Interim Financial Report

3rd quarter 2011

IVG 3Q/2011

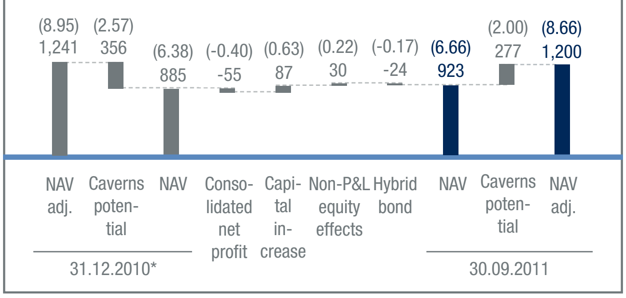
Group key figures

in €m	9M/2011	9M/2010	3Q/2011	3Q/2010
Key operational figures				
Revenues	440.4	697.8	121.0	136.0
thereof net rents	*193.1*	*201.2*	*65.7*	*66.2*
thereof fees for fund and property management, development and sales	*74.0*	*74.2*	*32.3*	*24.0*
EBIT	**69.6**	**237.1**	**58.6**	**80.9**
EBT	**-115.6**	**58.2**	**-17.0**	**25.7**
Consolidated net profit	**-54.7**	**46.5**	**3.0**	**18.3**
thereof unrealised changes in value	*-94.1*	*28.2*	*-13.4*	*30.1*
Funds from Operations I (FFO I)	14.5	15.9	1.9	-0.4
Funds from Operations II (FFO II)	-9.4	19.3	-4.7	-11.6
Key figures per share in €				
FFO I	0.11	0.13	0.01	0.00
FFO II	-0.07	0.15	-0.03	-0.09
Basic earnings	-0.58	0.17	-0.04	0.08
EPRA EPS	-0.49	0.00	0.06	-0.04
Diluted earnings (EPS)	-0.58	0.17 [1]	-0.04	0.08 [1]

[1] Information on the adjustment of diluted earnings per share can be found in the notes

in €m	30.09.2011	31.12.2010
Key balance sheet figures		
Total assets	6,949.2	7,292.4
Equity (carrying amounts)	1,323.8	1,286.1
Equity ratio at carrying amounts in %	19.0	17.6
Net asset value (NAV)	922.8	884.8
NAV adj. (incl. value potential of caverns)	1,199.6	1,241.1
Equity ratio at NAV adj. in %	17.3	17.0
EPRA NAV	757.5	797.9
EPRA NNNAV	1,124.3	985.9
Key figures per share in €		
NAV	6.66	7.02
NAV adj.	8.66	9.85
EPRA NAV	5.47	6.33
EPRA NNNAV	8.11	7.82
Employees (FTE)	589	590

NAV-Development in €m/(€ per share)



* Adjusted because of capital increase

FOREWORD

Dear Shareholders, Ladies and Gentlemen,

The intensified sovereign debt situation, particularly in Greece, together with the difficulties in the banking sector have led to a general sense of uncertainty on the markets. Although the adoption of an expanded euro rescue fund certainly brought some respite, the actual solution to the problems – the structural adjustment measures to the national economies of the EU – has not yet been implemented. Such measures cannot be achieved in the short term in organisational and political terms. However, recognisable steps in the right direction should lead to an initial degree of confidence being restored.

On the European office property investment markets, top initial yields and transaction volumes have predominantly tracked sideways in the third quarter of 2011. On the office property rental markets, the revenue momentum largely remained at the high level of the previous quarter, especially in Germany. In the third quarter of 2011, we concluded new leases or prolonged existing ones for 79,091 sqm in our own portfolio (IVG Real Estate segment). At 89.1%, the economic occupancy rate as at 30 September 2011 was down slightly on the previous quarter's level.

In our development projects (IVG Development segment), we concluded pre-letting agreements for 32,823 sqm in the third quarter of 2011. The pre-letting rate in the development projects was 67.8% as at 30 September 2011. There are currently only two remaining projects in this segment, at final development stage.

In our biggest development project, THE SQUAIRE, we concluded the final rental agreement for 18,500 sqm with Deutsche Lufthansa AG on 30 September 2011. With a current occupancy rate by space of 82%, THE SQUAIRE now has three excellent anchor tenants in KPMG, Hilton and Lufthansa. We now intend to focus further letting activities on small and medium-sized areas in order to create a balanced overall tenant

mix. This is a key element of the “NEW WORK CITY” concept that is being put into action in THE SQUAIRE in a unique way. The financing for THE SQUAIRE and the adjacent car park, THE SQUAIRE Parking, was secured and new agreements were concluded in September 2011 until the end of 2013, bringing it in line with the terms for our marketing planning.

The Hackesches Quartier project in Berlin and the Medienbrücke project in Munich were certified with the internationally recognised sustainability standard LEED (Leadership in Energy and Environmental Design) in the Gold class. IVG therefore has a total of five LEED-certified buildings, one of which is in the highest class Platinum, and another five certifications are currently being reviewed.

The IVG Caverns segment is pushing forward with the expansion of our caverns facility in Etzel in line with planning and is thus preparing for the completion and handover of seven new caverns next year. The IVG caverns location in Etzel celebrated its 40th anniversary this year, holding an official ceremony and an open day in September 2011. We also initiated a series of dialogues on sustainable energy infrastructure in Germany under the patronage of the Minister-President of Lower Saxony, David McAllister.

