Interim Financial Report

1st quarter 2010

IVG
1Q/2010

Group key figures

in € m	1Q/2010	1Q/2009	Change in %
Key operational figures (in € m)			
Revenues	148.9	123.2	+20.9
thereof net rents	*68.0*	*83.2*	*-18.3*
thereof fees for fund and property management, development and sales	*19.9*	*21.8*	*-8.7*
EBIT	**71.9**	**16.9**	-
EBT	**12.4**	**-55.1**	-
Consolidated net profit	**10.2**	**-44.8**	-
thereof unrealised changes in value	*13.2*	*-69.5*	-
Funds from Operations I (FFO I)	6.1	16.4	-62.8
Funds from Operations II (FFO II)	3.3	14.4	-77.1
Key operational figures per share (in €)			
FFO I	0.05	0.14	-64.3
FFO II	0.03	0.12	-75.0
Basic earnings	0.01	-0.46	-
EPRA EPS	-0.01	-0.20	-95.0
Diluted earnings	0.03	-0.40	-
EPRA Diluted earnings	0.01	-0.17	-

in € m	31.03. 2010	31.12. 2009	Change in %
Key balance sheet figures			
Total assets	7,245.0	7,393.4	-2.0
Equity (carrying amounts)	1,252.2	1,265.1	-1.0
Equity ratio at carrying amounts in %	17.3	17.1	1.2
Net asset value (NAV)	850.5	863.8	-1.5
NAV adj. (incl. value potential of caverns)	1,210.8	1,253.4	-3.4
Equity ratio at NAV adj. in %	16.7	17.0	-1.8
EPRA NAV	815.8	806.4	1.2
EPRA NNNAV	968.1	1,011.3	-4.3
Key figures per share			
NAV	6.75	6.86	-1.6
NAV adj.	9.61	9.95	-3.4
EPRA NAV	6.47	6.40	1.1
EPRA NNNAV	7.68	8.03	-4.4
Employees (FTE)	599	622	-3.7

FOREWORD

Dear Shareholders,

Ladies and Gentlemen,

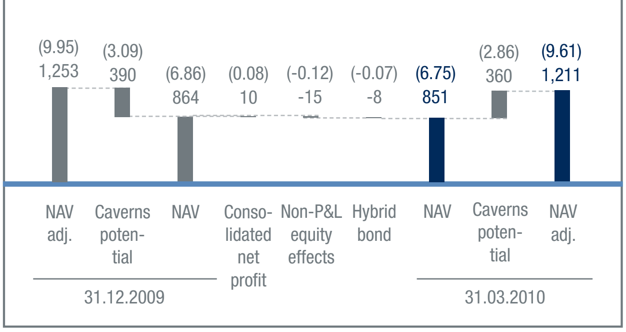
In the first quarter of 2010, the situation of the economy as a whole and on the property investment markets brightened further. However, with the deepening debt crisis in Greece fresh uncertainty has recently arisen, particularly for the Euro zone – its effects cannot yet be assessed reliably at present.

Following the completion of the restructuring phase carried out in 2009, IVG started the 2010 financial year successfully with a new business model. Our two divisions, IVG Investment and IVG Funds, now form an integrated investment platform using the internal service provider IVG Asset Management. Part of the strategy involves increasingly entering into co-investments together with institutional partners. An example for the successful implementation is the IVG Premium Green Fund, which we placed in full on 1 May 2010. Together with four institutional co-investors, IVG participates in the market potential for sustainable office buildings and also, as a fund manager, in remuneration for fund management.

In order to be able to concentrate on the particularly value-adding services of asset management, we have contracted out the property management to two strategic partners as of 1 January 2010. Our initial experiences here are very promising.

The property rental markets follow the general economic trend with a time lag, meaning that in the first quarter they were still significantly influenced by the financial and economic crisis. Nonetheless, we were able to let a total of 143,680 m² from January to March 2010. 66,950 m² of this related to our own property portfolio (Real Estate) – for instance, 17,580 m² was let to Universal Music in Berlin in a long-term rental contract. 1,160 m² was pre-let in our development projects (Development). 75,570 m² was let in the properties managed by the IVG Funds division. As at 31 March 2010, the occupancy rate of our own property portfolio is thus 90.2% and pre-letting for development projects is at 66.6%. Despite the difficult markets, we intend to increase this figure through a tenant retention and quality campaign this year.

NAV-Development in € m/(€ per share)



We have already proven IVG's quality for our work in private funds in February 2010, when IVG was awarded first place by the leading fund rating and research company Feri as the best initiator of international property funds. One of the funds which won this award was the EuroSelect 20 with a long term let property in Brussels. After its establishment in November 2009, we already placed the fund in full in the first quarter of 2010.

Consolidated net profit in the first quarter of 2010 amounted to € 10.2 million – a positive result again for the first time after having largely dealt with the effects of the financial and economic crisis for the last six quarters. Unrealised negative changes in market value amounting to € 26.2 million for Investment Property in the Real Estate segment had much less of a negative impact on earnings than in the previous quarters. These unrealised negative changes in market value were more than offset by unrealised positive changes in market value of € 34.4 million for Caverns. The financial result amounted to € -59.4 million. The net asset value including the future value potential in our cavern business was € 9.61 per share as of 31 March 2010. The present interim report provides detailed information on the figures.

We have already achieved some important milestones in 2009. Nonetheless, there is no doubt that there is still much to be done in 2010. However, the turnaround for IVG has become visible, so we believe that IVG is on a good path. A new major shareholder with a high level of experience in real estate came onboard in March this year, which we view as confirmation that our chosen direction is the right one. Our focuses for the current year are further improvement of operating performance, continued improvement of the cost structures and further reduction of the risk position in development business.

We would like to thank you for the trust you have placed in IVG and look forward to cooperating with you as shareholders, private fund subscribers and institutional co-investors in again increasingly taking account of the opportunities on the European property markets.

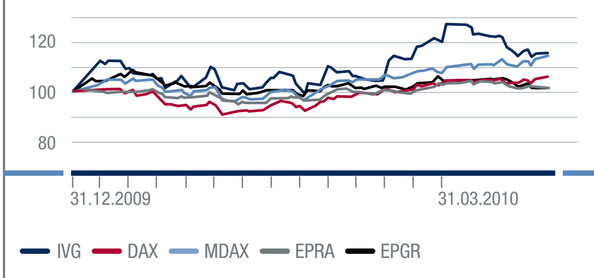
Bonn, May 2010

The Management Board

SHARE

Investor Relations (IVG share)

IVG index comparison indexed: 01.01.2010



The IVG share developed positively throughout 1Q/2010. At € 6.47, the share price on 31 March 2010 was 21% higher than at the start of the year, thereby considerably outperforming the relevant indices. For instance, over the same period the MDAX increased by only 8% and the FTSE EPRA/NAREIT Developed Europe Index by 3%. The IVG share gained further ground after the end of the first quarter, reaching a high for the year to date of € 6.83 on 1 April 2010.

IVG is currently being covered by 25 analysts, 17 of whom published reports on the Company in 1Q/2010. Of these, seven analysts recommend buying the share, three recommend holding it and seven recommend selling it. The average target price was € 6.35.

