CA IMMO International

FINANCIAL REPORT AS AT 30 JUNE 2010

FINANCIAL KEY FIGURES

INCOME STATEMENT

		1.1.–30.6.2010	1.1.–30.6.2009
Rental income	€ m	22.7	19.9
EBITDA	€ m	16.4	13.5
Operating result (EBIT)	€ m	13.0	–89.5
Net income before taxes (EBT)	€ m	7.5	–103.0
Consolidated net income	€ m	6.1	–86.0
Attributable to the owners of the parent	€ m	6.3	–80.8
Operating cash flow	€ m	15.4	12.7
Capital expenditure	€ m	16.5	52.0

BALANCE SHEET

		30.6.2010	31.12.2009
Total assets	€ m	875.2	882.8
Stated value (equity) (incl. minority interests)	€ m	429.3	424.6
Long and short term financial liabilities	€ m	356.2	373.9
Net debt	€ m	242.8	258.0
Gearing	%	57	61
Equity ratio	%	49	48
Equity-to-fixed-assets ratio	%	58	57
Net asset value	€ m	409.5	405.6
Net asset value (NNNAV)	€ m	419.9	416.7

PROPERTY PORTFOLIO

		30.6.2010	31.12.2009
Total usable space (excl. parking, excl. projects)	sqm	287,983	288,169
Gross yield investment properties	%	7.8 [1]	8.5 [2]
Book value of properties	€ m	680.2	674.0

SHARE RELATED KEY FIGURES

		1.1.–30.6.2010	1.1.–30.6.2009
Rental income / share	€	0.52	0.46
Operating cash flow / share	€	0.36	0.29
Earnings / share (EPS)	€	0.15	–1.86
		30.6.2010	**31.12.2009**
NNNAV / share	€	9.66	9.59
NAV / share	€	9.42	9.33
Price (key date)/NNNAV per share –1 [3]	%	–32.72	–45.45

SHARES

		30.6.2010	31.12.2009
Number of shares (key date)	pcs.	43,460,785	43,460,785
Ø number of shares (key date)	pcs.	43,460,785	43,460,785
Ø price / share	€	5.91	4.01
Market capitalisation (key date)	€ m	282.5	227.3
Highest price	€	6.50	5.23
Lowest price	€	6.75	6.30
Closing price	€	4.96	2.05

1) Including the Capital Square, Dunacenter and Sava Business Center project completions that have been newly incorporated into the portfolio in 2009
2) Excluding the Capital Square, Dunacenter and Sava Business Center project completions that have been newly incorporated into the portfolio in 2009
3) Before deffered taxes

DEAR SHAREHOLDERS AND READERS,

Management Board:
Bernhard H. Hansen, Bruno Ettenauer, Wolfhard Fromwald

For CA Immo International AG and its shareholders, the defining event during the last months has been the voluntary takeover bid by CA Immobilien Anlagen AG. With the majority of free float shareholders having accepted the offer, the share held by CA Immobilien Anlagen AG reached 97.14 % by the end of the offer period.

Since the level of free float has thus fallen significantly, it is likely that the liquidity of the share will decrease, and that the free float will fall below the level required to remain in the current market segment of the Vienna Stock Exchange (prime market). For this reason in particular, the company's Management and Supervisory Boards have resolved to prepare for a merger of CA Immo International AG, as the transferring company, with CA Immobilien Anlagen Aktiengesellschaft, the acquiring company, with retrospective effect as of 31 December 2009. The basis for the merger (which must yet be considered by an Extraordinary General Meeting) is an exchange ratio of 10 CA Immobilien Anlagen AG shares to every 19 CA Immo International AG shares, based on the NAVs as at 30 June 2010.

For full details of the merger, please visit our home page (www.caimmointernational.com) where you will find all relevant information, and in particular the joint merger report of the Boards and the audit report of the joint merger auditor.

The Management Board

Bruno Ettenauer (Chairman)	Wolfhard Fromwald	Bernhard H. Hansen

Vienna, August 2010

SHARE

International environment

Although the economic outlook is far brighter in 2010 than it was last year, international share markets were in a state of constant fluctuation in the first half of 2010. The fiscal problems of Greece and other EU member states were one of the main reasons behind the continuing uncertainty of market players and the consequent steep falls in share prices on the capital markets. The key market indices also dropped below the values of last year.

The CA Immo International share

The tangible reluctance on the part of investors has also affected property shares. With demand for office space, for example, heavily dependent on economic performance, the main impact of the scepticism is to transfer uncertainty over the development of the real economy (and thus vacancy levels and rental prices) onto real estate markets.

Against this backdrop, the CA Immo International share developed largely in line with general market conditions in the opening months of the year, until the intended takeover by the parent company CA Immo was announced on 24 March 2010. With the market in a positive mood early in the year, the share price at the start of 2010 was € 5.35; after hitting a low point in February, the price began to rise again in March, and the share closed quarter one at € 6.41. In the second quarter, the CA Immo International share was influenced by the voluntary takeover bid. During this period, the rate hovered around the offer price of € 6.50, and this was the closing rate on 30 June 2010. The lowest price for the first six months was € 4.96. The average daily trading volume rose from 57,800 shares in the previous year to 78,800 shares (double-counting). Market capitalisation was € 282.5 m as at 30 June 2010, compared to € 157.8 m as at 30 June 2009.

SHARE PRICE DEVELOPMENT IN RELATION TO ATX, IATX, EPRA (1.1.2008 to 20.8.2010)

BASIC INFORMATION ON THE CA IMMO INTERNATIONAL SHARE

Type of shares:	No-par value shares
Listing:	Vienna Stock Exchange, Prime Market
Indices:	IATX, ATX Prime
Specialist:	Erste Group Bank AG
Market maker:	UniCredit CAIB AG
Stock exchange symbol/ISIN:	CAII/ATCAIMMOINT5
Reuters:	CAII.VI
Bloomberg:	CAII:AV
Shareholders' phone line (in Austria):	0800 01 01 50
Email:	ir@caimmointernational.com
Website:	www.caimmointernational.com

SHARE RELATED KEY FIGURES

		30.6.2010	31.12.2009
NNNAV / share	€	9.66	9.59
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[1] Before deffered taxes

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Voluntary takeover bid for free float shares of CA Immo International

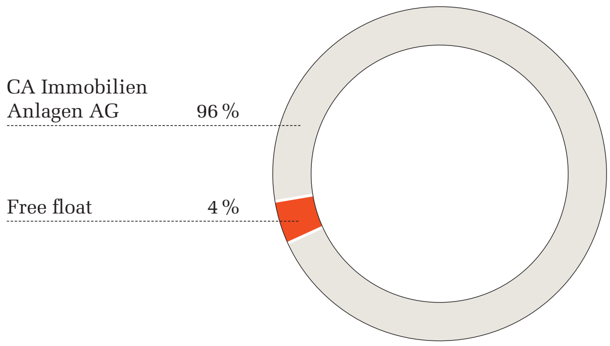
On 20 April 2010, in accordance with article 4ff of the Austrian Takeover Act, the parent company CA Immo announced a voluntary public takeover bid to the free float shareholders of CA Immo International AG with a view to acquiring their shares at an offer price of € 6.50 (in cash). At the time of declaring the takeover bid, CA Immo held 27,402,775 shares in the takeover target CA Immo International, equivalent to a 63.05 % stake in its share capital. The offer, which ran until 11 May 2010, led to the acquisition of 11,293,906 shares in CA Immo International (around 26 % of the company's share capital). During the offer period, CA Immo acquired a further 827,286 shares via the stock market at an average price of € 6.46 per share. The period of grace closed on 16 August 2010 and was accepted for a total of 2,611,749 CA Immo International AG shares. A further 81,624 shares were purchased via the stock exchange during the extended acceptance period. Taking into account shares held prior to the offer, CA Immo held 42,217,340 shares in CA Immo International as at 19 August 2010 (around 97.14 % of the total share capital of CA Immo International). As the transferring company, CA Immo International AG will now merge with CA Immobilien Anlagen Aktiengesellschaft, the acquiring company, with retrospective effect on the consolidation date 31 December 2009. On the basis of net asset values as of 30 June 2010, the exchange ratio stands at ten shares in CA Immobilien Anlagen Aktiengesellschaft to every 19 shares in CA Immo International AG. The merger will be discussed at an extraordinary general meeting of CA Immo International AG to be held on 27 September 2010. Given that CA Immobilien Anlagen AG already holds in excess of 90 % of the shares in CA Immo International AG, a simplified merger under the terms of article 231 of the Austrian Stock Corporation Act is envisaged, according to which the acquiring company is not required to hold a general meeting. All relevant merger documents, especially the joint report on the merger by the executive boards as well as the report by the joint merger-auditor, are published on the company's website (www.caimmointernational.com).