Consolidated net profit in the third quarter of 2011 amounted to €3.0 million. Unrealised changes in the market value of investment property of €8.5 million made a positive contribution to earnings. The operating ratios FFO I and FFO II amounted to €1.9 million and -€4.7 million respectively. Net asset value on the balance sheet changed by 1.2%, from €6.74 per share on 30 June 2011 to €6.66 per share on 30 September 2011. Net asset value including future cavern business (adjusted NAV) amounted to €8.66 per share as at 30 September 2011, as against €8.75 per share in the previous quarter. The cost item of other operating expenses increased slightly in the third quarter of 2011 to €27.4 million as against €25.6 million in the second quarter of 2011 due to one-off effects, but still remains lower than the previous year’s level. The present interim report provides detailed information on the figures.

In addition to the financing of THE SQUAIRE and THE SQUAIRE PARKING, we succeeded in taking decisive steps towards restructuring IVG’s financing structure in recent weeks. The two largest positions here are the early extensions of the syndicated loan from 2009 and the financing of our Allianz portfolio, also called “CORE” financing. The syndicated loan from 2009 in the amount of €1,017 million will be extended until September 2014 while the “CORE” financing of €933 million will be extended until the end of 2015.

In October 2011, we completed the Board of Management team. After Dr. Niesslein left the Board of Management as planned, since 1 November 2011 the Board of Management has consisted of Prof. Wolfgang Schäfers (Chairman of the Board of Management/CEO), Dr. Hans Volkert Volckens (CFO) and Christian Kühni (COO). With this new line-up, we will continue on our path with determination.

On 28 October 2011, a group of investors led by IVG signed a purchase agreement to acquire the fully-let “Silberturm” property in Frankfurt am Main, Germany. The seller was Commerzbank AG. The transaction was successfully carried out as a club deal in line with our co-investment approach together with eight institutional investors who provided over 90% of the fund’s equity and with IVG’s long-term equity stake.

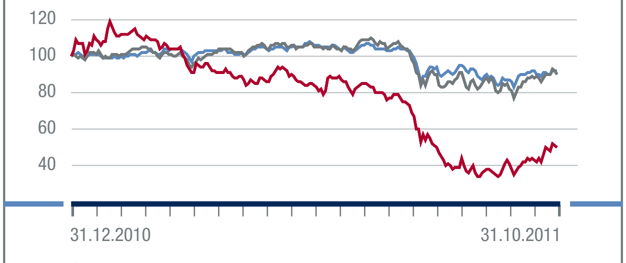
We would like to thank our financial backers, customers and business partners for the trust they have placed in us. It inspires us and reminds us of our obligation to work together with all our energy for a good future for IVG.

Bonn, November 2011

The Board of Management

INVESTOR RELATIONS
(IVG SHARE)

IVG index comparison indexed: 31.12.2010



The performance of IVG shares in the year to date has been marked by high volatility. On 25 January 2011, the share price not only reached its high for the year to date of €7.71 but also its highest level since 1 January 2010. At its peak, the IVG share price was up 44% as against the start of the previous year. In the second and third quarters, there was an adjustment in the share price due in particular to the macroeconomic environment, causing it to fall to €2.63 as at 30 September 2011. IVG shares therefore lost 59% as compared to the closing price at the end of 2010. In the same period, the MDAX benchmark index and the FTSE EPRA/NAREIT Developed Europe real estate stock index lost 8% and 13% respectively.

At the time this report was printed, the IVG share price rose again by 22% as compared to the end of the quarter to close at €3.22 on 08 November 2011.

After the pleasing return to the European Real Estate Association (EPRA) indices, at national level we had to accept Deutsche Börse's decision in September 2011 to reclassify the IVG share from the MDAX to the SDAX. The reclassification was due primarily to the quantitative criterion of comparatively low market capitalisation. Returning to the MDAX in the context of IVG's continued operational and financial progress is of course a top-priority goal for us.

IVG is currently being actively covered by 21 analysts. In the reports they have published since 1 January 2011, ten analysts have recommended buying IVG shares, five have recommended holding them and six have recommended selling them. The average target price was €5.02.

The shareholder structure of IVG as at 30 September 2011 was as follows: MANN Immobilien-Verwaltung AG (20.00%), Santo Holding AG (14.39%), Goldsmith Capital Partners (4.94%), Universal-Investment-Gesellschaft mbH (4.64%) and free float (56.02%). Changes in the shareholder structure and additional information on IVG shares can be found in the "Investor Relations" section of the company's website at http://www.ivg.de.

Furthermore, news from IVG is also available on Twitter at http://twitter.com/IVG_Immobilien

IVG share – key data

WKN/ISIN	620570/DE0006205701
Code IVG	IVG
Stock exchanges	Frankfurt a.M., Dusseldorf, Stuttgart, Munich, Berlin, Hamburg, Hanover, XETRA
Market segment	Regulated market/Prime Standard
Index membership (selection)	SDAX, FTSE EPRA/NAREIT Developed Europe, FTSE EPRA/NAREIT Germany, MSCI Europe, MSCI Germany, GPR Indices
Designated Sponsors	Commerzbank AG, DZ Bank
Market capitalisation (30.09.2011)	€365 million
Free float market capitalisation (65.60 %, 30.09.2011)*	€239 million
Number of shares (30.09.2011)	138.6 million
Share price (30.09.2011)	€2.63
First listed	01.10.1986
Last capital increase	February 2011