With the acquisition of 18.4% of the IVG shares from Solidas 3 S.A., the former shareholders of the bank Sal. Oppenheim, MANN Immobilien-Verwaltung AG became a new major shareholder of IVG in March 2010. The current shareholder structure and additional information on the IVG share can be found in the "Investor Relations" section of the Company's website at http://www.ivg.de.

IVG share – key data

WKN/ISIN	620570/DE0006205701
Code IVG	IVG
Market segment	Regulated market/Prime Standard
Index membership (selection)	MDAX, MSCI Europe, MSCI Germany, GPR 15
Designated sponsors	Commerzbank AG, DZ Bank
Market capitalisation (31.03.2010)	€ 815 million
Free float market capitalisation *	€ 529 million (64,86 %)
Number of shares (31.03.2010)	126 million
Share price (31.03.2010)	6.47 Euro
First listed	1 October 1986
Last capital increase	2009

* Free float definition Deutsche Börse

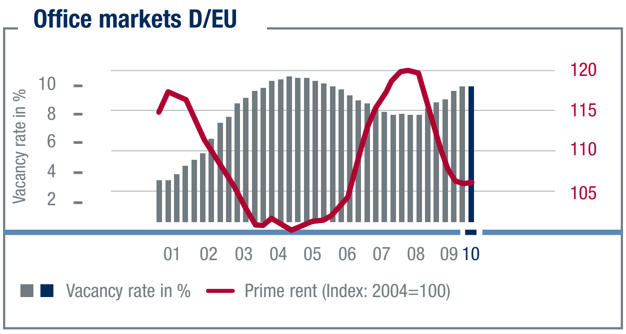
INTERIM MANAGEMENT REPORT

1st quarter 2010

Macroeconomic trends and real estate markets

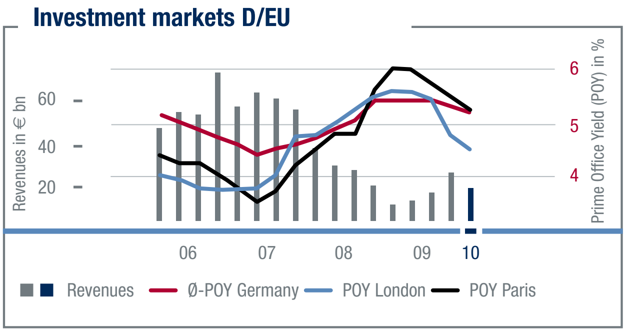
Despite the debate regarding possible national insolvency in southern European countries, the mood among European companies and consumers has improved up to now. Most economic forecasts indicate growth of roughly 1% in the Euro zone and 1.5% in Germany this year. The price development has recently normalised again following deflationary trends in 2009. In March, the inflation rate was at 1.4%.

Combined take-up on European and German office property markets picked up again in the first quarter of the year as compared to the same period in 2009, ranging around the average level of the last ten years in view of the economic stabilisation. Relatively high leasing activities were seen in London, Brussels, Berlin, Dusseldorf and Warsaw.



Source: IVG Research based on Cushman & Wakefield

The average vacancy rate for the markets observed remained largely stable in the first quarter, as only a small number of new spaces were completed. In Europe, roughly 9.9% of the available office space is vacant; in Germany, this figure is around 10.1%. A comparatively large increase in vacancy rates was observed in Budapest and Amsterdam. Central London was once again the European location with the greatest decrease in vacancy rates and was the first European market to experience a significant rise in prime office rents. Rents in Spain decreased. Other than this, prime rents in Europe and Germany have recently remained largely stable.



Source: IVG Research based on CB Richard Ellis et al.

€ 19.1 billion was invested in the European investment market in 1Q/2010, a quarter less than in the previous closing quarter which is traditionally high in revenue. Whilst investments in Germany increased substantially, they declined in the UK and France. The process of prime yield compression has spread geographically, with Europe's initial yields for top office properties falling by an average of 15 basis points.

Profitability, financial position and net assets

Key operational figures

Revenues rose by € 25.7 million year-on-year in 1Q/2010, from € 123.2 million to € 148.9 million. Here, the settlement of a development project in the Development segment significantly overcompensated for the loss of net rents due to sales in the Real Estate segment.

Changes in inventories decreased from € 109.7 million in 1Q/2009 to € 54.1 million in 1Q/2010. This change is due to construction progress in the Development segment, adjusted for the carrying amount of a settled project.

Unrealised non-cash changes in the market value of investment property improved by € 41.9 million year-on-year in 1Q/2010, from € -33.7 million to € 8.2 million. This development is attributable to the Real Estate segment in the amount of € +7.5 million (from € -33.7 million to € -26.2 million) and to the Caverns segment in the amount of € +34.4 million (from € 0.0 million to € +34.4 million).

Realised changes in the market value of investment property remained largely unchanged at € +0.6 million. The transaction frequency in the first quarter of the year is typically low.

Other operating income declined by only € 0.4 million to € 9.0 million. The book gain from the deconsolidation of the EuroSelect 20 North Gate fund in the amount of € 7.2 million is reported under this item.

Material expenses declined by € 33.5 million year-on-year, from € 121.2 million to € 87.7 million. This change was caused by valuation effects in the Development and Real Estate segments. Before unrealised changes in value, material expenses decreased by € 13.4 million to € 94.2 million, particularly due to the investments made in the prior-year period in the Maciachini property, which was sold in 4Q/2009 (Real Estate segment).

Other operating expenses declined by € 2.9 million, from € 27.0 million to € 24.1 million, as a result of the cost reduction programme.

EBIT before changes in value fell by € 10.7 million to € 57.1 million in 1Q/2010, after € 67.8 million in 1Q/2009. EBIT after changes in value increased by € 55.0 million, from € 16.9 million to € 71.9 million.

The financial result improved by € 12.6 million, from €-72.0 million to € -59.4 million. This change is primarily due to the change in non-cash foreign currency earnings (€ +5.7 million, 1Q/2009: €-10.2 million). Net interest income was reduced further to € 48.5 million. Before unrealised changes in value, the financial result declined by € -4.5 million, from €-53.4 million to €-57.9 million, particularly due to one-off negative effects from the reversal of the EuroSelect 18 fund.

The income tax item decreased by € 12.6 million, from € +10.3 million in the prior-year period to € -2.3 million, due to the significant improvement in pre-tax earnings. The Group tax rate was almost unchanged at 18.5%.

All in all, consolidated net profit rose by € 55.0 million from € -44.8 million to € 10.2 million in 1Q/2010. After six quarters with consolidated net losses, there is a consolidated net profit again.