KEY PERFORMANCE FIGURES

(1.7.2009 to 30.6.2010)

CA Immo International share	80.56 %
IATX	66.67 %
EPRA	21.97 %
ATX	6.50 %

SHAREHOLDER STRUCTURE



FINANCIAL CALENDAR 2010

28 MAY
INTERIM REPORT FOR THE FIRST QUARTER 2010

27 SEPTEMBER
EXTRAORDINARY GENERAL MEETING

26 AUGUST
INTERIM REPORT FOR THE FIRST HALF 2010

25 NOVEMBER
INTERIM REPORT FOR THE THIRD QUARTER 2010

ECONOMIC ENVIRONMENT

The cyclical trend

The economic upturn in Europe continued during the second quarter of 2010, although the pace of recovery slowed somewhat. Growth rates varied considerably from one country to the next. In view of the crisis in Greece, liquidity bottlenecks in many public budgets and the associated effects on the stability of the European single currency, economic prospects for the eurozone remain moderate, and GDP growth forecasts were revised downwards in the middle of the year. According to estimates of the European Central Bank (ECB), GDP growth will level out between 0.7 % and 1.3 % this year. [1)]

The economic picture has brightened in Poland, the Czech Republic and also Hungary thanks to increasing foreign demand, continually strengthening consumer confidence and thus rising consumer expenditure. Currency devaluations in certain countries are also taking effect. The currency reform of recent months in Hungary, for example, has led to a significant economic recovery, with GDP rising by 0.9 %; GDP was also up by 0.5 % in Poland and the Czech Republic. Only the states of South Eastern Europe are still searching for a route out of recession. According to the ECB, early indicators in Russia (such as rising investment and construction activity) are pointing to a modest upward trend. However, the trend is being held back by low raw material prices, restricted credit availability and low levels of domestic demand.

Interest rates

Base rates in the eurozone were unchanged at 1.0 % by the middle of the year. At present, the European Central Bank does not envision any response in monetary policy terms to the current eurozone inflation rate of 1.6 %. Low interest rates continue to hold out the possibility of low-cost refinancing to the banks and other financial players. On the other hand, as tighter capital requirements on the banks increase the regulatory burden, loans for new investment and property are becoming more expensive and harder to secure.

Currencies

The liquidity crisis in a number of euro member states caused considerable distress on the financial markets, even jeopardising the stability of the euro, which has lost 9.4 % of its value in the last three months and stood at US$ 1.2233 at the end of the quarter.[2)] Only stabilisation initiatives at government and monetary policy level have prevented an even more drastic collapse in value for the European single currency.

Over the past three months, Eastern European currencies have made gains against the euro. By the end of the quarter, the Polish zloty was some 6.7 % above its value for the previous quarter; the Hungarian forint had gained 7.3 % and the Czech koruna was up 1.2 %.[3)]

Property markets CEE/SEE/CIS[4)]

Turnover on the **market for commercial real estate investment** in Central and Eastern Europe increased by 32 % between the first and second quarters to stand at € 953 m.[5)] With 60 % of turnover generated on the markets of Central Europe, investors are once again pinpointing investment opportunities in the CEE and SEE region. The investment market in Poland made the largest proportionate contribution to sales (47 %), with Russia providing around 25 % of total turnover. Investment activity almost ground to a halt on smaller markets such as Bulgaria, Croatia and Serbia. Accordingly, peak yields remained unchanged on the previous quarter’s levels (10.0 % in Belgrade and Sofia, 8.30 % in Zagreb, 9.50 % in Bucharest and 7.50 % in Bratislava). In Prague and Warsaw, peak yields shed 15 base points to stand at 6.85 % and 6.60 % respectively. The economic recovery has also reached the property investment market in Budapest, where peak office yields dropped 25 base points to 7.75 %. Although the transaction volume was low on the Russian investment market, Moscow reported the steepest price rises: chiefly as a result of a € 149 m deal involving the Capital Plaza in central Moscow, the top yields fell by 100 base points to stand at 11.0 %. Retail properties accounted for most investment activity in the first quarter, with office properties traded to an increasing extent in the second three months.[6)]

In most cities, **peak rents** remained stable. The peak rent in Prague stood at € 21.00/sqm; in Warsaw the figure was € 23.00/sqm, in Bratislava € 17.00/sqm and in Buda-

1) European Central Bank, Monthly Bulletin June 2010

2) Deutsche Börse, Currencies, Price/Turnover History 2010, key dates 31 March 2010 and 30 June 2010
3) www.finanzen.net, quarterly values on key dates 31 March 2010 and 30 June 2010
4) All rental rates and yields quoted in this section are approximate values and may deviate from certain fair values
5) CB Richard Ellis, MarketView, European Investment Quarterly, Q2 2010
6) CB Richard Ellis, CEE Property Investment, MarketView, June 2010

pest the highest rent level was € 20.00/sqm. In Sofia, the peak rent fell by 1.69 % in comparison with the first quarter to stand at € 14.50/sqm. Only Moscow reported an increase in the rental rate (by 2.94 base points to around € 60/sqm or US$ 875/sqm). This was explained by the resurgence of commercial transactions (800,000 sqm in total) in CBD locations.[7]

[7] CB Richard Ellis, Moscow Offices, MarketView, June 2010

The pressure on demand on the St. Petersburg office market, as predicted early in the year, has yet to materialise. This means that the vacancy rate for class A properties has remained unchanged at 21 % while the rate for B-class properties has declined only marginally (from 16 % to 15 %); rental rates also fell by a further 8.2 % or so to the current level of € 31.08/sqm.[8]

[8] CB Richard Ellis, St. Petersburg Property Market, MarketView for first half 2010

CAPITAL SQUARE
Budapest

THE PROPERTY ASSETS

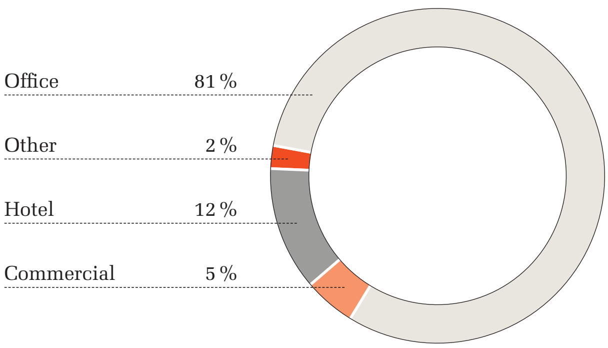
CA Immo International is part of the CA Immo Group and a subsidiary of CA Immobilien Anlagen AG. The company focuses on investment activities in Eastern Europe, Southeastern Europe and Russia. The company invests mainly in commercial real estate (offices, commerce and logistics), and manages a portfolio made up of both investment properties and investment properties under development.

As of the key date 30 June 2010, the property portfolio (including inventory intended for trading) has an approximate value of some € 680 m. Of this, investment properties account for 88 % and investment properties under development represent 12 %. The investment properties have a total effective area of 287,983 sqm (excluding car-parking spaces) and, in terms of annualised rental income, produce a yield of 7.3 %[1] in the CEE region (Poland, the Czech Republic, Hungary, Slovakia) and 8.6 %[1] in SEE (Romania, Bulgaria, Serbia, Slovenia). Compared Like-to-like to the fiscal year change, the tenancy rate has enhanced up to 93 %[2] as of 30 June 2010 (31 December 2009: 91 %[2]). Including the Capital Square (Budapest), Dunacenter (Györ) and Sava Business Center (Belgrade) project completions that have been newly incorporated into the portfolio in 2009, the tenancy rate is 86 % as of 30 June 2010 (31 December 2009: 82 %[1]).

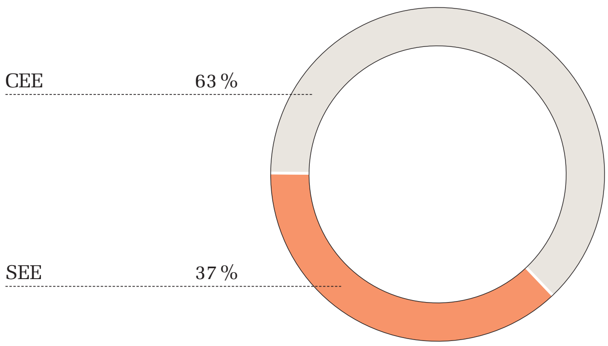
On a regional basis, the CEE region delivers the largest value contribution with 63 %; the SEE states have 37 % of property assets.

[1] Incl. the Capital Square, Dunacenter and Sava Business Center project completions that have been newly incorporated into the portfolio in 2009.
[2] Excl. the Capital Square, Dunacenter and Sava Business Center project completions that have been newly incorporated into the portfolio in 2009.