* Free float definition Deutsche Börse

INTERIM MANAGEMENT REPORT

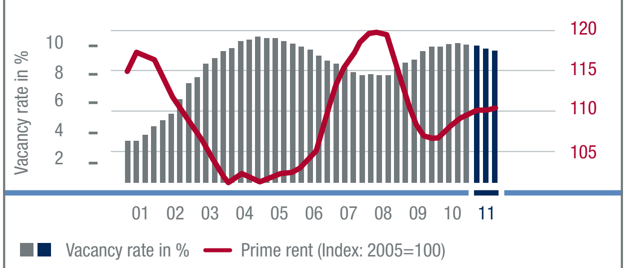
as of 30 September 2011

Macroeconomic trends and real estate markets

There are growing signs that the continued uncertainty on the financial markets owing to the sovereign debt crisis will spread to the real economy. For instance, key economic leading indicators have fallen significantly in recent months and growth forecasts for 2012 were adjusted downwards substantially. The unemployment rate in the euro area stagnated most recently at 10%. Annual inflation in the euro area was at a high 3.0% in September 2011 but will decline in the near future as a result of the economic stagnation. The European Central Bank is likely to reduce the current key interest rate of 1.25% to a lower level soon.

The revenue momentum on Europe's office rental markets decreased slightly less than average in the third quarter of 2011 despite the weaker economy. Alongside Stockholm and Warsaw, in particular Germany's major office locations reported relatively high revenues, while Southern European office markets were characterised by low demand for space.

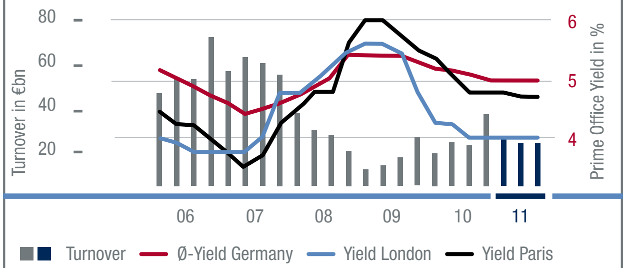
Real Estate rental markets Europe



Source: IVG Research, Cushman & Wakefield database

In light of the continued demand for space and the low level of completions, Europe's average vacancy rate decreased further in the third quarter of 2011, from 9.7% to 9.5%. In Germany's five biggest office markets, 9.9% of the office space was available for rent in the short term as of the end of September. Prime rents in Europe and Germany have mostly tracked sideways in recent months, with slight rent increases in Hamburg and Stockholm offsetting decreasing rents in the Spanish markets for example.

Real Estate investment markets Europe



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

On the European investment market for commercial real estate, the transaction volume in the third quarter of 2011 amounted to approximately €26 billion and was thus at a similar level as in the two preceding quarters.

Once again, the lion's share of the investments related to core properties in the major markets of the UK, France and Germany. Initial yields for prime office properties have recently developed stably on the whole. The yield difference as against German government bonds increased significantly as a result of the exacerbated sovereign debt crisis. For instance, prime initial yields of close to 5% in Germany's top 5 locations now compare to an interest rate on ten-year German government bonds of only 2%.

Profitability, financial position and net assets

Profitability

Revenues fell by €257.4 million from €697.8 million in the first nine months of 2010 to €440.4 million in the reporting period. This reduction is due to the high prior-year figure, which was determined by the invoicing of a total of nine project developments in the IVG Development segment with a volume of €386.5 million. By contrast, one project development in Berlin was invoiced in this segment in the first nine months of 2011; this project development was transferred to the IVG Premium Green Fund in the first quarter of 2011.

Changes in inventories developed from €37.4 million in the prior-year period to €72.4 million in the first nine months of 2011. This change is primarily attributable to construction progress in the IVG Development segment, adjusted for the carrying amounts of the projects invoiced and already sold.

Unrealised non-cash changes in the market value of investment property decreased by a total of -€34.2 million from +€50.3 million in the first nine months of 2010 to +€16.1 million in the reporting period. +€32.0 million of this development stems from the IVG Real Estate segment (from -€69.1 million to -€37.1 million) and -€66.2 million from the IVG Caverns segment (from +€119.4 million and seven caverns to +€53.2 million and three caverns). In the IVG Caverns segment, the amount of unrealised changes in the market value of investment property is largely due to the number of caverns now recognised at fair value for the first time.

Other operating income fell by €3.5 million from €16.8 million in the first nine months of 2010 to €13.3 million in the reporting period, primarily as a result of the book gain of €6.2 million reported under this item in the IVG Private Funds segment in the same period of the previous year. This was offset by the income from the reversal of an impairment loss recognised in the IVG Caverns segment in the previous year (€1.6 million).

Material expenses fell by €108.1 million year-on-year, from €390.6 million to €282.5 million in the first nine months of 2011. The drop in material expenses before changes in value from building activity alone amounted to €186.1 million (from €382.5 million in the first nine months of 2010 to €196.4 million in the reporting period) and was offset by the rise in the changes in value in project developments amounting to €78.0 million (from -€8.1 million in the first nine months of 2010 to -€86.1 million in the reporting period). Both effects were referable to the development segment. The changes in value in the reporting period of -€86.9 pertained to THE SQUAIRE major project at Frankfurt Airport.

Expenses from investment property increased by €4.5 million year-on-year from €52.0 million to €56.5 million in the first nine months of 2011.

The savings effects achieved in the previous year as a result of the cost reduction programme were continued in the first nine months of 2011. The other operating expenses which are impacted by this declined by €2.8 million to €77.6 million.

EBIT before changes in value fell by -€58.8 million from +€197.1 million in the first nine months of the previous year to +€138.3 million in the reporting period. -€13.1 million of this is due to the IVG Real Estate segment, -€39.7 million to the IVG Development segment (the previous year's figures include gains from the settlement of projects), -€7.1 million to the IVG Private Funds segment and +€1.1 million to the other divisions. EBIT after changes in value fell by -€167.5 million from +€237.1 million to +€69.6 million in the first nine months of 2011.

