two members of the Management Board.

As a result of the acquisition of Gerngross Kaufhaus Aktiengesellschaft, at 31 December 2005 s Immobilien AG had 22 of its own staff, in addition to the employees in hotel operations.

A provision of EUR 1,000,000 was made in connection with projects now in liquidation.

11. EXPENSES OF PARTICIPATING CERTIFICATES

EUR '000	2005	2004
Distribution	-16,932	-9,784
Release of premium	18,479	3,127
Issue costs	-7,486	-1,095
Valuation adjustment	0	2,987
	-5,939	-4,765

Under the rules of the s IMMO INVEST Participating Certificates Fund, the unit holders were entitled to a distribution of EUR 16,932,000 for 2005, which will be paid to unit holders in 2006.

EUR 18,479,000 of the premium on the capital issue was released during the year.

12. FINANCE COSTS

EUR '000	2005	2004
Bank loan interest	3,944	1,722
Other finance costs	561	1,024
	4,505	2,746

13. FINANCE INCOME

EUR '000	2005	2004
Bank interest	1,254	127
Other interest income (in particular, on cash deposits)	2,169	415
Income from investments	400	522
Other	609	166
	4,432	1,230

14. TAXES ON INCOME

Taxes on income comprise income tax on the taxable income of the individual companies for the financial year, adjustments to prior years' tax and changes in deferred taxation.

EUR '000	2005	2004
Current tax expense	349	755
Deferred tax expense	1,236	827
	1,585	1,582

The reconciliation of income tax at the standard rate to the income tax disclosed in the financial statements is as follows:

EUR '000	2005	2004
Consolidated net profit before tax	10,078	6,619
Income tax expense at the standard Austrian tax rate of 25% (2004: 34%)	2,520	2,250
Effect of differing tax rates	-516	-802
Reductions in tax relating to tax free or tax exempt income	-802	-85
Increases in tax relating to expenses not deductible for tax purposes	697	571
Prior years' taxes	-314	-352
Tax expense as disclosed	1,585	1,582

The effect of differing tax rates consists of the effects of lower foreign tax rates. Tax credits of EUR 252,000 in 2004 related to the reduction in the standard rate of Austrian corporate income tax from 34% to 25% with effect from 1 January 2005.

CONSOLIDATED BALANCE SHEET

15. NON-CURRENT ASSETS MOVEMENT SCHEDULE

	Acquisition costs	Additions	Disposals	Additions to consolidated Group	Acquisition costs
EUR '000	1.1.2005	(+)	(-)		31.12.2005
Intangible assets					
— a) Other intangible assets	30	34	0	0	64
Property, plant and equipment					
— a) Investment property	530,234	67,447	-13,372	221,110	805,419
— b) Other plant and equipment	2,075	1,673	-224	0	3,524
Financial assets					
— a) Associates	196	75	-40	0	231
— b) Group interests	5,806	0	0	0	5,806
Total	538,341	69,229	-13,636	221,110	815,044

	Accumulated depreciation	Write-downs/write-ups	Disposals	Accumulated depreciation	Book values	Book values
EUR '000	1.1.2005			31.12.2005	1.1.2005	31.12.2005
Intangible assets						
— a) Other intangible assets	-5	-9	0	-14	25	50
Property, plant and equipment						
— a) Investment property	-84,087	Add. 1,100 -15,786	353	-98,420	446,147	706,999
— b) Other plant and equipment	-832	-514	9	-1,337	1,243	2,187
Financial assets						
— a) Associates	0	0	0	0	196	231
— b) Group interests	0	0	0	0	5,806	5,806
Total	-84,924	Add. 1,100 16,309	362	-99,771	453,417	715,273

The additions to investment property (including additions to the consolidated Group) consist of Austrian properties to the value of EUR 198.6m, Hungarian properties of EUR 55.3m, German properties of EUR 34.4m and Czech properties of EUR 0.2m.

The carrying value of investment property at balance sheet date consisted of developed rental properties amounting to EUR 689,610,000 (2004: EUR 421,579,000) (Austria, EUR 450,235,000; Hungary, EUR 134,432,000; Czech Republic, EUR 59,044,000; Slovakia, EUR 11,541,000; Germany,

EUR 34,358,000 and of properties under development for rental of EUR 17,390,000 (2004: EUR 24,568,000) (Austria, EUR 4,325,000; Hungary, EUR 33,000; Czech Republic, EUR 13,032,000).

Properties with carrying values of EUR 315,369,000 (2004: EUR 117,910,000) are subject to liens and charges. The carrying values of land and buildings are shown net of building grants of EUR 3,717,000 (2004: EUR 3,801,000).

A very limited number of facilities are used by the Group for its own purposes (included under other plant and equipment).

Investments in associates included under financial assets represent the companies not included in consolidation (note 3, Consolidated Group).

The Group interests consist of a 22.08% limited partnership interest in BGM-IMMORENT Aktiengesellschaft & Co KG with a carrying value of EUR 2,080,000 and a silent partnership in PCC- Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co. KG with a carrying value of EUR 3,722,000.

16. FAIR VALUES OF DEVELOPED RENTAL PROPERTIES

EUR '000	Carrying values	Fair values
s Immobilien AG (own account)		
Austria	245,358	274,224
Hungary	67,216	72,609
Czech Republic	29,522	35,635
Germany	17,179	17,214
Slovakia	5,771	6,348
	365,046	406,030
2004	278,072	308,063
s IMMO INVEST Participating Certificates Fund		
Austria	204,877	227,969
Hungary	67,216	72,609
Czech Republic	29,522	35,635
Germany	17,179	17,214
Slovakia	5,770	6,348
	324,564	359,775
2004	143,507	164,588
Total		
Austria	450,235	502,193
Hungary	134,432	145,218
Czech Republic	59,044	71,270
Germany	34,358	34,428
Slovakia	11,541	12,696
	689,610	765,805
2004	421,579	472,651

The undisclosed reserves of EUR 1,121,000 are attributable to minority interests. For details of how fair values are calculated, see note 6.

For details of s IMMO Invest Participating Certificates Fund, see note 23.

17. RECEIVABLES AND OTHER ASSETS

Trade receivables include rents receivable from tenants less any specific provisions required.

Receivables and other assets are made up as follows:

EUR '000	2005	2004
Present value of rental guarantee	2,307	2,538
Construction loan subsidies outstanding	867	1,031
Current tax credits	2,072	1,104
Property management agents — clearing accounts	1,740	823
Accrued interest and interest rate caps	3,419	643
Sundry	3,106	1,996
	13,511	8,135

Default risks on receivables are limited.

18. SHARES AND SECURITIES

The securities consist of investment certificates.

19. CASH AND CASH EQUIVALENTS

These consist of funds with banks available on demand and term deposits.

EUR '000	2005	2004
Erste Bank der oesterreichischen Sparkassen AG	108,668	1,583
Other banks in the Erste Bank Group	2,230	931
Other banks	55,169	1,819
Cash in hand	31	4
	166,098	4,337

20. DEFERRED TAX ASSETS AND LIABILITIES

EUR '000	Deferred tax assets		Deferred tax liabilities	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Tax loss carryforwards	4,649	4,318	1,043	529
Investment properties	-2,302	-2,986	-2,831	-1,963
Other	0	-20	-1,671	-569
	2,347	1,312	-3,459	-2,003

Deferred tax liabilities are shown under non-current liabilities. Deferred tax assets and liabilities are calculated on a company by company basis.

21. SHAREHOLDERS' EQUITY

The issued share capital of the Group's parent company amounts to EUR 182,106,000 and consists of 50,118,518 no par value bearer shares and 200 no par value registered shares. The holders of the registered shares numbered 1 to 7 are entitled to appoint up to a third of the members of the Supervisory Board. The issued share capital is fully paid up.

The shares are listed on the Vienna Stock Exchange.

The Management Board is authorised to increase the issued share capital by up to EUR 60,702,000 by the issue of new bearer shares for contributions in cash or in kind, and without subscription rights to existing shareholders in the case of subscriptions in kind (authorised capital).

An increase in share capital of EUR 45,526,000 (12,529,680 shares) was entered in the commercial register on 2 December 2005, and an increase of EUR 15,176,000 (4,176,559 shares) on 24 December 2005. The value of both issues together was EUR 140,332,000, and after deducting costs and taking the tax reliefs (EUR 2,184,000) into account the net proceeds were EUR 133,779,000.

22. MINORITY INTERESTS

In 2005 interests of 51% in Duna Szálloda, Zrt., Budapest and 75% Kaufhaus Aktiengesellschaft, Vienna were acquired. The minority interests disclosed in the financial statements of EUR 23,915,000 consisted of EUR 2,747,000 in respect of Duna Szálloda Zrt. (49% minority interest) and EUR 21,168,000 in respect of Gerngross Kaufhaus Aktiengesellschaft (25% minority interest).

23. NON-CURRENT FINANCIAL LIABILITIES

EUR '000	2005				2004			
	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total
Participating certificates	0	0	276,774	276,774	0	0	147,931	147,931
Long-term liabilities to banks	5,982	30,629	137,991	174,602	5,202	14,920	24,965	45,087

The participating certificates are shares in the IMMO INVEST Participating Certificates Fund, a property fund managed and owned by s Immobilien AG and accounted for as a separate entity.

The participating certificates document an entitlement to a share of the annual profit or loss from the property assets and represent a secured interest in the properties belonging to s IMMO INVEST Participating Certificate Fund. There is however no provision for a minimum distribution.

The certificates carry no entitlements to a share in the share capital of s Immobilien AG, or to a share of the Company's annual profits or any surplus on liquidation, and they confer no shareholder rights.

EUR '000	Nominal	Valuation adjustment	Issue premium	Book value
1 January 2005	163,078	-15,147	0	147,931
Capital increase	119,140		28,182	147,322
Release of premium			-18,479	-18,479
31 December 2005	282,218	-15,147	9,703	276,774

During 2005 1,639,399 s IMMO INVEST participating certificates were issued, bringing the total outstanding to 3,883,398. In accordance with the Fund rules, the valuation adjustment remained unchanged. In accordance also with the Fund rules, the premium on the issue of new certificates was released.

The distribution of EUR 16,932,000 for 2005 is included under other current liabilities.

Long-term liabilities to banks include mortgage loans of EUR 166,139,000 (2004: EUR 73,129,000) and other investment loans of EUR 8,463,000 (2004: EUR 9,859,000).

Details of the mortgage loans were as follows:

Lending institution	Amount EUR '000	Currency	Interest rate at yearend	Repayment
Fixed rate				
HVB Czech Republic	5,000	EUR	5.988%	in 2005 interest only
HVB Czech Republic	5,000	EUR	6.455%	in 2005 interest only
Erste Bank	8,325	EUR	5.52%	quarterly
Erste Bank	2,998	EUR	4.18%	quarterly
Raiffeisenlandesbank Wien, NÖ	9,095	EUR	3.0%	quarterly
Raiffeisenlandesbank Wien, NÖ	12,700	EUR	5.52%	half yearly
Raiffeisenlandesbank Wien, NÖ	7,077	EUR	3.44%	quarterly
Volksbank	11,040	EUR	3.03%	quarterly
	61,235			
Variable rate				
Erste Bank	10,153	EUR	2.9%	in 2005 interest only
Eurohypothekenbank	39,237	EUR	4.49%	quarterly
Raiffeisenlandesbank OÖ	1,009	EUR	5.0%	quarterly
BA CA	54,505	EUR	2.45%	on maturity
	104,904			

The fair value of the fixed rate mortgage loans, based on current market rates, is approximately EUR 1,795,000 more than the book value.

The fair values of the variable rate mortgage loans corresponds to the book values.

24. PROVISIONS

Changes in provisions were as follows:

	1.1.2005	Additions to consolidated Group	Utilised	Released	Additions	31.12.2005
Current income taxes	294	1,139	-274	0	5	1,164
Deferred income taxes	2,003	592	0	0	864	3,459
Other taxes and charges	1,962	0	-1,546	0	0	416
Project risks	1,800	800	0	0	1,000	3,600
Pensions	0	627	0	0	0	627
Sundry	17	853	-17	0	281	1,134
	6,076	4,011	-1,837	0	2,150	10,400

There is a provision of EUR 3,600,000 in connection with projects now in liquidation.

25. OTHER NON-CURRENT LIABILITIES

In the case of four properties, the contributions to construction costs and financing required under section 69 of Vienna's Housing Construction Subsidies and Rehabilitation Act (WWFSG 1989) amounting to EUR 11,918,000 (2004: EUR 11,946,000) were paid by the tenants. These contributions, the value of which is indexed, must be repaid to the tenants when their tenancies cease, the amount to be repaid being reduced by 2% for each year of tenancy.

The subsidies themselves, amounting to EUR 6,602,000 (2004: EUR 7,091,000), must be repaid if the conditions attaching to them are breached, and are secured by charges on the subsidised properties.

The remaining term of the contributions to construction and financing costs and of the housing construction subsidies is generally in excess of five years.

S-Tourismusfonds Management Aktiengesellschaft, Vienna, has an undisclosed interest in Duna Szálloda Zrt.

Other long-term liabilities consist mainly of tenants' deposits.

OTHER INFORMATION

26. OTHER OBLIGATIONS AND CONTINGENT LIABILITIES

Pending litigation

There are no material legal disputes that are unresolved or outside the ordinary course of business.

27. MATERIAL AGREEMENTS

The tenancy agreements concluded by the Group generally contain clauses specifying that rents and other fees are tied to the euro, and capital values linked to international indices.

28. CASH FLOW STATEMENT

The cash flow statement shows how the Group's funds change over time as a result of inflows and outflows. The statement distinguishes between cash flows from operating activities, investing activities and financing activities. The liquid assets shown in the statement consist of cash in hand and funds at banks.

29. RELATED PARTY DISCLOSURES

Until October 2005 s Immobilien AG was a subgroup within the parent Group, Erste Bank der oesterreichischen Sparkassen AG. The s Immobilien AG Group is no longer consolidated with the Erste Bank Group but included at equity instead because, as a result of rationalisation of the holding structures for organisational, financial and functional reasons, Erste Bank der oesterreichischen Sparkassen AG no longer has a controlling interest.

There were the following material receivables and payables with Erste Bank Group:

EUR '000	2005	2004
Receivables		
Financial receivables/cash deposits	0	7,740
Other receivables	432	0
Bank deposits	110,898	2,515
	111,330	10,255
Liabilities		
Non-current liabilities	25,294	15,618
Current financial liabilities	1,605	1,850
Trade payables	321	0
Other liabilities	13,064	1,527
	40,284	18,995

In financial 2005 there were the following material income and expenses in connection with Erste Bank Group:

EUR '000	2005	2004
Expenses		
Advertising	217	85
Commissions	362	165
Consultancy fees	185	331
Management fees IMMORENT AG	3,108	2,898
Issuing costs - participating certificates	5,910	907
Bank loan interest and charges	1,527	681
Other expenses	194	0
	11,503	5,067
Income		
Rent and service charges	288	281
Bank interest	939	127
Interest income from securities	0	36
Other interest income	807	282
	2,034	726

There were also costs of EUR 6,811,000 incurred by Erste Bank Group in connection with the issue of new shares, which have been charged directly against equity.

The shares in Hotel DUNA Beteiligungs Gesellschaft m.b.H. (see note 3) were acquired by S Tourismus Services GmbH. Like S-Tourismusfonds Management Aktiengesellschaft, which has the undisclosed interest in Duna Szálloda Zrt., this is an Erste Bank associated company. Under an agreement of 11 November 2005 Sparkassen Immobilien AG has acquired a plot of land at Brünnerstrasse 72a, 1210 Vienna, from S-Invest Beteiligungsgesellschaft m.b.H. for EUR 4,103,000.

Under an agreement dated 14 January 2003 IMMORENT AG has given Sparkassen Immobilien AG a rental guarantee for the property at Gassgasse 1-7, 1150 Vienna. The fee charged for this guarantee was EUR 3,000,000, its fair value at balance sheet date was EUR 2,307,000.

Properties management for the majority of the Austrian properties is provided by IMMORENT S-Immobilienmanagement GesmbH, Vienna, a member of the Erste Bank Group.

30. SHARE RATIOS

Earnings per share

The earnings per share ratio compares the consolidated net profit with the average number of shares in circulation during the year.

	2005	2004
Equity share of consolidated net profit (EUR '000)	6,806	5,037
Average number of shares in circulation	34,630,642	30,842,304
Earnings per share (EUR)	0.20	0.16
Diluted earnings per share (EUR)	0.20	0.16

Cash flow per share

Cash flow per share is calculated by dividing the consolidated cash flow from operating activities by the average number of shares in circulation during the year.

	2005	2004
Consolidated cash flow (after tax) (EUR '000)	30,702	44,242
Average number of shares in circulation	34,630,642	30,842,304
Cash flow per share (EUR)	0.89	1.43
Diluted cash flow per share (EUR)	0.89	1.43

31. EVENTS AFTER BALANCE SHEET DATE

Purchase agreements for three properties in Germany were concluded after balance sheet date.

In the centre of Munich, an office property with about 6,000 m² of lettable space has been acquired for approximately EUR 9m plus incidental expenses. The main tenant, Siemens, has a long-term tenancy agreement.

Ikaruspark in West Munich has been bought for roughly EUR 11m plus incidental expenses. The park is in an industrial zone with excellent transport connections and comprises over 8,000 m² of office space and about 6,000 m² of warehouse space. The property is fully let to a wide range of German and international companies.

A new 15,000 m² five-floor office building in top condition has been acquired in Halle on the Saale for about EUR 34m plus incidental expenses. The majority of the building is let to Kaufhof AG, a wholly owned Metro Group subsidiary.

In January 2006 the purchase of the property at Szegedi út. 35-37 in Budapest was concluded for the price of around EUR 7m plus incidental expenses. The tenant is Strabag Hungaria.

A purchase agreement for an approximately 1.200 m² plot of land in Prague's 8th district for EUR 2.5m was concluded in February 2006.

Also in February 2006, Sparkassen Immobilien AG disposed of an office property at Siriusstrasse 3, 9020 Klagenfurt, Austria for about EUR 3m. Profit on the sale amounted to around EUR 1m.

32. ADDITIONAL INFORMATION

The consolidated financial statements for the year ended 31 December 2005 have been prepared in accordance with International Financial Reporting Standards (IFRS).

The principal differences between the Austrian Commercial Code (HGB) and IFRS regulations are explained in section 245a HGB; those of relevance to the present financial statements are set out below.

Basic principles

Austrian accounting principles and International Financial Reporting Standards are in part based on fundamentally different accounting philosophies. While for HGB the principle of prudence and the protection of creditors are of primary importance, IFRS puts more emphasis on the provision of relevant information for investors.

Goodwill arising on consolidation

Under IFRS 3, goodwill is capitalised and subjected to an annual impairment test; application of this Standard is mandatory for all business acquisitions after 31 March 2004. Goodwill under HGB may be offset directly against reserves, with no effect on the income statement.

Investment property

IAS 40 offers the option of measuring properties using the fair value model (fair value at balance sheet date), or the cost model (original acquisition or construction cost less accumulated depreciation and impairment losses, if applicable). Under HGB, properties may only be measured at acquisition or construction cost less accumulated depreciation and any applicable impairment losses.

Securities forming part of current assets

Under HGB, securities must be measured at the lower of acquisition cost and market value. Securities forming part of current assets are measured at fair values under IFRS.

