

Q3

REPORT FOR THE FIRST THREE QUARTERS
OF 2015



Key Figures

REVENUES AND EARNINGS

EUR '000	3 rd quarter 2015	3 rd quarter 2014	9 months 2015	9 months 2014
	01.07. – 30.09.2015	01.07. – 30.09.2014	01.01. – 30.09.2015	01.01. – 30.09.2014
Revenues	134,760	53,462	237,567	138,111
Total operating performance	67,455	46,485	163,368	145,684
EBITDA	6,707	-1,302	12,405	11,451
EBIT	4,816	-3,094	7,045	6,392
EBT	97,979	297	109,627	15,487
Operating result ¹	98,504	4,883	115,315	26,333
Net profit/loss for the period	82,225	-421	92,372	14,890

STRUCTURE OF ASSETS AND CAPITAL

EUR '000	30.09.2015	31.12.2014
Non-current assets	279,155	304,247
Current assets	1,370,943	436,929
Equity	511,919	410,048
Equity ratio	31%	55%
Non-current liabilities	147,305	102,878
Current liabilities	990,874	228,250
Total assets	1,650,098	741,176

SHARE

ISIN	DE000PAT1AG3
SIN (Security Identification Number)	PAT1AG
Code	P1Z
Share capital as at 30 September 2015	EUR 76,323,533
No. of shares in issue as at 30 September 2015	76,323,533
Third quarter 2015/9 months 2015 high ²	EUR 25.18/EUR 25.18
Third quarter 2015/9 months 2015 low ²	EUR 17.91/EUR 12.48
Closing price as at 30 September 2015 ²	EUR 21.36
Share price performance	75%
Market capitalisation as at 30 September 2015	EUR 1.6 billion
Average trading volume per day (9 months of 2015) ³	138,400 shares
Indices	SDAX, GEX, DIMAX

¹ Without amortisation of other intangible assets (fund management contracts), adjusted for profit/loss from interest rate and currency hedging instruments without cash effect. Realised changes in the value of investment property have been added.

² Closing price Xetra-trading

³ All German stock exchanges

Contents

LETTER TO OUR SHAREHOLDERS

CONSOLIDATED INTERIM MANAGEMENT REPORT

5	PATRIZIA on the Capital Market
5	Our Employees
5	Other Events
6	Economic Report
6	The Course of Business
11	Economic Position
22	Supplementary Report
23	Development of Opportunities and Risks
23	Report on Expected Developments

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

26	Consolidated Balance Sheet
28	Consolidated Income Statement
29	Consolidated Statement of Comprehensive Income
30	Consolidated Cash Flow Statement
32	Consolidated Statement of Changes in Equity

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

34	General Disclosures
34	Principles Applied in Preparing the Consolidated Financial Statements
35	Scope of Consolidation
41	Investment Property
41	Participations in Associated Companies
41	Participations
42	Inventories
42	Equity
42	Liabilities
44	Revenues
44	Financial Result
45	Earnings per Share
45	Segment Reporting
56	Transactions with Related Companies and Individuals
56	Declaration by the Legal Representatives of PATRIZIA Immobilien AG

FINANCIAL CALENDAR AND CONTACT

LETTER TO OUR SHAREHOLDERS

*Dear Shareholders,
Dear ladies and gentlemen,*

PATRIZIA ended the third quarter of 2015 with the best quarterly result in its history of EUR 99 million. For the year as a whole we are on track to achieve the best operating result in the company's history. In the past nine months, assets under management have increased by around 10% to EUR 16 billion and the outlook for 2016 and subsequent years shows that we are venturing into a new dimension of magnitude.

Sale of SÜDEWO as main results driver in the third quarter and overall year in 2015

The significant increase in earnings to EUR 115 million after the first nine months of 2015 can be attributed to the sale of the Süddeutsche Wohnen Group. The first and main tranche of the contribution to results of EUR 96.5 million from the sale was posted in the third quarter and is composed of the performance-based payment of EUR 85.4 million and the return on our equity share of EUR 11.1 million. A second, smaller tranche of over EUR 19.7 million is expected in the final quarter.

Substantial increase of results forecast for the second time in 2015

Following the sale of SÜDEWO and the acquisition of the bridge investments, in June we significantly increased our forecast for 2015. However, we published a cumulative forecast for 2015 and 2016 considering that disposals of the bridge investments will occur in both years.

We currently expect a significant contribution to results from the sale of the Swedish real estate fund known as the “Harald” portfolio in 2016. With regards to individual properties from the “Manchester First Street” bridge investment we are in advanced sales negotiations and are confident that the first property will be sold this year.

As a consequence, we can reaffirm the most recent forecast of a cumulative operating result for 2015 and 2016 of at least EUR 200 million and are now able to provide more detail for the years 2015 and 2016. For 2015, we expect an operating result of EUR 145–160 million, a substantial increase compared to the initial forecast of EUR 55 million at the beginning of the year. Assuming that the disposal of both bridge investments closes in 2016, we expect results for 2016 comparable with 2015.

Poised for further growth opportunities

In the first nine months of 2015 we have executed an impressive transaction volume of EUR 5.2 billion: PATRIZIA notarised property acquisitions totalling EUR 3.2 billion across various vehicles and sold property assets amounting to EUR 2.0 billion. In the fourth quarter of 2015 we continued to be active on Europe’s real estate markets: at the end of October we acquired a premium retail portfolio in the Netherlands with 145 retail, residential and office units for EUR 340 million. The purchase was made for “PATRIZIA Dutch High Street Fund 1”, a newly launched special real estate fund for institutional investors. The fact that the transaction again arose as an off-market deal once again emphasises the excellent and direct access that PATRIZIA has to local market players. As a result, the regional affiliate PATRIZIA Netherlands now manages assets amounting to EUR 900 million – with a rising trend, thanks in part to the project developments in the new residential construction already secured in The Hague.

Creation of a logistics division

In autumn, PATRIZIA established a new platform for the pan-European business with logistics facilities. By adopting a team of logistics experts with decades of international experience in the industry, we can use pan-European investment opportunities in the increasingly important market of logistics facilities for our German and foreign clients. The dynamically expanding area of online retail makes logistics facilities more and more appealing for investors and we are closing another gap in our market coverage.

As you can see, PATRIZIA is well positioned to continue to grow successfully and sustainably. Our performance and strong results underline the success of our European expansion plan throughout the various asset classes. There is still a long way to go – and we hope you will join us on the journey.

The PATRIZIA Managing Board



Wolfgang Egger
CEO



Karim Bohn
CFO designate



Arwed Fischer
CEO



Klaus Schmitt
COO

Consolidated Interim Management Report

FOR THE FIRST THREE QUARTERS OF 2015

1 PATRIZIA ON THE CAPITAL MARKET

The closing price of PATRIZIA shares listed on the SDAX was EUR 21.36 as at 30 September 2015, representing a gain of more than 75% since the beginning of the year. As a result of the 10% capital increase from company funds to issue bonus shares, PATRIZIA shares traded 9% lower on 19 August 2015 (“ex-date”). This technical reduction of the share price was almost fully offset by the growth over the course of the third quarter. The trading volume in PATRIZIA shares increased in the first nine months of 2015 despite a weak July to an average of 138,400 units per day (entire year 2014: 97,900 shares/day). As at quarter end, PATRIZIA’s market capitalisation stood at EUR 1.6 billion. Consequently, PATRIZIA shares stood in 55th place in the MDAX index ranking of the Deutsche Börse as ranked by market capitalisation and in 64th place ranked by trading volume. In October, PATRIZIA moved up the ranking by two places in each case, to 53rd for market capitalisation and 62nd for trading volume.

2 OUR EMPLOYEES

As at 30 September 2015, PATRIZIA employed 812 full-time employees, 7% more than in the previous year (30 September 2014: 757 employees). The figures also include 46 trainees and students of Duale Hochschule Stuttgart majoring in real estate and another 72 part-time employees. The international subsidiaries now comprise 92 employees. In terms of full-time equivalents (FTE), the headcount at the end of the quarter was 790 employees (31 December 2014: 770 FTE, 30 September 2014: 735 FTE).

3 OTHER EVENTS

Issue of bonus shares

The Annual General Meeting on 25 June 2015 approved the management’s proposal to carry the entire retained earnings for 2014 to the new account and decided on a capital increase from company funds in order to issue bonus shares in a ratio of 10:1. The capital increase was entered into the Commercial Register on 3 August. The new shares were issued after the close of trading on 18 August 2015, with the first day of trading on 19 August 2015. Share capital now totals EUR 76,323,533, representing an increase of EUR 6,938,503.

PATRIZIA establishes division for pan-European business with logistics

With the establishment of a new division for the pan-European business with logistics facilities, PATRIZIA Immobilien AG has expanded into another asset class. Via the new PATRIZIA logistics platform, PATRIZIA Logistics Management Europe B.V. registered in Amsterdam, international investors throughout Europe are able to invest in both logistics properties used by e-commerce

companies and in traditional logistics facilities. A three-member team of experts with a combined experience in the pan-European logistics sector of more than 50 years forms the core of the new logistics team.

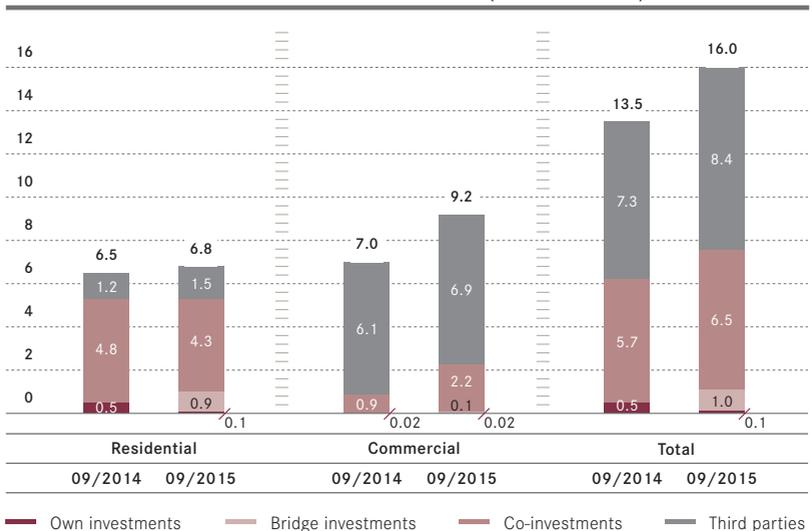
4 ECONOMIC REPORT

4.1 THE COURSE OF BUSINESS

Assets under management

On the balance sheet date assets under management amounted to EUR 16.0 billion, an increase of 10% on year-end 2014. Of these, a rising trend of 33% are located abroad. The sale of SÜDEWO in July was associated with an outflow of EUR 1.6 billion, which was offset to a large extent by purchases of EUR 0.9 billion. All property assets managed by PATRIZIA are expected to increase by EUR 2 billion net by year end, to a target of EUR 16.6 billion.

ASSETS UNDER MANAGEMENT AS AT 30 SEPTEMBER (IN EUR BILLION)



ASSETS UNDER MANAGEMENT – GERMANY AND INTERNATIONAL

in EUR billion	30.09.2015		31.12.2014		30.09.2014	
	Germany	Inter-national	Germany	Inter-national	Germany	Inter-national
	10.7	5.3	10.7	3.9	10.9	2.6
TOTAL	16.0		14.6		13.5	

THIRD PARTIES

PATRIZIA WohnInvest KVG mbH

The total transaction volume for all purchases and sales effected in the third quarter of 2015 was EUR 61 million. Of these, properties with a market value of EUR 45 million were secured by purchase agreement; real estate sales of EUR 16 million were made.