The financial result deteriorated slightly by -€6.2 million from -€179.0 million in the first nine months of 2010 to -€185.2 million in the reporting period. This change was chiefly attributable to the decline in the foreign currency result (-€8.9 million) and the change in the result from the remeasurement of financial assets (-€5.1 million). This was offset by the improvement in net interest income (+€12.6 million). Before unrealised changes in value, the financial result improved by +€7.4 million from -€167.1 million to -€159.7 million.

The €72.5 million increase in income taxes – from -€11.6 million in the first nine months of 2010 to €60.9 million in the reporting period – is due firstly to the development of pre-tax earnings and secondly to the additional capitalisation of commercial tax loss carryforwards.

In total, particularly as a result of the impairment loss on the project THE SQUAIRE during its finalisation, consolidated net profit declined by -€101.2 million from +€46.5 million in the first nine months of 2010 to -€54.7 million in the first nine months of 2011.

IVG Investment – Real Estate

in €m	9M/2011	9M/2010	3Q/2011	3Q/2010
Total revenues	227.2	221.6	81.7	72.5
thereof net rents	*184.1*	*195.1*	*61.9*	*65.2*
thereof service charges	*32.9*	*25.0*	*11.4*	*6.8*
thereof project sales	*7.9*	*0.0*	*7.9*	*0.0*
Changes in inventories	-7.0	0.3	-7.2	0.2
Unrealised changes in market value of investment property	-37.1	-69.1	-13.2	-20.3
Realised changes in market value of investment property	-0.4	-0.7	-1.8	-1.6
Other operating income	7.0	6.5	2.6	2.4
Expenses from investment property	-56.5	-51.9	-20.7	-15.8
Other operating expenses	-33.5	-33.1	-12.8	-12.8
EBIT	**97.1**	**78.4**	**27.1**	**30.5**
thereof unrealised changes in value	*-36.2*	*-68.0*	*-13.2*	*-20.3*
EBIT before changes in value	**133.3**	**146.4**	**40.4**	**50.8**

In the IVG Real Estate segment, revenues rose by €5.6 million from €221.6 million in the first nine months of 2010 to €227.2 million in the first nine months of the current year. The net rents included in this item decreased by €11.0 million in comparison to the first nine months of the previous year, mainly due to the loss of net rents from investment property sold, especially in London, Glasgow and Paris. The decline in net rents was offset by income from project disposals (€7.9 million) and by the €7.9 million increase in income from service charges. On a like-for-like basis, net rents dipped by 0.3% in the past three months as against the first half of 2011.

At -€37.1 million, unrealised changes in the market value of investment property were less negative in the reporting period than in the same period of the previous year (-€69.1 million). Overall, the real estate portfolio therefore experienced a negative change in value of only around 0.8% as at 30 September 2011.

Realised changes in market value from sales of investment property improved slightly from -€0.7 million in the first nine months of 2010 to -€0.4 million in the reporting period.

Other operating income rose by €0.5 million as against the first nine months of 2010 to €7.0 million.

Expenses from investment property increased by €4.6 million to €56.5 million in the first nine months of 2011.

Other operating expenses rose slightly by €0.4 million from €33.1 million in the first nine months of 2010 to €33.5 million in the reporting period.

EBIT before changes in value of the IVG Real Estate segment fell by €13.1 million to €133.3 million. However, the drop in negative unrealised changes in market value meant that EBIT after changes in value rose considerably by €18.7 million year-on-year from €78.4 million to €97.1 million.

IVG Investment – Development

in €m	9M/2011	9M/2010	3Q/2011	3Q/2010
Total revenues	133.4	399.0	6.0	39.3
thereof project sales	*114.0*	*386.5*	*0.0*	*36.7*
Changes in inventories	73.9	32.4	51.6	95.2
Material expenses	-274.4	-382.8	-50.1	-131.2
Other operating expenses	-22.9	-27.0	-5.7	-8.2
Gains/losses from associated participations accounted for using the equity method	2.1	8.8	1.1	7.1
EBIT	**-87.1**	**30.3**	**3.6**	**2.3**
thereof unrealised changes in value	*-86.9*	*-9.2*	*0.0*	*-0.2*
EBIT before changes in value	**-0.2**	**39.5**	**3.6**	**2.5**

Projects being wound up are recognised in the IVG Development segment. Revenues fell by €265.6 million from €399.0 million in the first nine months of 2010 to €133.4 million. In particular, this is due to the project developments implemented and sold in the same period of the previous year for a total of €386.5 million. In the reporting period only one project was wound up in Berlin, which was transferred to IVG Premium Green Fund in the first quarter of 2011.

Changes in inventories developed from +€32.4 million in the prior-year period to +€73.9 million in the first nine months of 2011. They include investments capitalised in line with construction progress and reported in material expenses as well as outgoing carrying amounts at project invoicing due to disposals.

Material expenses declined by €108.4 million year-on-year from €382.8 million to €274.4 million. The drop in material expenses before changes in value from building activity alone amounted to €186.1 million (from €373.6 million in the first nine months of 2010 to €187.5 million) and was offset by the rise in the changes in value in project developments amounting to €77.7 million (from -€9.2 million in the first nine months of 2010 to -€86.9 million in the reporting period). The changes in value in the period under review pertained to THE SQUAIRE major project at Frankfurt Airport.

Other operating expenses decreased by €4.1 million as against the previous year to €22.9 million.