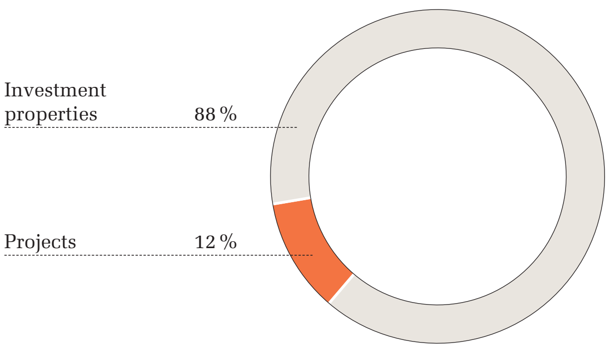
BOOK VALUE BY MAIN USAGE TYPE



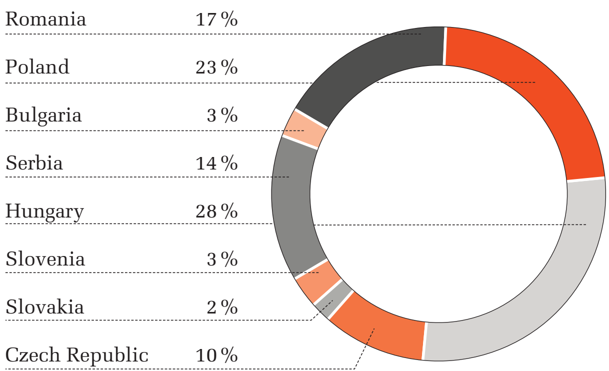
BOOK VALUE BY SEGMENT



BOOK VALUE BY COMPANY AND TYPE



BOOK VALUE BY COUNTRY



PORTFOLIO CHANGES IN THE FIRST HALF OF 2010

Investment properties

As at 30 June 2010, CA Immo held investment properties with an approximate value of € 601.0 m in Eastern and South Eastern Europe through the subsidiary CA Immo International. In the second quarter of 2010, property assets let with a total effective area of 287,983 sqm generated rental income of € 22.6 m. New lettings amounting to some 8,310 sqm were concluded in the first half of 2010; over the same period, contract extensions and floor space expansions by existing tenants accounted for around 13,538 sqm.

In the second quarter of 2010, two more retailers (Deichmann and an Hungarian clothing company) signed up as tenants for the Dunacenter specialist retail centre in the Hungarian city of Györ. These recently let areas (totalling 1,000 sqm) will open for business in the summer of 2010, bringing the occupancy rate for the Dunacenter to approximately 63 % (compared to 51 % on 31 December 2009). Where properties assimilated into the asset portfolio of CA Immo International during 2009 are taken into account (the Sava Business Center in Belgrade, Capital Square in Budapest and the Dunacenter in Györ), the like-for-like occupancy rate is around 86 % on the key date (compared to 82 % on 31 December 2009).

Investment properties under development

In Eastern Europe, CA Immo International focused on the development of projects already initiated during the second quarter of 2010.

Realisation of the **Poleczki Business Park** in Warsaw, which will provide a total effective area of 200,000 sqm, is proceeding apace. Construction phase one (comprising two separate buildings) was completed at the end of quarter two, and usage permission has been granted. The development project will be classed as completed when the first tenants move in from July onwards. The principal tenant – ARiMR, an agency of the Polish Ministry of Agriculture – will take up occupancy at the Poleczki Business Park in August 2010. As at 30 June 2010, the two completed office buildings were more than 75 % let. Preparations are currently under way for construction phase two.

In Russia, CA Immo International holds a 25 % stake in the **Airport City St. Petersburg** project through its CA Immo New Europe project development fund. To a significant degree, the project continues to be adversely affected by the problematic economic and legal conditions that prevail in Russia; financing with outside capital and pre-letting arrangements remain hard to come by, and

POLECZKI BUSINESS PARK
Warsaw

market demand is limited. Negotiations over financing are in progress as the project continues to be developed with due regard to the persistently detrimental market situation.

In the second quarter of 2010, the project company implementing the **Maslov Tower** project in Moscow filed for bankruptcy. The Group companies involved in this project were consequently deconsolidated on 30 June 2010. CA Immo is now examining ways to move ahead with the project.

BBC 1 Plus is an extension to the Bratislava Business Center currently being planned on a section of this office property site. CA Immo International obtained the requisite planning permission at the end of June. Construction work on the project is likely to start in the third quarter of 2010.

In Romania, CA Immo International is planning to build the **Retail Park Sibiu** (a double-level shopping centre connected to specialist retail outlets) together with a German/Romanian joint venture partner. In phase one, a structure with 9,700 sqm of effective area was completed and let to the DIY chain OBI; the outlet will open at the end of August. Continuation of the project as a whole will now depend on appropriate pre-letting, and negotiations with retailers are in progress.

PERSONNEL

As at 30 June 2010, CA Immo International had a total of 98 employees. Of the 59 white-collar employees, 41 (37 on 31 December 2009) were working for the subsidiaries in the CEE/SEE/CIS countries that are responsible for asset management and accounting.

The blue-collar staff members (39 as at 30 June 2010) work for subsidiaries in the CEE/SEE/CIS countries and are engaged in the areas of property management and facility management. Taking over property management for the Capital Square office building in Hungary and the Bucharest Business Park increased the requirement for permanent staff to manage buildings locally. As a result, the number of blue-collar staff at CA Immo International rose from 28 at the end of last year to the current total of 39.

PERSONNEL

	White-collar staff	Blue-collar staff	Total (30.6.2010)	White-collar staff	Blue-collar staff	Total (31.12.2009)	Absolute change	%
CA Immo International	**59**	**39**	**98**	**59**	**28**	**87**	**11**	**13 %**

RESULT FOR FIRST HALF OF 2010

Gross revenues and net operating income

In the first six months of 2010, rental income stood at € 22.7 m, 14.0 % above the value for the same period of last year. Significant boosts were received from rental revenue from acquisitions made in the second half of 2009 as well as completed projects (Capital Square Budapest, Sava City Belgrade and the Dunacenter in Györ). However, since these properties are still in a phase of stabilisation and vacancy is thus higher than would normally be the case, the 11 % rise in net operating income (NOI) was slightly lower than would be expected in relation to rental growth.

Indirect expenditures

Once again, indirect expenditures were cut by a significant 8.9 %, from € 5.0 m to € 4.5 m. The main reasons for the reduction were the cut in personnel spending in comparison with the first half of 2009.

Earnings before interest, taxes, depreciation and amortisation (EBITDA)

The overall effect of these developments was to increase earnings before interest, taxes, depreciation and amortisation by a considerable 21.3 %, from € 13.5 m last year to the present level of € 16.4 m.

Revaluation result

The revaluation result for the first six months of 2010 was € –3.4 m, compared to € –102.9 m in the first half of last year. The result reflects revaluation gains in Poland, Serbia and Hungary totalling € 8.2 m, counterbalancing devaluations in other countries. Of the devaluations of € –11.6 m, the greater part (€ –6.7 m) was attributable to hotels in the portfolio located in the Czech Republic and Slovenia.

Earnings before interest and taxes (EBIT)

On account of the lower revaluation loss and the other factors outlined above, earnings before interest and taxes (EBIT) rose from € –89.5 m in the first half of 2009 to € 13.0 m in the first half of 2010. Of this result, € –0.3 m was produced in the first quarter, with the second quarter contributing € 13.3 m.

Financial result

In the first six months of 2010, the financial result was € –5.4 m, compared to € –13.6 m in the first half of 2009. The main factor behind the positive change on last year was the turnaround in income from associated companies: in 2009, this figure stood at € –6.2 m on account of a value adjustment, but in 2010 it yielded a positive contribution of € 3.2 m. Comparing the two periods, the financing costs contained in the financial result increased by 13.1 % to € –9.5 m.

Foreign currency losses for the first half of 2010 were € –0.6 m, contrasting with the foreign currency gains of € 0.2 m achieved last year. The result from financial investments declined from € 3.2 m to € 2.2 m.

Taxes on income

Earnings before taxes (EBT) for the first six months of 2010 amounted to € 7.5 m, compared to € –103.0 m for the first half of 2009. Tax expenditure was € –1.4 m, compared to the positive value of € 17.0 m in the first half of 2009.

Consolidated net income

The share attributable to minority interests progressed from € –5.2 m in the first half of 2009 to € –0.2 m in the same period of 2010. This largely reflects the interest of minority shareholders in the CA Immo New Europe property fund, which specialises in property development.

The factors described above also resulted in a reversal in consolidated net income, from € –80.8 m to € +6.3 m (after taking minorities into account). This figure comprises a negative result of € –3.5 m in the first quarter of 2010 and consolidated earnings of € 9.8 m in the second quarter.

Cash flow

Operating cash flow for the first six months of 2010 was € 15.4 m, well above the € 12.7 m recorded in the same period last year. The cash flow from investment activities of € –18.7 m reflects investment in current development projects during the period. As for cash flow from financing activities, financing with outside capital raised to finance investment activity exceeded interest payments and repayments, producing a positive balance of € 2.2 m.

Balance sheet: assets

During the first half of 2010, the item 'Property assets let' fell from € 605.0 m to € 601.0 m as a result of the negative valuation result.

The item 'Property assets under development' rose by € 10.2 m to stand at € 77.9 m; the main factor behind the increase was construction progress on the Polezcki Business Park and Sibiu retail centre projects. This rise was counteracted by the deconsolidation of the Maslov Tower project (final book value of € 5.0 m).

Cash and cash equivalents stood at € 113.4 m as at 30 June 2010, 2.2 % below the value at the start of the year.