Deferred tax

Under IFRS, deferred taxes are calculated and disclosed on the basis of temporary differences: the carrying values of the individual assets and liabilities in the balance sheet are compared with their base values for tax purposes. The differences between these two values are temporary and – depending on the timing of their reversal – give rise to deferred tax assets or liabilities. Under IFRS, deferred tax assets and liabilities must be recognised, while under Austrian HGB recognition of deferred tax assets in the individual financial statements is optional. Under HGB, provisions for deferred tax may only be recognised in respect of temporary differences between the accounting profit and the profit for tax purposes to the extent that there was an actual tax charge before taking tax losses brought forward into account. Deferred tax assets may not be recognised on tax loss carryforwards.

Other provisions

The treatment of provisions under IFRS is based on a different approach to the principle of prudence than under HGB. IFRS sets stricter requirements for the probability of the relevant events and the measurability of the amounts that should be provided.

Treasury shares

Treasury shares under HGB are disclosed under current assets and with a matching entry in the form of a reserve (gross presentation). Under IFRS, treasury shares must be deducted from equity (net presentation).

Foreign currencies

There is a difference between the two systems in the treatment of unrealised gains on the measurement of foreign currencies at balance sheet date. Under HGB the treatment is asymmetrical, and only losses are recognised, while under IFRS unrealised gains must also be recognised.

33. MANAGEMENT BODIES

Supervisory Board

Martin SIMHANDL, Vienna (Chairman)
Klaus BRAUNEGG, Vienna (first deputy chairman)
Franz KERBER, Vienna (second deputy chairman)
Christian AHLFELD, Vienna
Gerald ANTONITSCH, Vienna
Reinhard AUMANN, Vienna (until 31 May 2005)
Michael BUHL, Vienna (until 31 December 2004)
Reinhold SCHÜRER-WALDHEIM, Vienna
Kurt STÖBER, Bruck an der Leitha (until 31 May 2005)
Peter TICHATSCHEK, Vienna
Richard WILKINSON, Vienna (from 31 May 2005)

Management Board

Holger SCHMIDTMAYR
Ernst VEJDOVSZKY

Authorised signatories

Peter GRÖLL
Christof RAUCHENSCHWANDTNER

With respect to compensation of the Management Board, advantage is taken of the exemption afforded by section 266 (7) HGB. Compensation paid to members of the Supervisory Board (including members of the supervisory board of a Group company) amounted to EUR 18,000. Members of the Management Board received neither loans nor advances, and no guarantees were given on their behalf.

Vienna, March 2006

Management Board

Holger Schmidmayr m.p.

Ernst Vejdovsky m.p.

Auditors' report

We have audited the consolidated financial statements of Sparkassen Immobilien AG, Vienna for the fiscal year from January 1, 2005 to December 31, 2005. The Company's management is responsible for the preparation and the content of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and for the preparation of the management report for the group in accordance with Austrian regulations. Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to state whether the management report for the group is in accordance with the consolidated financial statements.

We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing and International Standards on Auditing (ISA) issued by the International Federation of Accountants (IFAC). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement and whether we can state that the management report for the group is in accordance with the consolidated financial statements. In determining the audit procedures we considered our knowledge of the business, the economic and legal environment of the group as well as the expected occurrence of errors. An audit involves procedures to obtain evidence about amounts and disclosures in the consolidated financial statements predominantly on a sample basis. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements are in accordance with legal requirements and present fairly, in all material respects the financial position of the group as of December 31, 2005 and of the results of its operations and its cash-flows for the fiscal year from January 1, 2005 to December 31, 2005 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. The management report for the group is in accordance with the consolidated financial statements.

Vienna, March 21, 2006

Eidos Deloitte
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH

Erich Kandler m.p. p.p. Wolfgang Arndorfer m.p.
Auditor and tax advisor Auditor and tax advisor

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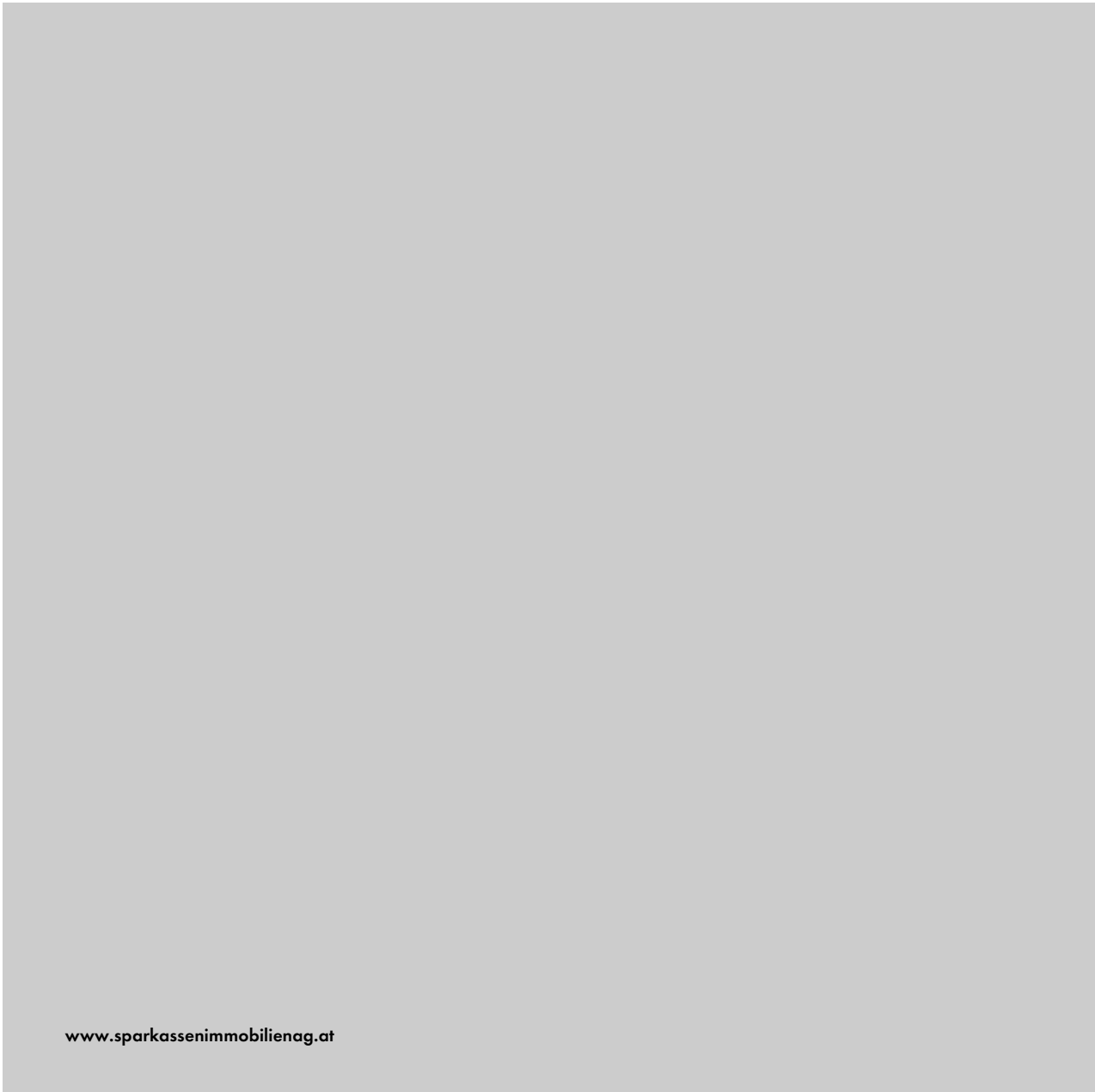
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This annual report has been prepared and proofread with the greatest possible care and have thoroughly checked the data presented in it. The possibility of rounding errors, errors in transmission, typesetting or printing errors can not however be excluded. Apparent arithmetical errors may be the result of rounding errors caused by software.
The English language annual report is a translation. Only the German version is definitive.

Sparkassen Immobilien AG's Markets





www.sparkassenimmobilienag.at

APPENDIX E

Financial Statements of Immorent AG for the financial year 2005

Income statement for Fiscal Year 2005
(in EUR)

		2004 EUR 1000
1. <u>Revenues</u>	39,316,377.72	31,124
2. <u>Changes in inventories of services not yet invoiced</u>	12,394,789.46	5,160
3. <u>Other operating income</u>		
a) Income from the disposal of fixed assets not including financial assets	3,233.50	0
b) Income from the reversal of provisions	10,218,564.38	5,072
c) Other	<u>1,568,141.62</u>	1,698
4. <u>Expenses for materials and other services supplied</u>	-19,401,821.61	-10,981
5. <u>Personnel Expenses</u>		
a) Salaries	-16,509,421.53	-14,742
b) Expenses for severance payments and contributions to occupational pension schemes	-999,354.65	-488
c) Expenses for pensions	-264,957.90	-233
d) Costs of statutory social security contributions and other pay related contributions	-4,121,624.58	-3,808
e) Other staff benefits	<u>-582,579.52</u>	-398
6. <u>Depreciation and amortisation of tangible and intangible fixed assets</u>	-1,842,198.92	-1,686
7. <u>Other operating expenses</u>		
a) Taxes not disclosed under item 17	-16,564.28	-20
b) Other	<u>-12,965,511.98</u>	<u>-13,876</u>
8. <u>Subtotal items 1 to 7</u>	<u>6,797,071.71</u>	<u>-3,178</u>
9. <u>Income from investments</u> (whereof from associated companies EUR 26,126,932.91 2004: EUR 30,789,000)	26,319,691.94	30,841
10. <u>Income from other long-term securities</u>	884,813.63	197
11. <u>Other interest and similar income</u> (whereof from associated companies EUR 4,088,124.24 2004: EUR 2,533,000)	11,858,272.85	7,045
12. <u>Income from the disposal of financial assets and securities held as current assets</u>	68,723,066.05	1,288
13. <u>Expenses for financial assets and marketable securities</u> whereof	-23,646,842.37	-9,982
a) Writedowns: EUR 9,332,312.46 (2004: EUR 4,974,000)		
b) Expenses on associated companies: EUR 16,575,142.41 (2004: EUR 7,414,000)		
14. <u>Interest and similar expense</u> (whereof of associated companies) EUR 661,261.55 2004: EUR 650,000)	-1,319,615.17	-1,448
15. <u>Subtotal items 9 to 14</u>	<u>82,819,386.93</u>	<u>27,941</u>
16. <u>Profit from ordinary operations</u>	<u>89,616,458.64</u>	<u>24,763</u>

16. <u>Profit from ordinary operations</u>	<u>89,616,458.64</u>	<u>24,763</u>
17. <u>Taxes on income</u>	<u>-1,687,259.55</u>	<u>1,210</u>
18. <u>Net income for the year</u>	<u>87,929,199.09</u>	<u>25,973</u>
19. <u>Release of untaxed reserves</u>	0.00	23
20. <u>Release of capital reserves</u>	4,320,800.91	0
21. <u>Release of revenue reserves</u>	0.00	4
22. <u>Transfer of profits per agreement</u>	<u>-92,250,000.00</u>	<u>-26,000</u>
23. <u>Total income</u>	<u>0.00</u>	<u>0</u>

Notes to the financial statements for the year ended 31 December 2005

1. Accounting and valuation policies

1.1. General principles

The annual financial statements have been prepared in accordance with generally accepted accounting principles and the general requirement to present as true and fair a view as possible of the assets, finances and earnings of the Company as required under section 222(2) Austrian Commercial Code (HGB).

The accounting, valuation and disclosure of the individual items in the annual financial statements comply with sections 196–211 HGB and take into account the special provisions of sections 221–235 HGB applicable to limited liability companies. This applies in particular with respect to the principles of completeness and prudence, which dictate that only profits which at balance sheet date have been realised may be included, and require that all recognisable risks and impending losses must be taken into account.

1.2. Fixed assets

1.2.1. Intangible assets

Intangible assets are recognised at cost of acquisition less scheduled amortisation, which is calculated on a straight-line basis assuming the useful lives and rates set out below. Additions during the first half of the financial year are depreciated at the full annual rate in the first year, and additions during the second half of the year at half the annual rate.

	Useful life (years)	Amortisation rate %
Software (database, applications, licences)	3 to 5	20–33.3

There was no unscheduled amortisation in financial 2005.

1.2.2. Tangible assets

Tangible assets are recognised at cost of acquisition or construction less scheduled depreciation, which is calculated on a straight-line basis assuming the useful lives and rates set out below. Additions during the first half of the financial year are depreciated at the full annual rate in the first year, and additions during the second half at half the annual rate.

	Useful life (years)	Depreciation rate %
Buildings (including investments in buildings owned by others)	10 to 66.6	1.5–10
Other property, plant and equipment	3 to 22	4.6–33.3

There was no unscheduled depreciation in financial 2005.

Low value assets with an individual value of up to EUR 400 have been written down entirely in the year of acquisition and are disclosed in the fixed assets movement schedule as both additions and disposals (section 226(3) HGB).

1.2.3. Financial assets

Financial assets are disclosed at cost of acquisition less unscheduled writedowns for impairment losses. In financial year 2005 permanent losses in value required the recognition of unscheduled writedowns amounting to EUR 8,360,612.46.

A comprehensive schedule of investments is included as Annex 2 and Annex 3 to the Notes.

Securities held as fixed assets are valued in accordance with the modified lower of cost or market value principle at the lower of acquisition cost and value at balance sheet date.

1.2.4. Write-ups

In financial year 2005 no write-ups to fixed assets were recognised; unrecognised write-ups for the year amounted to EUR 41,442.75.

1.3. Current assets

1.3.1. Inventories

Inventories (goods and services not yet invoiced) are valued in accordance with the strict lower of cost or market value principle. Only direct costs invoiced by external suppliers are included in valuation (without affecting profit or loss), together with the proportionate share of directly attributable own

production costs. The principle of individual valuation has been strictly applied to ensure compliance with the net realisable value principle.

For contracts extending over a period of more than twelve months appropriate proportions of administrative and selling and distribution expenses have been left out of account. Interest and the costs of voluntary employee benefits, occupational pension schemes and severance payments have not been included.

Costs of production are provided against where this is necessary to reflect losses. Provisions are made for losses on pending transactions and for the risks of property development.

1.3.2. Receivables and other assets

Receivables and other assets are recognised at their nominal value and in the case of losses, at lower individual fair values. No general provisions for losses are made.

1.3.3. Securities

Securities held as current assets are disclosed at the lower of acquisition cost or market value at balance sheet date. The 790,000 ESPA CASH EURO-PLUS shares acquired during 2005 required to be written off to their lower market value of EUR 971,700 at the end of the financial year.

1.4. Provisions

1.4.1. Provisions for severance payments

The provision for severance payments was calculated on the basis of an actuarial report by BVP-Pensionsvorsorge-Consult GmbH, following the accepted principles of actuarial mathematics and using the Pagler & Pagler AVÖ 1999-P life expectancy tables for pension insurance, an interest rate of 4% (2004: 6%) and the standard entry age method.

1.4.2. Other provisions

Other provisions reflect the principle of prudence: provision is made for all risks recognisable at balance sheet date, and all contingent liabilities uncertain as to amount or timing are recognised in the amounts that in sound commercial judgement are required.

1.5. Liabilities

Reflecting the prudence principle, liabilities are recognised in the amounts repayable.

1.6. Changes in accounting policies

In accordance with Group policy, the provision for severance payments in 2005 was for the first time calculated using an interest rate of 4% instead of the 6% used in the previous year.

2. Notes to the balance sheet and the income statement

2.1. General information

Balance sheet and income statement items for which there were no entries in 2005 or in the previous year have been omitted (section 223(7) HGB).

In accordance with section 223(2) HGB, comparative figures for 2004 are shown in thousands of euro (EUR '000).

2.2. Notes to the balance sheet

2.2.1. Fixed assets

2.2.1.1. Changes

The value of land forming part of developed property remained unchanged from the previous year, at EUR 424,512.55.

Changes in individual fixed assets categories and details of annual depreciation for the individual asset categories are shown in the fixed assets movement schedule (Annex 1).

Software with a residual book value at balance sheet date of EUR 2,547 consisted of the SAP software package implemented in 2001 together with software improvements to the fixed assets database.

Software elements with a residual book value of EUR 2,322 at balance sheet date have been acquired by Group companies or associates in which the Group has an interest of more than 10%.

2.2.1.2. Loans

In general, loans have a residual maturity of more than 1 year. No information is provided on amounts falling due in the next financial year, however, since many loans are redeemed prematurely

The cargo container leasing agreement (USD) disclosed under other loans has been refinanced on matching terms (maturity, currency) and is therefore valued at the original exchange rate (EUR/USD 1,1968).

2.2.1.3. Capitalised interest and similar expenses

Costs of construction for fixed assets do not include interest or similar expenses, either in 2005 or in earlier years.

2.2.2. Current assets

2.2.2.1. Inventories

Services rendered but not yet invoiced do not include any interest for borrowed capital.

2.2.2.2. Receivables and other assets

2.2.2.2.1. Breakdown

Receivables broken down by maturities were as follows:

IMMORENT Aktiengesellschaft, Wien

	Carrying value	Maturity less than 1 year	Maturity between 1 and 5 years	Maturity longer than 5 years
	EUR	EUR	EUR	EUR
Trade receivables	2,104,965.45	2,104,965.45	0.00	0.00
2004: (EUR '000)	3,566	3,566	0	0
Receivable from associated companies	44,574.439.45	19,851,515.68	24,722,923.77	0.00
2004: (EUR '000)	49,215	24,994	24,221	0
Receivable from companies with which there is a participating relationship	15,703.04	0.00	15,703.04	0.00
2004: (EUR '000)	95	0	95	0
Other receivables and assets	5.786.452.08	5,786,452.08	0.00	0.00
2004: (EUR '000)	4.864	4,864	0	0
	52.481.560.02	27,742,933.21	24,738,626.81	0.00
2004: (EUR '000)	57.740	33,424	24,316	0.00

Other receivables and assets include EUR 3,538,784.68 payable after balance sheet date.

2.2.2.2.2. Lump-sum allowances

No lump-sum allowances were made in financial year 2005.

2.2.2.2.3. Accruals

The caps of EUR 1,686,993.60 disclosed under accruals were concluded as hedges against variable rate borrowing by subsidiaries. Their current market value at balance sheet date was EUR 1,367,893.09.

2.2.3. Shareholders` equity

The issued share capital of EUR 11m is fully paid up. It was unchanged during 2005, and is made up of 11,000,000 bearer shares. Erste Bank der oesterreichischen Sparkassen AG is the sole shareholder.