EBIT before changes in value fell overall by -€39.7 million from +€39.5 million to -€0.2 million. Taking into account unrealised changes in value of -€86.9 million (previous year: -€9.2 million), EBIT fell by -€117.4 million from +€30.3 million to -€87.1 million in the first nine months of 2011.

IVG Investment – Caverns

in €m	9M/2011	9M/2010	3Q/2011	3Q/2010
Total revenues	33.9	28.3	18.1	9.2
thereof net rents	*2.5*	*0.0*	*0.9*	*0.0*
thereof letting fees	*16.9*	*13.5*	*12.9*	*4.5*
thereof management fees	*7.1*	*10.1*	*2.5*	*4.1*
thereof other revenues	*6.4*	*3.3*	*1.5*	*0.6*
Unrealised changes in market value of investment property	53.2	119.4	21.7	49.0
Other operating income	2.8	2.1	0.3	1.8
EBIT	**73.0**	**132.1**	**35.0**	**54.5**
thereof unrealised changes in value	*54.5*	*117.2*	*21.5*	*49.0*
EBIT before changes in value	**18.5**	**14.9**	**13.4**	**5.5**

In the first nine months of 2011, revenues in the IVG Caverns segment climbed by €5.6 million year-on-year from €28.3 million to €33.9 million. One key reason for this was higher revenues from leasing from an agreed promote structure.

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. Three caverns reached the stipulated threshold for this of 300,000 m³ in the first nine months of 2011, one of which in the third quarter of 2011. Taking into account measurement effects of additional volumes, unrealised changes in market value totalled €53.2 million in the reporting period. By comparison, seven caverns exceeded this threshold in the same period of 2010 and triggered unrealised changes in market value of €119.4 million.

Other operating income rose by €0.7 million from €2.1 million in the same period of the previous year to €2.8 million. €1.6 million of this relates to reversals of impairment losses on a cavern carried at cost.

EBIT declined by €59.1 million year-on-year from €132.1 million to €73.0 million on account of the lower number of caverns that made the transition to fair value accounting in line with planning in the first nine months of 2011. EBIT before unrealised changes in value fell by €3.6 million from €14.9 million to €18.5 million.

IVG Funds – Institutional Funds

in €m	9M/2011	9M/2010	3Q/2011	3Q/2010
Total revenues	43.1	43.5	14.7	13.6
thereof management fees	*40.0*	*41.8*	*13.9*	*13.0*
thereof transaction fees	*3.1*	*1.5*	*0.8*	*0.6*
Personnel expenses	-8.9	-8.7	-3.3	-3.4
Other operating expenses	-21.2	-20.8	-7.1	-8.4
EBIT	**13.7**	**14.6**	**4.6**	**1.8**
thereof unrealised changes in value	*0.0*	*0.0*	*0.0*	*0.0*
EBIT before changes in value	**13.7**	**14.6**	**4.6**	**1.8**

At €43.1 million, revenues in the IVG Institutional Funds segment were almost at the previous year's level. The increased transaction income continued to compensate for the decrease in fund and property fees. However, the decline in revenues accumulated by the end of the first half of the year was made up for in the third quarter of 2011 thanks to a €0.9 million increase in fund and property management (up 6.9% year-on-year).

At €21.2 million, other operating expenses were only slightly higher than in the previous year owing to the decrease in the third quarter of 2011 (down €1.3 million year-on-year).

With the improved EBIT contribution in the third quarter of 2011 (up €2.8 million year-on-year), EBIT for the reporting period was now down €0.9 million at €13.7 million.

IVG Funds – Private Funds

in €m	9M/2011	9M/2010	3Q/2011	3Q/2010
Total revenues	2.8	5.2	0.7	1.0
thereof structuring fees	*0.1*	*2.4*	*0.0*	*0.0*
thereof management fees	*2.6*	*2.7*	*0.7*	*1.0*
Other operating income	0.3	6.5	0.1	0.1
Personnel expenses	-2.8	-3.7	-1.0	-1.2
Other operating expenses	-4.5	-4.0	-2.0	-1.6
EBIT	**-4.2**	**2.9**	**-2.2**	**-2.2**
thereof unrealised changes in value	*0.0*	*0.0*	*0.0*	*0.0*
EBIT before changes in value	**-4.2**	**2.9**	**-2.2**	**-2.2**

Revenues in the IVG Private Funds segment declined by €2.4 million to €2.8 million due to a lack of newly launched products.

The decrease in other operating income of €6.2 million is mainly a result of the successful placement of the EuroSelect 20 TheNorthGate fund in the first quarter of 2010, which was not followed by any new placements in the reporting period.

The personnel structure was adjusted accordingly on account of the reduced placement volume. This led to a drop in personnel expenses of €0.9 million.

Other operating expenses increased slightly by €0.5 million in the third quarter of 2011 due to start-up costs for a planned new placement.

Overall, EBIT fell by €7.1 million from €2.9 million to -€4.2 million.

Financial position

Financing

Excluding the extensions obtained in the clarification phase for the third quarter report of 2011 for the financing agreements that expire in 2011 and 2012, liabilities due to banks (not including the convertible bond and deferrals) had the following maturities as at 30 September 2011:

		thereof reduction by			thereof
in €m	**Total nominal**	**project sale**	**property sale**	**repay-ment**	**planned prolonga-tions**
2011	208	0	0	13	195
2012	2,026	30	30	208	1,758
2013	699	556	0	22	121
2014	1,365	0	0	11	1,354
2015 and thereafter	296	0	20	24	252
Total	**4,594**	**586**	**50**	**278**	**3,680**

In the third quarter of 2011, liabilities to banks decreased by €9 million. This is due to regular and special payments on property and project loans (€14 million) and repayments in the context of sales of properties (€13 million), partially offset by drawdowns of project loans (€18 million).