Balance sheet: liabilities

The result achieved in the first six months spurred a 1.1 % rise in Group equity to € 429.3 m.

The rise in long-term financial liabilities (up € 23.3 m to € 333.9 m) was mainly linked to financing for the expansion in property assets under development and a rebalancing from short term to long term (as a result of which short-term financial liabilities also declined from € 63.3 m to € 22.2 m).

Net debt (financial liabilities less cash and cash equivalents) has thus fallen from € 258.0 m to € 242.8 m since the start of the year; gearing (ratio of net debt to shareholders' equity) fell from 61 % on 31 December 2009 to 57 % on 30 June 2010.

Net asset value

Net asset value (shareholders' equity excluding minority interests) stood at € 409.5 m on 30 June 2010 (€ 9.42 per share), equivalent to an increase of 1.0 %. The NNNAV was € 419.9 m on 30 June 2010, with the NNNAV per share at € 9.66, around 0.7 % above the value as at 31 December 2009 (€ 9.59).

OUTLOOK

As things stand, we expect the stabilisation on the region's real estate markets that took hold in the second quarter of 2010 to continue. However, the degree of stabilisation will vary from one country to another. In operational terms, the focus will be on lettings (as it has been in recent months), the aim being to reduce vacancy levels and bring stability to rental revenue.

Over the months ahead, the key event for CA Immo International will be the planned merger with CA Immobilien Anlagen AG following the finalisation of the takeover bid. This will entail the end of the company's stock exchange listing.

RISK MANAGEMENT REPORT

CA Immo International is exposed to many kinds of risk in the course of its activities as an international manager of property stocks and project developer. These risks have the potential to influence current operational business outcomes and progress towards the strategic goals of the company. The main risks that can confront CA Immo International in the course of its business activities are described below.

Property valuation risk: Property valuation constitutes the fundamental basis on which a real estate company is appraised, and is thus the most important factor in determining the value of such a company's shares. The crisis in the financial sector led to considerable anxiety in the commercial property field in particular. The main effect of this has been to render prices and values vulnerable to greater fluctuations in the prevailing market climate. This pattern is especially acute in Eastern and South Eastern Europe. Accordingly, 2009 was characterised by significant negative adjustments to fair values in the CA Immo International portfolio. In the first half of 2010 the revaluation result was € –3.4 m, compared to € –102.9 m in the first half of last year. The result reflects revaluation gains in Poland, Serbia and Hungary totalling € 8.2 m, counterbalancing devaluations in other countries. Of the devaluations of € –11.6 m, the greater part (€ –6.7 m) was attributable to hotels in the portfolio located in the Czech Republic and Slovenia. In overall terms, we believe the valuation level has bottomed out. The value fluctuations still emerging are mainly down to factors specific to certain properties rather than general market changes. To determine property values, CA Immo International has its investment properties externally valued every quarter.

Investment cost/project development risk: The core expertise of CA Immo International is focused on two business areas: portfolio management, in which the emphasis is on managing investment properties to produce maximum returns, and investment properties under development, which involves creating high quality buildings. Project business is, however, associated with higher risk. Risks can arise from imponderables such as delays in the property use approval or planning permission processes, cost/deadline overruns, construction defects and so on. These risks can never be completely eliminated, even with meticulous planning and monitoring. Project development risk has increased substantially in the past two years as capital market and geopolitical risks have risen and general conditions have changed. CA Immo International is taking every step possible to address this situation, adapting market values to the appropriate extent; as early as 2009, this was bringing about some major revisions to original project costings. Generally speaking, CA Immo International addresses project development risk by means of strict controlling and monitoring, both internally and externally. In principle, new projects are only launched where financing, a high degree of pre-letting and a firm exit strategy (in the form of an investor) are all in place.

Loss of rent risk: With demand for office space heavily dependent on economic performance, current uncertainty over the development of the real economy is affecting, amongst other things, vacancy levels and rental prices on real estate markets. Even though CA Immo International has not encountered any unforeseen loss of rent until now, we cannot rule out the possibility that the economic conditions in business year 2010 could impact on the rental market and thus the company's rental revenue. It should be noted that the assessments on which the property values stated in the balance sheet are based take account of future adjustments to contractual rents, anticipated vacancies (and the duration thereof), lease expiry profiles and estimated market rents for the letting of vacant areas. To minimise both vacancy and losses of rent, CA Immo International screens the creditworthiness and reputation of potential tenants. Structured quality checks are carried out continually to determine the budgeted and actual revenues generated by all properties.

Market and liquidation risk: CA Immo International's portfolio strategy envisages, amongst other things, the sale of up to 10 % of income-generating properties and finalised developments each year. However, the Group is exposed to external, market-specific risks such as macroeconomic trends, developments in tenant sectors, rent development, the activities of other market players and the development of real estate yield across the various segments. In 2010, therefore, sales will only be justifiable where the attainable proceeds are well in excess of current fair values or the sale would produce considerable strategic benefits.

Interest rate risk: For CA Immo International, risks associated with changes in interest rates tend to arise in connection with long-term financing with outside capital. CA Immo International uses a mix of long-term fixed-rate and floating-rate loans to cut the interest rate risk. In the case of floating-rate loans, derivative financial instruments (interest rate swaps) are also used; without exception, such instruments are used to hedge against the risk of interest rate changes arising from underlying transactions. These financial instruments are also subject to changes in value. Generally, changes in the value of contracts that can be defined as cash flow hedges (and all SWAPs used by CA Immo International come into this category) are shown as changes in the other comprehensive income. Changes in the value of contracts classified as fair-value SWAPs as well as ineffective parts of cash flow hedges are directly depicted as expenditure or income in the income statement. The reference value for interest rate SWAPs is the Euribor, which has sustained significant falls, leading to negative cash values for the SWAP contracts (in most cases, this related to valuation losses which had no effect on cash). No risks constituting a serious and permanent threat to the company exist at the present time. Sufficient provisions have been formed for all identified risks.

Currency (change) risk: Owing to investment activity abroad, the management of currency risks is another important element of risk management. Exchange rate fluctuations can impact on results where rents are payable in foreign currencies or loans were raised in US dollars and Czech koruna. Non-cash effects on consolidated net income can result from the translation of individual financial statements of subsidiaries outside the eurozone.

For this reason, CA Immo International seeks to peg rents to a hard currency when acquiring new properties in Eastern and South Eastern Europe. Loans are taken out in the currency underlying the relevant lease. Owing to the volatility of Eastern European currencies, payments in local currency (with the exception of operating expenses, which can also be paid in local currency) are converted into euros upon receipt.

Liquidity risk: CA Immo International is exposed to liquidity risk where financial obligations cannot be settled at the time they are payable. Controlling liquidity therefore involves ensuring sufficient financial means are available for the settlement of liabilities as they become due. The company is highly skilled at planning and securing liquidity in order to avoid bottlenecks of this kind and thereby circumvent unnecessary potential losses and risks. Loans are usually agreed on a long-term basis in accordance with the investment horizon for real estate.

Taxation law risk: National taxation systems are subject to ongoing change on the target markets of CA Immo International. Working with international consultants, the company monitors all relevant debates and decisions taken by national legislators. Despite this, short- and long-term tax rises linked to changing legal frameworks pose a constant risk to revenue.