IVG Investment – Real Estate

in € m	1Q/2010	1Q/2009	Change in %
Total revenues	75.7	93.2	-18.8
thereof net rents	*65.0*	*82.6*	*-21.3*
Changes in inventories	0.1	9.4	-99.4
Unrealised changes in market value of investment property	-26.2	-33.7	-22.4
Realised changes in market value of investment property	0.6	1.3	-50.6
Other operating income	2.2	3.8	-43.1
Material expenses	1.1	-9.7	-
Expenses from investment property	-19.6	-19.8	-1.1
EBIT	**22.1**	**25.5**	**-13.4**
thereof unrealised changes in value	*-24.3*	*-37.3*	*-35.0*
EBIT before changes in value	**46.3**	**62.8**	**-26.2**

In the Real Estate segment, revenues declined by € 17.5 million, from € 93.2 million in 1Q/2009 to € 75.7 million in the first three months of the current year. This development is mainly due to the loss of net rents from sold investment property. There was a particular impact here from the sales to the IVG Protect Fund in 2Q/2009, as well as the sale of the Maciachini property (Milan) in 4Q/2009 and the deconsolidation of Euro-Select 20 North Gate in early January 2010. On a like-for-like basis, net rents declined by 3.3% over the past twelve months, whereas the figure adjusted for lease prolongations already concluded declined by 3.0%.

At € -26.2 million, unrealised changes in market value of investment property were less negative than in the same period of the previous year (€ -33.7 million). Accordingly, the investment property portfolio saw a negative change in value of only approximately 0.6% in the first three months of 2010.

Overall, EBIT before changes in value of the Real Estate segment declined by € 16.5 million, from € 62.8 million to € 46.3 million. The lower level of negative unrealised changes in market value meant that EBIT after changes in value decreased by only € 3.4 million to € 22.1 million.

IVG Investment – Development

in € m	1Q/2010	1Q/2009	Change in %
Total revenues	51.9	4.4	-
thereof net rents	*3.5*	*1.0*	-
thereof project sales	*45.9*	*0.2*	-
Changes in inventories	53.8	98.9	-45.6
Material expenses	-88.6	-109.1	-18.8
EBIT	**8.4**	**-10.5**	**-**
thereof unrealised changes in value	*4.6*	*-13.6*	-
EBIT before changes in value	**3.8**	**3.1**	**+23.4**

Projects being wound up are recognised in the Development segment. The increase in revenues of € 47.5 million, from € 4.4 million in 1Q/2009 to € 51.9 million in 1Q/2010, is attributable to the settlement of a project development in Glasgow in 1Q/2010 and to the increase in recently received net rents, particularly from a project development in Warsaw which has now already been sold.

Changes in inventories decreased from € 98.9 million in 1Q/2009 to € 53.8 million in 1Q/2010. They include investments capitalised in line with construction progress and reported in material expenses as well as the outgoing carrying amount at the project realisation mentioned above.

Material expenses fell by € 20.5 million year-on-year to € 88.6 million, due to changes in value in the project developments. In 1Q/2010, reversals of write-downs totalling € 4.6 million were carried out for individual projects for which the key economic data developed better than expected. In contrast, negative changes in value of € 13.6 million had been necessary in the same period of the previous year. Material expenses before changes in value remained fairly constant at € 93.2 million, in line with construction activity.

EBIT before changes in value rose slightly to € 3.8 million. Taking into account unrealised changes in value of € +4.6 million (1Q/2009: € -13.6 million), there was EBIT of € 8.4 million for the first three months of 2010, an increase of € 18.9 million as compared to 1Q/2009.

IVG Investment – Caverns

in € m	1Q/2010	1Q/2009	Change in %
Total revenues	4.8	3.8	+26.1
thereof management fees	*2.8*	*0.0*	-
thereof other revenues	*1.3*	*3.8*	*-66.2*
Unrealised changes in market value of investment property	34.4	0.0	-
EBIT	**35.1**	**-0.3**	**-**
thereof unrealised changes in value	*34.4*	*0.0*	-
EBIT before changes in value	**0.7**	**-0.3**	**-**

With the sale of the portfolio caverns to the IVG Cavern Fund at the end of 2008, the composition of revenues in the Caverns segment has changed. Whilst previously revenues were largely made up of net rents, now they are dominated by revenue from fees. On a year-on-year basis, revenues increased by € 1.0 million from € 3.8 million to € 4.8 million.

Since the beginning of 2009, caverns under construction are recognised at fair value in accordance with IAS 40 (2008), provided their fair value can be reliably determined. In the first three months of 2010, three caverns reached the threshold specified for this. This resulted in unrealised changes in market value of € 34.4 million (1Q/2009: € 0.0 million).

EBIT before changes in value rose from € -0.3 million in 1Q/2009 to € +0.7 million due to the positive development of revenues. Taking into account unrealised changes in value, EBIT increased by € 35.4 million, from € -0.3 million to € 35.1 million.

IVG Funds – Institutional Funds

in € m	1Q/2010	1Q/2009	Change in %
Total revenues	15.4	16.7	-8.0
thereof management fees	*14.5*	*15.3*	*-5.4*
thereof transaction fees	*0.7*	*1.0*	*-30.9*
Other operating expenses	-6.1	-7.2	-15.0
EBIT	**6.9**	**6.5**	**+6.1**
thereof unrealised changes in value	*0.0*	*0.0*	-
EBIT before changes in value	**6.9**	**6.5**	**+6.1**

Revenues in the Institutional Funds segment declined slightly by € 1.3 million year-on-year to € 15.4 million. This decrease is due partly to lower transaction volumes, but in particular to a change in the accounting method in connection with the outsourcing of the property management as at 1 January 2010. Following this change, fees for property management are now invoiced directly to the fund rather than to the fund management company, whilst the fees of the fund management company charged to the fund were reduced to the same extent.

For the same reason, other operating expenses declined by € 1.1 million to € 6.1 million.

All in all, EBIT rose by € 0.4 million from € 6.5 million in 1/Q2009 to € 6.9 million in 1Q/2010.

IVG Funds – Private Funds

in € m	1Q/2010	1Q/2009	Change in %
Total revenues	1.2	5.5	-78.5
thereof structuring fees	*0.2*	*4.2*	*-94.9*
thereof management fees	*0.9*	*1.3*	*-32.1*
Other operating income	6.2	0.1	-
EBIT	**4.7**	**1.5**	**-**
thereof unrealised changes in value	*0.0*	*0.0*	-
EBIT before changes in value	**4.7**	**1.5**	**-**

Revenues in the Private Funds division declined by € 4.3 million from € 5.5 million to € 1.2 million. In the same period of the previous year, this included the fees from the placement of the EuroSelect 16 The Square fund.

The decrease in revenues is countered by the considerable rise of € 6.1 million in other operating expenses, from € 0.1 million in 1Q/2009 to € 6.2 million in 1Q/2010. The book gain from the successful placement of the EuroSelect 20 North Gate fund (€ 6.0 million) was reported here. This book gain was generated primarily by intra-group fees charged by IVG Private Funds GmbH to the fund in previous quarters which were eliminated.

EBIT rose by € 3.2 million from € 1.5 million in 1Q/2009 to € 4.7 million.

Financial position

Financing

As of 31 March 2010, liabilities due to banks (excluding the convertible bond, netting and deferrals) had the following maturities:

in € m	Total nominal	thereof reduction by project sale	property sales	repay-ment	thereof planned prolonga-tions
2010	736	150	20	187	380
2011	580	165	0	221	194
2012	1,920	8	0	172	1,740
2013	126	0	0	5	121
2014	1,483	52	0	4	1,427
2015 and thereafter	34	0	10	6	18
Total	**4,878**	**375**	**30**	**594**	**3,880**

In 1Q/2010, liabilities to banks decreased by € 80 million. This was due to regular repayments under credit lines (€ -7 million), repayments and disposals in connection with property sales (€ -100 million), and draw-downs under development credit facilities (€ +27 million).