PATRIZIA GewerbeInvest KVG mbH

The purchase contract notarisation of properties with a market value of EUR 330 million and sales of EUR 32 million in the third quarter resulted in a transaction volume of EUR 362 million.

Following the success of its “Gewerbe-Immobilien Deutschland I” fund for commercial real estate in Germany, in September PATRIZIA launched another fund for this asset class: The “Gewerbe-Immobilien Deutschland II” pool fund, with a target volume of EUR 600 million, covers almost twice as much as the first. We were able to place the equity completely in a very short time. The first purchase was made in Hamburg’s City Nord with the 26,000 sqm Oval Office building, completed in 2005.

PATRIZIA’s Spanish subsidiary purchased a retail property in **Malaga** for an individual mandate of an occupational pension fund. The 1,800 sqm of retail space in the listed corner building, renovated in 2011 and located in the pedestrian area, are under long-term lease to a well-known European fashion chain.

PATRIZIA’s French subsidiary acquired a representative 3,700 sqm office building in the **centre of Brussels** for another real estate fund managed by PATRIZIA GewerbeInvest. Notable tenants include the airline Emirates and the insurance group Allianz.

PATRIZIA GrundInvest KVG mbH

The launch of the first fund for private investors has been postponed from the fourth quarter of 2015 to the first quarter of 2016 due to the German supervisory authority BaFin only granting its approval in mid-2015. We plan to launch two to three funds in 2016.

PATRIZIA FUNDS AS AT 30 SEPTEMBER 2015

in EUR million	Planned target volume	Equity commitments	of which already invested equity	of which still open equity	Assets under Management	Number of launched funds
PATRIZIA WohnInvest KVG mbH	3,108	1,572	975	597	1,450 ¹	8
PATRIZIA GewerbeInvest KVG mbH	8,894	4,820	3,752	1,068	6,013	19
Pool funds	5,173	2,519	2,001	518	3,412	9
Individual funds	1,721	1,033	599	434	670	8
Label funds	2,000	1,268	1,152	116	1,931	2
PATRIZIA Real Estate Investment Management S.à r.l. (REIM)²	169	85	85	–	169	1
TOTAL PATRIZIA	12,171	6,477	4,812	1,665	7,632	28

¹ Excludes real estate developments secured under purchase contracts

² PATRIZIA Nordic Cities SCS SICAV-FIS

CO-INVESTMENTS**Sale of SÜDEWO**

The sale of Süddeutsche Wohnen Group (SÜDEWO) to Vonovia SE (formerly Deutsche Annington SE) was completed in July, resulting in a decrease of EUR 1.6 billion in the assets under management. In the third quarter PATRIZIA received an initial performance-based payment of EUR 85.4 million from the transaction and EUR 11.1 million as return on its own equity. A second tranche totalling EUR 19.7 million will be posted in the last quarter of the year. In return, the scheduled preliminary profit distribution for the second half of 2015 of around EUR 3.6 million and the expected performance-based payment are being waived (2014: EUR 5.6 million).

WohnModul I

The business quarter **“Galleri K” in the centre of Copenhagen** was acquired in July for the equivalent of EUR 200 million for the co-investment WohnModul I. The building quarter with 20 premium businesses, some leased to international fashion chains, as well as offices and apartments, is located in the most part of the famous “Stroget” retail street.

Furthermore, the first **acquisition in France** was made for EUR 179 million: A portfolio of 23 residential buildings and a student residence comprising 978 residential and 6 commercial units covering the Paris region and French regional metropolises was acquired. Under the business plan, 15 buildings will be sold through residential property resale over a period of five years, with the other nine properties sold en bloc within one year.

PATROffice

Following the successful revitalisation, PATRIZIA sold the **Altmarktkarree complex in Dresden** with around 320 apartments and 40 commercial units. The Altmarktkarree complex was acquired from the city of Dresden in 2005. At that time, one third of the apartments and some of the shops were empty and there was a considerable backlog of renovations. PATROffice, a co-investment with the two pension funds APG from the Netherlands and ATP Real Estate from Denmark, is currently in the sell-off phase. The current investment volume of EUR 283 million should be reduced by the end of 2016.

There were no major changes in our **other co-investment** in the third quarter of 2015. Please refer to the statements in PATRIZIA's 2014 Annual Report on p. 60 et seq.

BRIDGE INVESTMENTS

“Harald”

As part of the acquisition of the Swedish real estate fund Hyresbostäder i Sverige III Gul AB, the squeeze-out of the Norwegian stock corporation Boligutleie Holding III AS was completed in August. The other shares held by a company based in Sweden are still not fully owned by PATRIZIA: The squeeze-out was initiated in September after reaching the 90% threshold, but may drag into early January 2016 due to the heavily regulated process in Sweden. PATRIZIA currently holds 91.7% of the fund shares indirectly, another 5.1% is apportioned to a co-investor and the remaining 3.2% are held by minorities.

Munich's “Sudermannzentrum” as an additional bridge investment on the balance sheet

The closing for an attractive residential complex with 131 apartments and 15 commercial units in Munich-Neuperlach took place in the third quarter. The purchase price for the Sudermannzentrum was around EUR 33 million. Discussions with various investors about a suitable vehicle and the sale strategy for the investment are currently being held.

OWN INVESTMENTS

RESIDENTIAL PROPERTY REALES AND BLOCK SALES IN THE THIRD QUARTER OF 2015 – EXCLUDING REAL ESTATE DEVELOPMENTS

Region/city	Number of units sold				Area sold in sqm			
	Residential property resale	Block sales	Total	Share in %	Residential property resale	Block sales	Total	Share in %
Munich	28	20	48	56.5	2,126	1,453	3,579	56,9
Cologne/Düsseldorf	27	0	27	31.8	2,005	0	2,005	31,9
Frankfurt/Main	10	0	10	11.8	705	0	705	11,2
TOTAL	65¹	20	85	100	4,836	1,453	6,289	100

¹ Of these, 34 apartments were reported under investment property.

Residential Property Resale

In addition to the sale of 65 apartments from the company's own portfolio to private capital investors (80%), owner-occupiers (17%) and tenants (3%), in the third quarter 34 apartments were handed over to owners from PATRIZIA's own real estate development F40/VERO.

Block Sales

In the third quarter 20 expandable roof units in Munich were sold, the sales being recorded in the results. Furthermore, the apartment complex of the F40 real estate development, which was notarised back in 2012 by an institutional investor, was posted to results with 64 apartments and 2 commercial units after reaching the contractually agreed occupancy rate.

In the first nine months of 2015 a total of 357 units were sold via both sales channels out of the own investment.

THE PATRIZIA PORTFOLIO AS AT 30 SEPTEMBER 2015

Region/city	Number of units sold				Area in sqm			
	Residential property resale	Block sales	Total	Share in %	Residential property resale	Block sales	Total	Share in %
Cologne/Düsseldorf	243	127	370	50.2	23,586	24,374	47,960	64.2
Hamburg	10	181	191	25.9	608	10,644	11,252	15.1
Frankfurt/Main	102	0	102	13.8	7,084	0	7,084	9.5
Munich	72	0	72	9.8	8,069	0	8,069	10.8
Berlin	2	0	2	0.3	343	0	343	0.5
TOTAL	429	308	737	100	39,690	35,018	74,708	100

4.2 ECONOMIC POSITION

EARNINGS SITUATION OF THE PATRIZIA GROUP

CONSOLIDATED REVENUES

EUR '000	3 rd quarter 2015	3 rd quarter 2014	9 months 2015	9 months 2014
	01.07. – 30.09.2015	01.07. – 30.09.2014	01.01. – 30.09.2015	01.01. – 30.09.2014
Purchase price revenues	69,620	25,051	106,050	43,597
from residential property resales ¹	5,279	8,572	21,997	25,618
from block sales ¹	1,050	3,100	7,500	4,600
from real estate developments ²	63,291	13,379	76,553	13,379
Rental revenues	22,097	4,988	32,202	16,574
from own investments	1,215	4,988	5,065	16,574
from bridge investments	20,882	0	27,137	0
Revenues from management services	42,398	21,716	96,903	70,747
from co-investments	19,285	7,284	45,508	18,811
from third parties	23,113	14,432	51,395	51,936
Other³	645	1,707	2,412	7,193
TOTAL	134,760	53,462	237,567	138,111

¹ Purchase price receipts from investment property are not included in revenues.

² Of these, in the third quarter EUR 28.8 million originated from residential property resales and EUR 34.5 million from a block sale, and in the first nine months EUR 42.1 million from residential property resales and EUR 34.5 million from a block sale.

³ The item "Other" primarily includes rental ancillary costs from leased own stock.

In the first nine months of 2015 PATRIZIA generated **consolidated revenues** of EUR 237.6 million, an increase of 72% on the same period last year. Real estate sales contributed EUR 69.6 million to external sales, followed by revenues from management services of EUR 96.9 million. It should be noted that income from the sale of SÜDEWO is shown in income from participations. Rental revenues of EUR 32.2 million were positively influenced, by an amount of EUR 26.9 million, by access to the holdings of the Swedish real estate fund ("Harald" bridge investment).

However, revenues have only limited significance for PATRIZIA since the selling prices of bridge investments and properties reported in non-current assets are not reflected in revenues. The second-quarter sale from bridge investments was completed as a share deal and recognised as **income from the deconsolidation of subsidiaries** following disposal of the assets and liabilities and of the shares of non-controlling shareholders. It can be assumed that future sales from bridge investments will also generally be effected as share deals. Under investment property, profits from sales are reported under the item **income from the sale of investment property**. In the first nine months of 2015 this amounted to EUR 4.1 million with a gross margin of 11.1% based on purchase prices of EUR 36.5 million. The positive value adjustments to the real estate since acquisition were realised with the sale and reported accordingly in the operating result. Value adjustments of EUR 6.1 million were realised in the first nine months of 2015 (9 months 2014: EUR 11.8 million), including EUR 1.1 million in the third quarter. The remaining portfolio includes unrealised value adjustments of EUR 1.5 million.

REVENUES FROM SOLD REAL ESTATE

EUR '000	3 rd quarter 2015	3 rd quarter 2014	9 months 2015	9 months 2014
	01.07. – 30.09.2015	01.07. – 30.09.2014	01.01. – 30.09.2015	01.01. – 30.09.2014
Sales revenues from inventories				
Own investments	69,620	25,051	106,050	43,597
Residential property resale	5,279	8,572	21,997	25,618
Block sales	1,050	3,100	7,500	4,600
Real estate developments	63,291	13,379	76,553	13,379
Sales revenues from investment property¹				
Own investments	7,358	25,132	36,492	79,313
Residential property resale	7,358	17,457	36,492	64,638
Block sales	0	7,675	0	14,675
TOTAL	76,978	50,183	142,542	122,910

¹ Purchase price receipts are not included in revenues. Instead, the income statement reports the gross profit.

Changes in inventories amounted to EUR -93.0 million in the first nine months of 2015. Inventory outflows from sales of inventories of EUR 106.7 million outweighed inflows of EUR 13.7 million.

The **cost of materials** amounted to EUR 32.4 million (-23.3%) in the first nine months of 2015. An amount of EUR 13.3 million was attributable to PATRIZIA's own real estate developments. EUR 7.7 million was attributable to renovation and maintenance measures, while the remaining cost of materials (EUR 11.4 million) was the result of ancillary costs from leased own stock.