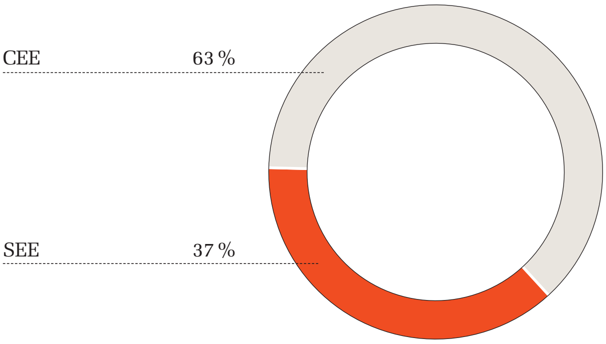
CONSOLIDATED INCOME STATEMENT

€ 1,000	1st Half-year 2010	1st Half-year 2009	2nd Quarter 2010	2nd Quarter 2009
Rental income	22,653.3	19,871.6	11,647.8	10,071.1
Operating costs passed on to tenants	6,378.9	5,592.6	3,118.0	2,874.2
Gross revenues	**29,032.2**	**25,464.2**	**14,768.0**	**12,945.3**
Operating expenses	–7,959.7	–6,193.8	–3,872.2	–3,151.0
Other expenses directly related to properties	–1,740.5	–1,872.5	–873.5	–998.4
Net operating income	**19,332.0**	**17,397.9**	**10,022.3**	**8,795.9**
NOI as a % of the gross revenues	66.6 %	68.3 %	67.9 %	67.9 %
Indirect expenditures	–4,516.7	–4,957.8	–2,462.2	–2,655.0
Other operating income	1,588.5	1,079.7	1,055.5	810.9
EBITDA	**16,403.8**	**13,519.8**	**8,615.6**	**6,951.8**
EBITDA as a % of the gross revenues	56.5 %	53.1 %	58.3 %	53.7 %
Depreciation and amortisation	**–38.7**	**–36.0**	**–19.7**	**–17.1**
Revaluation gain	8,242.5	4,480.1	6,377.3	4,480.1
Revaluation loss	–11,628.9	–107,425.5	–1,678.4	–48,102.2
Result from revaluation	**–3,386.4**	**–102,945.4**	**4,698.9**	**–43,622.1**
Operating result (EBIT)	**12,978.7**	**–89,461.6**	**13,294.8**	**–36,687.4**
EBIT as a % of the gross revenues	44.7 %	–	90.0 %	–
Financing costs	–9,513.5	–8,412.4	–4,776.9	–3,449.3
Foreign currency loss	–638.8	224.1	–615.8	2,561.4
Result from derivative transactions	–275.9	–1,784.5	–193.5	–1,784.5
Result from financial investments	2,190.6	3,202.8	1,110.5	1,571.9
Impairment of financial investments	–422.3	–642.3	–259.6	–548.7
Income from associated companies	3,224.7	–6,165.6	694.4	–5,231.7
Financial result	**–5,435.2**	**–13,577.9**	**–4,040.9**	**–6,880.9**
Net income before taxes (EBT)	**7,543.5**	**–103,039.5**	**9,253.9**	**–43,568.3**
Income tax	–1,414.5	17,015.7	982.5	7,425.0
thereof to the group parent	1,400.8	134.0	266.8	233.8
Consolidated net income	**6,129.0**	**–86,023.8**	**10,236.4**	**–36,143.3**
thereof attributable to non-controlling interests	–209.0	–5,199.3	420.5	–1,846.7
thereof attributable to the owners of the parent	**6,338.0**	**–80,824.5**	**9,815.9**	**–34,296.6**
Earnings per share in € (undiluted equals diluted)	**0.15**	**–1.86**		

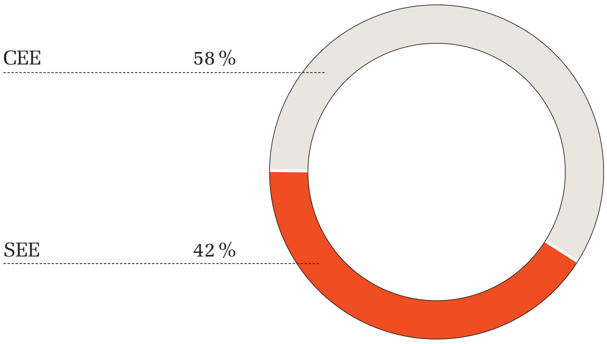
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ 1,000	1st Half-year 2010	1st Half-year 2009	2nd Quarter 2010	2nd Quarter 2009
Consolidated net income	6,129.0	–86,023.8	10,236.4	–36,143.3
Other comprehensive income				
Valuation cash flow hedges	–2,675.3	–790.4	–433.7	2,837.5
Other comprehensive income of associated companies	–283.2	367.8	0.1	0.0
Income tax related to other comprehensive income	195.9	111.0	–8.7	–456.7
Other comprehensive income for the year, net of tax	**–2,762.5**	**–311.6**	**–442.2**	**2,380.8**
Total comprehensive income for the year	**3,366.5**	**–86,335.4**	**9,794.2**	**–33,762.5**
thereof attributable to non-controlling interests	–532.3	–5,425.0	350.5	–1,690.0
thereof attributable to the owners of the parent	**3,898.8**	**–80,910.4**	**9,443.7**	**–32,072.5**

PROPERTY ASSETS



GROSS REVENUES



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ 1,000	30.6.2010	31.12.2009	Changes	
ASSETS				
Investment properties	601,025.0	604,999.0		
Investment properties under development	77,879.5	67,726.0		
Office furnitue, equipment and other assets	131.9	176.8		
Intangible assets	882.8	847.1		
Prepayments made on investment in properties	200.0	200.0		
Investments in associated companies	40,454.3	38,219.8		
Loans to joint ventures	9,028.7	24,983.4		
Loans to associated companies	13,945.1	11,867.8		
Other loans	0.0	40.0		
Deferred tax assets	5,736.9	5,742.0		
thereod from the tax group parent	5,715.6	11,254.8		
Long-term assets	**749,284.2**	**754,801.9**	**–5,517.7**	**–0.7 %**
Long-term assets as a % of statement of financial position total	85.6 %	85.5 %		
Properties intended for trading	1,250.0	1,250.0		
Receivables from affiliated companies and joint ventures	98.8	31.7		
Receivables and other assets	11,238.9	10,755.6		
Cash and cash equivalents	113,373.9	115,917.7		
Short-term assets	**125,961.6**	**127,955.0**	**–1,993.4**	**–1.6 %**
Total assets	**875,245.8**	**882,756.9**	**–7,511.1**	**–0.9 %**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ 1,000	Share capital	Capital reserves
As at 1.1.2009	**315,959.9**	**145,356.2**
Total comprehensive income for the period	0.0	0.0
Capital increase in subsidiary	0.0	2.2
As at 30.6.2009	**315,959.9**	**145,358.4**
As at 1.1.2010	**315,959.9**	**145,358.7**
Total comprehensive income for the period	0.0	0.0
Payments from non-controlling interests	0.0	0.0
Purchase and sale of non-controlling interests	0.0	0.2
As at 30.6.2010	**315,959.9**	**145,359.0**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ 1,000	30.6.2010	31.12.2009	Changes	
LIABILITIES AND SHAREHOLDERS' EQUITY				
Share capital	315,959.9	315,959.9		
Capital reserves	145,358.9	145,358.7		
Retained earnings (incl. valuation result from hedging and other reserves)	–51,786.4	–55,685.3		
Non-controlling interests	19,724.1	19,008.7		
Shareholders' equity	**429,256.5**	**424,642.0**	**4,614.5**	**1.1 %**
Shareholders' equity as a % of statement of financial position total	49.0 %	48.1 %		
Financial liabilities	333,911.3	310,659.5		
Trade creditors	124.4	182.1		
Other liabilities	17,952.5	14,494.6		
Deferred tax liabilities	28,334.1	28,207.2		
Long-term liabilities	**380,322.3**	**353,543.4**	**26,778.9**	**7.6 %**
Tax provisions	275.1	189.5		
Provisions	4,264.8	4,369.4		
Payables to affiliated companies and joint ventures	1,176.6	1,350.0		
Financial liabilities	22,243.8	63,278.1		
Trade creditors	11,064.9	14,169.9		
Other liabilities	26,641.8	21,214.6		
Short-term liabilities	**65,667.0**	**104,571.5**	**–38,904.5**	**–37.2 %**
Total liabilities and shareholders' equity	**875,245.8**	**882,756.9**	**–7,511.1**	**–0.9 %**

Retained earnings	Valuation result (hedging)	Reserves from associates	Shares held by the shareholders of the parent company	Non-controlling interests	Shareholders' equity (total)
76,339.1	**–7,147.0**	**–383.1**	**530,125.2**	**28,370.8**	**558,496.0**
–80,824.5	–467.6	381.7	–80,910.4	–5,425.0	–86,335.4
0.0	0.0	0.0	2.2	6,397.8	6,400.0
–4,485.4	**–7,614.6**	**–1.3**	**449,217.0**	**29,343.6**	**478,560.6**
–46,918.7	**–8,778.6**	**12.1**	**405,633.4**	**19,008.7**	**424,642.0**
6,338.0	–2,198.2	–241.0	3,898.8	–532.3	3,366.5
0.0	0.0	0.0	0.0	1,248.0	1,248.0
0.0	0.0	0.0	0.2	–0.2	0.0
–40,580.7	**–10,976.8**	**–228.9**	**409,532.5**	**19,724.1**	**429,256.5**

SEGMENTATION BY REGIONS [1]