Financing for project development is scheduled to be repaid from the sales proceeds when the relevant projects are completed and sold. The liabilities settled through property sales relate to property loans with a volume of € 30 million maturing between 2010 and 2015. These properties and the corresponding loans are scheduled to be sold and derecognised from the balance sheet of IVG Immobilien AG by mid 2010.

Under the terms of the syndicated loan concluded in 2009, instalments of € 180 million, € 212 million and € 167 million will be due for payment in 2010, 2011 and 2012 respectively prior to the final maturity of 28 December 2012. These repayments are expected to be financed from the proceeds of the sales of caverns to the IVG Cavern Fund, which have already been contractually agreed. The remaining amount (totalling € 35 million) will be repaid by 2021 in the form of annuity and amortising loans.

This means that, in addition to the financing for the Airrail project which expires at the end of the year (€ 280 million drawn down as at 31 March 2010), two further secured loans totalling € 100 million must be extended in 2010. A secured loan of € 144 million and a bilateral credit facility for € 50 million are scheduled for prolongation in 2011. The required prolongations in 2012 totalling around € 1.7 billion are composed of "core" financing for the Allianz portfolio and the final payment under the syndicated loan from 2009. After 2012, a bilateral credit facility (€ 100 million in 2013) and the syndicated loan from 2007 (€ 1,350 million in 2014) will be scheduled for prolongation.

The average interest rate for all financial liabilities (including interest rate hedging transactions) decreased from 4.04% as of 31 December 2009 to 3.97% as of 31 March 2010 as a result of expiring fixed-rate items.

As of 31 March 2010, IVG had unutilised credit facilities in the amount of € 0.41 billion, the majority of which was project-related. The project-related credit commitments are not available for liquidity requirements outside of the specific projects.

As of 31 March 2010, the total liquidity available to IVG (excluding project-related credit facilities, CP lines and assigned or project-related cash reserves) totalled € 0.15 billion.

in € m	31.03.2010
Unused non-project-related credit lines	5
Surplus capacity on current accounts	9
Cash reserves	136
Sight deposits and current securities	2
Derivatives with positive market values	0
Total	**152**

In 1Q/2010, regular covenant tests did not identify any breach of covenants. For the property financing of € 980 million included in the annual financial statements, a negotiation solution has been targeted with the bank with regard to remediating the breach of covenant. The official documentation is expected in the near future.

Liquidity

The consolidated statement of cash flows prepared in accordance with EPRA's "Best Practices Policy Recommendations" is shown below:

in € m	1Q/2010	1Q/2009
Cash flow from current activities	35.9	37.6
Cash flow for short-/midterm investments from operational divisions	-57.1	-68.1
Net interest payments	-41.3	-48.5
Net tax payments	-1.4	-2.7
Cash flow from operating activities	**-63.9**	**-81.7**
Cash flow from/for investing activities	**28.5**	**113.1**
Cash flow from financing activities	**-55.3**	**-23.0**
Change in cash and cash equivalents	**-90.7**	**8.4**
Cash and cash equivalents at closing date	184.0	52.2

Cash flow from operating activities improved considerably year-on-year by € 17.8 million from € -81.7 million to € -63.9 million, and remains influenced by the current scheduled investments in project developments. In contrast, net interest payments decreased by € 7.2 million year-on-year, from € -48.5 million to € -41.3 million, due to the favourable development of interest rates and the reduction in financial liabilities.

Cash flow from investing activities of € 28.5 million primarily reflects the proceeds from the successful placement of EuroSelect 20 North Gate. These are countered by current investments in caverns and other investment property under construction.

Cash flow from financing activities amounts to € -55.3 million and results primarily from repayment of liabilities to banks in regular repayments and from payment of the purchase price of a property acquired in 2009.

The interest coverage ratio for the past twelve months amounted to 1.0. This figure was calculated by adjusting consolidated EBIT before changes in value for depreciation and amortisation comparing it to interest earnings.

Net assets

in € m	31.03.2010	31.12.2009	Change in %
Total assets	7,245.0	7,393.4	-2.0
Non-current assets	5,765.6	5,705.1	+1.1
Current assets	1,479.4	1,688.3	-12.4
Equity	1,252.2	1,265.1	-1.0
Equity ratio in %	17.3	17.1	+1.0
Non-current liabilities	4,595.0	4,694.3	-2.1
Current liabilities	1,397.8	1,434.0	-2.5
Financial liabilities	5,221.1	5,254.5	-0.6
Financial liabilities in %	72.1	71.1	0.0

Non-current assets rose slightly by € 0.1 billion from € 5.7 billion as at 31 December 2009 to € 5.8 billion as at 31 March 2009. In addition to investments (€ 47.4 million) in caverns and other investment property particularly in Germany, this is also due to the slight positive unrealised changes in market value (€ 8.2 million).

Current assets decreased by € 0.2 billion as against 31 December 2009 to € 1.5 billion, due to the successful placement of EuroSelect 20 North Gate. Scheduled investments in inventories due to project developments (€ 0.1 billion) were offset by the project-related decrease in cash (€ 0.1 billion).

All in all, total assets decreased slightly by € 0.2 billion, from € 7.4 billion to € 7.2 billion.

Equity was essentially unchanged as compared to 31 December 2009 at € 1.3 billion. The positive consolidated net profit of € 10.2 million was countered by negative effects recognised directly in equity, particularly from hedge accounting (€ -15.8 million) and currency translation, as well as accrued interest on the hybrid bond (€ -8.0 million).

Liabilities were reduced slightly from € 6.1 billion to € 6.0 billion in the first three months. The reduction of liabilities in connection with the disposal of EuroSelect 20 North Gate contributed in particular to this (€ -0.1 billion). The scheduled repayment of non-current liabilities offset the borrowing of current project financing.

Reflecting the development of equity, net asset value (NAV) declined slightly from € 6.86 per share as of 31 December 2009 to € 6.75 per share as of 31 March 2010. Adjusted for the components of the market value of caverns not recognised on the balance sheet, net asset value (NAV adj.) also fell slightly from € 9.95 per share to € 9.61 per share.

Significant events after balance sheet date

The Clarion portfolio property was sold for approximately GBP 30 million in early May as part of our divestment programme. The office property of roughly 7,300 m² in the heart of Glasgow was acquired by IVG at the end of 2009 as a turnkey product and then largely leased.

With effect from 21 April 2010, IVG sold its self-developed Horizon Plaza Office Complex in Warsaw to Union Investment Real Estate GmbH for approximately € 102 million; to date, this transaction is the largest of its kind on the commercial property market in Poland. The ensemble encompasses roughly 32,700 m² of office space and is one of the most modern buildings in the country, with an excellent status in terms of sustainability and energy efficiency. The occupancy rate of the office and retail spaces is 90%, with tenants such as Nokia Siemens Network, Getin Noble Bank, Pekao Bank Hipoteczny and WestLB Bank Polska.