The item **cost of purchased services** shows the extent to which orders with an impact on revenues have been placed with external companies. For PATRIZIA, this concerns in particular the expenses for the label funds of PATRIZIA Gewerbelinvest, for which PATRIZIA acts as a service investment management company. In the first nine months of 2015, the cost of purchased services rose to EUR 11.3 million (9 months of 2014: EUR 8.3 million, +35.2%).

Staff costs rose to EUR 63.9 million (9 months 2014: EUR 53.4 million, +19.6%) owing to the increased headcount and adjustments to salaries in line with the market. The addition to provisions for long-term variable compensation of the first and second management tiers due to the considerably higher share price compared to the previous year totalled around EUR 3 million.

In the first nine months of 2015, **other operating expenses** were EUR 43.3 million. Of this, EUR 7.9 million was attributable to selling expenses, EUR 11.3 million to administrative expenses, EUR 12.5 million to operating expenses and EUR 11.6 million to other expenses.

Earnings before interest and taxes (EBIT) rose by 10.2% to EUR 7.0 million after the first nine months of 2015, from EUR 6.4 million in the same period last year. The third quarter contributed a positive result of EUR 4.8 million (third quarter 2014: EUR –3.1 million). Thereof a loss of EUR –7.7 million is attributed to the real estate development F40.

After the first nine months of 2015, **income from participations** was EUR 109.8 million (9 months of 2014: EUR 12.5 million). This includes the prorated advance profit distribution of EUR 7.1 million in relation to the **GBW** co-investment and the pro-rata guaranteed dividend of EUR 2.4 million, which are each posted quarterly. The **SÜDEWO** co-investment provided a crucial contribution of EUR 100.1 million to the significant rise in income from participations. This included EUR 3.6 million attributable to the advance profit distribution for the first half of 2015, which no longer applies from the second half of 2015 owing to the sale. In connection with the sale, the first tranche of the performance-based payment of EUR 85.4 million was received, as was EUR 11.1 million as return on the company's equity employed. Another EUR 0.2 million of income resulted from the UK co-investments. The co-investment **WohnModul I** produced **earnings from companies accounted for using the equity method** of EUR 4.2 million (9 months 2014: EUR 2.3 million) in the first nine months of 2015. In addition to residential property resale, new construction projects are another focus, some of which will still be in the development phase until 2019.

After the first nine months of 2015, the **financial result** amounted to EUR –11.2 million (9 months 2014: EUR –6.3 million, –78.0%). Value adjustments on derivatives connected with the acquisition of the “Harald” portfolio were EUR –2.1 million. These derivatives were acquired at the time of purchase with the existing financing of the asset-holding companies of the Swedish real estate fund. The financial result is explained in further detail in Section 11 of the Notes to the Consolidated Interim Financial Statements. The majority of the loans were taken out at the end of the first half of the year. The average financing costs in the third quarter of 2015 were 2.9%.

The **gains/losses from currency translation** include changes in the market value of derivatives of EUR 0.3 million resulting from the existing currency hedges of the “Harald” portfolio; these changes are eliminated in the reconciliation statement to calculate the operating result.

Earnings before taxes (EBT) for the first nine months of 2015 improved significantly to EUR 109.6 million from EUR 15.5 million in the same period last year, primarily resulting from the high income from participations.

The reconciliation of EBT in accordance with IFRS to the **operating result** is effected by taking realised value adjustments to investment property into account and by adjusting non-cash related components of the result. In the financial result and the gains/losses from currency translation, the changes in the market values of interest and currency hedges are eliminated and amortisation on fund management contracts is not included. The operating result increased in the first nine months of 2015 by EUR 98 million, or 338%, to EUR 115.3 million, from EUR 26.3 million in the same period last year. The third quarter of 2015 alone accounted for a contribution of EUR 98.5 million, compared with EUR 4.9 million in the previous year. The **Management Services segment** was responsible for the majority of the operating result thanks to the inflow from the SÜDEWO sale, namely 83% (9 months 2014: 55%).

CALCULATION OF THE ADJUSTED FIGURES

EUR '000	3 rd quarter 2015	3 rd quarter 2014	9 months 2015	9 months 2014	2014
	01.07. – 30.09.2015	01.07. – 30.09.2014	01.01. – 30.09.2015	01.01. – 30.09.2014	01.01. – 31.12.2014
EBIT	4,816	-3,094	7,045	6,392	6,702
Amortisation on fund management contracts ¹	492	622	1,476	1,863	2,485
Unrealised change in the value of investment property	0	0	0	0	-51
Realised change in the value of investment property	1,093	3,964	6,058	11,771	8,566
EBIT adjusted	6,401	1,492	14,579	20,026	17,702
Income from participations	99,797	4,205	109,760	12,539	39,062
Earnings from companies accounted for using the equity method	1,212	684	4,230	2,250	3,182
Financial result	-7,611	-1,677	-11,166	-6,272	-7,499
Change in the value of derivatives	-1,060	0	-1,846	-2,819	-2,819
Release of other result from cash flow hedging	0	0	0	31	31
Gains/losses from currency translation	-235	179	-242	578	551
OPERATING RESULT	98,504	4,883	115,315	26,333	50,210

¹ Other intangible assets that were transferred as part of the acquisition of PATRIZIA Gewerbelnvest KVG mbH and PATRIZIA UK Ltd.

CONTRIBUTION OF THE BRIDGE INVESTMENTS TO OPERATING RESULT

EUR '000 01.01. – 30.09.2015	"Harald"	"Manchester First Street"	"Sudermann- zentrum"	Bridge Investments TOTAL
Revenues ¹	26,866	0	271	27,137
Changes in inventories	0	0	29	29
Other operating income	761	776	0	1,537
Income from the deconsolidation of subsidiaries	5,277 ²	0	0	5,277 ²
Total operating performance	32,904	776	300	33,980
Cost of materials ³	-10,097	0	-52	-10,149
Other operating expenses	-6,383	0	-2	-6,385
Financial result	-7,418	0	0	-7,418
Gains/losses from currency translation	-1,283	0	0	-1,283
EBT	7,723	776	246	8,745
Market valuation derivatives	-1,846	0	0	-1,846
OPERATING RESULT	5,877	776	246	6,899

¹ Rental income and ancillary costs

² Achieved sale price for company shares of the Swedish Umea portfolio: EUR 20.3 million (purchase price revenues from share deals are not recognised in revenues), disposal of assets and liabilities and shares of non-controlling shareholders: EUR 15.0 million. Assets include EUR 61.2 million of inventories.

³ Mainly rental ancillary costs; a smaller proportion is attributable to ongoing maintenance measures.

After deduction of income taxes, PATRIZIA achieved a **profit for the period** of EUR 92.4 million (9 months 2014: EUR 14.9 million) in the first nine months of 2015. The profit for the period in the third quarter was EUR 82.2 million. The corresponding **earnings per share** amounted to EUR 1.21 for the first nine months and to EUR 1.08 for the third quarter of 2015.

SUMMARY OF THE KEY ITEMS IN THE INCOME STATEMENT

EUR '000	3 rd quarter	3 rd quarter	9 months	9 months	2014
	2015	2014	2015	2014	2014
	01.07. – 30.09.2015	01.07. – 30.09.2014	01.01. – 30.09.2015	01.01. – 30.09.2014	01.01. – 31.12.2014
Revenues	134,760	53,462	237,567	138,111	291,815
Total operating performance	67,455	46,485	163,368	145,684	205,468
EBITDA	6,707	-1,302	12,405	11,451	13,642
EBIT	4,816	-3,094	7,045	6,392	6,702
EBT	97,979	297	109,627	15,487	41,998
Operating result ¹	98,504	4,883	115,315	26,333	50,210
Profit for the period	82,225	-421	92,372	14,890	35,020

¹ Adjusted for amortisation on other intangible assets (fund management contracts), unrealised value adjustments to investment property (affects only the entire year 2014) and non-cash effects from interest and currency hedging transactions. Realised changes in the value of investment property have been added.

NET ASSET AND FINANCIAL SITUATION OF THE PATRIZIA GROUP

PATRIZIA NET ASSET AND FINANCIAL KEY FIGURES

	30.09.2015	31.12.2014	Change
	EUR '000	EUR '000	in %
Total assets	1,650,098	741,176	123
Equity (including non-controlling partners)	511,919	410,048	25
Equity ratio	31.0%	55.3%	24 PP
Bank loans	868,263	121,950	612
- Cash and cash equivalents	174,127	145,361	20
+ Bonded loans (non-current liabilities)	77,000	77,000	-
= Net financial debt	771,136	53,589	1,339
Real estate assets ¹	1,157,628	277,201	318
Net gearing ²	159.3%	13.1%	146 PP
Operating return on equity ³	37.5%	13.4%	24 PP

¹ Real estate assets comprise investment property measured at fair value and real estate held in inventories measured at amortised cost.

² Ratio of net financial debt to equity adjusted for minority interests

³ Ratio of operating result to equity as of 31 December of the previous year, extrapolated over 12 months

PP = percentage points

Due to the acquisition of the bridge investments, **total assets** grew from EUR 0.7 billion as of 31 December 2014 to EUR 1.7 billion on the balance sheet date of 30 September 2015. The bridge investments, which are carried in **inventories**, were EUR 1.0 billion on the balance sheet date; only an amount of EUR 105.6 million was attributed to own stock. As a result of further sales, **investment property** declined by 40.0% to EUR 47.1 million. **Real estate assets** – the sum of inventories and investment property – had a book value of EUR 1.2 billion on 30 September 2015 (31 December 2014: EUR 277.2 million).

Bank loans increased significantly due to the financing of the bridge investment to EUR 868.3 million (31 December 2014: EUR 122.0 million). Bridge investments are carried as inventories due to the short-term sale plan. On 30 September, loans of EUR 797.6 million were attributable to bridge investments.

Cash and cash equivalents increased by 19.8% and were EUR 174.1 million on 30 September.

KEY BALANCE SHEET ITEMS OF THE BRIDGE INVESTMENTS

EUR '000 30.09.2015	"Harald"	"Manchester First Street"	"Sudermann- zentrum"	Bridge investments TOTAL
Total assets	921,346	152,027	38,858	1,112,231
Current assets				
Inventories	827,279	142,508	35,077	1,004,864
Bank balances and cash	90,580	3,950	3,800	98,330
Current liabilities				
Short-term bank loans	690,844	106,738	0	797,582

As a result of the acquisition of the "Harald" portfolio, the Group's **equity ratio** fell to 31.0% (31 December 2014: 55.3%).