€ 1,000	CEE	SEE	CIS	Holding	Total
			1st Half-year 2010		
Rental income	12,747.6	9,905.7	0.0	0.0	22,653.3
Operating costs passed on to tenants	3,992.4	2,386.5	0.0	0.0	6,378.9
Gross revenues	**16,740.1**	**12,292.2**	**0.0**	**0.0**	**29,032.2**
Other expenses directly related to properties (incl. operating expenses)	–5,700.9	–3,822.8	–158.8	–17.7	–9,700.2
Net operating income	**11,039.2**	**8,469.4**	**–158.8**	**–17.7**	**19,332.0**
NOI as a % of the gross revenues	65.9 %	68.9 %	–	–	66.6 %
Indirect expenditures	–1,357.7	–1,333.9	–499.5	–1,325.6	–4,516.7
Other operating income	1,089.4	346.5	0.0	152.7	1,588.5
EBITDA	**10,770.9**	**7,482.0**	**–658.3**	**–1,190.7**	**16,403.8**
EBITDA as a % of the gross revenues	64.3 %	60.9 %	–	–	56.5 %
Depreciation and amortisation	–12.9	–7.0	0.0	–18.8	–38.7
Result from revaluation	1,557.8	–4,582.3	–361.9	0.0	–3,386.4
Operating result (EBIT)	**12,315.8**	**2,892.7**	**–1,020.3**	**–1,209.5**	**12,978.7**
EBIT as a % of the gross revenues	73.6 %	23.5 %	–	–	44.7 %
Financing costs [4]	–5,249.4	–4,577.3	–3,865.0	4,178.2	–9,513.5
Foreign currency gain/loss	–424.7	–540.7	23.7	302.9	–638.8
Result from derivative transactions	–24.9	–251.0	0.0	0.0	–275.9
Result from financial investments [4]	51.9	74.6	1,994.5	69.6	2,190.6
Impairment of financial investments	–422.4	0.0	0.0	0.0	–422.4
Income from associated companies	0.0	0.0	977.3	2,247.4	3,224.7
Net income before taxes (EBT)	**6,246.3**	**–2,401.7**	**–1,889.7**	**5,588.6**	**7,543.5**
Income tax	–148.5	–1,128.7	0.0	–137.3	–1,414.5
Consolidated net income	**6,097.7**	**–3,530.4**	**–1,889.7**	**5,451.3**	**6,129.0**
			30.6.2010		
Segment properties [3]	431,460.0	248,694.5	0.0	0.0	680,154.5
Other segment assets	50,596.7	16,612.6	13,945.0	67,745.8	148,900.1
Investments in associated companies	0.0	0.0	7,391.4	33,062.9	40,454.3
Deferred tax assets	0.3	21.1	0.0	5,715.6	5,737.0
Total assets	**482,056.9**	**265,328.2**	**21,336.4**	**106,524.3**	**875,245.8**
Segment liabilities	246,229.0	149,024.6	13.2	22,113.3	417,380.1
Deferred tax liabilities incl. tax provision	19,054.8	9,321.7	0.0	232.8	28,609.3
Segment debts	**265,283.8**	**158,346.2**	**13.2**	**22,346.1**	**445,989.4**
Capital expenditure [2]	**12,144.8**	**3,964.2**	**361.9**	**0.0**	**16,470.9**
Employees [5]	**64**	**20**	**0**	**18**	**102**

1) CEE: Hungary, Poland, Slovakia and Czech Republic SEE: Romania, Bulgaria, Slovenia, Croatia and Serbia CIS: Russia and Cyprus
Holding: Austria, Netherlands, Luxembourg and Hungary

2) Capital expenditure includes all acquisitions of long-term properties, office furniture, equipment, other assets and intangible assets.

3) Segment properties include investment properties, properties under development and properties intended for trading.

4) Financing costs and result from financial investments are allocated to the segments after consolidating entries. The consolidation of interest expenses / income is shown in the column "Holding".

5) Situation as at 30 June 2010 (31 December 2009), employees in companies consolidated on a proportional basis are included at 100 %.

1st Half-year 2009				
CEE	SEE	CIS	Holding	Total
11,817.1	8,054.5	0.0	0.0	19,871.6
3,724.5	1,868.1	0.0	0.0	5,592.6
15,541.6	**9,922.6**	**0.0**	**0.0**	**25,464.2**
–5,200.2	–2,844.4	–14.2	–7.6	–8,066.3
10,341.4	**7,078.3**	**–14.2**	**–7.6**	**17,397.9**
66.5 %	71.3 %	–	–	68.3 %
–1,827.5	–1,349.0	–431.0	–1,350.3	–4,957.8
637.3	157.2	16.7	268.5	1,079.7
9,151.2	**5,886.4**	**–428.3**	**–1,089.3**	**13,519.9**
58.9 %	59.3 %	–	–	53.1 %
–10.7	–9.6	0.0	–15.7	–36.0
–64,144.6	–41,762.5	2,961.6	0.0	–102,945.4
–55,004.0	**–35,885.6**	**2,533.3**	**–1,105.1**	**–89,461.5**
–	–	–	–	–
–4,660.6	–4,416.1	–5,239.2	5,903.5	–8,412.4
380.3	–207.6	–48.5	99.9	224.1
–1,784.5	0.0	0.0	0.0	–1,784.5
278.9	273.9	2,488.0	161.9	3,202.7
–596.8	0.0	0.0	–45.5	–642.3
0.0	0.0	–7,617.0	1,451.4	–6,165.6
–61,386.7	**–40,235.4**	**–7,883.4**	**6,466.0**	**–103,039.5**
8,983.8	4,280.9	580.7	3,170.3	17,015.7
–52,402.9	**–35,954.5**	**–7,302.8**	**9,636.3**	**–86,023.8**
31.12.2009				
417,892.0	251,044.0	5,039.0	0.0	673,975.0
48,867.2	16,329.1	12,420.0	87,203.8	164,820.2
0.0	0.0	6,414.3	31,805.6	38,219.8
0.0	26.3	0.0	5,715.8	5,742.0
466,759.2	**267,399.4**	**23,873.2**	**124,725.2**	**882,756.9**
235,945.6	149,934.5	27,018.9	16,819.3	429,718.2
19,235.2	9,085.0	0.0	76.5	28,396.7
255,180.8	**159,019.5**	**27,018.9**	**16,895.7**	**458,114.9**
70,604.1	**16,698.8**	**3,577.4**	**25.0**	**90,905.3**
58	**14**	**0**	**18**	**90**

SEGMENTATION BY SECTORS

€ 1,000	1st Half-year 2010			
	Income producing	Trading	Development	Total
Rental income	22,653.3	0.0	0.0	22,653.3
Operating costs passed on to tenants	6,378.9	0.0	0.0	6,378.9
Gross revenues	**29,032.2**	**0.0**	**0.0**	**29,032.2**
Other expenses directly related to properties (incl. operating expenses)	–9,356.1	0.0	–344.1	–9,700.2
Net operating income	**19,676.0**	**0.0**	**–344.0**	**19,332.0**
NOI as a % of the gross revenues	67.8 %	–	–	66.6 %
Indirect expenditures	–3,037.6	0.0	–1,479.1	–4,516.7
Other operating income	1,557.9	0.0	30.7	1,588.5
EBITDA	**18,196.3**	**0.0**	**–1,792.5**	**16,403.8**
EBITDA as a % of the gross revenues	62.7 %	–	–	56.5 %
Depreciation and amortisation	–31.5	0.0	–7.2	–38.7
Result from revaluation	–4,187.1	0.0	800.7	–3,386.4
Operating result (EBIT)	**13,977.8**	**0.0**	**–999.0**	**12,978.8**
EBIT as a % of the gross revenues	48.1 %	–	–	44.7 %
Financing costs 3)	–8,123.5	0.0	–1,390.0	–9,513.5
Foreign currency gain/loss	–952.7	0.0	314.0	–638.8
Result from derivative transactions	–275.9	0.0	0.0	–275.9
Result from financial investments 3)	1,339.5	0.0	851.1	2,190.6
Impairment of financial investments	–3.2	0.0	–419.1	–422.4
Income from associated companies	0.0	0.0	3,224.7	3,224.7
Net income before taxes (EBT)	**5,961.9**	**0.0**	**1,581.6**	**7,543.5**
Income tax	–1,004.6	0.0	–409.9	–1,414.5
Consolidated net income	**4,957.3**	**0.0**	**1,171.8**	**6,129.0**
	30.6.2010			
Segment properties 1)	601,025.0	1,250.0	77,879.5	680,154.5
Other segment assets	103,086.8	0.0	45,813.3	148,900.1
Investments in associated companies	0.0	0.0	40,454.3	40,454.3
Deferred tax assets	5,737.0	0.0	0.0	5,737.0
Total assets	**709,848.8**	**1,250.0**	**164,147.1**	**875,245.8**
Segment liabilities	333,080.9	0.0	84,299.2	417,380.1
Deferred tax liabilities incl. tax provision	27,418.2	0.0	1,191.1	28,609.3
Segment debts	**360,499.1**	**0.0**	**85,490.3**	**445,989.4**
Capital expenditure 2)	**2,079.1**	**0.0**	**14,391.8**	**16,470.9**

1) Segment properties include investment properties, properties under development and properties intended for trading.
2) Capital expenditure includes all acquisitions of long-term properties, office furniture, equipment, other assets and intangible assets.
3) Financing costs and result from financial investments are allocated to the segments after consolidating entries in order to make it comparable with consolidated statement of comprehensive income.

