

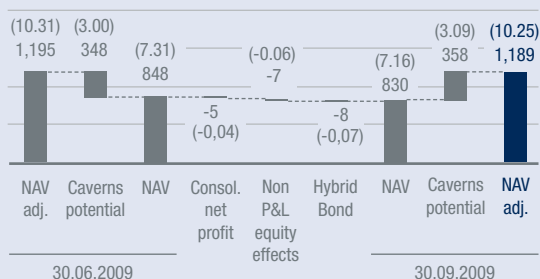
FOREWORD

Group key figures

in € m	9M/2009	9M/2008	3Q/2009	3Q/2008
Earnings				
Revenues	395.5	450.0	144.7	138.6
<i>thereof net rents</i>	237.7	303.5	74.0	96.8
<i>thereof fees</i>	64.8	58.4	18.7	21.6
EBIT	88.7	252.5	51.8	102.3
EBT	-109.8	58.1	-12.2	-24.1
Consolidated net profit	-101.5	34.1	-2.2	-17.0
<i>thereof unrealised changes in value</i>	-65.4	-41.6	-7.7	-58.1
Undiluted earnings per share in €	-1.09	0.12	-0.09	-0.11
Diluted earnings per share in €	-0.95	0.13	-0.06	-0.11

in € m	30.09.2009	31.12.2008
Group key figures		
Total assets	7,709.2	7,875.5
Equity according to carrying amounts	1,232.2	1,390.9
Equity ratio to carrying amounts in %	16.0	17.7
Net asset value (NAV)	830	987
NAV adj. (incl. value potential of caverns)	1,189	1,473
Equity ratio to NAV adj. in %	15.5	18.5
Employees	719	728

NAV Change in € m/(€ per share)



Dear Shareholders, Ladies and Gentlemen,

The third quarter of 2009 saw the continued stabilisation of the economy as a whole and the property investment markets in particular. This allowed IVG to complete its phase of direct financial restructuring and turn its full attention to its further strategic and operational development.

In October, we achieved our aim of divesting properties with a volume of over one billion euros – the last necessary step in the direct financial restructuring process. During the worst days of the financial and economic crisis at the start of the year, this step was originally forecast for 2010. This encouraging development was made possible by our ability to rapidly harness the recovery on the property markets through the proximity of our branch offices to the markets and our good contacts with investors. The largest individual sale, with a volume of around €300 million, was concluded in Milan in mid-October 2009. The proceeds from the sales conducted between July and October were only approximately 0.9% lower than the respective asset values.

By contrast, the rental markets, which are a lagging indicator of macro-economic development, remain hard hit by the economic crisis. Nevertheless, we let total space of around 238,000 m² in the third quarter, of which some 122,000 m² was attributable to our own property portfolio (Real Estate) and approximately 43,000 m² to pre-lettings in our development projects (Development). Around 73,000 m² was let in the properties managed by our Funds division. This meant that, bucking the negative trend in vacancy rates in Europe as a whole, the occupancy rate in our property portfolio remained essentially stable at 91.4% while the figure for our development projects improved from 57.3% in the previous quarter to 63.4%.

The operating result in the third quarter amounted to €51.8 million. Unrealised negative changes in value amounting to around €-28.4 million in the Real Estate segment and around €+2.9 million in the development projects had a significantly less pronounced impact on earnings than in the previous quarters, and were almost fully offset by unrealised positive changes in the fair value of caverns totalling approximately €22.7 million. Based on a financial result of €-64.0 million, the Company essentially broke even in the third quarter, reporting a consolidated net loss of only €2.2 million. The net asset value including caverns potential remained largely unchanged at €10.25 per share as of 30 September 2009. The present interim financial report provides additional information on the figures for the first nine months of the year.

SHARE

After ensuring its financing by way of loan extensions in spring 2009 and stabilising its liquidity position with the completion of the divestment programme in autumn 2009, IVG is now entering a phase of improvement in its operating performance and the active, selective exploitation of market opportunities as planned. We intend to achieve this operational improvement through cost reductions and process optimisation.

The cost-cutting measures already initiated are starting to take effect. Extrapolating the level of other operating expenses in the third quarter to 2009 as a whole, we are likely to close the year some €30-40 million down on the comparative figures for 2008 and 2007. We plan to systematically pursue this approach in order to establish a buffer with respect to the sustained difficult situation on the rental markets. The process optimisation is currently focusing on Asset Management with the prospect of spinning off Property Management to external strategic partners early 2010.

In order to exploit selected market opportunities in future, we carried out a capital increase by issuing 10 million new shares in October. This transaction is discussed in the section "Significant events after balance sheet date" of this report. The capital increase was a great success and was 2.3 times oversubscribed, resulting in a cash inflow to IVG of around €72 million. This liquidity will be used for investments in our two fund projects, "UK Recovery" (exploiting the upturn in the London property market) and "Premium Green" (entering the future market of sustainable properties with LEED certification in good time). Our maxim has always been not to conduct a capital increase while in a difficult position, but instead to wait until the Company was stable and had a clear growth target – a strategic window that opened in October.

All in all, we believe that IVG is on a good path. Although there will be the occasional unsettled period along the way, it is clear that open, calmer waters are in sight.

We would like to thank you for the trust you have placed in IVG and look forward to continuing to cooperate with you in harnessing the opportunities presented by the gradual recovery of the European property markets.

Bonn, November 2009

The Board of Management

Investor Relations (IVG share)

IVG share – share price development



The IVG share enjoyed an extremely positive development in the third quarter, with strong price gains in September in particular. At €7.48, the share price on 30 September 2009 was 31 % higher than at the start of the year. Over the same period, the MDAX also increased by 31 %, while the EPRA/NAREIT Europe rose by 25 %. The IVG share gained further ground after the end of the third quarter, reaching a high for the year to date of €8.16 on 19 October 2009. At the time of going to press on 5 November 2009, the share price was €6.15, down 18 % on the closing price on 30 September 2009 (compared with development of +1 % for EPRA/NAREIT Europe and -5 % for the MDAX in the same period).

IVG is currently being covered by 24 analysts, 19 of whom published reports on the Company in the third quarter of 2009. Of these, 3 analysts issued a Buy recommendation for the Company's shares, 7 issued a Hold recommendation and 9 issued a Sell recommendation. The average target price was €5.73.

Our shareholder structure did not change during the period under review, but is likely to have changed as a result of the capital increase that was successfully implemented by IVG in October 2009, i.e. after the end of the reporting period for the third quarter of 2009. Accordingly, the number of shares in circulation was 126 million at the time of going to press. 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
Stock exchanges	Frankfurt, Dusseldorf, Stuttgart, Munich, Berlin, Hamburg, Hanover
Market segment	Prime Standard / Regulated market
Index membership (selection)	MDAX, DJ Euro Stoxx, DJ Stoxx 600, MSCI Europe, MSCI Germany, GPR 15
Designated sponsors	Dresdner Kleinwort, Sal. Oppenheim Jr. & Cie. KGaA
Market capitalisation (30.09.2009)	€ 868 million
Free float market capitalisation (59,20 %) (30.09.2009)*	€ 443 million
Number of shares (30.09.2009)	116 million
Share price (Xetra closing price 30.09.2009)	€ 7.48
First listed	01 October 1986
Last capital increase	October 2009

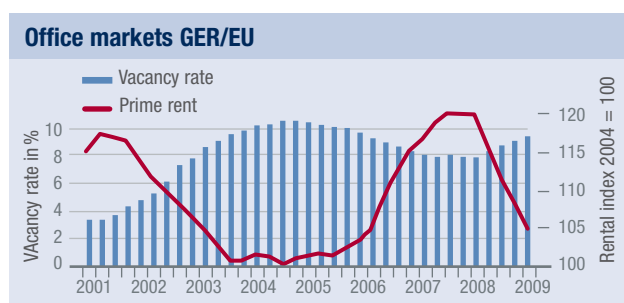
* Free float definition Deutsche Börse

INTERIM MANAGEMENT REPORT as of 30 September 2009

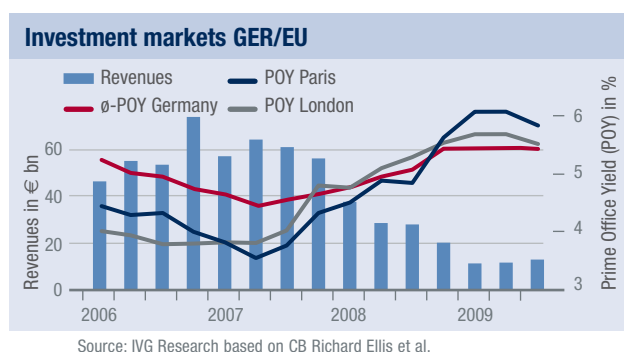
Macroeconomic trends
and real estate markets

Most European economies have now entered a phase of recovery, with sentiment among companies and consumers improving steadily since April 2009. Due to the difficult first half of the year, however, the International Monetary Fund expects economic output to fall by 4.2% in the euro zone and as much as 5.3% in Germany over the year as a whole. Inflation will not be a relevant factor in the near future, with consumer prices in September down 0.3% on the same month of the previous year.