PATRIZIA CAPITAL ALLOCATION AS AT 30 SEPTEMBER 2015

	Assets under management in EUR million	Investment capital in EUR million	Participation in %
Third parties	8,370	-	-
Co-investments	6,484	171.2	
Residential	4,835	131.0	
GBW GmbH	3,017	56.5	5.1
WohnModul I SICAV-FIS	1,775	70.5	10.1
Other	43	4.0	10.0
Commercial Germany	527	17.9	
PATRoffice	283	7.0	6.3
Seneca	186	4.9	5.1
sono west	58	6.0	30.0
Commercial international	1,122	22.3	
Avimore Topco (UK)	593	12.8	10.0
Citruz Holdings LP (UK)	120	3.2	10.0
Plymouth Sound Holdings LP (UK)	69	2.3	10.0
Winnersh Holdings LP (UK)	340	4.0	5.0
Bridge investments	1,005	337.4	
Harald	827	260.8	91.7
Manchester (UK)	143	42.2	100
Sudermannzentrum	35	34.4	100
Own investments	153	73.6	100
Operating companies¹	-	51.4	100
Tied investment capital	16,012	633.6	-
Bank balances and cash	-	151.3	-
Total investment capital	16.012	784.9	-
of which external capital (bonded loans and bridge financing)	-	273.0	-
of which PATRIZIA equity	-	511.9	-

¹ Tied investment capital relating to the acquisition of companies (mainly the acquisition of PATRIZIA GewerbeInvest KVG) and the capital commitment from the operation of our services business (mainly investments in systems and current receivables)

Net Asset Value (NAV)

In order to determine the long-term corporate value of portfolio-holding real estate companies, the common practice in the sector is to use the Net Asset Value (NAV). Since PATRIZIA generated the majority (83%) of its operating result in the first nine months of 2015 from the services sector, the NAV is only useful as an approximation of the part of the corporate value attributable to the held real estate. Consequently, the NAV does not represent the total value of the company but rather only a part. For comparative purposes, a “base NAV” is disclosed for as long as significant real estate assets are held.

CALCULATION OF NAV

EUR '000	30.09.2015	31.12.2014
Investment property ¹	47,139	78,507
Participations in associated companies	88,177	68,497
Participations	81,135	96,555
Inventories ²	1,110,489	198,694
Current receivables and other current assets	76,930	84,774
Bank balances and cash	174,127	145,361
Less bonded loans	-77,000	-77,000
Less current liabilities	-88,334	-92,506
Less bank loans	-868,263	-121,950
NAV	544,400	380,932
No. of shares	76,323,533	69,385,030
NAV / SHARE (EUR)	7.13	5.49

¹ Fair market valuation

² Valuation at amortised cost

5 SUPPLEMENTARY REPORT

PERSONNEL CHANGES

The Supervisory Board appointed Mr Karim Bohn as **Chief Financial Officer (CFO)**. Mr Bohn was appointed member of the Managing Board on 1 November 2015 and takes over responsibility for finance from Arwed Fischer on 13 November 2015. PATRIZIA has great admiration for the work of Arwed Fischer. With his longstanding experience, Mr Fischer will remain with the company in an advisory capacity until the end of August 2016.

THIRD PARTIES

PATRIZIA Dutch High Street Fund 1

In an off-market deal, PATRIZIA acquired a high-quality property portfolio in the Netherlands with 145 retail, residential and office units via its PATRIZIA Netherlands subsidiary. The purchase price was around EUR 340 million. The purchase was effected for the real estate special fund "PATRIZIA Dutch High Street Fund 1", which was newly created for institutional investors and which was heavily oversubscribed.

First purchases for PATRIZIA GrundInvest KVG

PATRIZIA acquired two modern properties on the campus of RWTH Aachen University (Rheinisch-Westfälische Technische Hochschule) for EUR 40 million. The Südtor city complex in Stuttgart was also notarised. The collection of buildings on Marienplatz in Stuttgart comprises 77 modern city apartments, offices, retail stores, a hotel and restaurants and was completed in 2010. The plan is to introduce each of the properties into a real estate fund for private investors, which is expected to launch in 2016.

6 DEVELOPMENT OF OPPORTUNITIES AND RISKS

In the course of its business activities, PATRIZIA Immobilien AG is confronted with both opportunities and risks. The necessary measures have been taken and processes put in place in the Group to identify negative trends and risks in good time and to counteract them. No significant new opportunities or risks have been identified for the Group since the annual financial statements for the 2014 financial year. The assessment of probabilities and potential extent of damage has also not led to any significant changes in the interim risk audit.

The statements in the risk report of the 2014 Annual Report still apply. Please therefore refer to the risk report on pages 84 et seq. of the 2014 Annual Report of PATRIZIA Immobilien AG for a detailed description of the opportunities and risks for the Group. No other risks are currently known to the Managing Board of PATRIZIA Immobilien AG.

7 REPORT ON EXPECTED DEVELOPMENTS

CO-INVESTMENTS

The second tranche of EUR 19.7 million from the sale of SÜDEWO will be received in November.

BRIDGE INVESTMENTS

“Manchester First Street”

The first property from the “First Street” site, acquired via PATRIZIA UK, is expected to be sold by the end of the year.

“Harald”

The squeeze-out of the Swedish feeder company is expected for the beginning of 2016. No further property sales are planned for 2015. In the fourth quarter, rental income generated will be on a par with the third quarter.

OWN INVESTMENTS

The own stock of 737 units as of the balance sheet date of 30 September 2015 will decrease to around 400 units by the end of the year. In addition to other individual property resales, two block sales of 94 units have already been notarised for more than EUR 17.7 million.

GENERAL STATEMENT

Following an excellent third quarter of 2015, the Managing Board is again revising the cumulative forecast upward for the two financial years of 2015 and 2016 and is affirming the outlook for both years.

In June, the original forecast issued at the beginning of the year for an increase in the operating result by around 10% compared to the previous year (which would have equalled around EUR 55 million) was raised to at least a cumulative EUR 200 million for the 2015 and 2016 financial years. The context was firstly a notarised sale of SÜDEWO and secondly the planned resale of the “Manchester First Street” and “Harald” bridge investments. Since at that time, and also later in August with the publication of the Q2 figures, it was not yet clear which properties from the bridge investments could be sold by the end of 2015, clarification as to which portion of the total operating result expected for 2015 and 2016 can still be realised in this year and which portion will not be achieved until 2016 was postponed to 12 November 2015 as part of publication of the Q3 figures.

Outlook for 2015

Following an operating result of EUR 115.3 million for the first nine months of 2015, PATRIZIA's Managing Board now anticipates an operating result of between EUR 145 and 160 million for the year overall. We are in advanced sales negotiations for individual properties from the “Manchester First Street” bridge investment and are confident that the first property will still be sold this year. The “Harald” bridge investment is not expected to generate any sales revenues in the final quarter.

Outlook for 2016

As an outlook for the coming financial year 2016, PATRIZIA's Managing Board is forecasting an operating result of the same magnitude. This would require the complete sale, reported in profit/loss, of both the “Harald” and “Manchester First Street” bridge investments in 2016. Overall, this means that the increased forecast issued only in June this year of at least a cumulative EUR 200 million for 2015 and 2016 is being raised further. Given the present dimension of the PATRIZIA portfolio, the planned two-year result rests on firm foundations.

Potential beyond 2016

The increase in the operating result for 2015 and 2016 marks the transition to a new dimension, which will set a benchmark for subsequent years. The acquisitions of previous years (EUR 10 billion since 2012) and the present form the basis for the consolidation of further performance-based payments in future. For example, all co-investments in the United Kingdom were undertaken with a clear focus on selling at the right time under suitable market conditions three to five years after acquisition. PATRIZIA Immobilien AG also anticipates sustainable and significant earnings growth in future, notably as a result of the further increase in assets under management and the continuation of performance-based payments.

Further growth of assets under management

The investment management companies for institutional investors have promised and not yet invested equity capital of EUR 1.7 billion. The current average capital backing of 62% is well above the statutory required minimum rate of 50% and permits an expected growth in special assets of EUR 2.7 billion of new assets under management.

From the sales of own investments and bridge investments planned for 2016, cash and cash equivalents of around EUR 290 million from PATRIZIA's currently tied-up equity capital are available for new co-investments. If we assume PATRIZIA's participation level of maximum 10% in a co-investment and a currently conventional financing split of 40% equity capital and 60% external capital, more than EUR 7 billion in new assets under management could therefore be financed. PATRIZIA's Managing Board is confident that it will also be able to increase assets under management considerably in future thanks to the Company's pan-European positioning and its demonstrated acquisition strengths.

Update of further forecast figures

PATRIZIA expects a net increase in assets under management of EUR 2 billion to EUR 16.6 billion for the 2015 financial year. By the year-end, bank loans are expected to reduce to a maximum EUR 750 million (30 September 2015: EUR 868 million, including EUR 71 million attributable to own investments and EUR 797 million to bridge investments). The latest equity ratio of 31% is expected to increase further to 35%.

This report contains specific forward-looking statements that relate in particular to the business development of PATRIZIA and the general economic and regulatory environment and other factors to which PATRIZIA is exposed. These forward-looking statements are based on current estimates and assumptions by the Company made in good faith, and are subject to various risks and uncertainties that could render a forward-looking estimate or statement inaccurate or cause actual results to differ from the results currently expected.

Consolidated Balance Sheet

AS OF 30 SEPTEMBER 2015

ASSETS		
EUR '000	30.09.2015	31.12.2014
A. Non-current assets		
Goodwill	610	610
Other intangible assets	37,916	39,407
Software	9,975	10,795
Investment property	47,139	78,507
Equipment	4,764	4,476
Participations in associated companies	88,177	68,497
Participations	81,135	96,555
Loans	5,658	5,281
Long-term tax assets	75	119
Deferred taxes	3,706	0
Total non-current assets	279,155	304,247
B. Current assets		
Inventories	1,110,489	198,694
thereof own investments	105,624	198,694
thereof bridge investments	1,004,865	0
Securities	54	86
Short-term tax assets	9,343	8,014
Current receivables and other current assets	76,930	84,774
Bank balances and cash	174,127	145,361
Total current assets	1,370,943	436,929
TOTAL ASSETS	1,650,098	741,176

EQUITY AND LIABILITIES

EUR '000	30.09.2015	31.12.2014
A. Equity		
Share capital	76,324	69,385
Capital reserve	191,637	198,576
Retained earnings		
Legal reserves	505	505
Non-controlling shareholders	27,936	809
Currency translation difference	177	1,030
Consolidated net profit	215,340	139,743
Total equity	511,919	410,048
B. Liabilities		
NON-CURRENT LIABILITIES		
Deferred tax liabilities	63,421	19,704
Retirement benefit obligations	630	630
Non-current liabilities	83,254	82,544
Total non-current liabilities	147,305	102,878
CURRENT LIABILITIES		
Short-term bank loans	868,263	121,950
thereof own investments	70,681	121,950
thereof bridge investments	797,582	0
Short-term financial derivatives	4,720	0
Other provisions	2,156	2,142
Current liabilities	88,334	92,506
Tax liabilities	24,970	11,652
Other current liabilities	2,431	0
Total current liabilities	990,874	228,250
TOTAL EQUITY AND LIABILITIES	1,650,098	741,176