1st Half-year 2009			
Income producing	**Trading**	**Development**	**Total**
19,871.6	0.0	0.0	19,871.6
5,592.6	0.0	0.0	5,592.6
25,464.2	**0.0**	**0.0**	**25,464.2**
–8,024.3	0.0	–42.0	–8,066.3
17,439.9	**0.0**	**–42.0**	**17,397.9**
68.5 %	–	–	68.3 %
–3,200.5	0.0	–1,757.3	–4,957.8
1,013.3	0.0	66.4	1,079.7
15,252.7	**0.0**	**–1,732.9**	**13,519.8**
59.9 %	–	–	53.1 %
–28.8	0.0	–7.2	–36.0
–95,739.8	0.0	–7,205.6	–102,945.4
–80,515.9	**0.0**	**–8,945.7**	**–89,461.6**
–	–	–	–
–5,169.9	0.0	–3,242.5	–8,412.4
–563.0	0.0	787.1	224.1
–1,784.5	0.0	0.0	–1,784.5
2,467.0	0.0	735.8	3,202.8
0.0	0.0	–642.3	–642.3
0.0	0.0	–6,165.6	–6,165.6
–85,566.4	**0.0**	**–17,473.2**	**–103,039.5**
15,855.2	0.0	1,160.6	17,015.7
–69,711.2	**0.0**	**–16,312.6**	**–86,023.8**

31.12.2009			
604,999.0	1,250.0	67,726.0	673,975.0
120,785.2	0.0	44,034.9	164,820.1
0.0	0.0	38,219.8	38,219.8
5,742.0	0.0	0.0	5,742.0
731,526.1	**1,250.0**	**149,980.8**	**882,756.9**
332,127.7	0.0	97,590.6	429,718.2
27,493.9	0.0	902.8	28,396.7
359,621.6	**0.0**	**98,493.4**	**458,114.9**
7,468.1	**24.1**	**83,413.1**	**90,905.3**

CONDENSED STATEMENT OF CASH FLOWS

€ 1,000	1st Half-year 2010	1st Half-year 2009
Operating cash flow	15,443.6	12,748.2
Cash flow from changes in net current assets	−781.7	740.8
Cash flow from operating activities	14,661.9	13,489.0
Cash flow from investment activities	−18,712.3	−41,849.5
Cash flow from financing activities	2,240.5	17,493.3
Net change in cash and cash equivalents	**−1,809.9**	**−10,867.3**
Cash and cash equivalents as at 1.1.	115,917.7	148,802.2
Changes in the value of foreign currency	−733.9	−1,353.9
Net change in cash and cash equivalents	−1,809.9	−10,867.3
Cash and cash equivalents as at 30.6.	**113,373.9**	**136,581.0**

TAXES ON INCOME

The tax expense / income is made up of:

€ 1,000	1st Half-year 2010	1st Half-year 2009
Corporate income tax and trade tax (current tax)	−1,130.2	−629.9
Corporate income tax and trade tax (current tax) previous year	−11.0	−2.9
Tax quote	−15.1 %	0.6 %
Amortisation of adjustment items from intangible assets	−89.8	−10.5
Tax on valuation of interest rate derivatives	0.0	−44.4
Change in deferred tax liabilities (deferred tax)	−183.5	17,703.3
Tax expense / income	**−1,414.5**	**17,015.7**

NOTES

GENERAL NOTES

The condensed half-year financial statements as at 30 June 2010 have been prepared in accordance with IAS 34 (Interim Financial Reporting) and are based on the same accounting policies and measurement methods described in the consolidated financial statements of CA Immo International AG for 2009.

The condensed consolidated interim financial statements of CA Immo International AG, Vienna, for the reporting period from 1 January to 30 June 2010 have been reviewed by KPMG Wirtschaftsprüfungs- und Steuerberatungs GmbH.

The use of automatic data processing equipment may lead to rounding errors in the addition of rounded amounts and percentages.

CHANGES IN ACCOUNTING AND MEASUREMENT METHODS

All IASs, IFRSs, IFRIC Interpretations and SIC Interpretations (existing standards, amendments to those standards and new standards) required to be applied in the European Union as at 30 June 2010 for business years beginning on or after 1 January 2010 have been complied with in the preparation of the condensed consolidated interim financial statements.

The following new and revised Standards and Interpretations are to be applied: IAS 39 (Financial instruments: Recognition and Measurement), IFRS 1 (revised) (First-time Adoption of International Financial Reporting Standards), IFRS 2 (Share-based Payment), IFRS 3 (revised)/ IAS 27 (Business Combinations), IFRIC 12 (Service Concession Arrangements), IFRIC 15 (Agreements for the Construction of Real Estate), IFRIC 16 (Hedges of a Net Investment in a Foreign Operation), IFRIC 17 (Distribution of Non-cash Assets to Owners), IFRIC 18 (Transfers of Assets from Customers) and „Improvements to IFRS“ in particular IAS 38 (Intangible Assets), IFRS 2 (Share based Payment), IFRIC 9 (Embedded Derivatives) and IFRIC 16 (Hedges of a Net Investment in a Foreign Operation). The new and revised Standards and Interpretations have no effect on the condensed half-year financial statements of CA Immo International AG. The revision of IFRS 3/ IAS 27 does not have any effect on the condensed half-year financial statements because transactions with non-controlling interests have already been recognised as equity transactions in the past. For acquisitions in the future the revision of IFRS 3/IAS 27 will have an impact on the consolidated financial statements as indirect acquisition costs are expensed immediately in the income statement. IFRIC 15 does not have any impact on the consolidated financial statements because the clarification confirmed the current accounting practice.

SCOPE OF CONSOLIDATION

In the first half of 2010, the CA Immo International Group (CA Immo International AG and its subsidiaries) established and for the first time consolidated CAII Projektmanagement GmbH, Vienna, CAII Projektbeteiligungs GmbH, Vienna, both as a holding company for the purchase of property in Eastern Europe and PBP IT-SERVICES Sp.z o.o., Warsaw, as a management company for a project in Poland. The capital contribution to the newly established entities amounted to € 60.4K.

Also in the first half of 2010, CA Immo Office Park d.o.o., Belgrade, CA Immo Projekt d.o.o., Zagreb and TC Investments Turda S.R.L, Bucharest were wound up.

In the second quarter of 2010, a bankruptcy petition was filed against OOO Business Center Maslovka (‚Maslov project‘), Moscow. The companies OOO BBM, Moscow, OOO Business Center Maslovka, Moscow, Larico Limited, Nicosia and Triastron Investments Limited, Nicosia were deconsolidated at 30 June 2010. The deconsolidation affects the composition of the consolidated statement of financial position as follows (amounts as at the deconsolidation date):

	€ 1,000
Property assets	–5,039.0
Other assets	–23.2
Cash and cash equivalents	–342.0
Financial liabilities	27,929.1
Provisions	143.0
Other liabilities	614.4
Receivables/liabilities related companies	–16,940.8
Net assets	**6,341.5**

The CA Immo International Group is still endeavouring to continue the Maslov project, as a result of which it has not yet realised a deconsolidation gain but has recognised an appropriate liability.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at 30 June 2010, cash and cash equivalents included bank balances of € 3,472.8K (compared to € 1,923.4K on 31 December 2009), to which the CA Immo International Group has only limited access. These balances serve the purpose of securing current loan repayments (amortisation and interest). They cannot be used otherwise without the consent of the lender.

The total long- and short-term financial liabilities fell from € 373,937.6K as at 31 December 2009 to € 356,155.1K on 30 June 2010. They comprise 97.18 % of EUR liabilities, 0.70 % of USD liabilities and 2.12 % of CZK liabilities. Of the financial liabilities as at 30 June 2010, 0.33 % were fixed-interest, 58.71 % were fixed-interest by way of swaps, and 40.96 % were at floating rates.

Year on year, consolidated revenues for the first half increased by € 3,568.0K to stand at € 29,032.2K. The rise is primarily attributable to the properties in Hungary and Serbia that were completed in the second half of 2009. Compared to last year, operating expenses increased by € 1,765.9K to € –7,959.7K, mainly on account of higher vacancy costs.

The result from the revaluation of property assets was € –3,386.4K, compared to € –102,945.4K in the same period last year. The EBIT consequently improved from € –89,461.6K to € 12,978.7K.

The financial result rose by € 8,142.7K, from € –13,577.9K last year to € –5,435.2K in the reporting period. This was mainly due to the result from associated companies, whereby OAO Avielen AG contributed a profit of € 977.1K (against € –7,617.9K in the first half of 2009) and UBM Realitätenentwicklung AG, which returned a profit of € 2,247.6K (€ 1,452.3K in HY1 2009).

Exchange rate differences in the amount of € –638.8K (HY1 2009: € 224.1K) resulted largely from changes in the measurement of forward exchange transactions and the balance of unrealised (non-cash) gains and losses from the end-of-period valuation of foreign currency loans taken out in US dollars and Czech koruna.

The income from derivative transactions in the amount of € –275.9K (€ –1,784.5K in HY1 2009) contains the measurement of interest rate swaps for which cash flow hedges do not exist, the recognised ineffectiveness of cash flow hedges and the realised gain from derivative transactions. The income from derivative transactions of € –1,784.5K in the first half of 2009 resulted from the repayment of two loan agreements, whereby the underlying interest rate swaps were redeemed and recognised in profit or loss.

The expenses from financial investments contain value adjustments for prepayments on property investments and loans to associated companies of € –422.3K (HY1 2009: € –642.3K).

The taxes on income recognised for the reporting period in the amount of € –1,414.5K chiefly comprise the income tax of the individual subsidiaries calculated from their taxable income and the tax rate applicable in the relevant country (‚current tax‘) in the amount of € –1,141.2K, and the change in deferred taxes recognised in profit or loss in the amount of € 183.5K.