The economic recovery has yet to make a significant impact on the office rental markets, with the aggregate rental volume in the top office locations in Germany and Europe remaining just as weak as in the previous quarter. One of the few rays of hope was Central London, where take-up increased by more than 60% as against the second quarter thanks to a number of major transactions.



Central London is also one of the few markets where the demand situation has not continued to deteriorate over recent months (vacancy rate: 7.2%). By contrast, average vacancy rates in Europe (Germany) increased from 9.0% to just under 9.6% (9.5% to 9.8%) in the third quarter due to a lack of demand for space. Average nominal prime rents in Europe fell by 2.4% during the same period, although the figures for London, Paris and Germany have shown largely stable development, while generous tenant incentives meant that effective rents continued their downward trend.



There was a clear and definitive turnaround in the European investment market in the third quarter, with the investment volume increasing by around one-third to €17.3 billion compared with the previous quarter despite restrictive lending. The phase of rising prime initial yields appears to have ended in the current cycle. In British locations and in Paris, yields have actually declined substantially due to considerable investor interest.

Profitability, financial position
and net assets

Profitability

Revenues declined by €54.5 million year-on-year in the first nine months of 2009, from €450.0 million to €395.5 million. This was primarily due to the loss of net rents from the caverns sold last year and the investment property sold in the period under review.

Changes in inventories reflect construction progress made in projects under development. Changes in inventories amounted to €342.0 million, while current material expenses totalled €366.4 million. Material expenses also included impairment losses of €118.6 million, of which €99.6 million was attributable to the Airrail project.

Unrealised non-cash changes in the market value of investment property improved by €121.5 million year-on-year in the first nine months of 2009, from €-62.6 million to €+58.9 million. This development was attributable to the Real Estate segment in the amount of €+204.3 million (from €-319.1 million to €-114.8 million), the Development segment in the amount of €-32.3 million (from €+32.3 million to €0.0 million), the Caverns segment in the amount of €-50.8 million (from €+224.2 million to €+173.4 million) and the Private Funds segment in the amount of €+0.3 million (from €0.0 million to €+0.3 million). Unrealised changes in market value in the Caverns segment during the period under review were triggered by the reclassification of the measurement of caverns under construction to fair value in accordance with IAS 40 (2008), which has been required to be applied since the start of the year.

Realised changes in market value declined by €-81.6 million, from €+17.4 million in the same period of the previous year to €-64.2 million, as a result of the sale of properties at below their carrying amounts due to the weak investment market. The liquidity thus generated is required to finance the Company's extensive internal investment programme.

Other operating income declined by €25.5 million, from €78.8 million to €53.3 million. The higher figure for the previous year included non-recurring effects from tax refunds in conjunction with the reversal of intragroup property transfers and book gains in the Development and Private Funds segments. These were offset by reversals of write-downs on inventories in the Development segment in the period under review.

Other operating expenses declined significantly by €13.5 million, from €105.5 million to €92.0 million, reflecting the initial impact of the cost reduction programme.

EBIT before changes in value fell by €179.8 million to €135.3 million in the first nine months of 2009, after €315.1 million in the same period of the previous year. Among other things, this was due to the decline in revenues (€-54.5 million), the negative development of realised changes in market value (€-81.6 million) and the decrease in other operating income before changes in value (€-42.5 million). EBIT after changes in value declined by €163.8 million, from €252.5 million to €88.7 million.

The financial result remained essentially unchanged year-on-year at €-198.6 million, although unrealised non-cash changes in value deteriorated by €-39.8 million during the same period. By contrast, favourable interest rate developments and the systematic reduction in financial liabilities meant that net interest income improved by €53.1 million to €-158.4 million. The financial result before unrealised changes in value improved by €35.7 million to €-179.7 million.

Income tax expense developed by €32.4 million, from €-24.0 million to €+8.4 million, as a result of the negative pre-tax earnings. Deferred tax assets could not be fully capitalised for negative changes in value.

All in all, consolidated net profit declined by €-135.6 million, from €+34.1 million in the first nine months of 2008 to €-101.5 million in the period under review.

IVG Investment – Real Estate

in € m	9M/2009	9M/2008	3Q/2009	3Q/2008
Total revenues	268.1	273.7	83.2	90.0
thereof net rents	233.9	241.4	72.0	78.7
Unrealised changes in market value of investment property	-114.8	-319.1	-28.3	-150.8
Realised changes in market value of investment property	-63.3	15.1	-11.4	1.8
Other operating income	12.5	28.8	3.5	22.0
EBIT	-9.8	-102.9	16.5	-75.1
thereof unrealised changes in value	-118.7	-319.1	-28.4	-149.2
EBIT before changes in value	108.9	216.2	45.0	74.1

Revenues in the Real Estate segment in the first nine months declined by €5.6 million year-on-year. The additional net rents from a property reallocated from the Private Funds segment were not enough to fully offset the loss of net rents due to the sale of investment property. On a like-for-like basis, net rents declined by 3.1% over the past 12 months, whereas the figure adjusted for lease prolongations already concluded stagnated at -2%.

At €-114.8 million, unrealised changes in market value of investment property were less negative than in the previous year (€-319.1 million). Accordingly, the property portfolio saw a negative change in value of around 2.2% in the first nine months of 2009.

Additional property sales required to finance the investment programme were conducted in the third quarter of 2009. In some cases, the selling price was lower than the carrying amount of the respective property, thereby accounting for €11.4 million of the deterioration in realised changes in market value to €-63.3 million after €+15.1 million in the previous year. Based on the overall divestment program with a volume of over one billion euros, the realised negative changes in market value amount only approx. 6%. This reflects the difficult situation on the investment market in the first half of 2009. At the same time, however, these comparatively low discounts serve to demonstrate the intrinsic value of the portfolio.

Other operating income declined by €16.3 million year-on-year to €12.5 million. This was attributable to the tax refunds in conjunction with the reversal of intragroup property transfers that were contained in this item in the previous year (€23.0 million).

Accordingly, EBIT before changes in value decreased by €107.3 million year-on-year to €108.9 million. The lower level of negative unrealised changes in market value meant that EBIT after changes in value improved by €93.1 million to €-9.8 million.

IVG Investment – Development

in € m	9M/2009	9M/2008	3Q/2009	3Q/2008
Total revenues	61.6	56.8	40.6	7.4
thereof project sales	49.1	42.2	35.3	1.8
Changes in inventories	315.5	230.1	73.2	118.1
Unrealised changes in market value of investment property	0.0	32.3	0.0	-9.8
Other operating income	27.3	29.1	5.0	4.7
Material expenses	-451.4	-249.7	-91.8	-115.1
EBIT	-76.4	76.2	19.4	-0.7
thereof unrealised changes in value	-101.6	32.3	2.9	-9.8
EBIT before changes in value	25.2	43.9	16.5	9.1

Projects to be wound up are recognised in the Development segment. The settlement of a development project in Budapest in the third quarter of 2009 meant that segment revenues increased by €4.8 million year-on-year to €61.6 million.

Unrealised changes in market value of investment property declined from €+32.1 million in the previous year to €0.0 million in the period under review. The prior-year figure included the changes in market value of a project development in London that was sold in the fourth quarter of 2008.