Consolidated Income Statement

FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 SEPTEMBER 2015

EUR '000	3 rd quarter	3 rd quarter	9 months	9 months
	2015	2014	2015	2014
	01.07. – 30.09.2015	01.07. – 30.09.2014	01.01. – 30.09.2015	01.01. – 30.09.2014
Revenues	134,760	53,462	237,567	138,111
Income from the sale of investment property	1,082	2,084	4,051	7,596
Changes in inventories	-70,823	-10,027	-93,042	-4,849
Other operating income	2,436	966	9,515	4,826
Income from the deconsolidation of subsidiaries	0	0	5,277	0
Total operating performance	67,455	46,485	163,368	145,684
Cost of materials	-13,966	-15,890	-32,433	-42,305
Cost of purchased services	-4,142	-2,693	-11,287	-8,349
Staff costs	-20,423	-18,040	-63,903	-53,436
Other operating expenses	-22,217	-11,164	-43,340	-30,143
EBITDA	6,707	-1,302	12,405	11,451
Amortisation of intangible assets and depreciation on property, plant and equipment	-1,891	-1,792	-5,360	-5,059
Earnings before finance income and income taxes (EBIT)	4,816	-3,094	7,045	6,392
Income from participations	99,797	4,205	109,760	12,539
Earnings from companies accounted for using the equity method	1,212	684	4,230	2,250
Finance income	1,512	304	3,142	3,722
Finance cost	-9,123	-1,981	-14,308	-9,994
Gains/losses from currency translation	-235	179	-242	578
Earnings before income taxes (EBT)	97,979	297	109,627	15,487
Income tax	-15,754	-718	-17,255	-597
Net profit for the period	82,225	-421	92,372	14,890
Earnings per share (undiluted) in EUR	1.08	-0.01	1.21	0.20
The net profit for the period is allocated to:				
Shareholders of the parent company	64,306	-335	72,989	15,119
Non-controlling shareholders	17,919	-86	19,383	-229
	82,225	-421	92,372	14,890

Consolidated Statement of Comprehensive Income

FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 SEPTEMBER 2015

EUR '000	3 rd quarter	3 rd quarter	9 months	9 months
	2015	2014	2015	2014
	01.07. – 30.09.2015	01.07. – 30.09.2014	01.01. – 30.09.2015	01.01. – 30.09.2014
Net profit for the period	82,225	-421	92,372	15,311
Items of other comprehensive income with reclassification to net profit/loss for the period				
Profit/loss from the translation of financial statements of international business units	-1,831	228	-853	306
Cash flow hedges				
Reclassification of amounts that were recorded	0	0	0	31
Total result for the reporting period	80,394	-193	91,519	15,648
The total result is allocated to:				
Shareholders of the parent company	62,475	-107	72,136	15,791
Non-controlling shareholders	17,919	-86	19,383	-143
	80,394	-193	91,519	15,648

Consolidated Cash Flow Statement

FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 SEPTEMBER 2015

EUR '000	01.01. – 30.09.2015	01.01. – 30.09.2014
Net profit for the period	92,372	14,890
Income taxes recognised through profit or loss	17,255	597
Financial expenses recognised through profit or loss	14,308	9,994
Financial income recognised through profit or loss	-3,142	-3,722
Income from divestments of participations, recognised through profit or loss	-11,157	0
Amortisation of intangible assets and depreciation on property, plant and equipment	5,360	5,059
Gain on disposal of investment properties	-4,051	-7,596
Income from the deconsolidation of subsidiaries	-5,277	0
Other non-cash items	-8,820	-4,936
Changes in inventories, receivables and other assets that are not attributable to investment activities	18,882	40,510
Changes in liabilities that are not attributable to financing activities	-37,784	16,164
Interest paid	-8,022	-9,209
Interest received	346	409
Income tax payments	-3,558	-5,501
Cash inflow from operating activities	66,712	56,659
Capital investments in intangible assets and property, plant and equipment	-3,336	-4,593
Payments received from the disposal of investment property	36,492	79,313
Payments for the development or acquisition of investment property	-1,073	-2,554
Payments for the acquisition of participations	0	-3,308
Payments received from the equity reduction of participations	1,459	0
Payments received from the sale of participations	25,989	0
Payments for investments in companies accounted for using the equity method	-15,450	-5,799
Payments received from the repayment of loans to companies in which participating interests are held	0	5,267
Payments for loans to companies in which participating interests are held	0	-436
Payments for the acquisition of consolidated companies and other business units	-266,196	0
Cash outflow/inflow from investment/divestment activities	-222,115	67,890



PROSECUTION

EUR '000	01.01. – 30.09.2015	01.01. – 30.09.2014
Borrowing of loans	244,423	133,475
Repayment of loans	-42,757	-240,213
Payments to non-controlling shareholders	-17,497	0
Payments for the issue of bonus shares	0	-8
Cash inflow/outflow from financing activities	184,169	-106,746
Changes in cash and cash equivalents	28,766	17,803
Cash and cash equivalents 01.01.	145,361	105,536
Cash and cash equivalents 30.09.	174,127	123,339

Consolidated Statement of Changes in Equity

FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 SEPTEMBER 2015

EUR '000	Share capital	Capital reserve	Valuation result from cash flow hedges	Retained earnings (legal reserve)	Currency translation difference	Consolidated net profit	Thereof attributable to the shareholders of the parent company	Thereof attributable to non-controlling shareholders	Total
Balance 1 January 2014	63,077	204,897	-31	505	500	104,135	373,083	1,398	374,481
Net amount recognised directly in equity, where applicable less income taxes			31		534		565		565
Issue of bonus shares	6,308	-6,308							
Expense incurred in issuing bonus shares		-8					-8		-8
Net profit/loss for the period						15,119	15,119	-229	14,890
Full overall result for the period			31				15,684	-229	15,455
Balance 30 September 2014	69,385	198,581	0	505	1,034	119,254	388,759	1,169	389,928

→

PROSECUTION

EUR '000	Share capital	Capital reserve	Valuation result from cash flow hedges	Retained earnings (legal reserve)	Currency translation difference	Consolidated net profit	Thereof attributable to the shareholders of the parent company	Thereof attributable to non-controlling shareholders	Total
Balance 1 January 2015	69,385	198,576	0	505	1,030	139,743	409,239	809	410,048
Net amount recognised directly in equity, where applicable less income taxes					-853		-853		-853
Issue of bonus shares	6,939	-6,939							
Non-controlling interests arising from the inclusion of new companies								101,631	101,631
Purchases of shares of non-controlling shareholders						2,062		-74,359	-72,297
Withdrawal of profit shares by non-controlling shareholders								-17,497	-17,497
Disposal of shares of non-controlling shareholders						546		-2,031	-1,485
Net profit/loss for the period						72,989	72,989	19,383	92,372
Full overall result for the period							72,136	19,383	91,519
BALANCE									
30 SEPTEMBER 2015	76,324	191,637	0	505	177	215,340	481,375	27,936	511,919

Notes to the Consolidated Interim Financial Statements

TO 30 SEPTEMBER 2015 (FIRST NINE MONTHS OF 2015)

1 GENERAL DISCLOSURES

PATRIZIA Immobilien AG is a listed German stock corporation. The Company's headquarters are located at Fuggerstrasse 26, 86150 Augsburg. PATRIZIA Immobilien AG has been active as an investor and service provider on the real estate market for more than 30 years, and now in over ten countries. PATRIZIA covers the spectrum of purchasing, management, appreciation and sale of residential and commercial real estate. As a recognised business partner of both large institutional investors and private investors, the Company operates in Germany and other countries and covers the entire value chain in the real estate industry. Currently the Company manages real estate assets with a value of EUR 16 billion mainly as a co-investor and portfolio manager for insurance companies, pension fund institutions, government funds and savings banks.

2 PRINCIPLES APPLIED IN PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated interim financial statements of PATRIZIA Immobilien AG for the first nine months of 2015 (1 January to 30 September 2015) were prepared in accordance with Article 37 (3) of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) in conjunction with Article 37w (2) WpHG in line with IFRS and in compliance with the provisions of German commercial law additionally applicable as per Article 315a (1) of the Handelsgesetzbuch (HGB – German Commercial Code). All compulsory official announcements of the International Accounting Standards Board (IASB) that have been adopted by the EU in the context of the endorsement process (i.e. published in the Official Journal of the EU) have been applied.

From the perspective of the Company's management, the present unaudited consolidated interim financial statements for the period ended 30 September 2015 contain all of the information necessary to provide a true and fair view of the course of business and the earnings situation in the period under review. The earnings generated in the first nine months of 2015 are not necessarily an indication of future earnings or of the expected total earnings for fiscal year 2015.

When preparing the consolidated financial statements for the interim report in line with IAS 34 “Interim Financial Reporting”, the Managing Board of PATRIZIA Immobilien AG must make assessments and estimates as well as assumptions that affect the application of accounting standards in the Group and the reporting of assets and liabilities as well as income and expenses. Actual amounts may differ from these estimates.

These consolidated interim financial statements have been prepared in accordance with the same accounting policies as the last consolidated financial statements for fiscal year 2014. A detailed description of the principles applied in preparing the consolidated financial statements and the accounting methods used can be found in the notes to the IFRS consolidated financial statements for the year ending 31 December 2014, which are contained in the Company’s 2014 Annual Report.

The unaudited interim financial statements were prepared in euro. The amounts, including the previous year’s figures, are stated in EUR thousand (TEUR).

3 SCOPE OF CONSOLIDATION

All of the Company’s subsidiaries are included in the consolidated financial statements of PATRIZIA Immobilien AG. The Group includes all companies controlled by PATRIZIA Immobilien AG. In addition to the parent company, the scope of consolidation comprises 110 subsidiaries. They are included in the consolidated financial statements in line with the rules of full consolidation.

In addition, one participating interest in a SICAV is accounted for at equity in the consolidated financial statements. The SICAV is a stock corporation with variable equity in accordance with the laws of Luxembourg. In addition, 28.3% of the limited liability capital is held in one real estate development company (in the form of a GmbH & Co. KG), while 30% is held in the associated general partner. A significant influence does not apply because provisions in the partnership agreement mean that management cannot be exercised, that a significant influence cannot be exerted on the management and that there is no entitlement to appoint members of the governing organs. The shares in this real estate development company are accounted for at purchase cost.

One company had been established in September 2015 but was not included in the scope of consolidation because it had not commenced business operations and was therefore of minor significance for the consolidated financial statements.

COMPANY ACQUISITIONS

ACQUISITION OF THE FIRST STREET PORTFOLIO ("MANCHESTER BRIDGE INVESTMENT")

PATRIZIA Immobilien AG acquired the First Street site in Manchester, which extends over 80,000 sqm, on 30 June 2015. In addition to four plots of land, the site includes the recently completed Melia Ininside hotel, nine bar and restaurant businesses and the First Street No. 1 office building (17,000 sqm).

The hotel and bar and restaurant businesses were acquired indirectly by purchasing all of the shares with voting rights in Southside Real Estate Ltd. and Southside Regeneration Ltd., while the office building was acquired directly through First Street PropCo Ltd.

In the present consolidated financial statements, the acquisition of Southside Real Estate Ltd. and Southside Regeneration Ltd. is shown as an acquisition of assets as no business operation within the meaning of a business pursuant to IFRS 3.3 was acquired. Instead, the transaction focused exclusively on the acquisition of the real estate held by the companies. The purchase prices for the companies were allocated to the individual identifiable assets and liabilities at the time of acquisition, based on their fair values.

ACQUISITION OF BOLIGUTLEIE HOLDING III AS AND HYRESFASTIGHETER HOLDING III GUL AB ("HARALD BRIDGE INVESTMENT")

1. SUBSIDIARIES ACQUIRED

In May 2015, PATRIZIA Immobilien AG acquired the majority of the shares in Boligutleie Holding III AS (BUH III) and also the majority of the shares in Hyresfastigheter Holding III Gul AB (HFH III) as part of an off-market transaction. As a result of acquiring these shares, the company now holds a majority interest in the Scandinavian fund Hyresbostäder i Sverige III Gul AB (HBS III), which at the time of the acquisition was managing eight real estate portfolios. Additional shares were acquired in BUH III and HFH III in June, July and September 2015. The portfolios comprise various structured investment and special purpose vehicles. At the date of acquisition, the overall portfolio that was acquired included more than 14,000 apartments in attractive locations in Germany and Sweden. Notwithstanding the fact that the transaction was effected as part of a share deal, the acquired assets almost exclusively comprise real estate. Apart from the real estate, the companies do not have any other significant assets.