Financing for project development is scheduled to be repaid from the sales proceeds when the relevant projects are completed and sold. The project financing for THE SQUAIRE project maturing as at 30 September 2011 was secured until 31 December 2013 in line with the current exit planning.

The liabilities to be settled through property sales relate to property loans with a volume of €20 million maturing in 2015 and bridge financing maturing in 2012. These properties and the corresponding loans are scheduled to be sold and derecognised on IVG AG's balance sheet by the end of 2012.

Planned loan repayments chiefly relate to the syndicated loan from 2009. An amount of €186 million must be repaid in July 2012 before the loan matures on 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 €92 million) will be repaid by 2021 in the form of annuity and amortising loans.

In addition to having secured the extension of project financing for THE SQUAIRE project already mentioned, the loans described below that were scheduled for refinancing in 2011 and 2012 were extended in the form of binding term sheets/commitments. Portfolio financing of €145 million (Pegasus financing) maturing as at 31 October 2011 was extended until 31 October 2013. A bilateral credit facility maturing in December 2011 will be extended pro rata by being added to the syndicated loan from 2009. The syndicated loan from 2009 in the amount of €1,017 million maturing as at 28 December 2012 will be extended until 25 September 2014. By the new maturity date, repayments totalling €504 million will be paid, financed by cavern sales. The "CORE" financing for the Allianz portfolio in the amount of €933 million due to expire in September 2012 will be extended until 31 December 2015. In addition to regular repayments, the sale of two properties in Munich resulted in an LTV of below 75% again. 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 extension. IVG is fully financed for the next few years on the basis of the loan extensions it secured.

At 4.31%, the average interest rate for all financial liabilities (including interest rate hedging transactions) as at 30 September 2011 was virtually unchanged as compared with 30 June 2011 (4.27%).

As at 30 September 2011, the total liquidity available to IVG (not including CP lines and assigned or project-related cash reserves) totalled €117 million.

in €m	30.09.2011
Unused non-project-related credit lines	0
Surplus capacity on current accounts	10
Cash reserves	105
Sight deposits and current securities	2
Derivatives with positive market values	0
Total	**117**

Regular tests did not identify any breach of covenants in the third quarter of 2011.

Liquidity

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

in €m	9M/2011	9M/2010
Cash flow from current activities	96.2	110.1
Cash flow for short-/midterm investments from operational divisions	-155.1	-55.1
Net interest payments	-147.3	-142.1
Net tax payments	-9.2	-12.9
Cash flow from operating activities	**-215.4**	**-100.0**
Cash flow from/for investing activities	**249.2**	**21.9**
Cash flow from financing activities	**-158.2**	**33.1**
Change in cash and cash equivalents *	**-124.4**	**-45.0**
Cash and cash equivalents at closing date	150.7	229.8

* Not including changes due to exchange rate movements

Cash flow from operating activities decreased year-on-year by €115.4 million from -€100.0 million to -€215.4 million and is still characterised by investments in project developments that proceeded according to plan. Whereas in the first nine months of 2010 this was offset by the inflow of funds from the disposal of nine project developments, the reporting period primarily includes the sale of the Hackesches Quartier project development in Berlin.

Net interest payments increased slightly by -€5.2 million from -€142.1 million in the same period of 2010 to -€147.3 million. This was due to the higher interest rate as compared to the first nine months of 2010, partly offset by the reduction of financial liabilities on account of partial repayments and project financing repayments.

Cash flow from investing activities rose by €227.3 million to €249.2 million and is dominated by the purchases of caverns and other investment property. This was partly offset by the current investments in the IVG Real Estate and IVG Caverns segments in the reporting period.

Cash flow from financing activities decreased by -€191.3 million to -€158.2 million in the reporting period, particularly due to scheduled repayments of project financing and partial repayments on the syndicated loan from 2009. This was offset by cash flows from the implemented capital increase (€85.8 million).

The interest coverage ratio for the past twelve months was 0.9. This figure was calculated by adjusting consolidated EBIT before changes in value for depreciation and amortisation and comparing it to net interest income. This figure will improve considerably in the coming years due to the planned repayment of the financial liabilities.

Net assets

in €m	30.09.2011	31.12.2010	Change in %
Total assets	6,949.2	7,292.4	-4.7
Non-current assets	5,267.9	5,697.5	-7.5
Current assets	1,681.3	1,594.9	+5.4
Equity	1,323.8	1,286.1	+2.9
Equity ratio in %	19.0	17.6	+8.0
Non-current liabilities	3,770.2	4,307.4	-12.5
Current liabilities	1,855.2	1,698.9	+9.2
Financial liabilities	4,975.6	5,288.5	-5.9
Financial liabilities in %	71.6	72.5	-1.3

Non-current assets declined by €0.4 billion as against 31 December 2010. This was chiefly due to the reclassification of properties to non-current assets held for sale (€391.5 million) and the transfer of six caverns to the cavern fund in the second quarter of 2011 (€179.8 million). This was partly offset by investments in caverns and other investment property in the first nine months of 2011 (€97.5 million).

Current assets increased by €0.1 billion as against 31 December 2010. Investments in current project developments totalled €178.8 million in the first nine months of 2011. This was offset by impairment losses on inventories amounting to €86.9 million and the sale of a project development in Germany (€114.7 million). The drop in cash and cash equivalents of €124.2 million reflects the planned project progress and the current investments in the IVG Development and IVG Caverns segments in particular. The increase in non-current assets held for sale of €270.8 million primarily relates to two properties in Paris and one property in Munich that are scheduled to be transferred in the fourth quarter of 2011.