In London, too, the reduction of the project pipeline was continued successfully. The Melton Street/Euston Road project was sold to a local institutional investor for roughly GBP 34 million after obtaining the building rights. The benefits and burdens were transferred on 30 April 2010.

As of 1 May 2010, IVG launched and placed in full the first specialised real estate fund for sustainable buildings, the IVG Premium Green Fund, in a club deal structure with a total of five investors. The fund is investing a total of approximately € 300 million in four new/good-as-new and sustainable office buildings which are “LEED Silver” certified at a minimum. The properties are being or were developed by IVG at the locations of Berlin, Bonn, Frankfurt/Main and Munich. The legal transfer of the properties in Bonn and Munich with a volume of approximately € 120 million already took place in early May. The properties in Frankfurt/Main and Berlin are to follow in the course of 2010 after they are completed and the tenants have moved in. IVG itself is participating as a co-investor with a share of 20% in this fund, which has total equity of approximately € 165 million.

Risk report

Opportunities and risks for IVG Immobilien AG and in particular the realisation of the project and property sales planned for 2010 are highly dependent on the rental and sales yields (exit yields) achieved and are thus directly linked to the development of the rental and investment markets. Initial signs of a cautious recovery can be seen both on the financial and capital markets and also in national economic leading indicators, but their sustainability cannot yet be gauged with certainty. In particular, the effects of the uncertainty arising from the debt crisis in certain southern European states cannot yet be reliably assessed. The rental markets in particular are affected, as the impact on them follows on from the current financial and economic crisis with a time lag.

The shortages in the credit markets triggered by the financial and economic crisis have not yet eased on a steady basis, meaning that necessary refinancing still requires considerable lengths of time. As a result, financial planning has been cautious. Both the systematic reduction of the product pipeline by disposing of projects and some selected sales of non-strategic properties, which primarily serve to streamline the portfolio, were taken into account. Both of these continue to be of importance to IVG's financial position.

On principle, the financial statements, plans and forecasts of IVG take into consideration all opportunities and risks with a probability of occurrence of more than 50%, i.e. they show the development IVG considers to be probable. As such, any additional risks for IVG have a probability of occurrence of less than 50%. As regards liquidity, these risks result from the extension and new borrowing of individual major loans and from dealing with cost and operational risks in cavern/project development. As regards earnings, the main risks relate to the continued difficulty of foreseeing changes in the market value of investment property, possible rental contract expiries/defaults and income from the placement and management of property funds. In addition, there are potential cost and financing risks from the delayed completion of major projects in the Development segment.

Forecast

The continuing difficulty of assessing the recovery on the financial and capital markets and the uncertainty arising from the debt crisis in certain southern European states mean that it is not yet possible to issue a clear quantitative forecast about results in the coming financial years. However, excluding further valuation effects from the portfolio, there should be a consolidated net profit in the current year.

For the Real Estate segment, a sustained stabilisation/calming of the investment markets in 2010 would be a key element for stabilising the property values. However, the development on the rental markets could still have a negative impact on occupancy rates and thus on asset values.

As a result of the implemented reduction of the project pipeline in the Development segment, there should be – subject to unforeseen effects – a slightly positive contribution to earnings this year.

In the Caverns segment, IVG expects the take-up limit to be reached for up to six caverns in 2010 and thus anticipates the earnings-relevant valuation at fair value.

Stable development of earnings is anticipated in the Institutional Funds segment. The sales volume in the Private Funds segment is expected to exceed € 200 million in the current year.

For further information, please refer to the statements on probable Group development on page 79 of the 2009 annual report.

INTERIM FINANCIAL STATEMENTS
as of 31 March 2010

Consolidated income statment for the first 3 month

in € m	1Q/2010 Before changes in value	1Q/2010 Unrealised changes in value [1]	1Q/2010 Total	1Q/2009 Before changes in value	1Q/2009 Unrealised changes in value [1]	1Q/2009 Total
Revenues	148.9		148.9	123.2		123.2
Changes in inventories and other own work capitalized	54.1		54.1	109.7		109.7
Unrealised changes in market value of investment property	0.0	8.2	8.2	0.0	-33.7	-33.7
Realised changes in market value of investment property	0.6		0.6	1.3		1.3
Other operating income	9.0	0.0	9.0	9.4		9.4
Material expenses	-94.2	6.5	-87.7	-107.6	-13.6	-121.2
Personnel expenses	-16.1		-16.1	-14.9		-14.9
Depreciation and amortisation of intangible assets, property, plant and equipment	-1.6	0.0	-1.6	-1.5	-3.6	-5.1
Expenses from investment property	-19.6		-19.6	-19.9		-19.9
Other operating expenses	-24.1		-24.1	-27.0	0.0	-27.0
Gains/loss from associated companies accounted for using the equity method	-0.4		-0.4	-3.3		-3.3
Income from equity investments	0.5		0.5	-1.6		-1.6
EBIT	**57.1**	**14.7**	**71.9**	**67.8**	**-50.9**	**16.9**
Financial income	-0.2	12.8	12.6	7.4	53.5	60.9
Financial expenses	-57.7	-14.3	-72.1	-60.8	-72.1	-132.9
Financial result	**-57.9**	**-1.5**	**-59.4**	**-53.4**	**-18.5**	**-72.0**
Net profit before income taxes	**-0.8**	**13.2**	**12.4**	**14.4**	**-69.5**	**-55.1**
Income taxes			-2.3			10.3
Consolidated net profit			**10.2**			**-44.8**
Share attributable to Group shareholders			*1.8*			*-53.1*
Share attributable to hybrid capital providers			*8.0*			*8.0*
Share attributable to third parties			*0.4*			*0.3*
Undiluted earnings per share in €			0.01			-0.46
Diluted earnings per share in €			0.03			-0.40

[1] The unrealised changes in value include all valuation effects from IAS 2, IAS 36, IAS 39 and IAS 40 without tax effects

Consolidated statement of comprehensive income for the first 3 month

in € m	1Q/2010	1Q/2009
Consolidated net profit	**10.2**	**-44.8**
Market valuation available-for-sale securities	0.3	6.9
Market valuation of hedging instruments	-15.8	-45.8
Adjustment for currency translation of foreign subsidiaries	-3.5	1.3
Actuarial earnings and losses from performance-based pension plans and similar obligations	0.0	0.0
Deferred taxes on value adjustments set off directly against equity	4.0	-0.4
Income and expenses recognised in equity	**-15.0**	**-38.0**
Total comprehensive income	**-4.8**	**-82.8**
Share attributable to Group shareholders	*-13.2*	*-91.1*
Share attributable to hybrid capital providers	*8.0*	*8.0*
Share attributable to third parties	*0.4*	*0.3*