BUSINESS RELATIONSHIPS WITH RELATED COMPANIES AND PARTIES

The following significant receivables and liabilities from and to CA Immobilien Anlagen Aktiengesellschaft and other related companies and parties were outstanding as at the balance sheet date:

€ 1,000	30.6.2010	31.12.2009
Loans to joint ventures		
Poleczki Business Park Sp.z.o.o., Warsaw	6,578.0	6,481.6
Pannonia Shopping Center Kft., Györ	1,320.2	1,180.3
Log Center d.o.o., Belgrade	1,090.3	1,165.0
Starohorska Development s.r.o., Bratislava	40.3	0.0
Triastron Investments Limited, Nicosia	0.0	16,156.5
Total	**9,028.8**	**24,983.4**
Loans to associated companies		
OAO Avielen AG, St. Petersburg	13,945.1	11,867.8
Total	**13,945.1**	**11,867.8**
Receivables from affiliated companies and joint ventures		
Poleczki Business Park Sp.z.o.o., Warsaw	64.3	0.3
CA Immobilien Anlagen Aktiengesellschaft, Vienna	30.9	30.9
Pannonia Shopping Center Kft., Györ	3.6	0.5
Total	**98.8**	**31.7**
Payables to affiliated companies and joint ventures		
CA Betriebsobjekte Polska Sp.z.o.oo, Warsaw	631.6	626.3
CA Immobilien Anlagen Aktiengesellschaft, Vienna	536.9	696.9
Mahler Property Sp.z.o.o., Warsaw	4.3	4.3
Poleczki Business Park Sp.z.o.o., Warsaw	3.8	22.5
Total	**1,176.6**	**1,350.0**

Outstanding loans to joint ventures as at the balance sheet date serve to finance the property and project development companies. The interest rates are market rates. No guarantees or other forms of security exist in connection with these loans. The cumulative value adjustment for loans to joint ventures is € 16,940.8K and relates to loans to Triastron Investments Limited of Nicosia (Maslov project). In the reporting period, an amount of € 16,940.8K (HY1 2009: € 0.0K) was recognised as an expense. The cost of value adjustment was taken into account in determining the deconsolidation gain.

Outstanding loans to associated companies as at the balance sheet date serve to finance the project development companies. All the loans have interest rates in line with those prevailing in the market. No guarantees or other forms of security exist in connection with these loans. The cumulative value adjustment for loans to associated companies is € 5,098.8K. In the reporting period, an amount of € 170.1K (HY1 2009: € 411.0K) was recognised as an expense.

The liability to CA Betriebsobjekte Polska Sp.z.o.o, Warsaw, originates from the granting by same of a short-term loan. The interest rates are market rates. No security was provided. The other receivables and liabilities from and to joint ventures originate primarily from the offsetting of management services. The offsetting is performed in compliance with the arm's length principle.

The Bank Austria/UniCredit Group is the principal bank of the CA Immo International Group, and the largest single shareholder of the parent company CA Immobilien Anlagen AG with a participation of around 10 %. The CA Immo International Group carries out a large proportion of its payment transactions, finances its property assets and invests cash and cash equivalents through and with the Bank Austria/UniCredit Group. The table below illustrates the relationships that exist with the Bank Austria/UniCredit Group:

Consolidated statement of financial position:

€ 1,000	30.6.2010	31.12.2009
Share of financial liabilities recognised in consolidated statement of financial position	47.8 %	44.9 %
Outstanding receivables / liabilities	–89,272.4	–89,499.7
Market value of interest rate swaps	–9,934.3	–8,249.3

Consolidated income statement:

€ 1,000	1st Half-year 2010	1st Half-year 2009
Net interest expenses of CA Immo International (incl. interest income, swap expenses and income and loan processing charges)		
- CA Immo International	148.1	771.4
- other CA Immo International Group companies	–4,699.5	–2,892.2

Bank loans obtained to finance the Group's activities are secured by company shares, mortgage charges and similar guarantees. The terms and conditions governing the business relationship with the Bank Austria/UniCredit Group are in line with those prevailing in the market.

OTHER LIABILITIES AND CONTINGENT LIABILITIES

For the purposes of recognising tax provisions, estimates have to be made. There is some uncertainty as regards the interpretation of complex tax regulations and the amount and timing of taxable income. Tax audits are currently being conducted in Austria. The CA Immo International Group recognises appropriate provisions for known and probable charges resulting from ongoing tax audits by the relevant national tax authorities.

As at 30 June 2010, contingent liabilities in respect of a proportionately consolidated company in Slovakia amounted to € 1,905.0K (31 December 2009: € 1,905.0K).

In the previous year, an out-of-court claim for compensation of around € 22,000.0K was made against the CA Immo International Group. In the reporting period, an out-of-court settlement was arranged by concluding a heads of agreement. The CA Immo International Group intends to take a stake in the project. As at the reporting date, conditions precedent relating to the acquisition of the stake had not been fulfilled.

SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM REPORTING PERIOD

CA Immobilien Anlagen Aktiengesellschaft has published a voluntary public takeover bid to purchase the shares held by the free float shareholders of CA Immo International AG, Vienna. The period for accepting the current voluntary public takeover bid issued by CA Immobilien Anlagen Aktiengesellschaft to the free float shareholders of CA Immo International AG ended on 16 August 2010. Including the shares already held as at 30 June 2010, the CA Immo Group holds 42,217,340 CA Immo International shares as at 16 August 2010, equivalent to around 97.14 % of CA Immo International AG's total share capital.

Vienna, 19 August 2010

The Management Board

Bruno Ettenauer (Chairman) | Wolfhard Fromwald | Bernhard H. Hansen

DECLARATION OF THE MANAGING BOARD DUE TO SECTION 87 (1) OF THE AUSTRIAN STOCK EXCHANGE ACT

The managing board confirms to the best of their knowledge that the condensed consolidated interim financial statements of CA Immo International AG, which were prepared in accordance with International Financial Reporting Standards (IFRS) for interim financial reporting (IAS 34) as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the group and that the group management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated interim financial statements of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed.

Vienna, 19 August 2010

The Management Board

Bruno Ettenauer (Chairman)	Wolfhard Fromwald	Bernhard H. Hansen

REPORT ON THE REVIEW OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of CA Immo International AG, Vienna, for the period from 1 January to 30 June 2010. These condensed interim consolidated financial statements comprise the consolidated statement of financial position as of 30 June 2010, the consolidated statement of comprehensive income, the condensed consolidated statement of cash flows and the statement of changes in equity for the period from 1 January to 30 June 2010 and selected explanatory notes.

The Company's management is responsible for the preparation of the condensed interim consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) for Interim Financial Reporting as adopted by the EU.

Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with Austrian legal requirements and Austrian Standards for Chartered Accountants, in particular in compliance with KFS/PG 11 "Principles of Engagements to Review Financial Statements" and with the International Standard on Review Engagements (ISRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements is limited to making inquiries, primarily of Company personnel, responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Austrian or International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing came to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with International Financial Reporting Standards (IFRSs) for interim financial reporting, as adopted by the EU.

Statement on the consolidated interim management report for the 6 month period ended 30 June 2010 and on management's statement in accordance with § 87 Austrian Stock Exchange Act (BörseG)

We have read the consolidated interim management report and evaluated whether it does not contain any apparent inconsistencies with the condensed interim consolidated financial statements. Based on our evaluation, the consolidated interim management report does not contain any apparent inconsistencies with the condensed interim consolidated financial statements.

The interim financial information contains the statement by management in accordance with § 87 par. 1 subpar. 3 Austrian Stock Exchange Act.

Vienna, 19 August 2010

KPMG
Wirtschaftsprüfungs- und Steuerberatungs GmbH

Mag. Walter Reiffenstuhl Austrian Chartered Accountant	ppa Mag. Nikolaus Urschler Austrian Chartered Accountant

This report is a translation of the original report in German, which is solely valid.

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GENERAL INFORMATION ON
CA IMMO INTERNATIONAL SHARE

Listed on Vienna Stock Exchange
ISIN: ATCAIMMOINT5
Reuters: CAII.VI
Bloomberg: CAII:AV

Shareholders' equity: 315,959,906.95 €
Number of shares (30 June 2010): 43,460,785 pcs

DISCLAIMER

This Interim Report contains statements and forecasts which refer to the future development of CA Immo International AG and their companies. The forecasts represent assessments and targets which the Company has formulated on the basis of any and all information available to the Company at present. Should the assumptions on which the forecasts have been based fail to occur, the targets not be met or the risks set out in the risk management report materialise, then the actual results may deviate from the results currently anticipated. This Interim Report does not constitute an invitation to buy or sell the shares of CA Immo International AG.

We ask for your understanding that gender-conscious notation in the texts of this Interim Report largely had to be abandoned for the sake of undisturbed readability of complex economic matters. This Interim Report is printed on environmentally friendly and chlorine-free bleached paper.

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