Total assets declined by €0.3 billion to €6.9 billion.

Equity was essentially unchanged as against 31 December 2010 (€1.3 billion). Equity rose as a result of the capital increase implemented in the first quarter of 2011 (€86.9 million) and the effects of hedge accounting recognised directly in equity (€28.4 million). This was partly offset by the negative consolidated net profit of €54.7 million in the first nine months of 2011 and the deferred interest on the hybrid bond of -€24.0 million.

Liabilities declined by €0.4 billion as against 31 December 2010 to €5.6 billion. In addition to a partial repayment of the syndicated loan from 2009 in the second quarter of 2011 (€180.0 million) and repayments on project financing in three cases (€24.5 million), the repayment of further project financing (€114 million) as part of a disposal in the first quarter of 2011 also contributed to this. Non-current liabilities declined, chiefly due to non-current liabilities to banks becoming current liabilities to banks due to the passage of time, partly offset by the extension of current liabilities to banks. Current liabilities increased due to non-current liabilities to banks becoming current liabilities to banks, partly offset by the repayment of current bank loans.

Net asset value (NAV) fell by 5.1% from €7.02 per share as at 31 December 2010 to €6.66 per share as at 30 September 2011. After taking into account the higher number of shares as a result of the capital increase, NAV rose by 4.4%.

Adjusted for the components of the market value of caverns not capitalised, adjusted NAV was €8.66 per share as at 30 September 2011, down 12.1% as against 31 December 2010 (€9.85 per share). If the figure as at 31 December 2010 is also adjusted for the capital increase (€8.95 per share), adjusted NAV fell by 3.2% in the reporting period.

Significant events after the balance sheet date

In addition to the two financing agreements concluded at the end of September – a secured extension for THE SQUAIRE project in the amount of €500 million and new financing for THE SQUAIRE Parking totalling €35 million – IVG managed to secure the following extensions on the basis of binding term sheets/binding commitments:

- The financing for the Pegasus portfolio expiring in the fourth quarter of 2011 was extended at its current volume of €145 million until 31 October 2013. IVG expects unchanged financing costs.
- A bilateral credit facility maturing in December 2011 will be partially extended until 25 September 2014 by being added to the syndicated loan from 2009.
- The syndicated loan from 2009 in the amount of €1,017 million maturing as at 28 December 2012 will be extended until 25 September 2014. By the new maturity date, repayments totalling €504 million will be paid, financed by cavern sales.
- The "CORE" financing for the Allianz portfolio in the amount of €933 million due to expire in September 2012 will be extended until 31 December 2015. A special repayment is scheduled for 2012 from the sale of two properties in Munich to a EuroSelect fund. Regular payments of €20 million per year are also agreed.

In doing so, we have succeeded in taking decisive steps towards restructuring IVG's financing structure in recent weeks.

In October 2011, we completed the Board of Management team. After Dr. Niesslein left the Board of Management as planned, since 1 November 2011 the Board of Management has consisted of Prof. Wolfgang Schäfers (Chairman of the Board of Management/CEO), Dr. Hans Volkert Volckens (CFO) and Christian Kühni (COO).

In contracts dated 26 October 2011 and 4 November 2011, we sold two properties in Paris. The total purchase price of both transactions amounts to approximately €250 million. Both properties are expected to be transferred to the buyers by the end of 2011.

In line with the investment platform strategy, a group of investors led by IVG concluded a purchase agreement on 28 October 2011 to acquire the fully-let "Silberturm" property in the Frankfurt banking district. The transaction was successfully carried out as a club deal in line with our co-investment approach together with eight institutional investors who provided over 90% of the fund's equity and with IVG's long-term equity stake.

Risk report

As with all financial statements, plans and forecasts of IVG Immobilien AG, this interim report takes into consideration all opportunities and risks with a probability of occurrence of more than 50%, i.e. it shows the development IVG considers to be most probable. The risk report accordingly shows opportunities and risks with a probability of occurrence of less than 50%. As of the end of the third quarter of 2011, there are the following opportunities and risks for IVG Immobilien AG.

The greatest downside risks for the real estate markets continue to result from the general economic development:

The further exacerbation of the sovereign debt crisis in the euro area and the persistent problems in the banking sector have caused sentiment among consumers and companies to deteriorate in recent months, with the result that a renewed recession in many European countries seems not unlikely. Despite a low level of new construction activity, this results in risks not only for the rental markets but also for the commercial real estate investment markets. Core properties leased on a long-term basis could even benefit temporarily from investors' increased risk aversion due to the current high yield difference as against long-term German government bonds. However, there is essentially a risk that the initial yields for commercial properties could undergo an adjustment upwards again in view of weaker prospects for rent growth. A downgrade in the credit ratings of European countries as a result of the sovereign debt crisis and/or even more restrictive lending by the banking sector, resulting in rising interest on bonds and financing, would further increase the upwards pressure on initial yields.

Furthermore, there are considerable downside risks in Europe arising from the high volumes of property loans scheduled for refinancing in the coming years, not least since a loan extension generally implies deleveraging (lower loan-to-value ratio) due to the tense financing conditions. Properties outside the core segment are in a comparatively weak position, as they will not be the focus of active real estate investors and finance providers in the foreseeable future. These circumstances give rise to opportunities particularly for investors with good capital resources who are focussing not only on prime properties.