Consolidated statement of financial position

in € m	31.03.2010	31.12.2009
ASSETS		
Non-current assets		
Intangible assets	250.1	250.1
Investment property	4,848.1	4,767.7
Property, plant and equipment	119.1	119.2
Financial assets	167.6	171.4
Investments in participations accounted for using the equity method	79.0	76.5
Derivative financial instruments	0.0	0.0
Deferred tax assets	284.2	281.2
Receivables and other assets	17.5	39.1
Total non-current assets	**5,765.6**	**5,705.1**
Current assets		
Inventories	1,008.9	939.6
Receivables and other assets	203.1	178.4
Income tax receivables	48.9	49.0
Derivative financial instruments	0.3	1.4
Securities	6.2	6.3
Cash and cash equivalents	184.0	266.9
	1,451.4	**1,441.6**
Non-current assets held for sale	28.0	246.8
Total current assets	**1,479.4**	**1,688.3**
Total assets	**7,245.0**	**7,393.4**

in € m	31.03.2010	31.12.2009
EQUITY AND LIABILITIES		
Equity		
Subscribed capital	126.0	126.0
Capital reserve	621.6	621.6
Treasury shares	-0.5	-0.5
Other reserves	-148.4	-133.4
Retained earnings	251.8	250.1
Equity attributable to Group shareholders	**850.5**	**863.8**
Hybrid capital	400.9	400.9
Minority interests	0.8	0.4
Total equity	**1,252.2**	**1,265.1**
Liabilities		
Non-current liabilities		
Financial liabilities	4,335.2	4,452.5
Derivative financial instruments	123.3	101.0
Deferred tax liabilities	99.1	99.6
Pension provisions	9.3	12.6
Other provisions	24.1	24.6
Liabilities	4.0	4.0
Total non-current liabilities	**4,595.0**	**4,694.3**
Current liabilities		
Financial liabilities	885.9	802.0
Derivative financial instruments	27.4	24.6
Other provisions	72.3	71.9
Liabilities	331.7	370.1
Income tax liabilities	80.5	80.5
	1,397.8	**1,349.1**
Liabilities associated with non-current assets held for sale	0.0	84.9
Total current liabilities	**1,397.8**	**1,434.0**
Total equity and liabilities	**7,245.0**	**7,393.4**

Statement of changes in equity

in € m	Subscribed capital	Capital reserve	Treasury shares	Other reserves: Market valuation avail.-for-sale securities	Other reserves: Market valuation hedging instruments	Other reserves: Hedge of Net Investment	Other reserves: Adjustments for currency translation	Other reserves: Actuarial earnings and losses	Retained earnings	Equity attributable to Group shareholders	Hybrid capital	Minority interests	Total equity
Balance at 01.01.2009	**116.0**	**561.0**	**-0.5**	**-0.5**	**-103.7**	**12.9**	**-42.0**	**0.3**	**443.5**	**987.0**	**400.9**	**3.0**	**1,390.9**
Consolidated net profit									-53.1	-53.1	8.0	0.3	-44.8
Earnings recognised directly in equity				6.5	-45.8	0.0	1.3	0.0		-38.0			-38.0
Total comprehensive income	**0.0**	**0.0**	**0.0**	**6.5**	**-45.8**	**0.0**	**1.3**	**0.0**	**-53.1**	**-91.1**	**8.0**	**0.3**	**-82.8**
Accrual on profit distribution for hybrid capital										0.0	-8.0		-8.0
Equity share of convertible bond										0.0			0.0
Dividends										0.0			0.0
Treasury shares repurchased/sold										0.0			0.0
Changes to group of consolidated companies/others									-1.3	-1.3		-2.7	-4.0
Balance at 31.03.2009	**116.0**	**561.0**	**-0.5**	**6.0**	**-149.5**	**12.9**	**-40.7**	**0.3** [1]	**389.1**	**894.6**	**400.9**	**0.6**	**1,296.1**
Balance at 01.01.2010	**126.0**	**621.6**	**-0.5**	**4.8**	**-115.8**	**12.9**	**-35.3**	**0.0**	**250.1**	**863.8**	**400.9**	**0.4**	**1,265.1**
Consolidated net profit									1.8	1.8	8.0	0.4	10.2
Earnings recognised directly in equity				0.3	-11.9	0.0	-3.4	0.0		-15.0			-15.0
Total comprehensive income	**0.0**	**0.0**	**0.0**	**0.3**	**-11.9**	**0.0**	**-3.4**	**0.0**	**1.8**	**-13.2**	**8.0**	**0.4**	**-4.8**
Accrual on profit distribution for hybrid capital										0.0	-8.0		-8.0
Equity share of convertible bond										0.0			0.0
Dividends										0.0			0.0
Capital increase										0.0			0.0
Treasury shares repurchased/sold										0.0			0.0
Changes to group of consolidated companies/others									-0.1	-0.1			-0.1
Balance at 31.03.2010	**126.0**	**621.6**	**-0.5**	**5.1**	**-127.7**	**12.9**	**-38.7**	**0.0**	**251.8**	**850.5**	**400.9**	**0.8**	**1,252.2**

[1] Actuarial gains and losses were reclassifid to retained earnings since the 4Q/2009

Consolidated statement of cash flows

in € m	1Q/2010	1Q/2009
Consolidated net profit before interest and taxes (EBIT)	**71.9**	**16.9**
Unrealised changes in market value of investment property	-8.2	33.7
Realised changes in market value of investment property	-0.6	-1.3
Depreciation and appreciation of intangible assets and property, plant and equipment	1.6	5.1
Other non-cash income and expenses	-22.5	2.9
Changes in receivables and inventories of other segments (not including Development, Real Estate and Private Funds)	-4.9	1.0
Changes in liabilities and provisions	-5.7	-23.9
Non-distributed earnings of associated companies	0.4	3.2
Changes in non-current assets and liabilities held for sale	3.9	0.0
Cash flow from current activities	**35.9**	**37.6**
Changes in inventories for developing of real estate in Development, Real Estate and Private funds segments including sale of real estate and project development companies [1) 2)]	-57.1	-68.1
Cash flow from short/mid-term investments in operating activities	**-57.1**	**-68.1**
Cash flow from operating activities before interest and taxes	**-21.2**	**-30.5**
Net interest income	-41.3	-48.5
Income tax paid (less reimbursements)	-1.4	-2.7
Cash flow from operating activities	**-63.9**	**-81.7**
Cash flow from investing activities	**28.5**	**113.1**
Cash flow from financing activities	**-55.3**	**-23.0**
Net change in cash and cash equivalents from operations	-90.7	8.4
Cash and cash equivalents as of 01.01.	**274.9**	**44.2**
Changes in cash and cash equivalents due to exchange rate movements	-0.2	-0.4
Cash and cash equivalents as of 31.12.	**184.0**	**52.2**
thereof cash in property disposal group	*0.0*	*0.1*
Cash and cash equivalents reported on the balance sheet	184.0	52.1

1) Gain on disposal is included in other operating income
2) For increase of comparability change of prior year figures