Other operating income of €27.3 million was attributable in particular to reversals of write-downs on inventories. This was primarily due to the successful conclusion of a major rental agreement for a development project in the second quarter of 2009 at better conditions than originally forecast. In the previous year, other operating income largely contained the book gain from the sale of a development project in Paris in the second quarter of 2008.

Material expenses increased by €201.7 million year-on-year to €451.4 million. This was attributable to the construction progress of current development projects as well as the write-downs on inventories in the amount of €118.6 million reported in this item. These write-downs were recognised almost exclusively in the first half of 2009 due to adjustments to rent and cost estimates and mainly relate to the Airrail project, which accounted for write-downs of €99.6 million.

EBIT before changes in value was unable to sustain the level recorded in the previous year due to the book gain from the sale of a project in Paris, declining by €18.7 million from €43.9 million to €25.2 million. After unrealised changes in value in the amount of €-101.6 million, segment EBIT for the first three quarters of 2009 totalled €-76.4 million.

IVG Investment – Caverns

in € m	9M/2009	9M/2008	3Q/2009	3Q/2008
Total revenues	13.6	39.5	5.4	14.0
<i>thereof management fees</i>	8.5	0.0	1.8	-0.8
<i>thereof net rents</i>	0.1	36.3	0.0	12.5
<i>thereof other revenues</i>	4.4	3.2	3.6	2.3
Unrealised changes in market value of investment property	173.4	224.2	22.7	143.6
Other operating income	7.3	5.9	0.6	4.7
EBIT	179.0	251.7	23.2	157.0
<i>thereof unrealised changes in value</i>	173.4	224.2	22.7	146.1
EBIT before changes in value	5.5	27.5	0.5	10.9

The performance of the Caverns segment was dominated by the sale of the Company's completed caverns to a specialised fund managed by IVG at the end of 2008, as a result of which the segment lost the net rents from the caverns sold (€-36.3 million). The €8.5 million increase in revenues from management fees and the €1.2 million rise in other revenues were only sufficient to partially offset the loss of these net rents.

Since the beginning of 2009, caverns under construction are required to be reported under investment property and carried at fair value in accordance with IAS 40 (2008), providing that their fair value can be reliably determined. Accordingly, this segment reported unrealised changes in market value in the amount of €173.4 million in the period under review (of which €22.7 million was recognised in the third quarter of 2009); this was primarily attributable to the initial recognition of the fair value of 11 caverns. Unrealised changes in market value in the previous year in the amount of €224.2 million were attributable to the imminent sale of the completed caverns.

Other operating income in the amount of €7.3 million primarily relates to a promote structure rewarding successful lease prolongation that was concluded in conjunction with the sale of the caverns. On account of the successful prolongation of the lease on an oil cavern in the second quarter of 2009, this promote structure was partially realised in the amount of €6.1 million. In the previous year, this item largely contained reversals of provisions.

EBIT before changes in value declined from €27.5 million to €5.5 million as a result of the loss of net rents, while EBIT after changes in value decreased from €251.7 million to €179.0 million.

IVG Funds – Institutional Funds

in € m	9M/2009	9M/2008	3Q/2009	3Q/2008
Total revenues	48.0	50.5	14.0	16.5
<i>thereof management fees</i>	44.1	43.8	13.4	14.4
<i>thereof transaction fees</i>	2.6	6.0	0.3	1.8
Personnel expenses	-8.9	-5.8	-2.9	-2.2
Other operating expenses	-22.6	-25.2	-7.5	-6.2
EBIT	17.5	21.6	3.7	8.2
<i>thereof unrealised changes in value</i>	0.0	0.0	0.0	0.0
EBIT before changes in value	17.5	21.6	3.7	8.2

Revenues in the Institutional Funds segment declined by €2.5 million year-on-year to €48.0 million. Taking into account a one-off reimbursement, fees from fund and property management in the first nine months of 2009 reflected the development of assets under management, increasing by 0.7 % to €44.1 million. This was primarily due to the IVG Cavern Fund that was placed in the previous year and the IVG Protect Fund, which was launched in the second quarter of 2009. By contrast, transaction fees fell by €3.4 million to €2.6 million, largely because no such fees were received for the transfer of the IVG properties to the IVG Protect Fund.

Due to the intragroup transfer of employees from IVG's corporate functions to the Institutional Funds segment, personnel expenses increased by €3.1 million, from €5.8 million to €8.9 million.

Other operating expenses, which mainly include intragroup services provided by IVG's corporate functions and Asset Management, decreased by €2.6 million from €25.2 million to €22.6 million due to the aforementioned transfer.

All in all, segment EBIT declined by €4.1 million year-on-year, from €21.6 million to €17.5 million.

IVG Funds – Private Funds

in € m	9M/2009	9M/2008	3Q/2009	3Q/2008
Total revenues	7.7	29.7	1.9	8.9
<i>thereof structuring fees</i>	4.7	4.5	0.3	4.3
<i>thereof management fees</i>	2.6	3.1	1.2	1.0
<i>thereof net rents from properties to be placed</i>	0.3	22.0	0.3	3.2
Other operating income	2.3	11.2	0.3	7.5
Profit from associated companies	0.6	9.7	0.5	3.1
EBIT	-6.6	22.7	-6.5	11.9
<i>thereof unrealised changes in value</i>	0.3	0.0	0.3	0.0
EBIT before changes in value	-6.9	22.7	-6.8	11.9

Revenues in the Private Funds segment decreased by €22.0 million, from €29.7 million to €7.7 million, largely as a result of the loss of net rents from properties to be placed. This related to the successful placement of a fund and the reallocation of a property in Italy to the Real Estate segment due to a change in the property strategy. Structuring fees remained essentially unchanged at €4.7 million.

Other operating income declined by €8.9 million, from €11.2 million to €2.3 million. This was primarily due to the book gain contained in the prior-year figure as a result of the successful placement of the EuroSelect 16 The Square fund.

In the previous year, profit from associated companies included the attributable profits from Italian funds.

Segment EBIT fell by €29.3 million, from €22.7 million to €-6.6 million.

Financial position

Financing

As of 30 September 2009, liabilities due to banks (excluding the convertible bond) had the following maturities:

in € m	Total nominal	thereof reduction by			thereof planned prolongations
		project sales	property sales	repayments	
2009 ¹⁾	141	0	88	3	50
2010	737	493	6	188	50
2011	486	69	1	221	195
2012	1,941	28	1	172	1,740
2013	126	0	1	5	120
2014	1,550	53	69	5	1,423
2015 and thereafter	204	0	176	6	22
Total	5,185	643	342	600	3,600

¹⁾ 4th quarter 2009

In the third quarter, liabilities to banks decreased by €28 million. This was due to regular repayments (€-12 million), repayments and disposals in conjunction with property sales (€-107 million), additional draw-downs under development credit facilities (€94 million) and exchange rate effects (€-3 million). Liabilities due to banks are recognised in the balance sheet under financial liabilities and liabilities in connection with non-current assets held for sale.

Financing for development projects 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 €314 million maturing between 2009 and 2017 and a bridge loan with a volume of €28 million. These properties and the corresponding loans are scheduled to be sold and derecognised from the balance sheet of IVG Immobilien AG by the start of 2010.

Under the terms of the new syndicated loan, 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 will 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 €41 million) will be repaid by 2021 in the form of annuity and amortising loans.

This means that only secured loans with a volume of €50 million will be required to be extended towards the end of 2009 and in 2010. A secured loan of €145 million and a bilateral credit facility for €50 million are scheduled for prolongation in 2011. The required prolongations in 2012, which total around €1.7 billion, are composed of "core" financing for the Allianz portfolio and the final payment under the new syndicated loan. Based on current fair values, these two loans will be covered by a portfolio of around €2.3 billion. In the period 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. These loans will also be covered by corresponding assets to a sufficient extent.

The average interest rate for all financial liabilities (including interest rate hedging transactions) decreased from 4.57% as of 31 December 2008 to 4.13% as of 30 September 2009 as a result of lower short-term rates.

In the period under review, IVG did not draw down any additional funds within the framework of the commercial paper programme on account of the market conditions, meaning that the utilisation of CP funds decreased by €67.0 million, from €67.0 million at 31 December 2008 to €0.0 million at 30 September 2009.