Following full takeover of the fund and its settlement, PATRIZIA plans to make the acquired apartments available as potential investments to its clients and to third parties. The portfolio containing the apartments in Sweden was re-sold in June 2015.

Company	Principal activity	Acquisition date	Shares acquired as at the date of initial consolidation	Shares acquired as at 30 September 2015
Boligutleie Holding III AS	Feeder company	19.05.2015	75.5%	92.4%
Hysesfastigheter Holding III Gul AB	Feeder company	21.05.2015	59.7%	90.2%

For reasons of simplicity and expedience, initial consolidation was performed as at 31 May 2015. No major transactions took place between the actual dates of acquisition and the date of initial consolidation.

a) Assets acquired and liabilities assumed

As at 31 May 2015 the fair values of the identified assets and liabilities recognised at the time of acquisition were as follows:

EUR '000	31.05.2015
Acquired assets	
Real estate inventories	888,483
Cash and cash equivalents	74,704
Other assets	4,222
	967,409
Liabilities assumed	
Financial liabilities	536,597
Derivatives	6,917
Deferred tax liabilities	51,839
Current liabilities	25,422
Other current liabilities	3,220
	623,995
Total identifiable net assets at fair value	343,414
Shares of non-controlling shareholders in the net assets	101,659
	241,755
TOTAL COUNTERPERFORMANCE PAID	241,755

This represents a provisional purchase price allocation and may be subject to adjustments within the measurement period of twelve months. The provisional character refers firstly to the determined fair values of the acquired real estate because current real estate valuations had not yet been finalised when these consolidated financial statements were prepared. Secondly, the underlying tax values of the assets and liabilities must be considered as provisional because no tax balance sheets are prepared during the course of a year.

No goodwill is created as a result of the transaction. The counterperformance paid reflects the fair value of the real estate, taking into account the liabilities assumed.

b) Counterperformance transferred and transaction costs

The counterperformance transferred (excluding transaction costs) consisted exclusively of cash and cash equivalents and amounted to TEUR 241,755 at the time of the acquisition.

The transaction costs already incurred were posted as an expense and reported under other operating expenses.

c) Net cash outflow as a result of the acquisition

EUR '000	31.05.2015
Counterperformance (cash)	- 241,755
Cash and cash equivalents acquired	74,704
Net cash outflow (-)/inflow (+)	-167,051

d) Shares of non-controlling shareholders

At the time of the acquisition, the shares of non-controlling shareholders were considered with their share of the fair value of the net assets and were measured at TEUR 101,659. As at 30 September 2015, the non-controlling shareholders were allocated a share in the result amounting to TEUR 1,885.

e) Effects of the acquisition on the consolidated result for the period

Of the profit for the period of the first nine months 2015, an amount of TEUR 5,764 is attributable to the acquired companies. This amount contains a profit on deconsolidation from the sale of the Swedish portfolio in an amount of TEUR 5,277 (cf. "Sale of subsidiaries"). Of the revenues of the first three quarters of 2015, an amount of TEUR 26,866 results from the business activities of the acquired companies.

If the acquisition had taken place as at 1 January 2015, the consolidated revenues of the first three quarters 2015 would have been around EUR 273 million and the profit for the period around EUR 101 million.

f) Changes in the shareholding of the acquired subsidiaries as at 30 September 2015

PATRIZIA acquired additional shares in BUH III and HFH III in July and September 2015. The acquisition costs of TEUR 9,886 were paid in the form of cash. The shares of the non-controlling shareholders reduced by TEUR 9,886. The transferred hidden reserves were recognised, without affecting profit/loss, in the consolidated unappropriated profit in an amount of TEUR 85.

2. SALE OF SUBSIDIARIES

At the end of June 2015, the Group sold its shares in III Gul bostäder i Umea AB which it held via the fund Hyresbostäder i Sverige III Gul AB. In effecting this sale, the Group re-sold the Swedish residential units it had acquired in May 2015 as part of the purchase of the shares in Boligutleie Holding III AS and Hyresfastigheter Holding III Gul AB (cf. "Subsidiaries acquired"). Deconsolidation took place as at 30 June 2015. A purchase price of TEUR 20,294 was agreed as counter-performance for the sold shares.

a) Assets and liabilities disposed of due to the loss of control

EUR '000	30.06.2015
Assets	
Real estate inventories	61,204
Cash and cash equivalents	1,585
Other assets	253
	63,042
Liabilities	
Financial liabilities	39,444
Deferred tax liabilities	6,881
Current liabilities	215
	46,540
NET ASSETS SOLD	16,502

b) Gain on disposal from the disposal of subsidiaries

EUR '000	30.06.2015
Agreed counterperformance	20,294
Net assets relinquished	-16,502
Shares of non-controlling shareholders	1,485
Gain on disposal	5,277

The gain on disposal is recognised in income from the deconsolidation of subsidiaries and also includes the deferred tax liabilities disposed of.

c) Net payment from the sale of subsidiaries

EUR '000	30.06.2015
Cash and cash equivalents received	-
Less cash and cash equivalents paid out in connection with the sale	-1,585
Net cash outflow (-)/inflow (+)	-1,585

The agreed purchase price had already been received at the time the report was prepared.

FURTHER NEW COMPANIES FOUNDED

PATRIZIA Immobilien AG acquired Grinan Invest SL, Madrid, on 25 March 2015. The company was renamed PATRIZIA Activos Inmobiliarios España S.L.U. on 30 March 2015. The company's share capital is EUR 3,006.00. The object of the company is the provision of property-related services in Spain.

Under a notarial purchase agreement dated 3 June 2015, PATRIZIA Luxembourg S.à r.l., part of the scope of consolidation of PATRIZIA Immobilien AG, acquired Sudermann S.à r.l., Luxembourg. The company's share capital is EUR 12,500. The object of the company is the operation and sale of real estate held by the company.

On 27 August 2015, PATRIZIA Immobilien AG established PATRIZIA Logistics Management Europe B.V., Amsterdam. The company's share capital is EUR 1. The object of the company is the provision of services relating to logistics real estate in Europe.

4 INVESTMENT PROPERTY

Qualifying real estate as an investment is based on a corresponding management decision to use the real estate in question to generate rental income and thus liquidity, while realising higher rent potential over a long period and, accordingly, an increase in value. The share of owner-occupier use does not exceed 10% of the rental space. Measurement is at fair value taking into account the current usage that corresponds to the highest and best usage. Changes in value are recognised through profit or loss.

A detailed description of the accounting methods used can be found in the notes to the IFRS consolidated financial statements for the year ending 31 December 2014, which are contained in the Company's 2014 Annual Report.

5 PARTICIPATIONS IN ASSOCIATED COMPANIES

The item "Participations in associated companies" includes the 10.1% (previous year: 9.09%) share in PATRIZIA WohnModul I SICAV-FIS.

The share in the consolidated net profit of PATRIZIA WohnModul I SICAV-FIS for the first three quarters of 2015 was TEUR 4,230 (first nine months of 2014: TEUR 2,250).

6 PARTICIPATIONS

The item "Participations" includes the following main holdings:

- | PATRoffice Real Estate GmbH & Co. KG 6.25% (31 December 2014: 6.25%)
- | sono west Projektentwicklung GmbH & Co. KG 28.3% (31 December 2014: 28.3%)
- | Projekt Feuerbachstrasse Verwaltung GmbH 30% (31 December 2014: 30%)
- | PATRIZIA Projekt 150 GmbH 10% (31 December 2014: 10%)
- | Plymouth Sound Holdings LP 10% (31 December 2014: 10%)
- | Winnersh Holdings LP 5% (31 December 2014: 5%)
- | Seneca Holdco S.à r.l. 5.1% (31 December 2014: 5.1%)
- | GBW GmbH 5.1% (31 December 2014: 5.1%)
- | Avimore Topco 10% (31 December 2014: 10%)
- | Citruz Holdings LP 10% (31 December 2014: 10%)

The investment result in the first nine months of 2015 was TEUR 109,760 (first nine months of 2014: TEUR 12,539). This was largely influenced by the sale, in the period under review, of the participation in CARL A-Immo GmbH & Co. KG, the vehicle through which the shares in SÜDEWO were held. The proceeds from sale and the performance fee produced income of TEUR 96,403.

7 INVENTORIES

The “Inventories” item contains real estate that is intended for sale in the context of ordinary activities or that is intended for such sale in the context of the construction or development process; in particular, it includes real estate that has been acquired solely for the purpose of resale in the near future or for development and resale. Development also covers straightforward modernisation and renovation activities. Assessment and qualification as an inventory is undertaken within the context of the purchasing decision and implemented in the balance sheet as at the date of addition.

PATRIZIA has defined the operating business cycle as three years, because based on experience the majority of the units to be sold are sold and recognised during this time period. However, inventories are still classed as intended for direct sale even if the sale is not recognised within three years.

Inventories are generally carried at cost. Acquisition costs comprise the directly attributable purchase and commitment costs; production costs comprise the costs directly attributable to the real estate development process.

With regard to the valuation of the new bridge investments, please refer to the statements on company acquisitions.

8 EQUITY

As at the reporting date, the share capital of PATRIZIA Immobilien AG amounted to EUR 76,323,533 (31 December 2014: EUR 69,385,030) and is divided into 76,323,533 no-par value shares. The development of equity is shown in the consolidated statement of changes in equity. As at 30 September 2015, equity improved to EUR 511.9 million (31 December 2014: EUR 410.0 million).

9 LIABILITIES

9.1 LIABILITIES TO BANKS

Bank loans are measured at amortised cost. They have variable interest rates. In this respect, the Group is exposed to an interest rate risk in terms of the cash flows. The loans are in euro and GBP. For bank loans which serve to finance own investments, the financial liabilities are repaid when real estate is sold by repaying a certain portion of the sales proceeds. Loans to finance the bridge investments will be reduced when future deconsolidations take place.

In the table below, loans whose terms end within the 12 months following the reporting date and also revolving lines of credit used are posted as bank loans with a residual term of less than one year. Regardless of the terms shown below, loans which serve to finance inventories are in principle reported in the balance sheet as short-term bank loans.

The residual terms of the bank loans are as follows:

BANK LOANS

EUR '000	30.09.2015	30.06.2015	31.03.2015	31.12.2014
Up to 1 year	152,618	266,036	26,748	33,699
More than 1 year to 2 years	292,848	189,988	61,463	88,251
More than 2 year to 5 years	185,558	186,373	0	0
More than 5 years	237,239	237,791	0	0
TOTAL	868,263	880,188	88,211	121,950

MATURITY OF LOANS BY FISCAL YEAR (1 JANUARY TO 31 DECEMBER)

Year	Amount of loans due as at							
	30.09.2015		30.06.2015		31.03.2015		31.12.2014	
	EUR '000	in %	EUR '000	in %	EUR '000	in %	EUR '000	in %
2015	15,351	1.8	92,333	10.5	26,748	30.3	33,699	27.6
2016	234,276	27.0	173,703	19.7	61,463	69.7	88,251	72.4
2017	195,839	22.6	189,988	21.6	0	0	0	0
2018	76,800	8.8	77,200	8.8	0	0	0	0
2020	108,758	12.5	109,174	12.4	0	0	0	0
2021	237,239	27.3	237,791	27.0	0	0	0	0
TOTAL	868,263	100	880,188	100	88,211	100	121,950	100

9.2 LIABILITIES TO OTHER LENDERS

As at 30 September 2015, the non-current liabilities included bonded loans in an amount of TEUR 77,000.