Segment reporting

1Q/2010	Investment									Funds											
	Real Estate			Development			Caverns			Institutional Funds			Private Funds				Consolidation			Group		
in € m	Before changes in value	Unrealised changes in value	Total	Before changes in value	Unrealised changes in value	Total	Before changes in value	Unrealised changes in value	Total	Before changes in value	Unrealised changes in value	Total	Before changes in value	Unrealised changes in value	Total	IVG Corporate Functions	Before changes in value	Unrealised changes in value	Total	Before changes in value	Unrealised changes in value	Total
External revenues	75.1		75.1	51.9		51.9	4.8		4.8	15.1		15.1	1.2		1.2	0.9	0.0		0.0	148.9	0.0	148.9
Internal revenues	0.6		0.6	0.0		0.0	0.0		0.0	0.3		0.3	0.0		0.0	7.0	-7.9		-7.9	0.0	0.0	0.0
Total revenues	**75.7**	**0.0**	**75.7**	**51.9**	**0.0**	**51.9**	**4.8**	**0.0**	**4.8**	**15.4**	**0.0**	**15.4**	**1.2**	**0.0**	**1.2**	**7.9**	**-7.9**	**0.0**	**-7.9**	**148.9**	**0.0**	**148.9**
Net rents from Investment Property	64.4		64.4	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	-0.4		-0.4	64.0	0.0	64.0
Other net rents	0.6		0.6	3.5		3.5	0.0		0.0	0.0		0.0	0.0		0.0	0.1	-0.2		-0.2	4.0	0.0	4.0
Income from service charges	10.3		10.3	0.6		0.6	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	10.8	0.0	10.8
Income from project disposals	0.0		0.0	45.9		45.9	0.7		0.7	0.0		0.0	0.0		0.0	0.2	-0.2		-0.2	46.6	0.0	46.6
Income from construction contracts	0.0		0.0	1.9		1.9	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	1.9	0.0	1.9
Income from transactions, concepts and sales	0.0		0.0	0.0		0.0	0.0		0.0	0.7		0.7	0.2		0.2	0.0	0.1		0.1	1.0	0.0	1.0
Income from fund and property management	0.1		0.1	0.0		0.0	2.8		2.8	14.5		14.5	0.9		0.9	1.1	-0.6		-0.6	18.9	0.0	18.9
Other revenues	0.3		0.3	0.0		0.0	1.3		1.3	0.2		0.2	0.1		0.1	6.5	-6.6		-6.6	1.8	0.0	1.8
Changes in inventories and other own work capitalised	0.1		0.1	53.8		53.8	0.3		0.3	0.0		0.0	0.0		0.0	0.0	0.0		0.0	54.1	0.0	54.1
Unrealised changes in market value of investment property	0.0	-26.2	-26.2	0.0		0.0	0.0	34.4	34.4	0.0		0.0	0.0		0.0	0.0	0.0		0.0	0.0	8.2	8.2
Realised changes in market value of investment property	0.6		0.6	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	0.6	0.0	0.6
Other operating income	2.2		2.2	0.2		0.2	0.1		0.1	0.1		0.1	6.2		6.2	4.9	-4.6		-4.6	9.0	0.0	9.0
Material expenses	-0.8	1.9	1.1	-93.2	4.6	-88.6	-0.6		-0.6	0.0		0.0	0.0		0.0	-0.2	0.5		0.5	-94.2	6.5	-87.7
Personnel expenses	-0.2		-0.2	-0.3		-0.3	-1.6		-1.6	-2.8		-2.8	-1.2		-1.2	-10.0	0.0		0.0	-16.1	0.0	-16.1
Depreciation and amortisation of intangible assets and property, plant and equipment	-0.1		-0.1	0.0		0.0	-1.0		-1.0	-0.1		-0.1	0.0		0.0	-0.4	0.0		0.0	-1.6	0.0	-1.6
Expenses from investment property	-19.6		-19.6	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	-19.6	0.0	-19.6
Other operating expenses	-11.0		-11.0	-8.6		-8.6	-1.3		-1.3	-6.1		-6.1	-1.5		-1.5	-7.6	12.0		12.0	-24.1	0.0	-24.1
Gains/loss from associated companies accounted for using the equity method	-1.0		-1.0	0.0		0.0	0.1		0.1	0.4		0.4	0.0		0.0	0.0	0.0		0.0	-0.4	0.0	-0.4
Income from share investments	0.5		0.5	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	0.5	0.0	0.5
Segment result (EBIT)	**46.3**	**-24.3**	**22.1**	**3.8**	**4.6**	**8.4**	**0.7**	**34.4**	**35.1**	**6.9**	**0.0**	**6.9**	**4.7**	**0.0**	**4.7**	**-5.3**	**0.0**	**0.0**	**0.0**	**57.1**	**14.7**	**71.9**
Financial result																				-57.9	-1.5	-59.4
Net profit before tax																				**-0.8**	**13.2**	**12.4**
Income taxes																						-2.3
Consolidated net profit																						**10.2**
Segment assets			4,602.7			1,039.0			650.5			265.2			21.2	16.2			3.3			6,598.1
thereof Investments in participations accounted for using the equity method			*49.2*			*4.2*			*11.9*			*13.6*			*0.0*	*0.0*			*0.0*			*79.0*
Investments			31.8			4.1			18.3			0.0			2.2	0.0			-2.2			54.2