As of 30 September 2009, IVG had unutilised credit facilities in the amount of €0.45 billion, the majority of which was project-related. Project-related lending commitments are not available to meet liquidity requirements outside the specified projects. Furthermore, the available financing within the CP programme, which amounts to €0.60 billion, is essentially unavailable due to the limited CP market.

As of 30 September 2009, the total liquidity available to IVG (excluding project-related credit facilities, CP lines and assigned or project-related cash reserves) totalled €0.19 billion:

in € m	30.09.2009
Unused non-project-related credit lines	3
Surplus capacity on current accounts	1
Cash reserves	175
Sight deposits and current securities	2
Derivatives with positive market values	7
Total	188

In the third quarter of 2009, regular covenant tests did not identify any violations of covenants.

Liquidity

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

in € m	9M/2009	9M/2008
Cash flow from current activities	107.3	207.9
Cash flow for short-/midterm investments from operational divisions	-229.2	-307.0
Net interest payments	-160.4	-207.1
Net tax payments	-3.3	-7.5
Cash flow from operating activities	-285.6	-313.7
Cash flow from/for investing activities	452.7	-987.3
Cash flow from financing activities	36.3	1,300.3
Change in cash and cash equivalents	203.4	-0.7
Cash and cash equivalents at closing date	247.6	105.5

Cash flow from operating activities improved by €28.1 million, from €-313.7 million in the previous year to €-285.6 million, and is primarily attributable to current investments in development projects and caverns as well as the sale of a development project in Budapest in the third quarter. Compared with the previous year, net interest payments decreased by €46.7 million, from €-207.1 million to €-160.4 million, due to the favourable development of interest rates and the reduction in financial liabilities.

Cash flow from investing activities in the amount of €452.7 million primarily includes the positive cash flow from the sale of properties and a tranche of the Company's interest in the IVG Caverns Fund, less current investments in caverns under construction.

Cash flow from financing activities in the amount of €36.3 million relates to drawdowns under credit facilities, repayments of commercial papers due and bridge loans, and scheduled drawdowns for project financing.

The interest coverage ratio for the past twelve months remained unchanged at 2.4. This figure was calculated by adjusting consolidated EBIT before changes in value for depreciation, amortisation and write-downs and comparing it to net interest cost.

Net assets

in € m	30.09.2009	31.12.2008	Change in %
Total assets	7,709.2	7,875.5	-2.1
Non-current assets	5,718.5	6,471.3	-11.6
Current assets	1,990.7	1,404.2	+41.8
Equity	1,232.2	1,390.9	-11.4
Equity ratio in %	16.0	17.7	-9.5
Non-current liabilities	5,414.5	4,633.0	+16.9
Current liabilities	1,062.4	1,851.6	-42.6
Financial liabilities	5,502.2	5,599.5	-1.7
Debt ratio financial liabilities in %	71.4	71.1	+0.4

Non-current assets declined by €0.8 billion, from €6.5 billion at the end of 2008 to €5.7 billion as of 30 September 2009. Among other things, this was due to the sale of properties in Paris, London and Helsinki (€-137.1 million), reclassifications from investment property to current assets due to planned sales (€-729.2 million net) and unrealised changes in market value (€+58.9 million).

Current assets amounted to €2.0 billion after €1.4 billion in the previous year, an increase of €0.6 billion. This was attributable to the aforementioned reclassifications from non-current to current assets, current investments in inventories (€290.2 million) less valuation effects on inventories (€-104.7 million), as well as the opposing effect of the property sales conducted (€-521.6 million) and the increase in cash and cash equivalents (€194.6 million).

All in all, total assets decreased slightly by €0.2 billion, from €7.9 billion to €7.7 billion.

Equity declined by €0.16 billion, from €1.39 billion to €1.23 billion, largely as a result of the consolidated net loss (€-101.5 million), the effects of hedge accounting and currency translation taken directly to equity (€-29.2 million) and the accrued interests on the hybrid bond (€-24.0 million).

Total liabilities were essentially unchanged in the first nine months of 2009 at €6.5 billion. Liabilities due to banks also remained stable at €5.2 billion. Drawdowns for project financing and the follow-up financing of a portfolio were offset by repayments of bridge loans and loan disposals due to property sales in the same amount.

Reflecting the development of equity, net asset value (NAV) declined from €8.51 per share as of 31 December 2008 to €7.16 per share as of 30 September 2009. Adjusted for the components of the market value of caverns not recognised on the balance sheet, net asset value fell from €12.70 per share to €10.25 per share. Compared with the second quarter of 2009 (€10.31 per share), NAV remained essentially unchanged.

Significant events after balance sheet date

Despite the difficult situation on the financial and property markets, IVG has succeeded in selling a number of properties with a total value of around €470 million to private and institutional investors in recent weeks. Most of these sales were conducted via the market. With this measure, IVG has taken an important step towards increasing its financial flexibility and ensuring its liquidity position on a sustainable basis. The sales consist of five transactions in Milan (approx. €300 million), Paris (approx. €50 million), Luxembourg (approx. €49 million), Düsseldorf (approx. €37 million) and Budapest (approx. €33 million). The property in Milan was removed from the balance sheet in mid-October. All of the other disposals are already included in the present interim report.

In late October 2009, IVG Immobilien AG successfully placed 10 million new ordinary bearer shares with institutional investors as part of an accelerated bookbuilding process, thereby increasing its share capital from €116 million to €126 million through the partial utilisation of authorised capital with shareholders' subscription rights disapplying. The placement price was €7.20 per share. The Company received gross proceeds of around €72 million from the capital increase. These proceeds will be used to finance the further growth of the Company through selected property investments that have already been identified.

The placement of our closed-end IVG EuroSelect 17 Amstelveen property fund remains successful. By late October 2009, almost 79.20% of the fund had been placed compared with 49.47% as of 30 September 2009. Including the internal placement figures reported by our sales partners, the sales ratio is already 93%.

Risk report

The continued existence of IVG, which was dependent on refinancing and sales success in 2009, was further ensured through successful sales activities in the third quarter. The revenues generated as of the publication date under the sales programme of a volume of over one billion euros were sufficient to provide the internal funding required for investments in cavern and project developments, thereby improving IVG's liquidity position as planned.

The fact that non-cash valuation losses in the Real Estate segment only amounted to €28.3 million in the third quarter serves to underline the continued recovery of the investment markets. The risk of a decrease in value due to the yield extension has declined further, whereas risks arising from the rental markets have increased. It remains to be seen how the continued economic development will take shape and how this will impact on the office rental markets.

Following the rental success in the third quarter, the material risks for future earnings performance in the Development segment primarily relate to potential rises in construction costs.

Forecast

As developments on the property markets remain difficult to predict, it is not possible to derive a proportional projection for 2009 as a whole on the basis of the quarterly results.

As property sales in the third quarter were conducted at prices that were only just below the market values as of 30 June 2009 and unrealised changes in value in the Real Estate segment declined significantly to €-28.3 million (previous quarter: €-52.8 million), there are signs of a stabilisation in fair value. The fair value measurement of investment property under construction in accordance with IAS 40 is also expected to lead to a positive earnings effect in the Caverns segment in the last quarter of 2009. The intensive construction activity in the Development segment at present means that it is not yet possible to make a quantitative forecast. Rising investor interest means that a slight improvement is expected in the Institutional and Private Funds segments in the fourth quarter of 2009 following the impact of non-recurring expenses in the third quarter.