The change in free capital reserves in financial 2005 was as follows:

	<u>EUR</u>
At 1 January 2005	166,962,715.22
Indirect contribution by Erste Bank	6,100,000.00
Release	<u>-4,320,800.91</u>
At 31 December 2005	<u>168,741,914.31</u>

2.2.4. Untaxed reserves

The valuation reserve in 2005 was made up as follows:

	01.01.2005 EUR	Release EUR	31.12.2005 EUR
Valuation reserve section 12 EStG 1988	<u>61,070.54</u>	0.00	<u>61,070.54</u>

2.2.5. Provisions

2.2.5.1. Provisions for severance payments

Changes in the provision for severance payments during the year were as follows:

	01.01.2005 EUR	Addition EUR	31.12.2005 EUR
Total provision	<u>1,953,263.00</u>	<u>595,623.00</u>	<u>2,548,886.00</u>

2.2.5.2. Other provisions

Other provisions at 31 December 2005 of EUR 54,886,666.58 (2004: EUR 58,627,000) consisted chiefly of provisions against losses on investments EUR 8,339,369.09 (2004: EUR 15,678,000), business risks EUR 11,691,119.44 (2004: EUR 6,891,000), a dividend guarantee in connection with profit pooling EUR 7,074,640.04 (2004: EUR 7,886,000), general provision for commercial risks

9,100,000.00 (2004: EUR 8,968,000), prospectus liability on investments EUR 5,319,651.46 (2004: EUR 5,320,000), cluster risks EUR 6,072,000.00 (2004: EUR 6,313,000).

2.2.6. Liabilities

2.2.6.1. Breakdown

Liabilities broken down by maturities were as follows:

	Carrying value	Maturity less than 1 year	Maturity between 1 and 5 year	Maturity longer than 5 years
	EUR	EUR	EUR	EUR
Loans from associated companies	72,707,193.32	0.00	0.00	72,707,193.32
2004: (EUR '000)	72,707	0	0	72,707
Liabilities to banks	7,998,556.61	7,998,556.61	0.00	0.00
2004: (EUR '000)	29,796	29,796	0	0
Payments received on account	17,761,173.14	17,761,173.14	0.00	0.00
2004: (EUR '000)	8,941	8,941	0	0
Trade payables	2,234,315.84	2,234,315.84	0.00	0.00
2004: (EUR '000)	664	664	0	0
Liabilities to associated companies	128,105,561.21	123,808,379.50	0.00	4,297,181.71
2004: (EUR '000)	74,548	70,228	0	4,320
Liabilities to companies with which there is a participating relationship	185,741.96	0.00	0.00	185,741.96
2004: (EUR '000)	264	0	0	264
Other liabilities	18,559,453.31	4,173,652.82	14,385,800.49	0.00
2004: (EUR '000)	23,186	4,792	18,394	0
	247,551,995.39	155,976,077.91	14,385,800.49	77,190,116.99
2004: (EUR '000)	210,106	114,421	18,394	77,291

Other liabilities consist in the main of loans by various church organisations and government and local authorities (EUR 14,385,800.49).

The loans were not collateralised.

The USD liability to associated companies is valued at the original exchange rate of EUR/USD 1.1968.

Liabilities to associated companies also include a contribution from a silent partner (Erste Bank der oesterreichischen Sparkassen AG) in the amount of EUR 3,669,978.12.

2.2.7. Contingent liabilities

The contingent liabilities disclosed below the line are the result of guarantees given to subsidiaries.

Contingent liabilities at 31 December 2005 amounted to EUR 1,414,140,060.43 (2004: EUR 1,771,826,000).

The contingent liabilities are offset by contingent claims in the same amount.

Trustee assets and liabilities at 31 December 2005 disclosed below the line amounted to EUR 3,125,063.31 (2004: EUR 3,125,000).

In addition, letters of support were submitted on behalf of subsidiaries in which IMMORENT guarantees to provide financial resources to satisfy the liabilities of its subsidiaries.

2.2.8. Obligations arising from the use of fixed assets

	2006 EUR	2007–2012 EUR
Rental obligations (whereof to associated companies EUR 153,000 (2004: EUR 41,000))	1,430,101.75	7,865
Leasing obligations (whereof to associated companies EUR 5,000 (2004: EUR 3,000))	71,369.97	350
	<hr/>	<hr/>
	1,501,471.72	8,215

2.3. Notes to the income statement

2.3.1. Revenues

Revenues broken down by areas of activity were as follows:

	2005 EUR	2006 EUR '000
Management charges	23,002,853.09	17,926
Construction services charges	8,720,988.32	3,628
Fund management and trustee income	1,355,190.61	1,280
Rental income	155,521.71	204
Marketing income	341,267.77	551
Project consultancy fees	5,740,556.22	3,379
Sales income – cross-border leasing	0.00	4,156
	<u>39,316,377.72</u>	<u>31,124</u>

Revenues inside Austria came to EUR 31,369,456.02 and foreign revenues to EUR 7,946,921.70.

2.3.2 Personnel Expenses

In addition to an average of three members of the Management Board, the average number of employees (salaried staff) was as follows:

	2005	2006
	<u>339</u>	<u>327</u>

The expenses for severance payments and pensions in 2005 were as follows:

	Severance payments EUR	Pensions EUR
Management Board members	133,444.00	11,262.48
Senior managers ¹ and other employees	865,910.65	253,695.42
	<u>999,354.65</u>	<u>264,967,90</u>

¹ Senior managers are the authorised signatories. In the light of the relatively low levels of expense, no distinction is made between senior managers and other staff.

2.3.3. Income from investments

	2005 EUR	2004 EUR '000
Profit transfers from pooling group companies (net of dividends guarantee)	15,824,002.41	24,183
Profit shares		
Associated companies	9,361,596.39	5,482
Portfolio companies	859,846.27	845
Partnerships	145,841.20	277
Management fees	128,405.67	54
	26,319,691.94	30,841

2.3.4. Taxes on income

Since 1995 there has been a comprehensive tax pooling agreement in force between IMMORENT and Erste Bank. The application by Erste Bank der oesterreichischen Sparkassen AG of 20 July 2005 for recognition as a tax group for the purposes of section 9(8) Austrian Corporate Income Tax Act 1988 (KStG) was granted with effect from the assessment year 2005.

For financial 2005 the taxes on group income amounted to EUR 1,687,697.05 less a tax credit of EUR 437.50.

3. Other information

3.1. Managing bodies

3.1.1. Management Board

In financial year 2005 and at the time the balance sheet was prepared, the following were entered in the commercial register as members of the Management Board.

Peter Tichatschek, Chairman, Maria Enzersdorf
Gerald Antonitsch, Hohenau
Gertrud Meisel-Ortner, Vienna

The total compensation of the members of the Management Board in financial year 2005 amounted to EUR 969,000 (2004: EUR 1,071,000). The members of the Management Board received no loans or advances, and no guarantees were given in their respect.

3.1.2. Supervisory Board

In financial year 2005 and at the time the balance sheet was prepared the following were entered in the commercial register as members of the Supervisory Board:

Franz Hochstrasser (Chairman from 25 February 2005)
Elisabeth Bleyleben-Koren, Vienna (Chairman until 25 February 2005)
Reinhard Karl, Vienna ²
(Deputy chairman)
Klaus Braunegg, Vienna ²
Kurt Stöber, Bruck an der Leitha ²
Reinhard Aumann, Vienna (until 25 February 2005)
Barbara Harrer, Vienna ³

IMMORENT Aktiengesellschaft, Wien

Johannes Ott, Vienna ³

Andreas Dossi, Graz ³

Christian Ahlfeld, Vienna ²

Richard Wilkinson, Vienna ² (from 25 February 2005)

Patrick Zehetmayr, Vienna ² (from 22 September 2005)

The members of the Supervisory Board received no remuneration in or for financial year 2005.

² Member of the subcommittee

³ Employee representative

3.2. Additional information

3.2.1. Exemption from consolidation requirements

IMMORENT is a parent company required to prepare consolidated financial statements (section 244 HGB). At the same time it is a subsidiary of Erste Bank der oesterreichischen Sparkassen AG, Vienna, which prepares the ultimate consolidated statements. This exempts IMMORENT from the obligation to prepare consolidated statements (section 245(1) HGB), and the exemption is recorded in the commercial register of the Commercial Court, Vienna.

3.2.2. Relationships with associated companies

In the profit and loss pooling agreement of 7 December 1995 IMMORENT has undertaken to transfer its profit for each year to its parent, and the parent company has undertaken to assume (cover) any losses.

IMMORENT Aktiengesellschaft, Wien

In the profit and loss pooling agreements of 12 October 2000, 23 January 2001 and 1 February 2001, Immorent-Finanzierungsgesellschaft m.b.H., Immorent-Bank GmbH and IMMORENT Bauplanungsgesellschaft m.b.H. respectively have undertaken to transfer their profit for each year to IMMORENT, and IMMORENT has undertaken to assume (cover) any losses.

There are also numerous pooling agreements between IMMORENT as parent company and various subsidiaries, which substantially expanded the pooling group with effect from 2002.

In financial 2005 a tax group consisting of IMMORENT and various subsidiaries was formed. The profit and loss pooling agreements concluded between IMMORENT and various subsidiaries are largely still in force.

3.2.3. General partner in one partnership

IMMORENT is the unlimited general partner in BGM-IMMORENT Aktiengesellschaft & Co KG (formerly BGM-Büro- und Geschäftshaus Mariahilferstrasse "Immo - Rent" Vermögensberatung und Treuhand Gesellschaft m.b.H. & Co KG).

Vienna, April 2006

Peter Tichatschek m.p.

Gerald Antonitsch m.p.

Gertrud Meisel-Ortner m.p.

Fix assets schedule for fiscal year 2005

(in EUR)

	As at		Costs of acquisition and construction		Depreciation and amortisation		Disposals		Book values	
	01.01.2005	31.12.2005	Additions / transfers/	Disposals / transfers/	As at 01.01.2005	Additions scheduled (unscheduled)	Write-ups	As at 31.12.2005	As at 01.01.2005	As at 31.12.2005
I. Intangible assets.										
1. Industrial property rights and similar rights, and licences thereto	4,996,306.17	1,507,537.73	0.00	0.00	2,988,995.90	955,241.70	0.00	3,944,237.60	2,007,310.27	2,559,606.30
II. Property, plant and equipment.										
1. Land and buildings										
a) Value of land	424,513.00	0.00	0.00	0.00	0.45	0.00	0.00	0.45	424,512.55	424,512.55
b) Value of buildings	2,412,676.00	0.00	0.00	0.00	530,914.00	35,126.00	0.00	566,040.00	1,881,762.00	1,846,636.00
2. Buildings on land owned by others	1,199,158.90	25,031.68	0.00	0.00	603,942.79	111,897.74	0.00	715,840.53	595,216.11	508,350.05
3. Other assets, plant and equipment	3,640,176.45	249,432.44	596,467.29	3,293,141.60	2,176,784.84	637,593.74	0.00	574,519.66	1,463,391.61	1,053,282.68
4. Low value assets	0.00	102,339.74	102,339.74	0.00	0.00	102,339.74	0.00	102,339.74	0.00	0.00
	7,676,524.35	376,803.86	698,807.03	7,354,521.18	3,311,642.08	886,957.22	0.00	676,859.40	4,364,882.27	3,832,781.28
III. Financial assets.										
1. Interests in associated companies	391,063,622.52	22,060,830.35 ¹⁾	35,072.67	413,346,189.97	159,037,628.38	0.00	0.00	164,151,874.11	232,025,994.14	249,194,315.86
		/841,035,05/	/-584,225,28/			(5,114,245,73)				
2. Loans to associated companies	31,766,877.69	0.00	14,914,414.80	16,852,462.89	0.00	0.00	0.00	0.00	31,766,877.69	16,852,462.89
3. Investments	55,929,904.30	6,198,943.38	29,754,202.78 ¹⁾	32,117,835.13	4,735,140.28	0.00	0.00	7,981,507.01	51,194,764.02	24,136,328.12
		/3,979,038,09/	/-4,235,847,86/			(3,246,366,73)				
4. Loans to companies with which there is a participating relationship	40,787,335.37	150,000.00	0.00	40,937,335.37	0.00	0.00	0.00	0.00	40,787,335.37	40,937,335.37
5. Securities forming part of fixed assets	14,171,898.91	0.00	0.00	14,171,898.91	42,712.84	0.00	0.00	42,712.84	14,129,186.07	14,129,186.07
6. Other loans	4,669,295.24	0.00	503,625.67	4,165,469.57	0.00	0.00	0.00	0.00	4,669,295.24	4,165,469.57
	538,388,934.03	28,409,773.73	45,207,515.92	521,591,191.84	163,815,481.50	0.00	0.00	172,176,093.96	374,573,452.53	349,415,097.88
	/4,820,073.14/	/-4,820,073.14/				(8,360,612,46)				
	551,061,764.55	30,294,115.32	45,906,322.95	535,449,556.92	170,116,119.48	1,842,198.92	0.00	676,859.40	179,642,071.46	355,807,485.46
	/4,820,073.14/	/-4,820,073.14/				(8,360,612,46)				

1) Including grants including profit transfers from partnerships

Information according to sec. 238 no. 2 Austrian Commerce Code

Companies	book value Balance as of Dec. 31, 2005 EUR	Share quota %	Shareholders' equity Balance as of Dec. 31, 2005 in 000 EUR	Net income/ net loss 2005 ¹⁾ in 000 EUR	profit pooling agreement
Incorporated companies					
Immorent West Ges.m.b.H. & atypisch Still, Innsbruck	12,717.74*	35.00*	-162	-124	
Immorent-Süd Gesellschaft m.b.H., Graz	12,717.75*	35.00*	-350	-50	
Immorent-NÖ Sparkassen Leasing GesmbH, St.Pölten	14,534.57*	40.00*	4	27	
IMMORENT-OÖ Sparkassen Leasing GesmbH, Linz	14,534.57*	40.00*	37	5	
IMMORENT BauplanungsgesmbH, Wien	36,336.42*	100.00*	36	1,142	
IMMORENT Wohnbau GesmbH, Wien	5,621,686.71*	99.00*	4,066	-990	
IMMORENT S-Immobilienmanagement GesmbH, Wien	37,669.96*	100.00*	-664	1,405	
IMMORENT-LOTUS GVG, Wien	1,853,157.27*	100.00*	1,233	1,975	X
IMMORENT-RIO GVG, Wien	279,063.68*	40.00*	-935	-141	
ImmoRent Einkaufszentren VerwaltungsgesmbH, Wien	839,829.51*	90.00*	5,614	830	X
Immorent - Kagraner GVG, Wien	36,336.42*	100.00*	-12	304	X
Immorent LehrbauhöfeerrichtungsgesmbH, Wien	327,454.71*	100.00*	223	48	
Rudolf Sticker GesmbH, Wien	145,345.67*	100.00*	175	54	X
Immorent - Wörgler GVG, Wien	436,264.11*	100.00*	349	357	X
S-Leasing OÖ Gesellschaft m.b.H. (vormals Perchtoldsdorfer Feuerwehrhauserrichtungs- und VerwaltungsgesmbH, Wien)	14,534.57*	40.00*	-26	-499	
Heinrich Kranebitter GesmbH, Wien	1,126,656.03*	100.00*	406	177	
Immorent-Hackinger GVG, Wien	148,979.31*	10.00*	-378	-103	
IMMORENT-GVG, Wien	1,015,875.38*	95.00*	2,231	235	X
Immorent-Sparkasse Feldkirchen GVG, Feldkirchen in Kärnten	18,168.21*	50.00*	57	21	
IMMORENT-VITUS GVG, Wien	18,168.21*	50.00*	49	12	
IMMORENT-SPARKASSE ST.PÖLTEN LeasinggesmbH, St.Pölten	18,168.61*	50.00*	-266	22	
Eurolease Immorent GVG, Wien	16,351.39*	45.00*	531	494	
Steirische Leasing für öffentliche Bauten GesmbH, Graz	18,168.21*	50.00*	-515	226	
IMMORENT-RUBIN GVG, Wien	1,932,702.78*	90.00*	3,270	660	
KraftwerkerrichtungsgesmbH, Wien	27,297.73*	75.00*	2,135	598	
IMMORENT-TOPAS GVG, Wien	18,168.21*	50.00*	-255	15	
IMMORENT-MOMO GVG, Wien	36,336.42*	100.00*	1,433	474	
IMMORENT-HUBI GVG, Wien	9,084.10*	25.00*	591	554	
IMMORENT-WALOG GVG, Wien	0.07*	95.20*	17	1	
IMMORENT-CHEMILEN GVG, Wien	1,920,379.64*	85.00*	4,679	344	X

Companies	book value		Share quota %	Shareholders' equity		Net income/ net loss 2005 ¹⁾ in 000 EUR	profit pooling agreement
	Balance as of Dec. 31, 2005 EUR	Dec. 31, 2005 EUR		Balance as of Dec. 31, 2005 in 000 EUR	in 000 EUR		
Interkauf Leasing GesmbH, Graz	37,746.33 *	18	100.00 *	18	-1		
Dornbirner Sparkasse GVG, Dornbirn	18,168.21 *	36	50.00 *	36	-2		
IMMORENT-NERO GVG, Wien	36,336.42 *	-513	100.00 *	-513	-107	3)	
Immorent-WBV GVG, Innsbruck	18,168.21 *	25	50.00 *	25	7		
IR-MIFEI GebäudeerrichtungsgesmbH, Wien	705,746.70 *	1,268	100.00 *	1,268	300	3)	
Immorent - Immobilienleasing GesmbH, Wien	1,415,757.65 *	1,308	95.00 *	1,308	189	X	
Immorent - Alpha Immobilienleasing GesmbH, Wien	229,332.40 *	204	100.00 *	204	11	3)	
Tiroler Kommunalgebäudeleasing GesmbH, Innsbruck	96,750.00 *	139	8.33 *	139	118		
TKL II GVG, Innsbruck	83,166.67 *	185	8.33 *	185	165	3)	
TKL III GVG, Innsbruck	101,622.29 *	459	8.33 *	459	420		
TKL IV GVG, Innsbruck	77,500.00 *	187	8.33 *	187	148	3)	
IMMORENT- BRAUGEBÄUDE-LeasinggesmbH, Wien	107,510.37 *	327	95.00 *	327	85	3)	
Immorent-Sigre GVG, Wien	254,354.91 *	1,136	100.00 *	1,136	117	X	
IMMORENT-BUSTA GVG, Wien	18,168.21 *	151	50.00 *	151	110	3)	
Quirinal Grundstücksverwaltungs GesmbH, Wien	303,045.72 *	53	33.33 *	53	16	3)	
IMMORENT-STIKÖ LeasinggesmbH, Wien	36,336.41 *	-3	100.00 *	-3	-33	3)	
IMMORENT-RIWA GVG, Wien	36,336.42 *	-223	100.00 *	-223	-65	3)	
NÖ Bauträger GesmbH (nunmehr AVION-GVG), Wien	46,084.60 *	-193	50.00 *	-193	-296	3)	
IMMORENT-JULIA GVG, Wien	32,702.78 *	71	90.00 *	71	70	3)	
Dr. Schobesberger GVG, Wien	140,682.09 *	58	100.00 *	58	-1		
Immorent-Gamma-GVG, Wien	794,023.39 *	2,798	95.20 *	2,798	1,263		
Immorent - Kappa GVG, Wien	36,563.52 *	744	100.00 *	744	434	X	
Immorent-Lamda GVG, Wien	36,336.42 *	610	100.00 *	610	115	X	
Esquilin Grundstücksverwaltungs GesmbH, Scheibbs	9,084.10 *	128	25.00 *	128	92	3)	
Viminal Grundstücksverwaltung GesmbH, Hollabrunn	9,084.10 *	298	25.00 *	298	261	3)	
IMMORENT-ROMULUS GVG, Wien	683,197.31 *	137	80.20 *	137	60	3)	
IMMORENT-REMUS GVG, Wien	1,602,453.11 *	1,237	100.00 *	1,237	82	3)	
IMMORENT-APOLLO GVG, Wien	9,084.10 *	92	25.00 *	92	56		
IMMORENT West GVG, Wien	904,776.79 *	1,609	90.00 *	1,609	103	3)	
Immorent-GebäudeleasinggesmbH, Wien	763,291.86 *	444	100.00 *	444	107	X	
IMMORENT-FORTUNA GVG, Wien	181,689.35 *	442	50.02 *	442	56	3)	
Immorent-Scala GVG, Wien	55,214.79 *	92	23.80 *	92	56		
Steirische Gemeindegebäude Leasing GesmbH, Graz	1,208,667.33 *	358	50.00 *	358	247	3)	
IMMORENT-MORAWA GVG, Wien	36,336.42 *	514	100.00 *	514	36	3)	
Immorent-Sparkasse Imst GVG, Innsbruck	18,168.21 *	56	50.00 *	56	38	3)	
Immorent-Lispa GVG, Innsbruck	18,531.57 *	126	51.00 *	126	90	3)	