IVG 1Q/2010

Segment reporting

1Q/2009	Investment									Funds												
	Real Estate			Development			Caverns			Institutional Funds			Private Funds				Consolidation			Group		
in € m	Before changes in value	Unre-alised changes in value	Total	Before changes in value	Unre-alised changes in value	Total	Before changes in value	Unre-alised changes in value	Total	Before changes in value	Unre-alised changes in value	Total	Before changes in value	Unre-alised changes in value	Total	IVG Corporate functions	Before changes in value	Unre-alised changes in value	Total	Before changes in value	Unre-alised changes in value	Total
External revenues	92.7		92.7	4.4		4.4	3.8		3.8	16.5		16.5	5.5		5.5	0.4	0.0		0.0	123.3	0.0	123.3
Internal revenues	0.5		0.5	0.0		0.0	0.0		0.0	0.2		0.2	0.0		0.0	8.0	-8.8		-8.8	-0.1	0.0	-0.1
Total revenues	**93.2**	**0.0**	**93.2**	**4.4**	**0.0**	**4.4**	**3.8**	**0.0**	**3.8**	**16.7**	**0.0**	**16.7**	**5.5**	**0.0**	**5.5**	**8.4**	**-8.8**	**0.0**	**-8.8**	**123.2**	**0.0**	**123.2**
Net rents from Investment Property	77.4		77.4	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	-0.1		-0.1	77.3	0.0	77.3
Other net rents	5.2		5.2	1.0		1.0	0.0		0.0	0.0		0.0	0.0		0.0	0.2	-0.5		-0.5	5.9	0.0	5.9
Income from service charges	10.2		10.2	0.2		0.2	0.0		0.0	0.0		0.0	0.0		0.0	0.1	0.0		0.0	10.5	0.0	10.5
Income from project disposals	0.0		0.0	0.2		0.2	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	0.2	0.0	0.2
Income from construction contracts	0.0		0.0	2.1		2.1	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	2.1	0.0	2.1
Income from transactions, concepts and sales	0.0		0.0	0.0		0.0	0.0		0.0	1.0		1.0	4.2		4.2	0.1	-0.1		-0.1	5.2	0.0	5.2
Income from fund and property management	0.0		0.0	0.0		0.0	0.0		0.0	15.3		15.3	1.3		1.3	5.3	-5.3		-5.3	16.6	0.0	16.6
Other revenues	0.4		0.4	0.9		0.9	3.8		3.8	0.4		0.4	0.0		0.0	2.7	-2.8		-2.8	5.4	0.0	5.4
Changes in inventories and other own work capitalised	9.4		9.4	98.9		98.9	1.4		1.4	0.0		0.0	0.0		0.0	0.0	0.0		0.0	109.7	0.0	109.7
Unrealised changes in market value of investment property	0.0	-33.7	-33.7	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	0.0	-33.7	-33.7
Realised changes in market value of investment property	1.3		1.3	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	1.3	0.0	1.3
Other operating income	3.8		3.8	4.9		4.9	0.0		0.0	0.0		0.0	0.1		0.1	5.4	-4.8		-4.8	9.4	0.0	9.4
Material expenses	-9.7		-9.7	-95.5	-13.6	-109.1	-0.4		-0.4	0.0		0.0	-1.8		-1.8	-0.4	0.2		0.2	-107.6	-13.6	-121.2
Personnel expenses	-0.2		-0.2	-1.8		-1.8	-1.2		-1.2	-3.0		-3.0	-1.0		-1.0	-7.7	0.0		0.0	-14.9	0.0	-14.9
Depreciation and amortisation of intangible assets and property, plant and equipment	-0.1	-3.6	-3.7	-0.2		-0.2	-0.9		-0.9	-0.1		-0.1	0.0		0.0	-0.2	0.0		0.0	-1.5	-3.6	-5.1
Expenses from investment property	-19.8		-19.8	-0.1		-0.1	0.0		0.0	0.0		0.0	0.0		0.0	-0.1	0.1		0.1	-19.9	0.0	-19.9
Other operating expenses	-11.7		-11.7	-5.5		-5.5	-2.7		-2.7	-7.2		-7.2	-2.0		-2.0	-10.6	12.7		12.7	-27.0	0.0	-27.0
Gains/loss from associated companies accounted for using the equity method	-3.4		-3.4	0.2		0.2	-0.3		-0.3	0.0		0.0	0.2		0.2	0.0	0.0		0.0	-3.3	0.0	-3.3
Income from share investments	0.0		0.0	-2.2		-2.2	0.0		0.0	0.1		0.1	0.5		0.5	0.0	0.0		0.0	-1.6	0.0	-1.6
Segment result (EBIT)	**62.8**	**-37.3**	**25.5**	**3.1**	**-13.6**	**-10.5**	**-0.3**	**0.0**	**-0.3**	**6.5**	**0.0**	**6.5**	**1.5**	**0.0**	**1.5**	**-5.2**	**-0.6**	**0.0**	**-0.6**	**67.8**	**-50.9**	**16.9**
Financial result																				-53.4	-18.6	-72.0
Net profit before tax																				**14.4**	**-69.5**	**-55.1**
Income tax																						10.3
Consolidated net profit																						**-44.8**
Segment assets			5,520.7			828.6			363.1			335.3			84.3	17.1			0.0			7,149.1
thereof Investments in participations accounted for using the equity method			*17.8*			*9.2*			*-0.3*			*5.7*			*2.2*	*0.0*			*0.0*			*34.6*
Investments			7.6			5.2			18.7			3.8			6.2	0.1			0.0			41.6

Notes

This interim report has been prepared in accordance with the rules of the International Financial Reporting Standards (IFRS) as applicable within the European Union. The interim financial statements of the consolidated companies are based on the uniform accounting and valuation methods.

In accordance with IAS 34, IVG has selected to apply a condensed scope of reporting for the presentation of the interim financial report of IVG Immobilien AG for the period ended 31 March 2010 compared with the annual financial statements. Except for the amendments and new provisions specified below, IVG has applied the same accounting policies in preparing the interim financial statements as in the consolidated financial statements for the 2009 financial year. The relevant information can be found in the consolidated financial statements for the year ended 31 December 2009, which form the basis for the present interim financial statements. Information on significant changes and transactions prior to 31 March 2010 can also be found in the interim management report contained in this document.

The interim financial report has neither been audited nor reviewed by an auditor.

Changes to accounting principles

The rules required to be applied for the first time with effect from 1 January 2010 did not materially affect the interim report of the IVG Group.

Treasury shares/convertible bond

IVG held 32,230 treasury shares as of 31 March 2010. This corresponds to 0.0256% of IVG's share capital, i.e. € 32,230.

Major transactions with related parties

As described in the notes to the 2009 consolidated financial statements, IVG conducts arm's-length transactions with unconsolidated subsidiaries and companies accounted for using the equity method. IVG's business relationships with the Sal. Oppenheim Group companies, which were affiliates until 16 March 2010, are described in the Annual Report 2009 (Notes).

Declaration of the Board of Management

The Statement pursuant to Section 37y(1) of the Wertpapierhandelsgesetz (German Securities Trading Act – WpHG) in conjunction with Section 297(2) Sentence 3 and Section 315(1) Sentence 6 of the HGB is as follows:

"To the best of our knowledge, and in accordance with applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the net assets, financial position and profitability 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."

Bonn, 12 May 2010

Dr Gerhard Niesslein

Dr Georg Reul

Dr Wolfgang Schäfers

CONTACT AND FINANCIAL CALENDAR

Contact

Investor Relations

Martin Praum
Phone +49 (0) 228 844-281
Fax +49 (0) 228 844-372
ir@ivg.de

Media Relations

Jens Friedemann
Phone +49 (0) 228 844-300
Fax +49 (0) 228 844-338
info@ivg.de

Service

Since the beginning of 2010 IVG has offered interested members of the public the **"IVG Information Service"**, a newsletter which is published regularly on the IVG website and can also be ordered by e-mail. This newsletter provides news and background information on IVG's operating business and general information on developments on the European property markets.

Financial calendar 2010

Date	Organizer	Event	Location
20.05.2010	IVG	Annual General Meeting	Bonn
26.05.2010	Kempen & Co.	European Property Seminar	Amsterdam
09.06.2010	Metzler	Metzler Property Day	Frankfurt/Main
10.06.2010	Morgan Stanley	European Property Conference	London
13.08.2010	IVG	Publication of the interim report 2Q/2010	
2./3.09.2010	EPRA	Annual Conference	Amsterdam
4. - 6.10.2010	expo real	Trade Fair	Munich
12.11.2010	IVG	Publication of the interim report 3Q/2010	
17./18.11.2010	WestLB	Germany Conference	Frankfurt/Main

Note

The interim report is published in German and English. The German version is always the authoritative text.

Slight differences may arise when adding up individual figures in the tables and graphics in this interim financial report. This is due to figures being rounded up or down. Relative changes of less than -100% are not disclosed.

Forward-looking statements

The present interim report of IVG Immobilien AG (IVG) contains statements on future developments. They reflect the current view of the management of IVG and are based on appropriate evaluation and expectations. These statements are not intended as guarantees that this expectation will be fulfilled. The interim report has also been generated using references. These references have been carefully selected and have been taken from credible sources. We nevertheless point out that IVG has not examined the veracity of the sources.

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