INTERIM FINANCIAL STATEMENTS at 30 September 2009

Consolidated income statement for the 1st nine months

in € m	9M/2009			9M/2008		
	Before changes in value	Unrealised changes in value ¹⁾	Total	Before changes in value	Unrealised changes in value ¹⁾	Total
Revenues	395.5		395.5	450.0		450.0
Changes in inventories and other own work capitalised	342.0		342.0	289.9		289.9
Unrealised changes in market value of investment property	0.0	58.9	58.9	0.0	-62.6	-62.6
Realised changes in market value of investment property	-64.2		-64.2	17.4		17.4
Other operating income	36.3	17.0	53.3	78.8		78.8
Material expenses	-366.4	-118.6	-485.0	-314.1	0.0	-314.1
Personnel expenses	-50.7		-50.7	-53.1		-53.1
Depreciation and amortisation of intangible assets, property, plant and equipment	-4.5	-3.9	-8.4	-3.9	0.0	-3.9
Expenses from investment property	-54.7		-54.7	-54.5		-54.5
Other operating expenses	-92.0		-92.0	-105.5		-105.5
Gains/loss from associated companies accounted for using the equity method	-5.9		-5.9	2.2		2.2
Income from equity investments	-0.2		-0.2	7.9		7.9
EBIT	135.3	-46.6	88.7	315.1	-62.6	252.5
Financial income	15.3	74.9	90.3	21.2	71.0	92.2
Financial expenses	-195.1	-93.7	-288.8	-236.6	-50.0	-286.6
Financial result	-179.7	-18.8	-198.6	-215.4	21.0	-194.4
Net profit before income taxes	-44.4	-65.4	-109.8	99.7	-41.6	58.1
Income taxes			8.4			-24.0
Consolidated net profit			-101.5			34.1
Share attributable to Group shareholders			-126.5			13.7
Share attributable to hybrid capital providers			24.0			24.0
Share attributable to third parties			1.0			-3.6
Undiluted earnings per share in €			-1.09			0.12
Diluted earnings per share in €			-0.95			0.13

¹⁾ 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 1st nine months

in € m	9M/2009	9M/2008
Consolidated net profit	-101.5	34.1
Market valuation available-for-sale securities	4.4	0.5
Market valuation of hedging instruments	-39.3	-29.5
Adjustment for currency translation of foreign subsidiaries	6.0	-13.7
Revaluation as part of gradual acquisition of shares	0.0	-1.4
Deferred taxes on value adjustments set off directly against equity	-0.3	6.7
Income and expenses recognised in equity	-29.2	-37.4
Total comprehensive income	-130.7	-3.3
Share attributable to Group shareholders	-155.7	-17.0
Share attributable to hybrid capital providers	24.0	24.0
Share attributable to third parties	1.0	-10.3

Consolidated income statement 3rd quarter

in € m	Q3/2009			Q3/2008		
	Before changes in value	Unrealised changes in value ¹⁾	Total	Before changes in value	Unrealised changes in value ¹⁾	Total
Revenues	144.7		144.7	138.6		138.6
Changes in inventories and other own work capitalised	80.1		80.1	147.1		147.1
Unrealised changes in market value of investment property	0.0	-5.3	-5.3	0.0	-17.0	-17.0
Realised changes in market value of investment property	-11.8		-11.8	1.8		1.8
Other operating income	6.1	3.0	9.1	39.8		39.8
Material expenses	-107.1	-0.1	-107.2	-147.3	1.6	-145.7
Personnel expenses	-17.1		-17.1	-15.9		-15.9
Depreciation and amortisation of intangible assets, property, plant and equipment	-1.4	-0.1	-1.5	-1.5	2.5	1.0
Expenses from investment property	-14.8		-14.8	-17.1		-17.1
Other operating expenses	-24.8		-24.8	-38.5		-38.5
Gains/loss from associated companies accounted for using the equity method	0.3		0.3	0.9		0.9
Income from equity investments	0.1		0.1	7.3		7.3
EBIT	54.3	-2.5	51.8	115.2	-12.9	102.3
Financial income	6.3	14.0	20.3	4.8	-43.1	-38.3
Financial expenses	-65.1	-19.2	-84.3	-86.0	-2.1	-88.1
Financial result	-58.8	-5.2	-64.0	-81.2	-45.2	-126.4
Net profit before income taxes	-4.5	-7.7	-12.2	34.0	-58.1	-24.1
Income taxes			10.0			7.1
Consolidated net profit			-2.2			-17.0
Share attributable to Group shareholders			-10.4			-12.7
Share attributable to hybrid capital providers			8.0			8.0
Share attributable to third parties			0.2			-12.3
Undiluted earnings per share in €			-0.09			-0.11
Diluted earnings per share in €			-0.06			-0.11

¹⁾ 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 3rd quarter

in € m	Q3/2009	Q3/2008
Consolidated net profit	-2.2	-17.0
Market valuation available-for-sale securities	2.3	0.0
Market valuation of hedging instruments	-6.4	-4.6
Adjustment for currency translation of foreign subsidiaries	-3.1	-3.0
Revaluation as part of gradual acquisition of shares	0.0	0.0
Deferred taxes on value adjustments set off directly against equity	0.1	5.1
Income and expenses recognised in equity	-7.1	-2.5
Total comprehensive income	-9.3	-19.5
Share attributable to Group shareholders	-17.5	-14.9
Share attributable to hybrid capital providers	8.0	8.0
Share attributable to third parties	0.2	-12.6

Consolidated statement of financial position

in € m	30.09.2009	31.12.2008	in € m	30.09.2009	31.12.2008
ASSETS			EQUITY AND LIABILITIES		
Non-current assets			Equity		
Intangible assets	249.8	249.7	Subscribed capital	116.0	116.0
Investment property	4,700.4	5,172.2	Capital reserve	561.0	561.0
Property, plant and equipment	114.7	368.1	Treasury shares	-0.5	-0.5
Financial assets	215.3	245.5	Other reserves	-162.0	-133.0
Investments in associated companies accounted for using the equity method	61.3	37.9	Retained earnings	315.9	443.5
Derivative financial instruments	0.0	0.0	Equity attributable to Group shareholders	830.3	987.0
Deferred tax assets	366.3	367.0	Hybrid capital	400.9	400.9
Receivables and other assets	10.7	30.9	Minority interests	1.0	3.0
Total non-current assets	5,718.5	6,471.3	Total equity	1,232.2	1,390.9
Current assets			Non-current liabilities		
Inventories	1,177.7	1,002.2	Financial liabilities	5,021.8	4,250.4
Receivables and other assets	185.3	168.7	Derivative financial instruments	122.1	87.9
Income tax receivables	46.0	39.9	Deferred tax liabilities	232.7	246.0
Derivative financial instruments	6.8	38.7	Pension provisions	11.5	10.8
Securities	1.6	1.4	Other provisions	23.7	27.9
Cash and cash equivalents	238.8	44.2	Liabilities	2.8	10.0
	1,656.2	1,295.1	Total non-current liabilities	5,414.5	4,633.0
Non-current assets held for sale	334.5	109.1	Current liabilities		
Total current assets	1,990.7	1,404.2	Financial liabilities	480.5	1,349.1
			Derivative financial instruments	29.3	17.1
			Other provisions	77.5	147.0
			Liabilities	321.0	270.0
			Income tax liabilities	67.7	68.4
				976.0	1,851.6
			Liabilities associated with non-current assets held for sale	86.4	0.0
			Total current liabilities	1,062.4	1,851.6
Total assets	7,709.2	7,875.5	Total equity and liabilities	7,709.2	7,875.5

Statement of changes in equity

in € m	Subscribed capital	Capital reserve	Treasury shares	Other reserves	Retained earnings	Equity attributable to Group shareholders	Hybrid capital	Minority interests	Total equity
Balance at 01.01.2008	116.0	561.1	-0.3	5.8	1,030.9	1,713.5	400.9	2.7	2,117.1
Earnings recognised directly in equity				-37.4		-37.4			-37.4
Consolidated net profit					13.7	13.7	24.0	-3.6	34.1
Accrual on profit distribution for hybrid capital						0.0	-24.0		-24.0
Equity share of convertible bond		-0.1				-0.1			-0.1
Dividends					-81.2	-81.2		-0.1	-81.3
Treasury shares repurchased/sold			-0.6			-0.6			-0.6
Changes to group of consolidated companies				14.1	-1.3	12.8		-8.7	4.1
Balance at 30.09.2008	116.0	561.0	-0.9	-17.5	962.1	1,620.7	400.9	-9.7	2,011.9
Balance at 01.01.2009	116.0	561.0	-0.5	-133.0	443.5	987.0	400.9	3.0	1,390.9
Earnings recognised directly in equity				-29.2		-29.2			-29.2
Consolidated net profit					-126.5	-126.5	24.0	1.0	-101.5
Accrual on profit distribution for hybrid capital						0.0	-24.0		-24.0
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				0.2	-1.2	-1.0		-3.0	-4.0
Balance at 30.09.2009	116.0	561.0	-0.5	-162.0	315.8	830.3	400.9	1.0	1,232.2