Companies	book value Balance as of Dec. 31, 2005 EUR	Share quota %	Shareholders' equity Balance as of Dec. 31, 2005 in 000 EUR	Net income/ net loss 2005 ¹⁾ in 000 EUR	profit pooling agreement
IMMORENT-Sparkasse Wels Eybl GVG, Wien	46,786.87*	49.80*	36	35	
IMMORENT Treuhand- und VermögensverwaltungsgesmbH, Wien	36,336.42*	100.00*			
IMMORENT - ANDROMEDA GVG, Wien	12,209.04*	33.60*	-1,653	-41	
IMMORENT-MISTRAL GVG, Wien	147,169.76*	50.02*	526	96	
IMMORENT-RAFI GVG, Wien	18,168.21*	50.00*	1,525	3,260	3)
IMMORENT-PAN GVG, Wien	547,498.96*	90.00*	373	213	
IMMORENT-MARCO GVG, Wien	1,119,297.91*	80.00*	2,151	218	3)
DIE ERSTE-IMMORENT-Z-Einrichtungshausverwertungs GesmbH,	464,567.09*	66.80*	168	132	3)
IMMORENT-ASTRA GVG, Wien	502,031.21*	75.00*	-84	579	X
SERPENS - Immorent GVG, Wien	200,000.00*	100.00*	145	20	3)
Immorent-Delta-GrundstücksverwertungsgmbH	0.07*	90.00*	-152	-23	
Epsilon - GVG, Wien	1,098,922.26*	24.00*	1,721	1,648	3)
Vorarlberger Kommunalgebäudeleasing GesmbH, Dornbirn	232,018.50*	33.33*	-332	-66	3)
VKL II GVG, Dornbirn	746,905.53*	33.33*	131	-11	3)
VKL III Gebäudeleasing-GesmbH, Dornbirn	1,467,456.69*	33.33*	3,581	294	3)
VKL IV LeasinggesmbH, Dornbirn	9,800.00*	23.33*	-1,360	164	6)
Lara-GVG, Wien	36,336.40*	100.00*	-3,114	731	3)
Steirische Kommunalgebäudeleasing GesmbH, Graz	2,198,353.23*	50.00*	738	266	3)
Immorent-Clio-GVG, Wien	327,481.96*	100.00*	-41	-83	3)
Immorent-Steiko GVG, Wien	36,563.52*	100.00*	128	47	X
Immorent - Weiko GVG, Wien	36,423.55*	100.00*	95	-143	X
IMMORENT-IBA LeasinggesmbH, Wien	18,168.21*	50.00*	184	102	3)
IMMORENT-WEBA GVG, Wien	0.07*	75.00*	-282	23	3)
IMMORENT-KRABA GVG, Wien	32,702.78*	90.00*	342	44	X
IMMORENT-ObjektvermietungsgesmbH, Wien	327,047.56*	100.00*	930	774	X
CALDO GVG, Wien	9,129.52*	25.00*	48	12	
Technologie- und Marketing Center Grambach GVG, Wien	36,336.42*	100.00*	362	61	
Schul- und Amtsgebäude GrundstücksverwaltungsgesmbH, Graz	12,354.38*	33.33*	-1,026	58	
IR-Salva Grundverwertungsgesellschaft m.b.H.	35,472.59*	95.00*	687	735	X
S-Leasing GesmbH, Kirchdorf/Krems	359,968.80*	50.00*	36	48	
Immorent-Sigma GVG, Wien	1,714,975.32*	95.00*	1,988	408	3)
Isparent-I GVG, Innsbruck	72,963.03*	49.00*	87	51	3)
Isparent-II GVG, Innsbruck	18,168.21*	50.00*	1,507	187	3)
Isparent-III GVG, Innsbruck	132,841.22*	50.50*	137	101	3)
IMMORENT-DOMUS GVG, Wien	287,057.69*	90.00*	209	49	X
IMMORENT-RASTA GVG, Wien	2,939,616.14*	81.82*	5,792	378	X
IMMORENT-GREKO GVG, Wien	33,396.22*	75.00*	312	114	X

Companies	book value		Share quota %	Shareholders' equity		Net income/ net loss 2005 ¹⁾ in 000 EUR	profit pooling agreement
	Balance as of Dec. 31, 2005 EUR	Balance as of Dec. 31, 2005		Balance as of Dec. 31, 2005 in 000 EUR	in 000 EUR		
IMMORENT-MÖRE GVG, Wien	214,476.22*	23.80*	147	111			
S-Invest BeteiligungsgesmbH, Wien	29,432.50*	81.00*	180	52			
IMMORENT-ANUBIS GVG, Wien	2,570,846.93*	75.00*	3,427	358		x	
IMMORENT-AMUN GVG, Wien	1,338,996.97*	85.00*	2,030	130		x	
IMMORENT-UTO GVG, Wien	2,136,581.50*	80.00*	3,430	386		x	
IMMORENT-SARI GVG, Wien	5,478,678.61*	77.50*	4,448	996		x	
S-Leasing ImmobilienvermietungsgesmbH, Wr. Neustadt	189,318.55*	33.33*	37	12			
"Nare" GVG, Wien	1,367,001.44*	95.10*	333	241		x	
Immorent Einrichtungshauserrichtungs- und GVG, Wien	1,595,214.13*	90.00*	754 ³⁾	446 ³⁾		x	
Immorent-Nora GVG, Wien	109,009.25*	100.00*	114 ³⁾	-16 ³⁾		x	
Salzburger Sparkasse Leasing GesmbH, Salzburg	193,557.36*	25.00*	183	164			
Technologiepark und Schulungszentrum Niklasdorf GVG, Graz	7,267.28*	20.00*	7	-29			
SPARKASSE IMMORENT GVG, Salzburg	517,793.94*	25.00*	201	165			
IMMORENT-SOBEK GVG, Wien	5,550,705.65*	75.50*	4,660	519			
IMMORENT-OSIRIS GVG, Wien	1,698,727.50*	75.00*	2,518	228		x	
IMMORENT-JUNIT GVG, Wien	612,341.30*	85.20*	2,853	258		x	
IMMORENT - Sparkasse St.Pölten II GVG, Wien	166,753.77*	51.00*	36	71			
IMMORENT-RONDO GVG, Wien	18,000.00*	100.00*	-131	135			
Immorent-SPKK Kitzbühel GVG GmbH, Innsbruck	18,168.21*	50.00*	36	6			
IR-Allgemeine Sparkasse Oberösterreich II LeasinggesmbH, Wels	363.36*	1.00*	171	134			
Immorent-Bank GesmbH, Wien	22,288,492.97*	100.00*	43,551	578		x	
Immorent-Theta-GVG, Wien	18,168.21*	50.00*	2,116 ³⁾	112			
Immorent-Mobilienvermietungs-GesmbH, Wien	3,800,545.48*	100.00*	4,261 ³⁾	-552 ³⁾			
IR-Sparkasse Wels LeasinggesmbH, Wels	96,024.54*	28.00*	158	38			
IMMORENT-RAMON GVG, Wien	276,665.48*	50.00*	168 ³⁾	132 ³⁾			
IMMORENT-JURA GVG, Wien	3,633.64*	10.00*	163	46			
IMMORENT-LEANDER GVG, Wien	1,237,255.01*	85.00*	1,277 ³⁾	110 ³⁾		x	
IMMORENT-PIA GVG, Wien	36,336.42*	100.00*	3,658 ³⁾	3,621 ³⁾			
IMMORENT-TRIAS GVG, Wien	54,504.62*	50.00*	410 ³⁾	132 ³⁾			
SchulerrichtungsgesmbH, Wien	14,534.57*	40.00*	-479	147			
Wirtschaftspark Wels Immobilienleasing GesmbH	36,336.42*	100.00*	30	-3			
Steirische Leasing für Gebietskörperschaften GesmbH, Graz	18,168.21*	50.00*	-2,281 ³⁾	272 ³⁾			
IMMORENT-HATHOR GVG, Wien	20,000.00*	50.00*	-1,399 ³⁾	42 ³⁾			
IR-PRIAMOS GVG, Wien	36,336.42*	100.00*	-5,579 ³⁾	126 ³⁾			
IGP Industrie und Gewerbepark Wörgl GesmbH, Innsbruck	10,900.93*	30.00*	61	24			
Immorent International Holding GesmbH, Wien	17,926,336.42*	100.00*	1,996	3,768 ²⁾			

Companies	book value		Share	Shareholders' equity		Net income/ net loss 2005 ¹⁾	profit pooling agreement
	Balance as of Dec. 31, 2005 EUR	%		Balance as of Dec. 31, 2005 in 000 EUR	in 000 EUR		
Immorent Leasing International GmbH	37,244.83 *	100.00 *		365	70	x	
TETRIS - Immorent GVG, Wien	33,111.56 *	90.00 *		-1,156	71	x	
THOR-Immorent GVG, Wien	36,336.42 *	100.00 *		-85	41	x	
SWO Kommunalgebäudeleasing GesmbH, Wien	18,565.18 *	50.00 *					
OREST-Immorent Leasing GesmbH, Wien	36,191.07 *	99.60 *		-3,455	700	x	
ERATO-Immorent GVG, Wien	0.07 *	100.00 *		-449	47	x	
Lassallestraße 7b Immobilienverwaltung AG, Wien	90,841.05 *	100.00 *		-1,935	124	x	
SOLIS-CIVITAS-IMMORENT GesmbH, Wien	35,000.00 *	100.00 *		-108	-12	x	
BOOTES Immorent GVG, Wien	35,000.00 *	100.00 *		297	352	x	
Xenia-Immorent GVG, Wien	35,000.00 *	100.00 *		429	142	x	
ISATIS-Immorent GVG, Wien	35,000.00 *	100.00 *		-348	124	x	
LBL-IMMORENT Leasinggesellschaft m.b.H., Wien	27,479.42 *	100.00 *		387	70	x	
Immorent Erdbergstraße 200 Errichtungs AG, Wien	69,930.00 *	100.00 *		-976	-25		
TAURIS-Immorent GVG, Wien	35,000.00 *	100.00 *		-1,303	-81	x	
Valet GrundstücksverwaltungsgesmbH, St. Pölten	9,090.00 *	25.00 *		356	267	x	
PAROS-Immorent GVG, Wien	35,000.00 *	100.00 *		-1,898	-398	x	
DIE EVA LiegenschaftsverwaltungsgesmbH, Wien	36,336.42 *	100.00 *		497	-545	x	
DIE ERSTE Leasing ImmobilienbesitzgesmbH, Wien	2,407,061.94 *	100.00 *		2,162	548		
DIE ERSTE Leasing Immobilienverwaltungs- und vermietungsgesmbH, Wien	10,050,533.48 *	100.00 *		12,086	723		
Anlagen Leasing Aktiengesellschaft, Wien	689,613.59 *	100.00 *		602	302	x	
"SELIMMO" - Sparkasse Mühviertel- West - DIE ERSTE Leasing - Immobilienvermietung GesmbH, Rohrbach in OÖ	20,030.81 *	55.00 *		-82	25		
Garage Eisenstadt BetriebsgesmbH, Eisenstadt	16,162.51 *	50.00 *		1,451	99	x	
MEKLA Leasing GesmbH, Wien	18,168.21 *	100.00 *		-275	-212	x	
DIE ERSTE Leasing GrundbesitzgesmbH, Wien	1.00 *	100.00 *		-749	-11		
DIE ERSTE Leasing Immobilien VermietungsgesmbH, Wien	1,010,265.04 *	100.00 *		1,072	99	x	
DIE ERSTE Leasing Grundaufschließungs- und ImmobilienvermietungsgesmbH, Wien							
DIE ERSTE Leasing GrundstücksverwaltungsgesmbH, Wien	3,984,658.56 *	100.00 *		4,985	680	x	
EVA-Grundstückverwertungsges.m.b.H., Wien	5,437,854.30 *	100.00 *		5,931	469	x	
DIE EVA Immobilienleasing und -erwerb GesmbH, Wien	4,160,519.76 *	100.00 *		4,030	155	x	
LBL drei Grundstücksverwaltung GesmbH, Wien	36,336.42 *	100.00 *		593	135	x	
SAL LiegenschaftsverwaltungsgesmbH, Wien	12,973.63 *	33.40 *		73	55	x	
DIE ERSTE Leasing & VKB Immobilien VermietungsgesmbH, Wien	200,695.66 *	23.00 *		346	328		
IBF-Anlagenleasing 95 GmbH (vormals LANDGRAF Revitalisierungs GesmbH, Linz)	110,500.00 *	50.00 *		66	22		
	36,409.09 *	50.00 *		-5,313	3,461	x	

Companies	book value Balance as of Dec. 31, 2005 EUR	Share quota %	Shareholders' equity		Net income/ net loss 2005 ¹⁾ in 000 EUR	profit pooling agreement
			Balance as of Dec. 31, 2005 in 000 EUR			
"DIE ERSTE Leasing" & "Suter + Suter" Immobilienprojektierungs GesmbH, Linz	8,547,749.90 *	50.00 *	9,178 ³⁾	-107 ³⁾		
"SGL" Grundstücksverwaltungs- und Leasing GesmbH, Wien	1.00 *	100.00 *	8 ³⁾	-5 ³⁾		
"DIE ERSTE" Büro- und Gewerbezentren Errichtungs- und BetriebsgesmbH, Linz	1,449,459.58 *	50.50 *	2,518 ³⁾	128 ³⁾		
Eva-RealitätenverwaltungsGesmbH, Wien	159,880.24 *	100.00 *	426	818		
Eva-Immobilienvermietungs- und verwertungsgesmbH, Wien	36,336.42 *	100.00 *	223	-72		
Alfons Toth GesmbH, Wien	4,057,764.23 *	100.00 *	4,872 ³⁾	220 ³⁾	X	
Alea-Grundstückverwertung GesmbH, Wien	450,757.62 *	100.00 *	860 ³⁾	49 ³⁾		
Franz Knafl GesmbH, Wien	36,336.42 *	100.00 *	522	86	X	
"DIE EVA" GrundstücksverwaltungsgesmbH, Wien	36,336.42 *	100.00 *	899 ³⁾	213 ³⁾	X	
EVA-ImmobilienverwaltungsgesmbH, Wien	54,504.63 *	100.00 *	689 ³⁾	-273 ³⁾	X	
DIE EVA-GebäudeleasingsgesmbH, Wien	36,336.42 *	100.00 *	-309 ³⁾	271 ³⁾	X	
DIE ERSTE Leasing RealitätenverwaltungsgesmbH, Wien	2,620,495.80 *	100.00 *	2,401	246	X	
DIE ERSTE Leasing Prima ImmobilienvermietungsgesmbH, Wien	36,456.33 *	100.00 *	275 ³⁾	99 ³⁾		
EVA Wohnpark Sandeleiten Treuhand und VermögensverwaltungsgesmbH, Wien	36,336.42 *	100.00 *	0 ³⁾	-2 ³⁾		
TRABITUS Grundstücksvermietungs GmbH	9,092.95 *	25.00 *	-1,450	9		
Kisa IR GrundverwertungsgmbH, Wien	35,000.00 *	100.00 *	22	-37		
HT Immobilien Tau GmbH, Wien	20,365.13 *	100.00 *	-795	538	X	
SK Immobilien Epsilon GmbH, Wien	8,754.28 *	100.00 *	108	493		
HBM Immobilien Kamp GmbH, Brunn am Gebirge	2,863,875.55 *	100.00 *	-65	243		
HV Immobilien Hohenems GmbH, Brunn am Gebirge	667,170.16 *	100.00 *	-639 ³⁾	193 ³⁾		
HP Immobilien Psi GmbH, Brunn am Gebirge	3,888,900.41 *	100.00 *	-201 ³⁾	521 ³⁾		
HT Immobilien Theta GmbH, Brunn am Gebirge	6,880,471.53 *	100.00 *	576 ³⁾	612 ³⁾		
ADORIA Grundstücksvermietung	9,092.95 *	25.00 *	-2,112	783		
Theuthras-IR Grundverwertungsgesellschaft m.b.H.	9,265.83 *	50.00 *	-474 ³⁾	-5 ³⁾		
AMICUS IR Kommunalleasing GmbH	17,500.00 *	50.00 *	-21 ³⁾	-51 ³⁾		
OSTRE Infrastruktur Entw. und Bet. GmbH	47,000.00 *	33.33 *	129 ³⁾	96 ³⁾		
Pischelsdorfer Str. 221 Liegenschaftsverw. GmbH	2.00 *	100.00 *	-46 ³⁾	-42 ³⁾		
EKZ-Immorent Vermietung GmbH	35,000.00 *	100.00 *	30 ³⁾	-4 ³⁾		
Reiter & Springer Gesellschaft m.b.H.	40,000.00 *	100.00 *	39	10		
Dienstleistungszentrum Leoben GmbH	17,850.00 *	51.00 *	-44	-79		
HEBRA-Immorent Immobilienleasing GmbH	35,000.00 *	100.00 *	32	-3		
ERIS-Immorent Errichtungs GmbH	35,000.00 *	100.00 *	32 ³⁾	-3 ³⁾		
Realia Immobilien-Verwertungs GesmbH, Wien	12,259,683.62 *	99.00 *	4,284	-4,999		
IBF-Anlagenleasing GmbH, Wien (vormals:			84	338		