9.3 OTHER CURRENT LIABILITIES

A corresponding deferred item was formed under other current liabilities in order to periodise the advance profits for the co-investment GBW.

10 REVENUES

Revenues comprise purchase price receipts from the sale of real estate held in inventories, on-going rental revenues, revenues from services and other revenues. Please refer to the statements on segment reporting.

11 FINANCIAL RESULT

EUR '000	3 rd quarter 2015	3 rd quarter 2014	9 months 2015	9 months 2014	2014
	01.07. – 30.09.2015	01.07. – 30.09.2014	01.01. – 30.09.2015	01.01. – 30.09.2014	01.01. – 31.12.2014
Interest on bank deposits	23	37	134	259	459
Changes in the value of derivatives	1,031	0	2,183	2,819	2,819
Other interest	458	267	825	644	1,135
Financial income	1,512	304	3,142	3,722	4,413
Interest on revolving lines of credit and bank loans	-3,797	-873	-5,210	-3,602	-4,459
Interest-rate hedging expense	0	0	0	-2,822	-2,822
Currency hedging expense	0	0	-1,406	0	0
Changes in the value of derivatives	-75	0	-75	0	0
Release of other result from cash flow hedging	0	0	0	-31	-31
Other finance costs	-5,251	-1,108	-7,617	-3,539	-4,600
Financial expenses	-9,123	-1,981	-14,308	-9,994	-11,912
FINANCIAL RESULT	-7,611	-1,677	-11,166	-6,272	-7,499
Financial result adjusted for valuation effects	-8,567	-1,677	-13,274	-9,060	-10,287

12 EARNINGS PER SHARE

	3 rd quarter 2015	3 rd quarter 2014	9 months 2015	9 months 2014	2014
	01.07.- 30.09.2015	01.07.- 30.09.2014	01.01.- 30.09.2015	01.01.- 30.09.2014	01.01.- 31.12.2014
Net profit for the period (in EUR '000)	82,226	-421	92,373	14,890	35,608
Number of shares issued	76,323,533	69,385,030	76,323,533	69,385,030	69,385,030
Weighted number of shares	76,323,533	76,323,533	76,323,533	76,323,533	76,323,533
EARNINGS PER SHARE (IN EURO)	1.08	-0.01	1.21	0.20	0.47

In application of IAS 33.64, the weighted number of shares for the same quarter in the previous year (69,385,030) was adjusted. In doing so, it was assumed that the weighted number of shares throughout the year for 2014 corresponds to that for 2015.

The Managing Board was authorised, by resolution of the Annual General Meeting on 20 June 2012, to increase the share capital on one or more occasions with the consent of the Supervisory Board by up to a total of EUR 14,335,750 in exchange for cash contributions and/or contributions in kind by issuing new, registered no-par value shares by 19 June 2017 (Authorised Capital 2012).

13 SEGMENT REPORTING

Segment reporting categorises the business segments according to whether PATRIZIA acts as investor or service provider. In line with the Group's reporting for management purposes and in accordance with the definition contained in IFRS 8 "Operating segments", two segments have been identified based on functional criteria: **Investments** and **Management Services**. Besides functional criteria, the operating segments will also be delimited by geographical criteria. Country assignment will be effected according to the location of the real estate asset being managed. International subsidiaries will continue to be reported as a total for the time being owing to the still low contribution made by the individual national companies to revenues and results.

In addition, PATRIZIA Immobilien AG (corporate administration) together with the management of international subsidiaries will be reported under **Corporate**. Corporate does not constitute an operating segment with an obligation to report but is presented separately owing to its activity as an internal service provider and its transnational function.

The elimination of intracompany revenues, interim results and the reversal of intracompany interest charges will be performed via the **Consolidation** column. The “Corporate” column thus consolidates all internal services between the Investments and Management Services segments and the Group within a country; it represents the external service provided by the Group in the region concerned. Transnational consolidation is performed in the Consolidation row.

The **Investments segment** primarily bundles portfolio management, the sale of own investments and bridge investments that are reported as investment property and inventories. Clients include private and institutional investors that invest either in individual residential units or in real estate portfolios. It is planned to sell off the entire stock of own property as far as possible by the end of 2015. The Bridge Investments are intended to be sold until the end of 2016.

The results of all participating interests (excluding advance profits) from co-investments are also reported in this segment.

The **Management Services segment** covers a broad spectrum of real estate services, in particular analysis and consultancy during the purchase and sale of individual residential and commercial properties or portfolios (Acquisition and Sales), the management of real estate (Property Management), value-oriented management of real estate portfolios (Asset Management) as well as strategic consulting with regard to investment strategy, portfolio planning and allocation (Portfolio Management) and the execution of complex, non-standard investments (Alternative Investments). Special funds are also established and managed – including at a client’s individual request – via the Group’s own investment management companies. Commission revenues generated by services, both from co-investments and from business with third parties, are reported in the Management Services segment. These also include income from participating interests that are granted as advance profits for asset management of the two co-investments SÜDEWO and GBW.

The range of services provided by the Management Services segment is being increasingly used by third parties as assets under management grow and PATRIZIA sells off more and more of its own portfolio.

The PATRIZIA Group's internal control and reporting measures are primarily based on the principles of accounting under IFRS. The Group measures the success of its segments using segment earnings parameters, which for the purposes of internal control and reporting are referred to as EBT and operating EBT (operating result).

EBT, the measure of segment earnings, comprises the total of revenues, income from the sale of investment property, income from the deconsolidation of subsidiaries, changes in inventories, cost of materials and staff costs, cost of purchased services, other operating income and expenses, changes in the value of investment property, amortisation, as well as earnings from participations (including participations valued at equity) and the financial result and gains/losses from currency translation.

Certain adjustments are made in the course of determining operating EBT (operating result). First, these involve non-cash effects such as amortisation on other intangible assets (fund management contracts) transferred in the course of the acquisition of PATRIZIA GewerbeInvest Kapitalverwaltungsgesellschaft mbH and PATRIZIA UK Ltd., unrealised changes in the value of investment property, and the results of the market valuation of the interest rate and currency hedging instruments. Second, income-related realised changes in the value of investment property are then added to this.

Revenues arise between reportable segments. These intracompany services are invoiced at market prices.

Due to the capital intensity of the segment, the assets and liabilities in the Investments segment account for over 90% of the Group's total assets and liabilities. For this reason, there is no breakdown of assets and liabilities by individual segments.

The individual segment figures are set out below. The reporting of amounts in EUR thousands can result in rounding differences. However, individual items are calculated on the basis of non-rounded figures.

THIRD QUARTER 2015 (1 JULY – 30 SEPTEMBER 2015)

EUR '000	Investments	Management Services	Corporate	Consolidation	Group
Germany					
External revenues	92,241	29,368	0	0	121,609
Revenues from single unit sales ¹	34,028	0			34,028
Revenues from block sales ¹	35,592	0			35,592
Rental revenues from own investments	1,215	0			1,215
Rental revenues from bridge investments	20,882	0			20,882
Revenues from management services	0	29,368			29,368
Co-investments		9,345			9,345
Third parties		20,022			20,022
Other	525	0			525
Intercompany revenues	44	4,094	0	-2,921	1,218
International²					
External revenues	0	13,023	0	0	13,023
Revenues from management services		12,986			12,986
Co-investments		9,934			9,934
Third parties		3,052			3,052
Other		37			37
Intercompany revenues	0	7,033	0	0	7,033
Corporate					
External revenues	0	0	129	0	129
Intercompany revenues	0	0	6,572	0	6,572
Consolidation					
External revenues	0	0	0	0	0
Intercompany revenues	0	-7,439	0	-7,384	-14,823
Group					
External revenues	92,241	42,390	129	0	134,760
Revenues from single unit sales ¹	34,028	0	0		34,028
Revenues from block sales ¹	35,592	0	0		35,592
Rental revenues from own investments	1,215	0	0		1,215
Rental revenues from bridge investments	20,882	0	0		20,882
Revenues from management services	0	42,354	45		42,398
Co-investments		19,279	6		19,285
Third parties		23,075	39		23,112
Other	525	37	84		645
Intercompany revenues	44	3,688	6,572	-10,305	0
Financial result	-7,002	520	-1,144	15	-7,611
Financial income					
Germany	4,740	913	0	-171	5,482
International ²	1,441	104	0	0	1,546
Corporate	0	0	1,262	0	1,262
Consolidation	-1,410	0	0	-5,366	-6,777
Group	4,771	1,017	1,262	-5,538	1,512
Financial expenses					
Germany	-10,244	-393	0	171	-10,465
International ²	-2,940	-102	0	0	-3,042
Corporate	0	0	-2,405	0	-2,405
Consolidation	1,410	0	0	5,381	6,791
Group	-11,773	-497	-2,405	5,552	-9,123

¹ Including sales from real estate developments² France, Great Britain, Luxembourg, Netherlands, Nordics, Spain

PROSECUTION

EUR '000	Investments	Management Services	Corporate	Consolidation	Group
EBT (IFRS)					
Germany	8,286	92,088	0	139	100,513
International ²	-1,256	6,630	0	0	5,373
Corporate	0	0	-7,667	0	-7,667
Consolidation	-243	0	0	3	-240
Group	6,788	98,717	-7,667	141	97,980
Adjustments					
Germany	33	492	0	0	525
Significant non-operating earnings	1,060	-492	0	0	568
Market valuation income derivatives	1,031	0			1,031
Market valuation expenditures derivatives	29	0			29
Fund agreement amortisation	0	-492			-492
Realised fair value	1,093	0	0	0	1,093
International ²	0	0	0	0	0
Group	33	492	0	0	525
Operating result (adjusted EBT)					
Germany	8,320	92,580	0	139	101,038
International ²	-1,256	6,630	0	0	5,373
Corporate	0	0	-7,667	0	-7,667
Consolidation	-243	0	0	3	-240
Group	6,821	99,209	-7,667	141	98,504

² France, Great Britain, Luxembourg, Netherlands, Nordics, Spain

THIRD QUARTER 2014 (1 JULY – 30 SEPTEMBER 2014)

EUR '000	Investments	Management Services	Corporate	Consolidation	Group
Germany					
External revenues	31,592	19,348	0	0	50,940
Revenues from single unit sales ¹	21,951	0			21,951
Revenues from block sales	3,100	0			3,100
Rental revenues from own investments	4,988	0			4,988
Revenues from management services	0	19,348			19,348
Co-investments		5,622			5,622
Third parties		13,726			13,726
Other	1,553	0			1,553
Intercompany revenues	49	3,206	0	-2,864	392
International²					
External revenues	0	2,387	0	0	2,387
Revenues from management services		2,312			2,312
Co-investments		1,566			1,566
Third parties		746			746
Other		75			75
Intercompany revenues	0	762	0	0	762
Corporate					
External revenues	0	0	135	0	135
Intercompany revenues	0	0	5,141	0	5,141
Consolidation					
External revenues	0	0	0	0	0
Intercompany revenues	0	-776	0	-5,519	-6,295
Group					
External revenues	31,592	21,736	135	0	53,462
Revenues from single unit sales ¹	21,951	0	0		21,951
Revenues from block sales	3,100	0	0		3,100
Rental revenues from own investments	4,988	0	0		4,988
Revenues from management services	0	21,661	55		21,716
Co-investments		7,189	95		7,284
Third parties		14,472	-40		14,432
Other	1,553	75	79		1,706
Intercompany revenues	49	3,192	5,141	-8,382	0
Financial result					
	-2,532	-51	906	0	-1,677
Financial income					
Germany	485	408	0	-160	733
International ²	1,265	36	0	0	1,301
Corporate	0	0	2,245	0	2,245
Consolidation	-1,216	0	0	-2,760	-3,976
Group	534	444	2,245	-2,920	304
Financial expenses					
Germany	-4,089	-456	0	160	-4,385
International ²	-192	-40	0	0	-232
Corporate	0	0	-1,339	0	-1,339
Consolidation	1,215	0	0	2,760	3,975
Group	-3,066	-496	-1,339	2,919	-1,981