Consolidated statement of cash flows

in € m	9M/2009	9M/2008
Consolidated net profit before interest and taxes (EBIT)	88.7	252.5
Unrealised changes in market value of investment property	-58.9	62.6
Realised changes in market value of investment property	64.2	-17.4
Depreciation and appreciation of intangible assets and property, plant and equipment	8.4	3.9
Proceeds from disposal of intangible assets and property, plant and equipment	1.4	2.4
Other non-cash income and expenses	32.0	-38.5
Changes in receivables and inventories of other divisions (not including Funds and operating Investment division)	-39.5	8.9
Changes in liabilities and provisions	-1.2	-99.5
Non-distributed earnings of associated companies	5.2	0.0
Dividends received	1.8	0.0
Changes in non-current assets and liabilities held for sale	5.2	33.0
Cash flow from current activities	107.3	207.9
Changes in inventories in Development and Private funds segments including sale of project development companies ¹⁾	-229.2	-307.0
Cash flow from short/mid-term investments in operating activities	-229.2	-307.0
Cash flow from operating activities before interest and taxes	-121.9	-99.1
Net interest income	-160.4	-207.1
Income tax paid (less reimbursements)	-3.3	-7.5
Cash flow from operating activities	-285.6	-313.7
Cash flow from investing activities	452.7	-987.3
Cash flow from financing activities	36.3	1,300.3
Net change in cash and cash equivalents from operations	203.4	-0.7
Cash and cash equivalents as of 01.01.	44.2	106.2
Changes in cash and cash equivalents due to exchange rate movements	0.0	0.0
Cash and cash equivalents as of 30.09.	247.6	105.5
<i>thereof cash in property disposal group</i>	<i>8.8</i>	<i>0.0</i>
Cash and cash equivalents reported on the balance sheet	238.8	105.5

¹⁾ Gain on disposal is included in other operating income.

Segment reporting for the 1st nine months 2009

9M/2009 in € m	Investment				Funds				IVG Corporate functions	Consolidation			Group		
	Real Estate	Development	Caverns		Institutional Funds	Private Funds				Before changes in value	Un- realised changes in values	Total	Before changes in value	Un- realised changes in values	Total
External revenues	266.2	59.3	59.3	13.6	47.4	7.6	7.6	7.6	1.4	0.0	0.0	0.0	395.5	0.0	395.5
Internal revenues	1.9	2.4	2.4	0.0	0.6	0.1	0.1	0.1	26.6	-31.6	-31.6	-31.6	0.0	0.0	0.0
Total revenues	268.1	61.6	61.6	13.6	48.0	7.7	7.7	7.7	28.0	-31.6	0.0	-31.6	395.5	0.0	395.5
Net rents from Investment Property	222.0	0.1	0.1	0.0	0.0	0.3	0.3	0.3	0.1	-0.6	-0.6	-0.6	221.8	0.0	221.8
Other net rents	11.9	5.1	5.1	0.1	0.0	0.0	0.0	0.0	0.4	-1.5	-1.5	-1.5	15.9	0.0	15.9
Income from service charges	31.2	1.2	1.2	0.0	0.0	0.1	0.1	0.1	0.1	-0.2	-0.2	-0.2	32.4	0.0	32.4
Income from project disposals	0.0	49.1	49.1	0.6	0.0	0.0	0.0	0.0	0.0	-2.3	-2.3	-2.3	47.4	0.0	47.4
Income from construction contracts	0.0	4.6	4.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.6	0.0	4.6
Income from transactions, concepts and sales	0.0	0.0	0.0	0.0	2.6	4.7	4.7	4.7	0.3	-0.3	-0.3	-0.3	7.3	0.0	7.3
Income from fund and property management	0.0	0.1	0.1	8.5	44.1	2.6	2.6	2.6	15.6	-13.5	-13.5	-13.5	57.4	0.0	57.4
Other revenues	3.0	1.5	1.5	4.4	1.3	0.0	0.0	0.0	11.5	-13.2	-13.2	-13.2	8.5	0.0	8.5
Changes in inventories and other own work capitalised	20.9	315.5	315.5	5.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	342.0	0.0	342.0
Unrealised changes in market value of investment property	0.0	-114.8	0.0	0.0	0.0	0.0	0.3	0.3	0.0	0.0	0.0	0.0	0.0	58.9	58.9
Realised changes in market value of investment property	-63.3	-0.4	-0.4	-0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-64.2	0.0	-64.2
Other operating income	12.5	10.3	17.0	7.3	1.0	2.3	2.3	2.3	17.8	-14.9	-14.9	-14.9	36.3	17.0	53.3
Material expenses	-22.7	-332.8	-118.6	-6.6	0.0	-6.3	-6.3	-6.3	-0.5	2.4	2.4	2.4	-366.4	-118.6	-485.0
Personnel expenses	0.0	-6.5	-6.5	-4.5	-8.9	-3.8	-3.8	-3.8	-26.9	0.0	0.0	0.0	-50.7	0.0	-50.7
Depreciation and amortisation of intangible assets and property, plant and equipment	-0.3	-3.9	-4.2	-2.6	-0.2	-0.1	-0.1	-0.1	-0.8	0.0	0.0	0.0	-4.5	-3.9	-8.4
Expenses from investment property	-54.8	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1	0.3	0.3	0.3	-54.7	0.0	-54.7
Other operating expenses	-48.4	-18.5	-18.5	-6.5	-22.6	-7.1	-7.1	-7.1	-31.9	43.1	43.1	43.1	-92.0	0.0	-92.0
Gains/loss from associated companies accounted for using the equity method	-4.9	-1.2	-1.2	-0.3	0.0	0.6	0.6	0.6	0.0	0.0	0.0	0.0	-5.9	0.0	-5.9
Income from share investments	1.8	-2.2	-2.2	0.0	0.2	0.1	0.1	0.1	0.0	0.0	0.0	0.0	-0.2	0.0	-0.2
Segment result (EBIT)	108.9	-118.7	-9.8	5.5	17.5	-6.9	-6.9	-6.6	-14.3	-0.7	0.0	-0.7	135.3	-46.6	88.7
Financial result													-179.7	-18.8	-198.6
Net profit before tax													-44.4	-65.4	-109.8
Income taxes															8.4
Consolidated net profit															-101.5
Segment assets	5,013.0	937.8			276.4				18.7			0.0			6,915.7
thereof shares in associated companies	48.5	4.9			5.7				0.0			0.0			61.3
Segment liabilities	128.8	90.0			16.3				120.1			0.0			387.5
Investments	61.4	15.3			3.8				0.3			0.0			151.7