Companies	book value Balance as of Dec. 31, 2005 EUR	Share quota %	Shareholders' equity Balance as of Dec. 31, 2005 in 000 EUR	Net income/ net loss 2005 ¹⁾ in 000 EUR	profit pooling agreement
Bürohaus "Am Westbahnhof" Errichtungs- und BetriebsgesmbH)					
IBF IndustriebeteiligungsgesmbH, Wien	421,267.44 *	97.50 *	1,576	6	
(vormals JOHE Unternehmensbeteiligungs-ges.m.b.H.)	72.67 *	0.40 *	-1,824	-22,628	3)
Realia Liegenschaften GesmbH, Wien	72.67 *	0.20 *	27	50	3)
SPARDAT-Bürohauserichtungs- und VermietungsgesmbH, Wien	12,212.67 *	33.20 *	133	-112	3)
ML-Mobilienleasing GesmbH, Wien	36,336.42 *	100.00 *	118	14	3)
IBF-Anlagenleasing 93 GesmbH, Wien	104,611.46 *	100.00 *	-251	-12	3)
Immorent Beteiligungs- und Mobilienleasing GmbH	36,336.42 *	100.00 *	57	6	3)
IBF 96 Beteiligungs- und LeasinggesmbH, Wien	3,724.48 *	10.00 *			
Erste Immorent Mobilienleasing GmbH					
Cinci-Immorent Grundverwertungsgesellschaft m.b.H.					
(vormals IBF 98)	36,336.42 *	100.00 *	-83	92	
DIE ERSTE Mobilienleasing und BeteiligungsgesmbH, Wien	36,510.83 *	100.00 *	-2,930	-17	3)
Sporhotel Wagram Betriebs- und LeasinggesmbH, Wien	176.74 *	100.00 *	-676	-61	3)
GIROLEASING-MobilienvermietungsgesmbH, Wien	0.00	0.00	-26	-14	3)
S Immorent Mobilienleasing GmbH	35,000.00 *	100.00 *	87	454	3)
STEYBA GVG, Wien	165,694.06 *	50.00 *	-425	-67	6)
TKL VI GVG, Innsbruck	519,721.60 *	28.24 *	1,750	127	6)
TKL VII GVG, Innsbruck	11,088.24 *	28.43 *	-2,475	-33	6)
N.Ö. Kommunalgebäudeleasing GesmbH, Wien	10,621.60 *	28.43 *	-1,221	156	2)
O.Ö. Leasing für Gebietskörperschaften GesmbH, Linz	12,354.38 *	33.33 *	-102	239	2)
O.Ö. Leasing für öffentliche Bauten GesmbH, Linz	12,354.38 *	33.33 *	-326	156	2)
Aventin GrundstücksverwaltungsgesmbH, Horn	9,100.00 *	25.00 *	37	430	6)
NÖ Gemeindegebäudeleasing GesmbH, Wien	10,621.60 *	28.40 *	133	-9	2)
O.Ö. Gemeindegebäude-Leasing GesmbH, Linz	381,564.18 *	50.00 *	808	790	6)
SUPRIA Raiffeisen-Immobilien-Leasing GesmbH, Wien	18,200.00 *	50.00 *	-794	71	4)
Z Leasing METIS Immobilien Leasing GesmbH, Wien	363.37 *	1.00 *	74	38	6)
OÖ Kommunalgebäude Leasing GesmbH, Linz	53,145.34 *	40.00 *	-3,542	665	6)
TKL VIII GVG, Innsbruck	981,666.67 *	33.33 *	-2,824	-371	6)
Liba Grundstücksverwaltungs-GesmbH, Wien	18,168.21 *	50.00 *	-75	-31	6)
TKL V GVG, Innsbruck	1,321,111.02 *	33.33 *	3,654	178	6)
Rembra-Leasing GesmbH, Wien	18,622.41 *	50.00 *	-401	-299	6)
Bank Austria Leasing - IMMORANT Immobilienleasing GesmbH, Wien	726.73 *	1.00 *	-1,456	-87	4)
NÖ-KL Kommunalgebäudeleasing GesmbH, Wien	10,621.60 *	28.43 *	-3,765	-179	6)
Leasing 431 Grundstückverwaltung GesmbH, Wien	5,931.92 *	16.32 *	18	715	6)
VKL V Immobilien LeasinggesmbH, Dornbirn	9,800.00 *	23.33 *	-1,967	108	6)
Objekt-Lease Grundstücksverwaltungs GesmbH, Wien	53,777.89 *	50.00 *	-1,110	-21	6)

Companies	book value Balance as of Dec. 31, 2005 EUR	Share		Shareholders' equity		Net income/ net loss 2005 ¹⁾ in 000 EUR	profit pooling agreement
		quota	%	Balance as of Dec. 31, 2005 in 000 EUR	in 000 EUR		
OO Kommunal-Immobilienleasing GesmbH, Linz	15,010.57 *	40.80 *		-4,749		-411	2)
PCC- Hotelerrichtungs- und BetriebsgesmbH, Wien	37,432.34 *	100.00 *		105		14	6)
S-Tourismusfonds Management Aktiengesellschaft, Wien	7,266,556.68 *	18.63 *		42,915		748	
CULINA Grundstücksvermietungs GesmbH, Wien	9,203.52 *	25.00 *		-192		73	2)
UNDA Grundstücksvermietungs-GmbH	9,092.95 *	25.00 *		-524		-8	6)
CONATUS Grundstücksvermietungs GmbH	9,092.95 *	25.00 *		-4,845		-497	
DIE ERSTE Leasing HotelbetriebsgesmbH, Wien	8,350,148.78 *	69.58 *		10,444		-297	2)
Logistik Center Leoben GesmbH, Leoben	5,087.10 *	14.00 *		-452		-6	2)
Tir. Landesprojekte GVG, Innsbruck	13,000.01 *	33.33 *		-2,002		-173	6)
NATA Immobilien Leasing GesmbH, Wien	3,682.24 *	10.00 *		772		-290	6)
Immorent Hypo-Rent GVG, Innsbruck	17,500.00 *	50.00 *		-1,686		-211	2)
F&S Leasing GmbH, Klagenfurt	76,336.52 *	100.00 *		-3,879		6,427	
VOLUNTAS Grundstückvermietungsgesellschaft m.b.H.	12,726.00 *	35.00 *		-823		-603	2)
ERA HandelsgmbH	800.00 *	2.00 *		945		539	2)
UNIQA Immobilien-Projektentwicklungsgesellschaft m.b.H.	11,670.00 *	33.34 *		8		-12	6)
Seilbahnleasing GmbH	12,000.00 *	33.33 *		-728		-760	2)
Immoconsult "Citycenter" Leasinggesellschaft m.b.H.	8,902.42 *	24.50 *		12		-7	6)
RL DANTE Mobilien-Leasing GmbH	7,000.00 *	20.00 *		10		-7	2)
Central Point Insurance IT-Solutions GmbH	6,650.00 *	19.00 *		111		0	
Erste & Steiermärkische S-Leasing d.o.o., Kroatien	29,265.35 *	40.00 *		20,306		1,947	
Mecklane Investments Ltd., Irland	0.00	100.00 *		-		-	5)
Pankrácká obchodni a.s., Tschechien	465,106.14 *	100.00 *		73		19	
IMMORENT LJUBLJANA d.o.o., Slowenien	225.29 *	2.00 *		1,283		1,033	
IMMORENT-Hungary Lizing Zrt., Ungarn	177,111.72 *	91.00 *		529		90	
ALMÁDI Fördö Kft., Ungarn	12,023.85 *	100.00 *		-41		-75	
"Garage am Hof" GesmbH	6,728.41 *	3.00 *		3,186		1,229	2)
Sparkassen Versicherung AG	58,402,000.00 *	22.24 *		173,508		44,034	2)
VOEST-ALPINE Intertrading	1,096,819.11 *	4.00 *		36,535		10,726	
Hotel Donauwelle Betriebsgesellschaft m.b.H.	0.07 *	1.00 *		-962		8	2)
Gemeinnützige Wohnungsges. Der Stadt Linz GmbH	363,400.00 *	5.00 *		61,343		403	2)

1) net income/net loss of the year

2) December 31, 2004

3) preliminary values

4) December 31, 2002

5) not available

6) December 31, 2003

APPENDIX F

Other Management Functions of Governing Bodies

**1. Other Management Functions of the members
of the Management Board**

HOLGER SCHMIDTMAYR***Current Managing Director:***

Name of the Company	Function	Duration of the Function
IMMORENT Treuhand- und Vermögensverwaltungsgesellschaft m.b.H.	Managing director	Since 09. September 2004

ERNST VEJDOVSZKY***Current Member of the Supervisory Board:***

Name of the Company	Function	Duration of the Function
Immorent-Bank GmbH	Member of the Supervisory Board	Since 01. July 1997

Current Official Authorized Signatory (Prokurist):

Name of the Company	Function	Duration of the Function
“DIE ERSTE” Büro- und Gewerbezentren Errichtungs- und Betriebsgesellschaft m.b.H.	Official authorized signatory (<i>Prokurist</i>)	Since 03. January 2003
IBF-Anlagenleasing 95 Gesellschaft m.b.H.	Official authorized signatory (<i>Prokurist</i>)	Since 21. November 2000
IMMORENT Aktiengesellschaft	Official authorized signatory (<i>Prokurist</i>)	Since 01. January 2000
PCC – Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co.KG	Official authorized signatory (<i>Prokurist</i>)	Since 23. April 1998

Current Managing Director:

Name of the Company	Function	Duration of the Function
Anlagen Leasing Gesellschaft m.b.H.	Managing director	Since 28. December 2000
Aventin Grundstücksverwaltungs Gesellschaft m.b.H.	Managing director	Since 23. January 1990
C.I.M. Beteiligungen 1998 GmbH	Managing director	Since 05. November 2004
C.I.M. Unternehmensbeteiligungs- und Anlagenvermietungs GmbH	Managing director	Since 17. September 1998
C.I.M. Verwaltung und Beteiligungen 1999 GmbH	Managing director	Since 05. November 2004
DIE ERSTE Leasing Hotelbetriebsgesellschaft m.b.H.	Managing director	Since 18. November 1999
DIE ERSTE Mobilienleasing- und Beteiligungsgesellschaft m.b.H.	Managing director	Since 16. October 1998
DIE ERSTE Vermietungs GmbH	Managing director	Since 24. September 2004
DIE ERSTE-Libussa Leasing GmbH	Managing director	Since 11. February 1999
FUKO-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	Since 21. March 2001
GIROLEASING-Mobilienvermietungsgesellschaft m.b.H.	Managing director	Since 23. February 1990
GZ-Finanz Leasing Gesellschaft m.b.H.	Managing director	Since 01. January 1994
GZ-Unternehmensbeteiligungsgesellschaft m.b.H.	Managing director	Since 02. June 1987
Hotel Kaprun Betriebsgesellschaft mbH	Managing director	Since 23. August 2005
IBF 96 Beteiligungs- und Leasinggesellschaft m.b.H.	Managing director	Since 25. April 1996
IBF Industriebeteiligungsgesellschaft m.b.H.	Managing director	Since 20. September 2004
IBF-Anlagenleasing 93 Gesellschaft m.b.H.	Managing director	Since 06. April 1993
Immorent Beteiligungs- und Mobilienleasing GmbH	Managing director	Since 01. January 1994
Immorent International Holding GmbH	Managing director	Since 22. February 1996
Immorent Leasing International GmbH	Managing director	Since 24. December 1996
IMMORENT Wohnbau Gesellschaft m.b.H.	Managing director	Since 17. August 2000
IMMORENT-HATHOR Grundverwertungsgesellschaft m.b.H.	Managing director	Since 17. December 1993
Immorent-Mobilienvermietungs-Gesellschaft m.b.H.	Managing director	Since 22. November 1989
Kontor Bau- und Planungsgesellschaft m.b.H.	Liquidator	Since 30. August 2005
ML-Mobilienleasing Gesellschaft m.b.H.	Managing director	Since 18. September 1989

PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H.	Managing director	Since 04. February 1997
Quirinal Grundstücksverwaltungs Gesellschaft m.b.H.	Managing director	Since 31. January 1990
Realia Immobilien-Verwertungs-Gesellschaft m.b.H.	Managing director	Since 28. May 1999
SO Immobilienbeteiligungs GmbH	Managing director	Since 28. April 2006
SPARDAT-Bürohauserrichtungs- und Vermietungsgesellschaft m.b.H.	Managing director	Since 14. September 2004
Sporthotel Wagrain Betriebs- und Leasinggesellschaft m.b.H.	Managing director	Since 30. June 1998

Former Member of the Management Board:

Name of the Company	Function	Duration of the Function
Anlagen Leasing Gesellschaft m.b.H.	Member of the Management Board	From 15. March 1999 until 28. December 2000
IMMORENT Aktiengesellschaft	Member of the Management Board	From 16. December 1991 until 04. January 2000
Sparkassen – Immobilienanlagen – Aktiengesellschaft	Member of the Management Board	From 31. January 1986 until 21. June 2002

Former Member of the Supervisory Board:

Name of the Company	Function	Duration of the Function
Bergbahn Brixen im Thale Aktiengesellschaft	Member of the Supervisory Board	From 22. September 1995 until 20. July 2004
Kleinkraftwerks-Beteiligungs Aktiengesellschaft in Abwicklung	Member of the Supervisory Board	From 30. September 1994 until 25. October 2000
Lassallestraße 7b Immobilienverwaltung GmbH	Member of the Supervisory Board	From 31. July 1998 until 18. September 2003

Former Official Authorized Signatory (Prokurist):

Name of the Company	Function	Duration of the Function
Erste Bank der österreichischen Sparkassen AG	Official authorized signatory (<i>Prokurist</i>)	From 04. October 1997 until 19. October 2005
Hotel- und Sportstätten-Beteiligungs-, Errichtungs- und Betriebsgesellschaft m.b.H.	Official authorized signatory (<i>Prokurist</i>)	From 26. August 1997 until 29. May 2001
Immorent-WBV Grundverwertungsgesellschaft m.b.H.	Official authorized signatory (<i>Prokurist</i>)	From 06. May 1992 until 28. November 2002
“SELIMMO”-Sparkasse Mühlviertel-West – DIE ERSTE Leasing – Immobilienvermietung GmbH	Official authorized signatory (<i>Prokurist</i>)	From 07. July 1998 until 30. January 2003
S-Leasing Immobilienvermietungsgesellschaft m.b.H.	Official authorized signatory (<i>Prokurist</i>)	From 08. February 1990 until 25. January 2003
Stadt Salzburg Objektvermietung I Gesellschaft m.b.H.	Official authorized signatory (<i>Prokurist</i>)	From 18. March 1999 until 23. February 2001
Stadt Salzburg Objektvermietung II Gesellschaft m.b.H.	Official authorized signatory (<i>Prokurist</i>)	From 06. October 1999 until 23. February 2001

Former Managing Director:

Name of the Company	Function	Duration of the Function
ADULAR Grundverwertungsgesellschaft m.b.H.	Managing director	From 07. August 1999 until 16. February 2001
Alea-Grundstückverwaltung Gesellschaft m.b.H.	Managing director	From 23. June 1998 until 26. May 2004
Alfons Toch Gesellschaft m.b.H.	Managing director	From 15. July 1998 until 25. May 2004
All-Holdinggesellschaft m.b.H.	Managing director	From 14. July 1998 until 04. October 2001
“Am Kaisermühlendamm 91“ Besitz- und Vermietungsgesellschaft m.b.H.	Managing director	From 01. January 2001 until 07. November 2001

AS-Alpha Grundstücksverwaltung Gesellschaft m.b.H.	Managing director	From 13. October 1992 until 17. January 2003
Bora Leasing GmbH	Managing director	From 29. August 1990 until 17. December 2002
CALDO Grundstücksverwertungsgesellschaft m.b.H.	Managing director	From 28. January 1995 until 15. January 2003
Cinci-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 12. May 1998 until 21. June 2003
C + I Immobilien-Projektentwicklung und Verwertung GmbH	Managing director	From 18. August 2000 until 15. November 2005
DENAR-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 08. August 2000 until 22. November 2000
DIE ERSTE Anlagenvermietungsgesellschaft m.b.H.	Managing director	From 26. January 1999 until 23. September 2000
DIE ERSTE Leasing Grundaufschließungs- und Immobilienvermietungsgesellschaft m.b.H.	Managing director	From 17. July 1998 until 06. June 2003
DIE ERSTE Leasing Grundbesitzgesellschaft m.b.H.	Managing director	From 17. July 1998 until 05. June 2003
DIE ERSTE Leasing Grundstücksverwaltungs GmbH	Managing director	From 17. July 1998 until 11. December 2002
“DIE ERSTE Leasing“ Holdinggesellschaft m.b.H.	Managing director	From 04. March 1999 until 30. May 2002
DIE ERSTE Leasing Immobilien Vermietungsgesellschaft m.b.H.	Managing director	From 04. September 1998 until 15. January 2003
DIE ERSTE Leasing Immobilienbesitzgesellschaft m.b.H.	Managing director	From 17. July 1998 until 11. December 2002
DIE ERSTE Leasing Immobilienverwaltungs- und vermietungsgesellschaft m.b.H.	Managing director	From 17. July 1998 until 11. December 2002
DIE ERSTE Leasing Prima Immobilienvermietungsgesellschaft m.b.H.	Managing director	From 14. July 1998 until 01. February 2003
DIE ERSTE Leasing Realitätenverwaltungsgesellschaft m.b.H.	Managing director	From 14. July 1998 until 26. May 2004
DIE ERSTE Mobilienverwaltungsgesellschaft m.b.H.	Managing director	From 26. January 1999 until 29. September 2000
DIE ERSTE Telefonvermietungsges.m.b.H.	Managing director	From 26. January 1999 until 26. September 2000
“DIE EVA” Grundstücksverwaltungsgesellschaft m.b.H.	Managing director	From 14. July 1998 until 13. December 2002
DIE EVA – Liegenschaftsverwaltungsgesellschaft m.b.H.	Managing director	From 14. July 1998 until 18. March 2003
DIE EVA – Gebäudeleasinggesellschaft m.b.H.	Managing director	From 28. July 1998 until 17. December 2002
DIE EVA-Immobilienleasing und -erwerb Gesellschaft m.b.H.	Managing director	From 14. July 1998 until 16. January 2003
Dr. Ludwig Badura Gesellschaft m.b.H.	Managing director	From 31. January 1990 until 09. February 2001
Dr. Schobesberger Grundverwertungsgesellschaft m.b.H.	Managing director	From 02. November 1989 until 05. January 2002
ERATO-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 21. July 1999 until 04. July 2003
Erste Immorent Mobilienleasing GmbH	Managing director	From 16. January 1998 until 04. December 2002
Esquilin Grundstücksverwaltungs GmbH	Managing director	From 31. January 1990 until 18. May 2001
Eurolease Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 21. February 1992 until 21. December 1992
EVA-Grundverwertungsgesellschaft m.b.H.	Managing director	From 10. June 1998 until 09. January 2003
EVA-Immobilienvermietungs- und verwertungsgesellschaft m.b.H.	Managing director	From 14. July 1998 until 04. December 2002
Eva-Immobilienverwaltungsgesellschaft m.b.H.	Managing director	From 10. June 1998 until 04. December 2002