¹ Including sales from real estate developments² France, Great Britain, Luxembourg, Netherlands, Nordics

PROSECUTION

EUR '000	Investments	Management Services	Corporate	Consolidation	Group
EBT (IFRS)					
Germany	243	4,457	0	239	4,938
International ²	1,433	-1,572	0	0	-139
Corporate	0	0	-4,506	0	-4,506
Consolidation	0	0	0	3	3
Group	1,676	2,885	-4,506	242	297
Adjustments					
Germany	3,964	492	0	0	4,456
Significant non-operating earnings	0	-492	0	0	-492
Fund agreement amortisation	0	-492			-492
Realised fair value	3,964	0	0	0	3,964
International²	0	130	0	0	130
Significant non-operating earnings		-130			-130
Fund agreement amortisation		-130			-130
Group	3,964	622	0	0	4,587
Operating result (adjusted EBT)					
Germany	4,207	4,949	0	239	9,394
International ²	1,433	-1,442	0	0	-9
Corporate	0	0	-4,506	0	-4,506
Consolidation	0	0	0	3	3
Group	5,640	3,507	-4,506	242	4,883

² France, Great Britain, Luxembourg, Netherlands, Nordics

FIRST NINE MONTHS 2015 (1 JANUARY – 30 SEPTEMBER 2015)

EUR '000	Investments	Management Services	Corporate	Consolidation	Group
Germany					
External revenues	140,017	69,452	0	0	209,470
Revenues from single unit sales ¹	64,008	0			64,008
Revenues from block sales ¹	42,042	0			42,042
Rental revenues from own investments	5,064	0			5,064
Rental revenues from bridge investments	26,743	0			26,743
Revenues from management services	0	69,452			69,452
Co-investments		22,494			22,494
Third parties		46,959			46,959
Other	2,160	0			2,160
Intercompany revenues	137	11,778	0	-5,574	6,341
International²					
External revenues	394	27,442	0	0	27,836
Rental revenues from bridge investments	394	0			394
Revenues from management services	0	27,293			27,293
Co-investments		22,998			22,998
Third parties		4,296			4,296
Other		148			148
Intercompany revenues	0	11,237	0	0	11,237
Corporate					
External revenues	0	0	262	0	262
Intercompany revenues	0	0	17,861	0	17,861
Consolidation					
External revenues	0	0	0	0	0
Intercompany revenues	0	-16,706	0	-18,733	-35,439
Group					
External revenues	140,411	96,894	262	0	237,567
Revenues from single unit sales ¹	64,008	0	0		64,008
Revenues from block sales ¹	42,042	0	0		42,042
Rental revenues from own investments	5,064	0	0		5,064
Rental revenues from bridge investments	27,137	0	0		27,137
Revenues from management services	0	96,745	158		96,903
Co-investments		45,491	17		45,508
Third parties		51,254	141		51,395
Other	2,160	148	103		2,412
Intercompany revenues	137	6,308	17,861	-24,307	0
Financial result					
	-11,286	-303	408	15	-11,166
Financial income					
Germany	6,755	1,435	0	-511	7,679
International ²	3,674	176	0	0	3,850
Corporate	0	0	5,526	0	5,526
Consolidation	3,581	0	0	10,332	-13,914
Group	6,848	1,611	5,526	-10,843	3,142
Financial expenses					
Germany	-19,012	-1,650	0	511	-20,151
International ²	-2,703	-262	0	0	-2,965
Corporate	0	0	-5,118	0	-5,118
Consolidation	3,581	0	0	10,347	13,928
Group	-18,134	-1,914	-5,118	10,858	-14,308

¹ Including sales from real estate developments² France, Great Britain, Luxembourg, Netherlands, Nordics, Spain

PROSECUTION

EUR '000	Investments	Management Services	Corporate	Consolidation	Group
EBT (IFRS)					
Germany	11,790	97,277	0	506	109,573
International ²	6,985	9,449	0	0	16,434
Corporate	0	0	-16,084	0	-16,084
Consolidation	-292	0	0	-3	-295
Group	18,483	106,727	-16,084	503	109,628
Adjustments					
Germany	4,212	1,476	0	0	5,688
Significant non-operating earnings	1,846	-1,476	0	0	370
Market valuation income derivatives	1,832	0			1,832
Market valuation expenditures derivatives	14	0			14
Fund agreement amortisation	0	-1,476			-1,476
Realised fair value	6,058	0	0	0	6,058
International ²	0	0	0	0	0
Group	4,212	1,476	0	0	5,688
Operating result (adjusted EBT)					
Germany	16,002	98,753	0	506	115,261
International ²	6,985	9,449	0	0	16,434
Corporate	0	0	-16,084	0	-16,084
Consolidation	-292	0	0	-3	-295
Group	22,695	108,203	-16,084	503	115,315

² France, Great Britain, Luxembourg, Netherlands, Nordics, Spain

FIRST NINE MONTHS 2014 (1 JANUARY – 30 SEPTEMBER 2014)

EUR '000	Investments	Management Services	Corporate	Consolidation	Group
Germany					
External revenues	67,183	64,562	0	0	131,745
Revenues from single unit sales ¹	38,997	0			38,997
Revenues from block sales	4,600	0			4,600
Rental revenues from own investments	16,574	0			16,574
Revenues from management services	0	64,562			64,562
Co-investments		14,772			14,772
Third parties		49,790			49,790
Other	7,012	0			7,012
Intercompany revenues	170	9,545	0	-8,305	1,410
International²					
External revenues	0	6,028	0	0	6,028
Revenues from management services		5,953			5,953
Co-investments		3,907			3,907
Third parties		2,046			2,046
Other		75			75
Intercompany revenues	0	2,184	0	0	2,184
Corporate					
External revenues	0	0	338	0	338
Intercompany revenues	0	0	15,560	0	15,560
Consolidation					
External revenues	0	0	0	0	0
Intercompany revenues	0	-2,521	0	-16,635	-19,156
Group					
External revenues	67,183	70,590	338	0	138,111
Revenues from single unit sales ¹	38,997	0	0		38,997
Revenues from block sales	4,600	0	0		4,600
Rental revenues from own investments	16,574	0	0		16,574
Revenues from management services	0	70,515	232		70,747
Co-investments		18,679	132		18,811
Third parties		51,836	100		51,936
Other	7,012	75	106		7,193
Intercompany revenues	170	9,209	15,560	-24,939	0
Financial result					
	-7,880	-572	2,181	0	-6,272
Financial income					
Germany	4,438	819	0	-480	4,776
International ²	3,963	118	0	0	4,081
Corporate	0	0	6,489	0	6,489
Consolidation	-3,806	-10	0	-7,807	-11,624
Group	4,595	926	6,489	-8,288	3,722
Financial expenses					
Germany	-15,664	-1,401	0	480	-16,585
International ²	-617	-107	0	0	-724
Corporate	0	0	-4,308	0	-4,308
Consolidation	3,806	10	0	7,807	11,623
Group	-12,475	-1,498	-4,308	8,287	-9,994

¹ Including sales from real estate developments² France, Great Britain, Luxembourg, Netherlands, Nordics

PROSECUTION

EUR '000	Investments	Management Services	Corporate	Consolidation	Group
EBT (IFRS)					
Germany	6,405	20,757	0	372	27,535
International ²	3,135	-3,062	0	0	73
Corporate	0	0	-11,707	0	-11,707
Consolidation	0	0	0	-414	-414
Group	9,540	17,695	-11,707	-42	15,487
Adjustments					
Germany	8,983	1,476	0	0	10,460
Significant non-operating earnings	2,788	-1,476	0	0	1,312
Market valuation income derivatives	2,819	0			2,819
Market valuation expenditures derivatives	-31	0			-31
Fund agreement amortisation	0	-1,476			-1,476
Realised fair value	11,771	0	0	0	11,771
International²	0	387	0	0	387
Significant non-operating earnings		-387			-387
Fund agreement amortisation		-387			-387
Group	8,983	1,863	0	0	10,846
Operating result (adjusted EBT)					
Germany	15,389	22,233	0	372	37,994
International ²	3,135	-2,675	0	0	460
Corporate	0	0	-11,707	0	-11,707
Consolidation	0	0	0	-414	-414
Group	18,524	19,558	-11,707	-42	26,333

² France, Great Britain, Luxembourg, Netherlands, Nordics

14 TRANSACTIONS WITH RELATED COMPANIES AND INDIVIDUALS

At the reporting date, the Managing Board of PATRIZIA Immobilien AG was not aware of any dealings, contracts or legal transactions with associated or related parties and/or companies for which the Company does not receive appropriate consideration at arm's length conditions. All such transactions are conducted at arm's length and do not differ substantially from transactions with other parties for the provision of goods and services.

The disclosures on related party transactions contained in section 9.3 of the notes to the consolidated financial statements in the 2014 Annual Report remain valid.

15 RESPONSIBILITY STATEMENT BY THE LEGAL REPRESENTATIVES OF PATRIZIA IMMOBILIEN AG PURSUANT TO ARTICLE 37Y OF THE WERTPAPIERHANDELSGESETZ (WPHG – GERMAN SECURITIES ACT) IN CONJUNCTION WITH ARTICLE 37W (2) NO. 3 OF THE WPHG

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.



Wolfgang Egger
CEO



Arwed Fischer
CFO



Klaus Schmitt
COO

Financial Calendar and Contact Details

FINANCIAL CALENDAR 2015

12 November 2015	Interim report for the first nine months of 2015
------------------	--

FINANCIAL CALENDAR 2016

17 March 2016	Financial statements 2015
10 May 2016	Interim report for the first quarter of 2016
16 June 2016	Annual General Meeting, Augsburg
9 August 2016	Interim report for the first half of 2016
8 November 2016	Interim report for the first nine months of 2016

Investor Relations

Margit Miller	Verena Schopp de Alvarenga
P +49 821 50910-369	P +49 821 50910-351
F +49 821 50910-399	F +49 821 50910-399
investor.relations@patrizia.ag	investor.relations@patrizia.ag

Press

Andreas Menke
P +49 821 50910-655
F +49 821 50910-695
presse@patrizia.ag

This interim report was published on 12 November 2015. This is a translation of the German interim report. In case of doubt, the German version shall apply. Both versions are available on our website:

www.patrizia.ag/investor-relations/finanzberichte/quartalsberichte
www.patrizia.ag/en/investor-relations/financial-reports/quarterly-reports

PATRIZIA Immobilien AG

PATRIZIA Bürohaus

Fuggerstrasse 26

86150 Augsburg

Deutschland

T +49 821 50910-000

F +49 821 50910-999

immobilien@patrizia.ag

www.patrizia.ag