Segment reporting for the 1st nine months 2008

9M/2008 in € m	Investment				Funds				IVG Corporate functions	Consolidation			Group
	Real Estate	Development	Caverns		Institutional Funds	Private Funds				Before changes in value	Un- realised changes in values	Total	
External revenues	272.2	56.6	39.5	39.5	50.0	29.6	29.6	29.6	2.2	0.0	0.0	0.0	450.0
Internal revenues	1.5	0.2	0.0	0.0	0.5	0.1	0.1	0.1	25.4	-27.8	0.0	0.0	0.0
Total revenues	273.7	56.8	39.5	39.5	50.5	29.7	29.7	29.7	27.6	-27.8	0.0	-27.8	450.0
Net rents from Investment Property	233.6	1.2	36.1	36.1	0.0	0.0	0.0	0.0	0.0	-0.2	0.0	0.0	270.7
Other net rents	7.8	4.0	0.2	0.2	0.0	0.0	0.0	0.0	0.3	-1.5	0.0	0.0	32.8
Income from service charges	30.6	1.3	0.0	0.0	0.0	0.1	0.1	0.1	0.1	-0.1	0.0	0.0	31.9
Income from project disposals	0.0	42.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.2	0.0	0.0	42.0
Income from construction contracts	0.0	5.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.9
Income from transactions, concepts and sales	0.0	0.0	0.0	0.0	6.0	4.5	4.5	4.5	0.6	0.0	0.0	0.0	11.1
Income from fund and property management	0.0	0.1	0.0	0.0	43.8	3.1	3.1	3.1	5.8	-5.5	0.0	0.0	47.3
Other revenues	1.7	2.2	3.2	3.2	0.7	0.0	0.0	0.0	20.8	-20.3	0.0	0.0	8.4
Changes in inventories and other own work capitalised	-0.9	230.1	10.4	10.4	0.1	50.1	50.1	50.1	0.0	0.0	0.0	0.0	289.9
Unrealised changes in market value of investment property	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Realised changes in market value of investment property	15.1	2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17.4
Other operating income	28.8	29.1	5.9	5.9	1.8	11.2	11.2	11.2	23.9	-21.9	0.0	0.0	78.8
Material expenses	-2.8	-249.7	-6.6	-6.6	0.0	-54.8	-54.8	-54.8	-1.1	0.8	0.0	0.0	-314.1
Personnel expenses	-0.7	-8.1	-5.6	-5.6	-5.8	-3.7	-3.7	-3.7	-29.2	-0.1	0.0	0.0	-53.1
Depreciation and amortisation of intangible assets and property, plant and equipment	-0.3	-0.7	-1.8	-1.8	-0.5	-0.1	-0.1	-0.1	-0.7	0.0	0.0	0.0	-3.9
Expenses from investment property	-49.5	-3.5	-1.1	-1.1	0.0	0.0	0.0	0.0	-0.3	0.0	0.0	0.0	-54.5
Other operating expenses	-38.4	-14.0	-13.3	-13.3	-25.2	-19.4	-19.4	-19.4	-44.3	49.2	0.0	0.0	-105.5
Gains/loss from associated companies accounted for using the equity method	-8.9	1.4	0.0	0.0	0.0	9.7	9.7	9.7	0.0	0.0	0.0	0.0	2.2
Income from share investments	0.1	0.0	0.0	0.0	0.7	0.0	0.0	0.0	7.1	0.0	0.0	0.0	7.9
Segment result (EBIT)	216.2	43.9	27.5	27.5	21.6	22.7	22.7	22.7	-16.8	0.2	0.0	0.1	315.1
Financial result	-319.1	-102.9											-62.6
Net profit before tax													252.5
Income taxes													-215.4
Consolidated net profit													58.1
Segment assets	5,799.4	952.8	1,041.0	1,041.0	274.0	407.2	407.2	407.2	33.9	0.0	0.0	0.0	8,508.3
thereof shares in associated companies	15.7	8.5	0.0	0.0	3.6	11.9	11.9	11.9	0.0	0.0	0.0	0.0	39.7
Segment liabilities	97.1	39.2	27.6	27.6	10.8	61.5	61.5	61.5	106.4	0.0	0.0	0.0	342.6
Investments	989.0	42.4	133.6	133.6	0.3	64.8	64.8	64.8	2.5	0.0	0.0	0.0	1,232.6

Segment reporting 3rd quarter 2009

Q3/2009 in € m	Investment				Funds				IVG Corporate functions	Consolidation		Group				
	Real Estate		Development		Caverns		Institutional Funds			Private Funds			Un- realised changes in value	Total		
	Before changes in value	Un- realised changes in value	Total	Before changes in value	Un- realised changes in value	Total	Before changes in value	Un- realised changes in value		Total	Before changes in value				Un- realised changes in value	Total
External revenues	82.6	82.6	40.2	40.2	5.4	5.4	13.7	13.7	1.8	1.8	1.8	0.0	0.0	144.7	0.0	144.7
Internal revenues	0.6	0.6	0.4	0.4	0.0	0.0	0.2	0.2	0.0	0.0	0.0	-10.0	-10.0	0.0	0.0	0.0
Total revenues	83.2	0.0	83.2	40.6	0.0	40.6	14.0	0.0	1.9	0.0	1.9	-10.0	0.0	144.7	0.0	144.7
Net rents from Investment Property	69.1	69.1	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.3	0.3	-0.2	-0.2	69.3	0.0	69.3
Other net rents	2.8	2.8	2.3	2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.5	-0.5	4.8	0.0	4.8
Income from service charges	10.4	10.4	0.5	0.5	0.0	0.0	0.0	0.0	0.1	0.1	0.1	-0.1	-0.1	10.9	0.0	10.9
Income from project disposals	0.0	0.0	35.3	35.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.3	-0.3	35.0	0.0	35.0
Income from construction contracts	0.0	0.0	1.7	1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.7	0.0	1.7
Income from transactions, concepts and sales	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.3	0.3	0.3	0.3	0.0	0.0	0.6	0.0	0.6
Income from fund and property management	0.0	0.0	0.0	0.0	1.8	1.8	13.4	13.4	1.2	1.2	1.2	-4.8	-4.8	18.1	0.0	18.1
Other revenues	0.7	0.7	0.7	0.7	3.6	3.6	0.3	0.3	0.0	0.0	0.0	-4.2	-4.2	4.2	0.0	4.2
Changes in inventories and other own work capitalised	5.9	5.9	73.2	73.2	1.3	1.3	0.0	0.0	-0.3	-0.3	-0.3	0.0	0.0	80.1	0.0	80.1
Unrealised changes in market value of investment property	0.0	-28.3	0.0	0.0	0.0	22.7	0.0	0.0	0.0	0.3	0.3	0.0	0.0	0.0	-5.3	-5.3
Realised changes in market value of investment property	-11.4	-11.4	0.0	0.0	-0.4	-0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-11.8	0.0	-11.8
Other operating income	3.5	3.5	2.0	3.0	0.6	0.6	0.1	0.1	0.3	0.3	0.3	-5.7	-5.7	6.1	3.0	9.1
Material expenses	-7.6	-7.6	-91.7	-91.8	-4.2	-4.2	0.0	0.0	-4.2	-4.2	-4.2	0.1	0.1	-107.1	-0.1	-107.2
Personnel expenses	-0.2	-0.2	-1.7	-1.7	-1.6	-1.6	-2.9	-2.9	-1.3	-1.3	-1.3	-9.4	-9.4	-17.1	0.0	-17.1
Depreciation and amortisation of intangible assets and property, plant and equipment	-0.1	-0.1	-0.1	-0.1	-0.9	-0.9	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	-1.4	-0.1	-1.5
Expenses from investment property	-14.8	-14.8	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1	0.1	0.0	-14.8	0.0	-14.8
Other operating expenses	-13.5	-13.5	-5.7	-5.7	0.2	0.2	-7.5	-7.5	-3.5	-3.5	-3.5	-10.4	-10.4	-24.8	0.0	-24.8
Gains/loss from associated companies accounted for using the equity method	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.5	0.5	0.0	0.0	0.3	0.0	0.3
Income from share investments	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1
Segment result (EBIT)	45.0	-28.4	16.5	16.5	2.9	19.4	3.7	0.0	3.7	-6.8	0.3	-6.5	0.0	54.3	-2.5	51.8
Financial result														-58.8	-5.2	-64.0
Net profit before tax														-4.5	-7.7	-12.2
Income taxes																10.0
Consolidated net profit																-2.2
Investments	15.3	15.3	4.6	4.6	22.9	22.9	0.0	0.0	0.7	0.7	0.7	0.0	0.0	43.4		43.4