EVA-Realitätenverwaltungsgesellschaft m.b.H.	Managing director	From 26. June 1998 until 22. May 2004
EVA-Wohnpark Sandeilen Treuhand- und Vermögensverwaltungs Gesellschaft m.b.H.	Managing director	From 16. October 1998 until 22. May 2004
Franz Knafl Gesellschaft m.b.H.	Managing director	From 27. June 1998 until 30. January 2003
Heinrich Kranebitter Gesellschaft m.b.H.	Managing director	From 23. January 1990 until 18. December 2001
IBF-Anlagenleasing 91 Gesellschaft m.b.H.	Managing director	From 22. April 1991 until 13. February 2003
IBF-Anlagenleasing 92 Gesellschaft m.b.H.	Managing director	From 26. February 1992 until 01. March 2001
IBF-Anlagenleasing 94 Gesellschaft m.b.H.	Managing director	From 31. July 1992 until 03. April 2003
IBF-Anlagenleasing 95 Gesellschaft m.b.H.	Managing director	From 24. June 1992 until 23. January 2003
IBF Industriebeteiligungsgesellschaft m.b.H.	Managing director	From 18. September 1989 until 28. October 2000
IBF-Mobilienleasing 90 Gesellschaft m.b.H.	Managing director	From 13. June 1990 until 12 September 2000
ILION-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 06. August 1999 until 01. February 2002
Immorent - Alpha Immobilienleasing Gesellschaft m.b.H.	Managing director	From 01. December 1989 until 19. December 2001
IMMORENT-AMUN Grundverwertungsgesellschaft	Managing director	From 30. November 1989 until 06. September 2002
IMMORENT-ANDROMEDA Grundverwertungsgesellschaft m. b. H.	Managing director	n. a.
IMMORENT-ANUBIS Grundverwertungsgesellschaft m.b.H.	Managing director	From 15. November 1989 until 28. December 2002
IMMORENT-APOLLO Grundverwertungsgesellschaft m. b. H.	Managing director	n. a.
IMMORENT-ASTRA Grundverwertungsgesellschaft m.b.H.	Managing director	From 11. June 1991 until 12. February 2002
Immorent-Bank GmbH	Managing director	From 11. June 1991 until 12. February 2002
IMMORENT-BRAUGEBÄUDE-Leasinggesellschaft m.b.H.	Managing director	From 21. February 1990 until 03. December 2002
IMMORENT-BUSTA Grundverwertungsgesellschaft m.b.H.	Managing director	From 29. November 1989 until 07. December 2002
IMMORENT-CHEMILEN Grundverwertungsgesellschaft m.b.H.	Managing director	From 29. November 1989 until 11. December 2002
Immorent-Clio-Grundverwertungsgesellschaft m.b.H.	Managing director	From 27. June 1990 until 11. January 2002
Immorent-Delta-Grundstücksverwertungsgesellschaft m.b.H.	Managing director	From 01. December 1989 until 24. January 2003
IMMORENT-DOMUS Grundverwertungsgesellschaft m.b.H.	Managing director	From 24. February 1992 until 21. November 2002
ImmoRent Einkaufszentren Verwaltungsgesellschaft m.b.H.	Managing director	From 20. December 1989 until 11. January 2002
Immorent-Einrichtungshauserrichtungs- und Grundverwertungsgesellschaft m.b.H.	Managing director	From 07. May 1990 until 13. February 2002
IMMORENT-FORTUNA Grundverwertungsgesellschaft m.b.H.	Managing director	From 13. June 1990 until 04. December 2002
Immorent-Gamma- Grundstücksverwertungsgesellschaft m.b.H.	Managing director	From 01. December 1989 until 29. December 2001
Immorent-Gebäudeleasinggesellschaft m.b.H.	Managing director	From 18. January 1990 until 18. December 2001
IMMORENT-GREKO Grundverwertungsgesellschaft m.b.H.	Managing director	From 30. September 1989 until 01. February 2003
Immorent-Grundverwertungsgesellschaft m.b.H.	Managing director	From 18. January 1990 until 11. January 2002

Immorent-Hackinger Grundverwertungsgesellschaft m.b.H.	Managing director	From 01. December 1989 until 13. February 2003
IMMORENT-HUBI Grundverwertungsgesellschaft m.b.H.	Managing director	From 29. November 1989 until 17. December 2002
Immorent – Immobilienleasing Gesellschaft m.b.H.	Managing director	From 27. June 1990 until 15. December 2001
IMMORENT-JULIA Grundverwertungsgesellschaft m.b.H.	Managing director	From 16. November 1989 until 05. April 2003
IMMORENT-JUNIT Grundverwertungsgesellschaft m.b.H.	Managing director	From 25. February 1991 until 06. December 2002
IMMORENT-JURA Grundverwertungsgesellschaft m.b.H.	Managing director	From 05. September 1991 until 12. December 2002
Immorent - Kagranner Grundstücksverwertungsgesellschaft m.b.H.	Managing director	From 01. December 1989 until 19. December 2001
Immorent - Kappa Grundverwertungsgesellschaft m.b.H.	Managing director	From 19. January 1990 until 19. November 2002
IMMORENT-KRABA Grundverwertungsgesellschaft m.b.H.	Managing director	From 29. November 1989 until 09. January 2002
IMMORENT-LEANDER Grundverwertungsgesellschaft m.b.H.	Managing director	From 05. September 1991 until 04. February 2003
Immorent-Lamda Grundverwertungsgesellschaft m.b.H.	Managing director	From 10. January 1992 until 17. December 2002
Immorent Lehrbauhöfeerrichtungsgesellschaft m.b.H.	Managing director	From 18. January 1990 until 29. January 2002
Immorent-Lispa Grundverwertungsgesellschaft m.b.H.	Managing director	From 27. September 1990 until 16. February 2002
IMMORENT-LOTUS Grundverwertungsgesellschaft m.b.H.	Managing director	From 15. March 1990 until 23. April 2002
IMMORENT-MARCO Grundverwertungsgesellschaft m.b.H.	Managing director	From 11. June 1991 until 13. February 2003
IMMORENT-MISTRAL Grundverwertungsgesellschaft m.b.H.	Managing director	From 22. April 1991 until 19. November 2002
IMMORENT-MOMO Grundverwertungsgesellschaft m.b.H.	Managing director	From 16. November 1989 until 19. December 2001
IMMORENT – MORAWA Grundverwertungsgesellschaft m.b.H.	Managing director	From 03. July 1990 until 16. January 2003
IMMORENT-MÖRE Grundverwertungsgesellschaft m.b.H.	Managing director	From 11. December 1989 until 03. December 2002
Immorent-Mytho Grundverwertungsgesellschaft m.b.H.	Managing director	From 08. October 1990 until 08. January 2003
IMMORENT-NERO Grundverwertungsgesellschaft m.b.H.	Managing director	From 28. January 1993 until 14. December 2001
IMMORENT-NIKE Grundverwertungsgesellschaft m.b.H.	Managing director	From 17. January 1993 until 09. April 2002
Immorent-Nora Grundverwertungsgesellschaft m.b.H.	Managing director	From 15. December 1989 until 09. January 2002
IMMORENT-Objektvermietungsgesellschaft m.b.H.	Managing director	From 16. January 1990 until 29. November 2000
IMMORENT-OÖ Sparkassen Leasing Leasing Gesellschaft m.b.H.	Managing director	From 19. April 1991 until 01. July 1992
IMMORENT-OSIRIS Grundverwertungsgesellschaft m.b.H.	Managing director	From 18. January 1990 until 13. February 2002
IMMORENT-PAN Grundverwertungsgesellschaft m.b.H.	Managing director	From 22. April 1991 until 24. January 2003
IMMORENT-PIA Grundverwertungsgesellschaft m.b.H.	Managing director	From 05. September 1991 until 19. November 2002
IMMORENT-RAFI Grundverwertungsgesellschaft m.b.H.	Managing director	From 22. April 1991 until 07. August 2001
IMMORENT-RAMON Grundverwertungsgesellschaft m.b.H.	Managing director	From 10. September 1991 until 01. February 2000
IMMORENT-RASTA Grundverwertungsgesellschaft m.b.H.	Managing director	From 20. November 1991 until 29. January 2002

IMMORENT-REMUS Grundverwertungsgesellschaft m.b.H.	Managing director	From 22. November 1991 until 01. February 2002
IMMORENT-RIALTO Grundverwertungsgesellschaft m.b.H.	Managing director	From 14. January 1991 until 31. January 2003
IMMORENT-RIO Grundverwertungsgesellschaft m.b.H.	Managing director	From 15. March 1990 until 11. December 2002
IMMORENT-RIWA Grundverwertungsgesellschaft m.b.H.	Managing director	From 29. November 1989 until 10 January 2002
IMMORENT-ROMULUS Grundverwertungsgesellschaft m.b.H.	Managing director	From 22. November 1991 until 13. February 2002
IMMORENT-RONDO Grundverwertungsgesellschaft m.b.H.	Managing director	From 07. October 1999 until 06. December 2002
IMMORENT-RUBIN Grundverwertungsgesellschaft m.b.H.	Managing director	From 12. October 1992 until 09. January 2002
IMMORENT-SALVA Grundverwertungsgesellschaft m.b.H.	Managing director	From 15. November 1989 until 09. January 2002
IMMORENT-SARI Grundverwertungsgesellschaft m.b.H.	Managing director	From 15. November 1989 until 01. February 2002
Immorent-Scala Grundverwertungsgesellschaft m.b.H.	Managing director	From 29. August 1990 until 08. January 2003
Immorent-Sigma Grundverwertungsgesellschaft m.b.H.	Managing director	From 01. December 1989 until 29. January 2002
Immorent-Sigre Grundverwertungsgesellschaft m.b.H.	Managing director	From 18. January 1990 until 22. January 2003
Immorent-Smaragd Grundverwertungsgesellschaft m.b.H.	Managing director	From 16. April 1991 until 13. February 2003
IMMORENT-SOBEK Grundverwertungsgesellschaft m.b.H.	Managing director	From 16. November 1989 until 16. February 2002
IMMORENT – Sparkasse St. Pölten II	Managing director	From 19. February 1991 until 19. November 2002
IMMORENT SPARKASSE ST. PÖLTEN Leasinggesellschaft m.b.H.	Managing director	From 19. March 1990 until 23. April 2003
IMMORENT-Sparkasse Wels, Eybl-Grundverwertungs GmbH	Managing director	n. a.
Immorent-Steiko Grundverwertungsgesellschaft m.b.H.	Managing director	From 15. January 1990 until 11. January 2002
IMMORENT-STIKÖ Grundverwertungsgesellschaft m.b.H.	Managing director	From 10. January 1990 until 16. April 2002
Immorent-Theta Grundverwertungsgesellschaft m.b.H.	Managing director	From 01. December 1989 until 29. January 2003
IMMORENT Treuhand- und Vermögensverwaltungsgesellschaft m.b.H.	Managing director	From 30. August 1990 until 06. December 2002
IMMORENT-TRIAS Grundverwertungsgesellschaft m.b.H.	Managing director	From 10. September 1991 until 21. November 2002
IMMORENT-UTO Grundverwertungsgesellschaft m.b.H.	Managing director	From 15. November 1989 until 11. January 2002
Immorent-VBV Grundverwertungsgesellschaft m.b.H.	Managing director	From 22. November 1989 until 06. December 2002
IMMORENT-VITUS Grundverwertungsgesellschaft m.b.H.	Managing director	From 20. February 1992 until 07. February 2003
IMMORENT-WALOG Grundverwertungsgesellschaft m.b.H.	Managing director	From 29. November 1989 until 13. December 2001
IMMORENT-WEBA Grundverwertungsgesellschaft m.b.H.	Managing director	From 27. December 1989 until 15. December 2001
Immorent – Weiko Grundverwertungsgesellschaft m.b.H.	Managing director	From 10. January 1990 until 09. January 2002
IMMORENT West Grundverwertungsgesellschaft m.b.H.	Managing director	From 22. November 1991 until 31. January 2002
Immorent – Wörgler Grundverwertungsgesellschaft m.b.H.	Managing director	From 11. May 1995 until 11. January 2002
IR-Allgemeine Sparkasse Oberösterreich II Leasinggesellschaft m.b.H.	Managing director	From 15. January 1992 until 04. April 2003

IR-MIFEI Gebäudeerrichtungsgesellschaft m.b.H.	Managing director	From 31. January 1995 until 18. December 2001
IR-PRIAMOS Grundverwertungsgesellschaft m.b.H.	Managing director	From 16. November 1995 until 19. November 2002
IR-Sparkasse Wels Leasinggesellschaft m.b.H.	Managing director	From 19. September 1990 until 12. January 2002
Isparent-I Grundverwertungsgesellschaft m.b.H.	Managing director	From 09. March 1999 until 01. November 2000
Kontor Bau- und Planungsgesellschaft m.b.H. in Liqu.	Managing director	From 09. August 2000 until 07. September 2005
Kraftwerkserrichtungsgesellschaft m.b.H.	Managing director	From 12. October 1992 until 05. January 2002
KS-LEONE Grundverwertungsgesellschaft m.b.H.	Managing director	n.a.
LEASFINANZ Mobilienvermietung GmbH	Managing director	From 27. November 1985 until 29. April 2003
LEDA-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 11. February 1998 until 13. February 2003
LF 88 MobilienleasingesmbH	Managing director	From 03. March 1988 until 21. September 2000
LF-Mobilienleasinggesellschaft m.b.H.	Managing director	From 04. July 1986 until 21. September 2000
LF-Mobilienvermietungsgesellschaft m.b.H.	Managing director	From 19. May 1987 until 21. September 2000
MEKLA Leasing Gesellschaft m.b.H.	Managing director	From 11. June 1998 until 15. January 2003
“Nare”Grundstücksverwertungs-Gesellschaft m.b.H.	Managing director	From 25. April 1990 until 04. April 2002
NAXOS-Immorent Immobilienleasing GmbH	Managing director	From 05. July 1996 until 21. January 2003
NIKE Stahlbeteiligungen Akquisitions GmbH	Managing director	From 17. January 1993 until 09. April 2002
Omega Grundverwertungsgesellschaft mbH	Managing director	From 11. January 1990 until 11. January 2002
OREST-Immorent Leasing GmbH	Managing director	From 05. February 1998 until 11. May 2000
Rudolf Stickler Gesellschaft m.b.H.	Managing director	From 01. December 1989 until 04. January 2002
SAL Liegenschaftsverwaltungsgesellschaft m.b.H.	Managing director	From 06. July 1998 until 19. March 2003
SERPENS-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 01. December 1989 until 18. January 2003
“SGL” Grundstücksverwaltungs- und Leasing Gesellschaft m.b.H.	Managing director	From 22. February 2000 until 31. December 2002
S-Leasing Gesellschaft m.b.H.	Managing director	From 04. May 1990 until 12. September 2001
S-Leasing OÖ Gesellschaft m.b.H.	Managing director	From 01. December 1989 until 20. December 2001
S-Mobilienleasing GmbH	Managing director	From 01. December 1989 until 19. December 2001
SPARKASSE IMMORIENT Grundverwertungsgesellschaft m.b.H.	Managing director	From 08. September 1992 until 09. October 2004
STEYBA Grundstücksverwaltungsgesellschaft m.b.H.	Managing director	From 11. April 1990 until 13. November 2003
STIGES Leasinggesellschaft m.b.H.	Managing director	From 01. December 1989 until 23. February 2001
Technologie- und Marketing Center Grambach Grundverwertungsgesellschaft m.b.H.	Managing director	From 17. September 1992 until 20. December 2002
Technologiepark und Schulungszentrum Niklasdorf Grundverwertungsgesellschaft m.b.H.	Managing director	From 31. January 1990 until 21. February 2003
TETRIS – Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 21. June 1997 until 18. December 2002

THOR-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 20. September 1997 until 19. December 2002
Tisi-Leasinggesellschaft m.b.H.	Managing director	From 30. November 1989 until 24. October 2002
TISPAWN-Finanzservice GmbH	Managing director	From 01. January 1994 until 15. March 2003
Viminal Grundstücksverwaltungs Gesellschaft m.b.H.	Managing director	From 31. January 1990 until 01. August 2001
Wirtschaftspark Wels Immobilienleasing Gesellschaft m.b.H.	Managing director	From 22. April 1993 until 29. October 2003
Z Leasing METIS Immobilien Leasing Gesellschaft m.b.H.	Managing director	From 13. January 1993 until 29. June 2001

2. Other Management Functions of the Members of the Supervisory Board

CHRISTIAN AHLFELD***Current Member of the Supervisory Board:***

Name of the Company	Function	Duration of the Function
IMMORENT Aktiengesellschaft	Member of the Supervisory Board	Since 19. July 2003

Current Official Authorized Signatory:

Name of the Company	Function	Duration of the Function
Erste Bank der österreichischen Sparkassen AG	Official authorized signatory (<i>Prokurist</i>)	Since 21. May 1999

DR. GERALD ANTONITSCH***Current Member of the Management Board:***

Name of the Company	Function	Duration of the Function
IMMORENT Aktiengesellschaft	Member of the Management Board	Since 14. October 1998

Current Member of the Supervisory Board:

Name of the Company	Function	Duration of the Function
Immorent-Bank GmbH	Member of the Supervisory Board	Since 26. August 2005
Innovationspark Graz-Puchstraße GmbH	Member of the Supervisory Board	Since 07. June 2005

Current Managing Director:

Name of the Company	Function	Duration of the Function
BOOTES-Immorent Grundverwertungs-Gesellschaft m.b.H.	Managing director	Since 30. December 1999
“DIE EVA” Grundstücksverwaltungsgesellschaft m.b.H.	Managing director	Since 03. December 2002
DIE ERSTE Mobilienleasing- und Beteiligungsgesellschaft m.b.H.	Managing director	Since 26. November 2002
DIE ERSTE Vermietungs GmbH	Managing director	Since 19. December 2001
Dienstleistungszentrum Leoben GmbH	Managing director	Since 09. August 2005
EKZ-Immorent Vermietung GmbH	Managing director	Since 05. March 2005
ERATO-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	Since 21. July 1999
Erste Immorent Mobilienleasing GmbH	Managing director	Since 19. August 2004
EVA-Wohnpark Sandleiten Treuhand- und Vermögensverwaltungs Gesellschaft m.b.H.	Managing director	Since 29. November 2002
FUKO-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	Since 21. March 2001
GZ-Unternehmensbeteiligungsgesellschaft m.b.H.	Managing director	Since 05. May 1999
IBF-Anlagenleasing 93 Gesellschaft m.b.H.	Managing director	Since 03. October 2002
IBF-Anlagenleasing GmbH	Managing director	Since 19. December 2001
Immorent – Kappa Grundverwertungsgesellschaft m.b.H.	Managing director	Since 05. November 2002
IMMORENT – MORAWA Grundverwertungsgesellschaft m.b.H.	Managing director	Since 12. December 2002
Immorent – Wörgler Grundverwertungsgesellschaft m.b.H.	Managing director	Since 12. December 2001
IMMORENT Bauplanungsgesellschaft m.b.H.	Managing director	Since 19. January 2001
Immorent Beteiligungs- und Mobilienleasing GmbH	Managing director	Since 16. December 1998
ImmoRent Einkaufszentren Verwaltungsgesellschaft m.b.H.	Managing director	Since 21. December 2001
Immorent Finanzierungsgesellschaft m.b.H.	Managing director	Since 20. December 2000
Immorent Lehrbauhofeerrichtungsgesellschaft m.b.H.	Managing director	Since 20. December 2001
Immorent Objekttechnik	Managing director	Since 22. January 2001
Haustechnikplanungsgesellschaft m.b.H.		