Segment reporting 3rd quarter 2008

Q3/2008 in € m	Investment						Funds				IVG Corporate functions	Consolidation			Group		
	Real Estate		Development		Caverns		Institutional Funds		Private Funds			Before changes in value	Un- realised changes in values	Total	Before changes in value	Un- realised changes in values	Total
	Before changes in value	Un- realised changes in values	Before changes in value	Un- realised changes in values	Before changes in value	Un- realised changes in values	Before changes in value	Un- realised changes in values	Before changes in value	Un- realised changes in values							
External revenues	91.3	91.3	7.2	7.2	14.0	14.0	16.6	16.6	8.9	8.9	0.7	0.0	0.0	138.6	0.0	138.6	
Internal revenues	-1.3	-1.3	0.2	0.2	0.0	0.0	-0.1	-0.1	0.0	0.0	16.9	-15.7	-15.7	0.0	0.0	0.0	
Total revenues	90.0	0.0	7.4	0.0	14.0	0.0	16.5	0.0	8.9	0.0	17.6	-15.7	0.0	138.6	0.0	138.6	
Net rents from Investment Property	76.4	76.4	-0.1	-0.1	12.6	12.6	0.0	0.0	0.0	0.0	0.0	1.6	1.6	90.5	0.0	90.5	
Other net rents	2.3	2.3	1.2	1.2	-0.1	-0.1	0.0	0.0	3.2	3.2	0.1	-0.4	-0.4	6.3	0.0	6.3	
Income from service charges	10.6	10.6	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.1	-0.1	-0.1	11.0	0.0	11.0	
Income from project disposals	0.0	0.0	1.8	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.2	-0.2	1.6	0.0	1.6	
Income from construction contracts	0.0	0.0	3.3	3.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.3	0.0	3.3	
Income from transactions, concepts and sales	0.0	0.0	0.0	0.0	0.0	0.0	1.8	1.8	4.3	4.3	0.6	0.0	0.0	6.7	0.0	6.7	
Income from fund and property management	0.0	0.0	0.1	0.1	-0.8	-0.8	14.4	14.4	1.0	1.0	1.7	-1.5	-1.5	14.9	0.0	14.9	
Other revenues	0.7	0.7	0.8	0.8	2.3	2.3	0.1	0.1	0.5	0.5	15.0	-15.1	-15.1	4.3	0.0	4.3	
Changes in inventories and other own work capitalised	-0.9	-0.9	118.1	118.1	10.4	10.4	0.1	0.1	19.3	19.3	0.0	0.0	0.0	147.1	0.0	147.1	
Unrealised changes in market value of investment property	0.0	-150.8	0.0	-9.8	0.0	143.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-17.0	-17.0	
Realised changes in market value of investment property	1.8	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.8	0.0	1.8	
Other operating income	22.0	22.0	4.7	4.7	4.7	4.7	0.1	0.1	7.5	7.5	-0.8	1.6	1.6	39.8	0.0	39.8	
Material expenses	-2.4	1.6	-115.1	-115.1	-6.2	-6.2	0.0	0.0	-23.5	-23.5	-0.3	0.1	0.1	-147.3	1.6	-145.7	
Personnel expenses	-0.3	-0.3	-2.4	-2.4	-3.4	-3.4	-2.2	-2.2	-1.3	-1.3	-6.4	0.0	0.0	-15.9	0.0	-15.9	
Depreciation and amortisation of intangible assets and property, plant and equipment	-0.1	-0.1	-0.2	-0.2	-1.0	2.5	-0.2	-0.2	0.0	0.0	-0.2	0.0	0.0	-1.5	2.5	1.0	
Expenses from investment property	-18.0	-18.0	0.1	0.1	0.4	0.4	0.0	0.0	0.3	0.3	0.2	0.0	0.0	-17.1	0.0	-17.1	
Other operating expenses	-15.1	-15.1	-4.4	-4.4	-8.1	-8.1	-6.2	-6.2	-2.4	-2.4	-16.3	14.1	14.1	-38.5	0.0	-38.5	
Gains/loss from associated companies accounted for using the equity method	-2.9	-2.9	0.7	0.7	0.0	0.0	0.0	0.0	3.1	3.1	0.0	0.0	0.0	0.9	0.0	0.9	
Income from share investments	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.0	0.0	7.1	0.0	0.0	7.3	0.0	7.3	
Segment result (EBIT)	74.1	-149.2	9.1	-9.8	10.9	146.1	8.2	0.0	11.9	0.0	1.1	0.0	0.0	115.2	-12.9	102.3	
Financial result																	
Net profit before tax																	
Income taxes																	
Consolidated net profit																	
Investments	51.1	51.1	-3.6	-3.6			0.1	0.1	10.7	10.7	-19.6			34.0	-58.1	-24.1	
																7.1	
																-17.0	
																93.2	

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 valuations 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 30 September 2009 compared with the annual financial statements. Except for the amendments and new provisions described below, IVG has applied the same accounting policies in preparing the interim financial statements as in the consolidated financial statements for the 2008 financial year. The relevant information can be found in the consolidated financial statements for the year ended 31 December 2008, which form the basis for the present interim financial statements. Information on significant changes and transactions prior to 30 September 2009 and the €10.0 million increase in the share capital of IVG Immobilien AG after the balance sheet date 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 in accounting policies

With the following exceptions, the rules required to be applied for the first time with effect from 1 January 2009 did not materially affect the interim report of the IVG Group:

The revised IAS 1 (2007) "Presentation of Financial Statements" prescribes the separate presentation of owner and non-owner changes in equity. As well as the corresponding change in presentation, this will result in additional disclosures on other comprehensive income in the consolidated financial statements for the year ended 31 December 2009.

In the interim report for the period ended 31 March 2009, we reported that, in accordance with IAS 40 (2008) "Investment Property", property under construction that will be used as investment property in future is now classified as investment property and not as property, plant and equipment for the first time in the 2009 financial year. As a result of this change in accounting policies, caverns under construction in the amount of €266.1 million were reclassified from property, plant and equipment to investment property. Investment property under construction is carried at fair value if this can be reliably determined; otherwise, it continues to be carried at amortised cost. The first-time measurement of investment property at fair value resulted in an increase in unrealised changes in market value of €150.5 million as of 30 September 2009. The unrealised changes in market value reported in the Caverns segment also include €22.9 million relating to a cavern that was completed in the third quarter of 2009.

In accordance with IFRS 8 "Segment Reporting", segment reporting is performed using the management approach based on the segment result (EBIT). A reconciliation of the segment result to consolidated net profit before taxes is provided as part of segment reporting. Segment reporting reflects the structure of internal reporting to the chief operating decision-maker, IVG's Board of Management.

The changes within segment reporting are attributable to the changes in IVG's business model. The Investment division encompasses the operating segments of Real Estate (previously Investment), Development and Caverns. The Funds division contains the former Funds segment, which has been divided into the two operating segments of Institutional Funds and Private Funds in order to reflect the internal reporting structure. As previously, IVG's central departments consist of the centralised service units and Asset Management.

Treasury shares/convertible bond

IVG held 32,170 treasury shares as of 30 September 2009. This corresponds to 0.0277 % of IVG's share capital, i.e. €32,170.

Major transactions with related parties

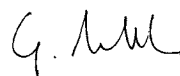
As described in the notes to the 2008 consolidated financial statements, IVG conducts arm's-length transactions with unconsolidated subsidiaries and companies accounted for using the equity method. IVG's business relationships with the Sal. Oppenheim Group are described in the Annual Report 2008 (Notes). The consulting contract with Sal. Oppenheim on the future financing strategy and corporate development was terminated with effect from 30 June 2009.

Declaration of the Board of Management

The declaration in accordance with section 37y no. 1 of the German Securities Trading Act in conjunction with sections 297 (2) sentence 3 and 315 (1) sentence 6 of the German Commercial Code has been issued 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, 13 November 2009



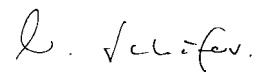
Gerhard Niesslein



Andreas Barth



Georg Reul



Wolfgang Schäfers

CONTACTS AND FINANCIAL CALENDAR

Contacts

Investor Relations

Martin Praum
 Phone +49 (0) 228 844-137
 Fax +49 (0) 228 844-372
 Email ir@ivg.de

Media Relations

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

Financial Calendar

Date	Organizer	Event	Location
17./19.11.	Kempen & Co	Roadshow	BeNeLux, London
18./19.11.	West LB	Germany Conference	Frankfurt a. M.
01.12.	Commerzbank	Real Estate Conference	Frankfurt a. M.
09.12.	DSW	Aktienforum	Bonn
11.-13.01. 2010	DKIB / CBK	Germany Conference	New York
19.-20.01. 2010	CA Cheuvreux	Germany Conference	Frankfurt a. M.
25.03.2010	IVG	Publication of the annual report 2009	
12.05.2010	IVG	Publication of the interim report – 1st quarter 2010	
20.05.2010	IVG	Annual General Meeting	Bonn
13.08.2010	IVG	Publication of the interim report – 2nd quarter 2010	
12.11.2010	IVG	Publication of the interim report – 3rd quarter 2010	

Notes

The interim report is published in German and English. The German version is binding in all cases.

In some cases, minor rounding differences may occur in the tables and diagrams contained in this interim report. 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. These reflect the current opinions of IVG's management and are based on corresponding estimates and expectations. These statements should not be taken as a guarantee that the expected developments will actually occur. The interim financial report also uses information from carefully selected, reliable sources. At the same time, however, it should be noted that IVG has not checked the veracity of the information provided.

Imprint

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