IMMORENT S-Immobilienmanagement GesmbH	Managing director	Since 14. December 2000
IMMORENT Wohnbau Gesellschaft m.b.H.	Managing director	Since 19. January 2001
IMMORENT-AMUN Grundverwertungsgesellschaft m.b.H.	Managing director	Since 18. December 2001
Immorent-Clio-Grundverwertungsgesellschaft m.b.H.	Managing director	Since 12. December 2001
Immorent-Delta-Grundstücksverwertungsgesellschaft m.b.H.	Managing director	Since 12. December 2002
IMMORENT-GREKO Grundverwertungsgesellschaft m.b.H.	Managing director	Since 21. December 2001
Immorent-Grundverwertungsgesellschaft m.b.H.	Managing director	Since 12. December 2001
Immorent-Hackinger Grundverwertungsgesellschaft m.b.H.	Managing director	Since 03. January 2003
Immorent-Lamda Grundverwertungsgesellschaft m.b.H.	Managing director	Since 12. November 2002
IMMORENT-RIO Grundverwertungsgesellschaft m.b.H.	Managing director	Since 19. November 2002
IMMORENT-RONDO Grundverwertungsgesellschaft m.b.H.	Managing director	Since 07. October 1999
IMMORENT-RUBIN Grundverwertungsgesellschaft m.b.H.	Managing director	Since 18. December 2001
IMMORENT-SARI Grundverwertungsgesellschaft m.b.H.	Managing director	Since 21. December 2001
Immorent-Steiko Grundverwertungsgesellschaft m.b.H.	Managing director	Since 12. December 2001
Interkauf Leasing Gesellschaft m.b.H.	Managing director	Since 30. May 2003
IR-PRIAMOS Grundverwertungsgesellschaft m.b.H.	Managing director	Since 03. October 2002
Kraftwerkerrichtungsgesellschaft m.b.H.	Managing director	Since 21. December 2001
Lassallestraße 7b Immobilienverwaltung GmbH	Managing director	Since 18. September 2003
LEDA-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	Since 19. November 2002
“Nare” Grundstücksverwertungs-Gesellschaft m.b.H.	Managing director	Since 07. December 2001
NAXOS-Immorent Immobilienleasing GmbH	Managing director	Since 12. December 2002
PAROS-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	Since 07. December 2001
Realia Immobilien-Verwertungs-Gesellschaft m.b.H.	Managing director	Since 21. December 2001
REALIA-Wohnbau GmbH	Managing director	Since 31. May 2005
S-Mobilienleasing GmbH	Managing director	Since 13. July 2004
SOLIS-CIVITAS-IMMORENT GmbH	Managing director	Since 11. January 2000
SPARDAT – Bürohauserrichtungs- und Vermietungsgesellschaft m.b.H.	Managing director	Since 19. December 2001
Technologie- und Marketing Center Grambach Grundverwertungsgesellschaft m.b.H.	Managing director	Since 03. October 2002
Tiroler Kommunalgebäudeleasing Gesellschaft m.b.H.	Managing director	Since 01. July 2005
TKL II. Grundverwertungsgesellschaft m.b.H.	Managing director	Since 16. June 2005
TKL III Grundverwertungsgesellschaft m.b.H.	Managing director	Since 16. June 2005
TKL IV Grundverwertungsgesellschaft m.b.H.	Managing director	Since 16. June 2005
TKL V Grundverwertungsgesellschaft m.b.H.	Managing director	Since 16. June 2005
TKL VI Grundverwertungsgesellschaft m.b.H.	Managing director	Since 01. July 2005
TKL VII Grundverwertungsgesellschaft m.b.H.	Managing director	Since 01. July 2005
TKL VIII Grundverwertungsgesellschaft m.b.H.	Managing director	Since 16. June 2005
VKL II Immobilien Leasinggesellschaft m.b.H.	Managing director	Since 16. August 2005
VKL III Immobilien Leasinggesellschaft m.b.H.	Managing director	Since 16. August 2005
VKL IV Immobilien Leasinggesellschaft m.b.H.	Managing director	Since 06. September 2005
VKL V Immobilien Leasinggesellschaft m.b.H.	Managing director	Since 06. September 2005
Vorarlberger Kommunalgebäudeleasing Gesellschaft m.b.H.	Managing director	Since 16. August 2005

Former Member of the Supervisory Board:

Name of the Company	Function	Duration of the Function
Anlagen Leasing Gesellschaft m.b.H.	Deputy of the chairman of the Supervisory Board	From 27. November 1999 until 28. December 2000
Immorent Erdbergstraße 200 Errichtungs GmbH	Deputy of the chairman of the Supervisory Board	From 06. March 2001 until 03. October 2003
Lassallestraße 7b Immobilienverwaltung GmbH	Deputy of the chairman of the Supervisory Board	From 31. July 1999 until 18. September 2003

Former Managing Director:

Name of the Company	Function	Duration of the Function
ADULAR Grundverwertungsgesellschaft m.b.H.	Managing director	From 07. August 1999 until 16. February 2001
Bora Leasing GmbH	Managing director	From 12. November 2002 until 29. May 2003
C + I Immobilien-Projektentwicklung und Verwertung Gesellschaft m.b.H.	Managing director	From 31. August 1997 until 12. September 2000
DIE ERSTE Bad Ischl Esplanade Projektverwertungs Gesellschaft m.b.H.	Managing director	From 25. October 1994 until 15. February 2001
GCE "Gasometer-Kino" Center Errichtungs GmbH	Managing director	From 29. April 2002 until 31. October 2002
IBF Industriebeteiligungsgesellschaft m.b.H.	Managing director	From 21. December 2001 until 29. October 2003
IBF-Anlagenleasing 91 Gesellschaft m.b.H.	Managing director	From 03. January 2003 until 06. January 2004
IBF-Anlagenleasing 94 Gesellschaft m.b.H.	Managing director	From 12. December 2002 until 06. January 2004
ILION-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 06. August 1999 until 01. February 2002
IMMORENT Wohnbau Gesellschaft m.b.H.	Managing director	From 16. March 1999 until 26. August 2000
IMMORENT Wohnbau in Oberösterreich GmbH	Managing director	From 17. February 1994 until 03. February 2001
Kontor Bau- und Planungsgesellschaft m.b.H. in Liqu.	Managing director	From 29. August 1995 until 19. August 2000
Omega Grundverwertungsgesellschaft mbH	Managing director	From 12. December 2001 until 18. September 2004
OREST-Immorent Leasing GmbH	Managing director	From 13. July 1999 until 12. August 2003

DR. KLAUS BRAUNEGG**Current Member of the Management Board:**

Name of the Company	Function	Duration of the Function
Danneberg Privatstiftung	Member of the Management Board	Since 16. February 2006
Familie Fürnkranz Privatstiftung	Member of the Management Board	Since 29. January 2003
Kaindl Privatstiftung	Member of the Management Board	Since 12. October 1996
Lichtscheidl Privatstiftung	Member of the Management Board	Since 12. October 1996
Privatstiftung "CONRADO II D'ÁLMISSA"	Member of the Management Board	Since 06. February 1996
Sepp Michelfeit Privatstiftung	Member of the Management Board	Since 10. June 1998
Walter Prüfert Privatstiftung	Member of the Management Board	Since 03. November 1998

Current Member of the Supervisory Board:

Name of the Company	Function	Duration of the Function
Austria Versicherungsverein auf Gegenseitigkeit Privatstiftung	Member of the Supervisory Board	Since 13. July 1999
DIE ERSTE österreichische Spar-Casse Privatstiftung	Member of the Supervisory Board	Since 04. June 2004
IMMORENT Aktiengesellschaft	Member of the Supervisory Board	Since 27. November 1998

Salzburger Sparkasse Bank Aktiengesellschaft	Member of the Supervisory Board	Since 07. May 2002
UNIQA Versicherungen AG	Member of the Supervisory Board	Since 04. November 1999

Current Official Authorized Signatory:

Name of the Company	Function	Duration of the Function
“Troges” Gesellschaft für Trocknungs- und Wärmetechnik m.b.H.	Official authorized signatory (<i>Prokurist</i>)	Since 23. December 1970

Current Personally Liable Shareholder:

Name of the Company	Function	Duration of the Function
Braunegg, Hoffmann & Partner Rechtsanwälte	Personally liable shareholder	Since 17. January 1991

Former Member of the Supervisory Board:

Name of the Company	Function	Duration of the Function
Allgemeine Sparkasse Oberösterreich Bankaktiengesellschaft	Member of the Supervisory Board	From 19. July 1997 until 05 July 2002
Erste Bank der österreichischen Sparkassen AG	Deputy of the chairman of the Supervisory Board	From 10. July 1993 until 07. July 2005
MEG Möbelhandels GmbH	Deputy of the chairman of the Supervisory Board	From 29. December 1993 until 06. January 2000
MIVG Immobilien Verwaltung GmbH	Chairman of the Supervisory Board	From 07. October 2000 until 16. December 2000

FRANZ KERBER

Current Member of the Management Board:

Name of the Company	Function	Duration of the Function
Steiermärkische Bank und Sparkassen Aktiengesellschaft	Member of the Management Board	Since 01. July 2004

Current Member of the Supervisory Board:

Name of the Company	Function	Duration of the Function
Bankhaus Krentschker & Co. Aktiengesellschaft	Member of the Supervisory Board	Since 16. July 2005
Sparkasse Hartberg – Voralpe Aktiengesellschaft	Member of the Supervisory Board	Since 27. September 2005

Former Member of the Management Board:

Name of the Company	Function	Duration of the Function
IMMORENT Aktiengesellschaft	Member of the Management Board	From 16. December 1991 until 02. July 2004
Immorent Erdbergstraße 200 Errichtungs GmbH	Member of the Management Board	From 30. December 2002 until 03. October 2003
Lassallestraße 7b Immobilienverwaltung GmbH	Member of the Management Board	From 31. July 1999 until 18. September 2003

Former Member of the Supervisory Board:

Name of the Company	Function	Duration of the Function
Anlagen Leasing Gesellschaft m.b.H.	Member of the Supervisory Board	From 27. November 1999 until 28. December 2000

F & S Bank GmbH	Member of the Supervisory Board	From 23. July 2002 until 14. August 2003
Immorent-Bank GmbH	Member of the Supervisory Board	From 27. March 1998 until 05. June 2004
Immorent Erdbergstraße 200 Errichtungs GmbH	Member of the Supervisory Board	From 22. December 2000 until 15 May 2003
Innovationspark Graz-Puchstraße GmbH	Member of the Management Board	From 01. May 2001 until 07. June 2005

Former Official Authorized Signatory:

Name of the Company	Function	Duration of the Function
IMMORENT-SOBEK Grundverwertungsgesellschaft m.b.H.	Official authorized signatory (<i>Prokurist</i>)	From 28. July 1995 until 16. December 2004

Former Managing Director:

Name of the Company	Function	Duration of the Function
Adoria Grundstücksvermietungs Gesellschaft m.b.H.	Managing director	From 31. March 2000 until 26. May 2004
ADULAR Grundverwertungsgesellschaft m.b.H.	Managing director	From 07. August 1999 until 20. February 2001
Alea-Grundstücksverwaltung Gesellschaft m.b.H.	Managing director	From 23. June 1998 until 26. May 2004
Alfons Toch Gesellschaft m.b.H.	Managing director	From 15. July 1998 until 25. May 2004
All-Holdinggesellschaft m.b.H.	Managing director	From 14. July 1998 until 04. October 2001
AVION-Grundverwertungsgesellschaft m.b.H.	Managing director	From 30. January 2001 until 22. May 2004
AWEKA-Betertiligungsgesellschaft m.b.H.	Managing director	From 20. December 1995 until 12. November 2003
BOOTES-Immorent Grundverwertungs-Gesellschaft m.b.H.	Managing director	From 30. December 1999 until 26. May 2004
Immorent-Bora Grundstücksverwertungs GmbH	Managing director	From 22. September 1992 until 29. May 2003
CALDO Grundstücksverwertungsgesellschaft m.b.H.	Managing director	From 28. January 1995 until 22. May 2004
Cinci-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 12. May 1998 until 26. May 2004
CONATUS Grundstücksvermietungs Gesellschaft m.b.H.	Managing director	From 31. March 2000 until 22. May 2004
CTS Container-Terminal-Süd Gesellschaft m.b.H.	Managing director	From 08. October 1999 until 30. November 2002 and From 24. April 1990 until 12. January 2000
CULINA Grundstücksvermietungs Gesellschaft m.b.H.	Managing director	From 31. March 2000 until 22. May 2004
DENAR-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 08. August 2000 until 26. May 2004
“DIE ERSTE Leasing” Holdinggesellschaft m.b.H.	Managing director	From 04. March 1999 until 30. May 2002
DIE ERSTE Anlagevermietungsgesellschaft m.b.H.	Managing director	From 26. January 1999 bis 23. September 2000
DIE ERSTE Leasing Grundaufschließungs- und Immobilienvermietungsgesellschaft m.b.H.	Managing director	From 17. July 1998 until 26. May 2004
DIE ERSTE Leasing Grundbesitzgesellschaft m.b.H.	Managing director	From 17. July 1998 until 26. May 2004
DIE ERSTE Leasing Immobilien Vermietungsgesellschaft m.b.H.	Managing director	From 04. September 1998 until 26. May 2004

DIE ERSTE Leasing Grundstücksverwaltungsgesellschaft m.b.H.	Managing director	From 17. July 1998 until 26. May 2004
DIE ERSTE Leasing Immobilienbesitzgesellschaft m.b.H.	Managing director	From 17. July 1998 until 26. May 2004
DIE ERSTE Leasing Immobilienverwaltungs- und -vermietungsgesellschm.b.H.	Managing director	From 17. July 1998 until 26. May 2004
DIE ERSTE Leasing Prima Immobilienvermietungsgesellschaft m.b.H.	Managing director	From 14. July 1998 until 26. May 2004
DIE ERSTE Leasing Realitätenverwaltungsgesellschaft m.b.H.	Managing director	From 14. July 1998 until 26. May 2004
DIE ERSTE Mobilienleasing- und Beteiligungsgesellschaft m.b.H.	Managing director	From 16. October 1998 until 16. June 2004
DIE ERSTE Mobilienvermietungsgesellschaft m.b.H.	Managing director	From 26. January 1999 until 29. September 2000
DIE ERSTE Telefonvermietungsges.m.b.H.	Managing director	From 26. January 1999 until 26. September 2000
DIE ERSTE-Libussa Leasing GmbH	Managing director	From 11. February 1999 until 31. October 2000
“DIE EVA” Grundstücksverwaltungsgesellschaft m.b.H.	Managing director	From 14. July 1998 until 26. May 2004
DIE EVA – Liegenschaftsverwaltungsgesellschaft m.b.H.	Managing director	From 14. July 1998 until 26. May 2004
DIE EVA-Gebäudeleasinggesellschaft m.b.H.	Managing director	From 28. July 1998 until 26. May 2004
DIE EVA-Immobilienleasing und -erwerb Gesellschaft m.b.H.	Managing director	From 14. July 1998 until 26. May 2004
Epsilon – Grundverwertungsgesellschaft m.b.H.	Managing director	From 01. March 2000 until 22. May 2004
ERATO-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 21. July 1998 until 22. May 2004
Erste Immorent Mobilienleasing GmbH	Managing director	From 16. January 1998 until 22. May 2004
Esquilin Grundstücksverwaltungs Gesellschaft m.b.H.	Managing director	From 31. December 2000 until 26. May 2004
Eurolease Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 21. February 1992 until 20. May 2004
EVA-Grundstückverwertungsgesellschaft m.b.H.	Managing director	From 16. June 1998 until 22. May 2004
EVA-Immobilienvermietungs- und verwertungsgesellschaft m.b.H.	Managing director	From 10. June 1998 until 22. May 2004
Eva-Immobilienverwaltungsgesellschaft m.b.H.	Managing director	From 10. June 1998 until 22. May 2004
Eva-Realitätenverwaltungsgesellschaft m.b.H.	Managing director	From 26. June 1998 until 22. May 2004
EVA-Wohnpark Sandeilen Treuhand- und Vermögensverwaltungs Gesellschaft m.b.H.	Managing director	From 16. October 1998 until 22. May 2004
FORIS Grundstücksvermietungs Gesellschaft m.b.H.	Managing director	From 31. March 2000 until 22. May 2004
Franz Knafl Gesellschaft m.b.H.:	Managing director	From 27. June 1998 until 26. May 2004
GIROLEASING-Mobilienvermietungsgesellschaft m.b.H.	Managing director	From 12. May 1998 until 22. May 2004
GZ-Finanz Leasing Gesellschaft m.b.H.	Managing director	From 01. January 1994 until 22. May 2004
GZ-Unternehmensbeteiligungsgesellschaft m.b.H.	Managing director	From 05. May 1999 until 22. May 2004
HBM Immobilien Kamp GmbH	Managing director	From 08. November 2002 until 22. May 2004
HJ Immobilien Jota GmbH	Managing director	From 11. October 2002 until 15. January 2003
HP Immobilien Psi GmbH	Managing director	From 23. December 2002 until 22. May 2004

HT Immobilien Tau GmbH	Managing director	From 21. January 2002 until 22. May 2004
HT Immobilien Theta GmbH	Managing director	From 23. December 2002 until 22. May 2004
HV Immobilien Hohenems GmbH	Managing director	From 23. December 2002 until 22. May 2004
IBF 96 Beteiligungs- und Leasinggesellschaft m.b.H.	Managing director	From 25. April 1996 until 25. May 2004
IBF-Anlagenleasing 91 Gesellschaft m.b.H.	Managing director	From 01. December 1993 until 06. January 2004
IBF-Anlagenleasing 92 Gesellschaft m.b.H.	Managing director	From 18. November 1993 until 01. March 2001
IBF-Anlagenleasing 93 Gesellschaft m.b.H.	Managing director	From 06. April 1993 until 15. July 2004
IBF-Anlagenleasing 94 Gesellschaft m.b.H.	Managing director	From 31. July 1992 until 06. January 2004
IBF-Anlagenleasing 95 Gesellschaft m.b.H.	Managing director	From 26. January 1995 until 05. December 2003
IBF-Mobilienleasing 90 Gesellschaft m.b.H.	Managing director	From 01. December 1993 until 12. September 2000
ILION-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 06. August 1999 until 22. May 2004
IMMORENT – ANDROMEDA Grundverwertungsgesellschaft m.b.H.	Managing director	From 01. December 1992 until 27. May 2004
Immorent – Kappa Grundverwertungsgesellschaft m.b.H.	Managing director	From 11. April 2000 until 22. May 2004
IMMORENT – MORAWA Grundverwertungsgesellschaft m.b.H.	Managing director	From 25. September 1992 until 25. May 2004
IMMORENT – Sparkasse St. Pölten II	Managing director	From 17. December 1999 until 27. May 2004
Immorent Beteiligungs- und Mobilienleasing GmbH	Managing director	From 01. January 1994 until 25. May 2004
Immorent Erdbergstraße 200 Errichtungs GmbH	Managing director	From 03. October 2003 until 22. May 2004
Immorent International Holding GmbH	Managing director	From 22. February 1996 until 27. May 2004
Immorent Leasing International GmbH	Managing director	From 24. December 1996 until 27. May 2004
IMMORENT SPARKASSE ST. PÖLTEN Leasinggesellschaft m.b.H.	Managing director	From 17. December 1999 until 22. May 2004
IMMORENT Treuhand- und Vermögensverwaltungsgesellschaft m.b.H.	Managing director	From 22. September 1992 until 25. May 2004
IMMORENT-APOLLO Grundverwertungsgesellschaft m.b.H.	Managing director	From 01. December 1992 until 27. May 2004
IMMORENT-BRAUGEBÄUDE-Leasinggesellschaft m.b.H.	Managing director	From 16. October 1996 until 25. May 2004
IMMORENT-CHEMILEN Grundverwertungsgesellschaft m.b.H.	Managing director	From 25. May 2000 until 22. May 2004
IMMORENT-DOMUS Grundverwertungsgesellschaft m.b.H.	Managing director	From 10. March 1993 until 27. May 2004
Immorent-Hackinger Grundverwertungsgesellschaft m.b.H.	Managing director	From 16. September 1998 until 22. May 2004
IMMORENT-HATHOR Grundverwertungsgesellschaft m.b.H.	Managing director	From 17. December 1993 until 22. May 2004
IMMORENT-HUBI Grundverwertungsgesellschaft m.b.H.	Managing director	From 19. November 2002 until 27. May 2004
IMMORENT-JULIA Grundverwertungs GmbH	Managing director	From 10. May 2000 until 22. May 2004
IMMORENT-JUNIT Grundverwertungsgesellschaft m.b.H.	Managing director	From 02. October 1992 until 22. May 2004
IMMORENT-JURA Grundverwertungsgesellschaft m.b.H.	Managing director	From 03. October 2002 until 22. May 2004

Immorent-Lamda Grundverwertungsgesellschaft m.b.H.	Managing director	From 23. April 1996 until 25. May 2004
IMMORENT-LEANDER Grundverwertungsgesellschaft m.b.H.	Managing director	From 11. March 1993 until 25. May 2004
Immorent-Lispa Grundverwertungsgesellschaft m.b.H.	Managing director	From 07. December 2001 until 27. May 2004
IMMORENT-LOTUS Grundverwertungsgesellschaft m.b.H.	Managing director	From 30. September 1992 until 22. May 2004
IMMORENT-MISTRAL Grundverwertungsgesellschaft m.b.H.	Managing director	16. October 1996 until 25. May 2004
Immorent-Mobilienvermietungs-Gesellschaft m.b.H.	Managing director	From 12. June 1996 until 03. October 2003
IMMORENT-MÖRE Grundverwertungsgesellschaft m.b.H.	Managing director	From 19. November 2002 until 22. May 2004
Immorent-Mytho Grundverwertungsgesellschaft m.b.H.	Managing director	From 13. November 2002 until 27. May 2004
IMMORENT-NERO Grundverwertungsgesellschaft m.b.H.	Managing director	From 07. December 2001 until 22. May 2004 and From 28. January 1993 until 14. December 2001
IMMORENT-Objektvermietungsgesellschaft m.b.H.	Managing director	From 22. November 2000 until 27. May 2004
IMMORENT-PAN Grundverwertungsgesellschaft m.b.H.	Managing director	From 22. February 1996 until 22. May 2004
IMMORENT-PIA Grundverwertungsgesellschaft m.b.H.	Managing director	From 07. May 1996 until 22. May 2004
IMMORENT-RAFI Grundverwertungsgesellschaft m.b.H.	Managing director	From 21. September 1998 until 27. May 2004
IMMORENT-RAMON Grundverwertungsgesellschaft m.b.H.	Managing director	From 23. December 1999 until 22. May 2004
IMMORENT-RIO Grundverwertungsgesellschaft m.b.H.	Managing director	From 10. May 2000 until 25. May 2004
IMMORENT-RIALTO Grundverwertungsgesellschaft m.b.H.	Managing director	From 01. December 1994 until 22. May 2004
IMMORENT-RONDO Grundverwertungsgesellschaft m.b.H.	Managing director	From 07. October 1999 until 25. May 2004
Immorent-Scala Grundverwertungsgesellschaft m.b.H.	Managing director	From 03. October 2002 until 22. May 2004
Immorent-Sparkasse Feldkirchen Grundverwertungsgesellschaft m.b.H.	Managing director	From 27. January 1992 until 20. May 2004
Immorent-SPKK Grundverwertungsgesellschaft m.b.H.	Managing director	From 15. January 2003 until 27. May 2004
Immorent-Süd Gesellschaft m.b.H.	Managing director	From 22. November 1979 until 29. June 2004
IMMORENT-TOPAS Grundverwertungsgesellschaft m.b.H.	Managing director	From 23. November 1994 until 27. May 2004
IMMORENT-TRIAS Grundverwertungsgesellschaft m.b.H.	Managing director	From 12. November 2002 until 22. May 2004
Immorent-VBV Grundstücksverwertungsgesellschaft m.b.H.	Managing director	From 14. November 2002 until 27. May 2004
IMMORENT-VITUS Grundverwertungsgesellschaft m.b.H.	Managing director	From 20. February 1992 until 25. May 2004
IMMORENT-WALOG Grundverwertungsgesellschaft m.b.H.	Managing director	From 03. February 1998 until 27. May 2004
Immorent-WBV Grundverwertungsgesellschaft m.b.H.	Managing director	From 14. November 2002 until 27. May 2004
Interkauf Leasing Gesellschaft m.b.H.	Managing director	From 13. December 1989 until 27. May 2004
IR-MIFEI Gebäudeerrichtungsgesellschaft m.b.H.	Managing director	From 13. August 1996 until 22. May 2004

IR-PRIAMOS Grundverwertungsgesellschaft m.b.H.	Managing director	From 16. November 1995 until 27. May 2004
LEDA-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 11. February 1998 until 20. May 2004
LITUS Grundstücksvermietungsgesellschaft m.b.H.	Managing director	From 31. March 2000 until 22. May 2004
MEKLA Leasing Gesellschaft m.b.H.	Managing director	From 11. June 1998 until 27. May 2004
Metahof Errichtungsgesellschaft mbH	Managing director	From 05. January 2001 until 25. May 2004
ML-Mobilienleasing Gesellschaft m.b.H.	Managing director	From 01. December 1993 until 27. May 2004
NAXOS-Immorent Immobilienleasing GmbH	Managing director	From 05. July 1996 until 22. May 2004
OREST-Immorent Leasing GmbH	Managing director	From 05. February 1998 until 21. April 1998 and From 13. July 1999 until 12. August 2003
Realitas Grundverwertungsgesellschaft m.b.H.	Managing director	From 08. April 1992 until 02. June 2004
S-Leasing Gesellschaft m.b.H.	Managing director	From 08. August 2001 until 22. May 2004
S-Leasing Immobilienvermietungsgesellschaft m.b.H.	Managing director	From 15. October 2002 until 22. May 2004
SAL Liegenschaftsverwaltungsgesellschaft m.b.H.	Managing director	From 06. July 1998 until 22. May 2004
Schul- und Amtsgebäude Grundstücksverwaltungsgesellschaft m.b.H.	Managing director	From 16. October 1992 until 26. May 2004
Schulerrichtungsgesellschaft m.b.H.	Managing director	From 06. April 1993 until 25. May 2004
SERPENS-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 24. January 2000 until 22. May 2004
“SGL” Grundstücksverwaltungs- und Leasing Gesellschaft m.b.H	Managing director	From 22. February 2000 until 22. May 2004
SK Immobilien Epsilon GmbH	Managing director	From 15. February 2002 until 22. May 2004
SOLIS-CIVITAS-IMMORENT GmbH	Managing director	From 11. January 2000 until 22. May 2004
Steirische Gemeindegebäude Leasing Gesellschaft m.b.H.	Managing director	From 25. June 1990 until 12. June 2004
Steirische Kommunalgebäudeleasing Gesellschaft m.b.H.	Managing director	From 18. March 1993 until 12. June 2004
Steirische Leasing für Gebietskörperschaften Gesellschaft m.b.H.	Managing director	From 10. June 1998 until 08. June 2004
Steirische Leasing für öffentliche Bauten Gesellschaft m.b.H.	Managing director	From 05. August 1992 until 26. May 2004
SWO Kommunalgebäudeleasing Gesellschaft m.b.H.	Managing director	From 24. February 1998 until 22. May 2004
Technologie- und Marketing Center Grambach Grundverwertungsgesellschaft m.b.H.	Managing director	From 17. September 1992 until 25. May 2004
Technologiepark und Schulungszentrum Niklasdorf Grundverwertungsgesellschaft m.b.H.	Managing director	From 04. September 1987 until 25. May 2004
TETRIS – Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 21. June 1997 until 25. May 2004
Theuthras-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 24. March 2003 until 25. May 2004
THOR-Immorent Grundverwertungsgesellschaft m.b.H.	Managing director	From 20. September 1997 until 24. June 2004
TISPAWN-Finanzservice GmbH	Managing director	From 01. January 1994 until 05. December 2000
TRABITUS Grundstückvermietungs Gesellschaft m.b.H.	Managing director	From 31. March 2000 until 02. June 2004

Trau-Grundstückverwaltung Gesellschaft m.b.H.	Managing director	From 05. March 2003 until 25. May 2004
UNDA Grundstückvermietungsgesellschaft m.b.H.	Managing director	From 31. March 2000 until 25. May 2004
VALET-Grundstückverwaltungs Gesellschaft m.b.H.	Managing director	From 31. March 2000 until 22. June 2004
Viminal Grundstückverwaltungs Gesellschaft m.b.H.	Managing director	From 06. February 2001 until 22. July 2004
Wirtschaftspark Wels Immobilienleasing Gesellschaft m.b.H.	Managing director	From 22. April 1993 until 26. May 2004

DR REINHOLD SCHÜRER-WALDHEIM

Current Shareholder:

Name of the Company	Function	Duration of the Function
ANG. Bauträger GmbH	Shareholder	Since 06. July 1993
Carlton Hotel Salzburg Betriebs GmbH	Shareholder	Since 04. February 2006
Kuranstalt "Landsknechte" Gesellschaft m.b.H.	Shareholder	Since 14. August 1999
"Nordost" Treuhand- und Organisationsgesellschaft m.b.H. Buchprüfungs- und Steuerberatungsgesellschaft	Shareholder	Since 13. December 1994

Current Member of the Supervisory Board:

Name of the Company	Function	Duration of the Function
Filmcasino & Polyfilm Betriebs GmbH	Member of the Supervisory Board	Since 09. February 1994

Current Limited Liability Shareholder:

Name of the Company	Function	Duration of the Function
Kurzentrum Bad Vöslau GmbH & Co KG	Limited liability shareholder	Since 27. January 2004

Current Managing Director:

Name of the Company	Function	Duration of the Function
ANG. Bauträger GmbH	Managing director	Since 17. December 2001
"Nordost" Treuhand- und Organisationsgesellschaft m.b.H. Buchprüfungs- und Steuerberatungsgesellschaft	Managing director	Since 06. March 1996

Former Member of the Supervisory Board:

Name of the Company	Function	Duration of the Function
"Wohnungseigentümer" Gemeinnützige Wohnbau GmbH	Member of the Supervisory Board	From 06. April 2002 until 22. October 2005

DR. MARTIN SIMHANDL

Current Member of the Management Board:

Name of the Company	Function	Duration of the Function
WIENER STÄDTISCHE Allgemeine Versicherung Aktiengesellschaft	Member of the Management Board	Since 01. November 2004
Wiener Städtische Wechselseitige Versicherungsanstalt Vermögensverwaltung	Member of the Management Board	Since 01. February 2004

Current Member of the Supervisory Board:

Name of the Company	Function	Duration of the Function
Bank Austria Creditanstalt Versicherung AG	Member of the Supervisory Board	Since 08. July 2003
Donau Allgemeine Versicherungs-Aktiengesellschaft	Member of the Supervisory Board	Since 02. June 2004
Erste gemeinnützige Wohnungsgesellschaft "Heimstätte Gesellschaft m.b.H."	Member of the Supervisory Board	Since 28. September 2001
RINGTURM Kapitalanlagegesellschaft m.b.H.	Member of the Supervisory Board	Since 05. May 2004
Union Versicherungs-Aktiengesellschaft	Member of the Supervisory Board	Since 27. May 2003
Wiener Hafen Management GmbH	Member of the Supervisory Board	Since 21. October 2003

Former Member of the Management Board:

Name of the Company	Function	Duration of the Function
InterRisk Internationale Versicherungsholding GmbH	Member of the Management Board	From 01. July 2001 until 08. August 2001

Former Member of the Supervisory Board:

Name of the Company	Function	Duration of the Function
Allgemeine Baugesellschaft-A. Porr Aktiengesellschaft	Member of the Supervisory Board	From 06. April 2000 until 12. July 2003
Ambulatorium Döbling Aktiengesellschaft	Member of the Supervisory Board	n.a.
Gemeinnützige Industrie-Wohnungsaktiengesellschaft	Member of the Supervisory Board	From 06. March 2002 until 01. April 2005
Gemeinnützige Mürz-Ybbs Siedlungsanlagen-GmbH	Deputy of the chairman of the Supervisory Board	From 07. December 1996 until 21. December 2004
Kapital & Wert Immobilienbesitz AG	Member of the Supervisory Board	From 07. July 2001 until 25. July 2003
Kapital & Wert Vermögensverwaltung AG	Member of the Supervisory Board	From 01. May 2001 until 19. January 2006
"Neue Heimat" Gemeinnützige Wohnungs- und Siedlungsgesellschaft in Oberösterreich, Gesellschaft mit beschränkter Haftung	Member of the Supervisory Board	From 26. July 2001 until 16. October 2004
Privatklinik Sanatorium Döbling Aktiengesellschaft	Member of the Supervisory Board	n.a.
Realitätenverwaltungs- und Restaurantbetriebs-Gesellschaft m.b.H.	Member of the Supervisory Board	From 12. December 1998 until 11. July 2000
Semperit Aktiengesellschaft Holding	Member of the Supervisory Board	From 13. September 2002 until 30. July 2005
VBV-Pensionskasse Aktiengesellschaft	Member of the Supervisory Board	From 14. July 1999 until 29. September 2004

Former Official Authorized Signatory:

Name of the Company	Function	Duration of the Function
Central Piont Insurance IT-Solutions GmbH	Official authorized signatory (<i>Prokurist</i>)	From 31. October 1990 until 07. December 2004
Neue Heimat Oberösterreich Holding GmbH	Official authorized signatory (<i>Prokurist</i>)	From 19. December 1996 until 28. October 2004
WIENER STÄDTISCHE Allgemeine Versicherung Aktiengesellschaft	Official authorized signatory (<i>Prokurist</i>)	From 30. June 1992 until 05. November 2004

Historical Managing Director:

Name of the Company	Function	Duration of the Function
Altstadt Hotelbetriebs GmbH	Managing director	From 26. November 1998 until 15. June 2002
CENTER Hotelbetriebs GmbH	Managing director	From 19. November 1998 until 28. June 2002
InterRisk Internationale Versicherungsholding GmbH	Managing director	From 08. August 2001 until 27. November 2002
LVP Holding GmbH	Managing director	From 19. March 1994 until 14. July 2004
MAP Bürodienstleistung Gesellschaft m.b.H.	Managing director	From 15. April 1998 until 12. September 2001
PKB Privatkliniken Beteiligungs-GmbH	Managing director	From 14. January 1994 until 16. July 2002
Privatklinik Wehrle Gesellschaft m.b.H.	Managing director	From 29. April 1998 until 01. June 2000
SILURUS Handels- und Beteiligungs GmbH	Managing director	From 01. November 1996 until 13. December 2001
Vösendorf Realbesitz GmbH	Managing director	From 13. February 1998 until 05. September 2000

MANFRED RAPF***Current Member of the Supervisory Board:***

Name of the Company	Function	Duration of the Function
VBV-Pensionskasse AG	Member of the Supervisory Board	Since 12. October 2005

Current Managing Director:

Name of the Company	Function	Duration of the Function
PR-Immobilien GmbH	Managing director	Since 12. July 2005

Former Member of the Management Board:

Name of the Company	Function	Duration of the Function
CA Immo Beteiligungen und Leasing GmbH	Member of the Management Board	From 01. October 1997 until 10. March 2000
Allianz Pensionskasse AG	Member of the Management Board	From 16. May 1997 until 23. July 2005

Former Official Authorized Signatory:

Name of the Company	Function	Duration of the Function
Allianz Elementar Lebensversicherungs-AG	Official authorized signatory (<i>Prokurist</i>)	From 01. January 2000 until 05. July 2005

RICHARD WILKINSON***Current Member of the Supervisory Board:***

Name of the Company	Function	Duration of the Function
Capexit Beteiligungs Invest MF-AG	Member of the Supervisory Board	Since 30. November 2004
Capexit Beteiligungsmanagement AG	Member of the Supervisory Board	Since 30. November 2004
Capexit Private Equity Invest AG	Member of the Supervisory Board	Since 30. November 2004
CDI Beteiligungsberatung GmbH	Member of the Supervisory Board	Since 08. October 2005
Erste Corporate Finance GmbH	Member of the Supervisory Board	Since 08. October 2005
IMMORENT Aktiengesellschaft	Member of the Supervisory Board	Since 25. February 2005

Current Official Authorized Signatory:

Name of the Company	Function	Duration of the Function
Erste Bank der österreichischen Sparkassen AG	Official authorized signatory (<i>Prokurist</i>)	Since 21. May 1999

Former Member of the Management Board:

Name of the Company	Function	Duration of the Function
FINAG-Holding AG	Member of the Management Board	From 01. February 1998 until 15. November 2000

Former Member of the Supervisory Board:

Name of the Company	Function	Duration of the Function
FINAG-Holding AG	Member of the Supervisory Board	From 10. July 2001 until 26. March 2004

APPENDIX G

List of Encumbrances

Major Encumbrances on Real Property located in Austria established after 31 December 2005

Real Property Register	Register Nr.	Address	Description of Encumbrance	Amount
01010 Neubau	163	Burggasse 51	a) Mortgage Deed dated 7/12/2005: Mortgage to Erste Bank der österreichischen Sparkassen AG b) Borrowers Note dated 16/2/2006: Mortgage to City of Vienna	EUR 243,312.91 EUR 81,104.30
01514 Währing	2690	Kreuzgasse 74	Mortgage Deed dated 10/02/2006: Mortgage to Raiffeisenlandesbank Niederösterreich-Wien	Maximum Amount EUR 16,690,000.00

Major Encumbrances on Real Property located outside of Austria

Real Property Register	Register Nr.	Address	Description of Encumbrance	Amount
Praha 727181 Nové Mesto	V 6501/05	11000 Praha, Wenzelsplatz 22 (Hotel Julis)	Mortgage Deed dated 15/11/2004 Mortgage to Österreichische Volksbanken AG, Vienna	EUR 14,000,000.00
Praha City, Area Karlin	V2 26111/99 V2 26112/99 V2 20726/00	18600 Praha, Thámova 13 (Palac Karlin)	Mortgage Agreement dated 21/07/2000 Mortgage to HVB, Praha	EUR 10,000,000.00
Register of the capital district Budapest XIII, inner area	145513/1999/ 1999.05.31 145513/1999/ 1999.05.31	1134 Budapest, Váci út. 35 (The River Estates)	Mortgage on real property to Raiffeisenlandesbank Oberösterreich	EUR 23,618,671.10 EUR 18,894,936.88
Register of the capital district Budapest XIII, inner area	140043/2/ 2001/01.05.28 140043/3/ 2001/01.06.07 266418/1/ 2004/04.08.04 266418/1/ 2004/04.08.04	1138 Budapest, Váci út. 202 (Unilever HQ)	Mortgage to Erste Bank, Vienna	EUR 10,000,000.00 + supplementary liabilities
Register of the capital district Budapest XI	112222/2/ 1993/93.03.04 112222/2/ 1993/93.03.04	1052 Budapest, Apaczai Csere Janos u. 2 – 4 (Budapest Marriott Hotel)	Mortgage to GiroCredit Bank (now Erste Bank), Vienna	USD 49,000,000.00 EUR 16,351,387.69