The financing behaviour of banks in the real estate sector continues to be risk-averse, thereby hampering the necessary financing for IVG's business model. There are liquidity risks in the planned sales of projects and properties. They are highly dependent on the sales yields (exit yields) achieved and are thus directly linked to the development of the real estate investment markets.

Significant individual risks result from the prolongation of existing financing for properties, portfolios and projects and from special repayments and/or margin increases that could be required if loan-to-value (LTV) covenants are breached. Rising market interest rates could stress IVG's liquidity and earnings.

There are possible risks of rising costs on one ongoing project development. In the case of three further project developments, there are cost risks but also opportunities in the context of the final settlement and outstanding supplementary negotiations. In addition, there is a risk of losses in the case of a project development agreed in 2007 with a partner company in the event that the joint venture is terminated early, i.e. before the project is completed.

Otherwise, there are risks of changes in value as well as vacancy and letting risks on individual properties held in IVG's investment portfolio which are market related and usual in the sector.

In the IVG Funds segment, the number and/or size of the newly placed fund products could decrease, the transaction speed could slow or existing funds might have to be wrapped up early, which might negatively influence one-off and recurring income. The possible reasons for this include unfavourable changes in the legal framework (regulation), a lack of customer satisfaction with the management, or the performance of existing IVG fund products.

Viewed in isolation, the risks above can be controlled by means of countermeasures and preventive measures. IVG has taken and initiated the corresponding precautionary measures at an early stage. The company could be threatened as a going concern if the following events happen concurrently: the expected sale of caverns and properties does not occur as planned, the agreed extensions with binding commitments are not implemented and cannot be offset by pre- or post-financing of existing assets.

Forecast

Probable Group development

The sales volume in the IVG Real Estate segment, which is used both to secure liquidity and to streamline the portfolio, still totals approximately €600 million for 2011 and 2012. Following sales of around €70 million in the third quarter, over €200 million of the two-year programme has already been implemented. A further significant increase is expected by the end of the year. The statements on earnings forecasts still do not include any increases in fair values from the recovery on the investment markets for reasons of prudence.

THE SQUAIRE project and the associated car park THE SQUAIRE Parking at Frankfurt Airport are expected to be completed this year with final invoicing to follow next year. IVG expects to be able to implement the sale of the property via a closed-end property fund no later than the beginning of 2013 after a certain rental cash flow has been achieved. The sales volume of the IVG Development segment will thus make a substantial contribution to the reduction of financial liabilities at IVG.

In the IVG Caverns segment, one cavern reached the 300,000 m^3 eligibility limit for IFRS fair value accounting in the third quarter of 2011. A further three caverns are expected to exceed this profit-related limit in the fourth quarter of 2011, leading to positive unrealised changes in market value. In 2012, another six or seven caverns are still expected to be carried at fair value and completed and sold to the cavern fund managed by IVG. It is planned to use these sales to repay the syndicated loan from 2009.

In the IVG Institutional Funds segment, IVG's goal in the next two years is to significantly rearrange the individual funds. By selling off products while also launching new innovative investment products, assets under management are to be kept almost stable.

In the coming year, IVG expects to implement a sales volume of €250 million in equity in the IVG Private Funds segment. In coordination with a major bank as its sales partner, this segment is currently working intensively on a closed-end fund, which is to be supplied with properties from IVG's portfolio.

At Group level and not including the IVG Development segment, revenue is expected to display a virtually linear development. Major changes are not expected in 2012 either, though the continuing sales in the IVG Real Estate segment are likely to entail a slight reduction.

In light of the change in value in THE SQUAIRE project recognised in the first half of the year, as already reported for the second quarter of 2011, positive consolidated net profit is not expected in 2011. Please also see the risk report. IVG is expected to return to profitability in 2012.

INTERIM FINANCIAL STATEMENTS

as of 30 September 2011

Consolidated income statement for the first nine months

in €m	9M/2011 Before changes in value	9M/2011 Unrealised changes in value [1)]	9M/2011 Total	9M/2010 Before changes in value	9M/2010 Unrealised changes in value [1)]	9M/2010 Total
Revenues	440.4		440.4	697.8		697.8
Changes in inventories and other own work capitalised	72.4		72.4	37.4		37.4
Unrealised changes in market value of investment property	0.0	16.1	16.1	0.0	50.3	50.3
Realised changes in market value of investment property	-1.2		-1.2	-0.7		-0.7
Other operating income	11.7	1.6	13.3	16.8	0.0	16.8
Material expenses	-196.4	-86.1	-282.5	-382.5	-8.1	-390.6
Personnel expenses	-52.9		-52.9	-50.8		-50.8
Depreciation and amortisation of intangible assets and property, plant and equipment	-5.4	-0.2	-5.6	-4.7	-2.2	-6.9
Expenses from investment property	-56.5		-56.5	-52.0		-52.0
Other operating expenses	-77.6		-77.6	-80.4		-80.4
Gains/losses from associated participations accounted for using the equity method	3.0		3.0	14.7		14.7
Income from equity investments	0.8		0.8	1.5		1.5
Earnings before interest and taxes (EBIT)	**138.3**	**-68.6**	**69.6**	**197.1**	**40.0**	**237.1**
Financial income	43.0	50.9	94.0	7.6	43.3	50.9
Financial expenses	-202.8	-76.4	-279.2	-174.7	-55.1	-229.8
Financial result	**-159.7**	**-25.5**	**-185.2**	**-167.1**	**-11.8**	**-179.0**
Net profit before income taxes	**-21.5**	**-94.1**	**-115.6**	**30.0**	**28.2**	**58.2**
Income taxes			60.9			-11.6
Consolidated net profit			**-54.7**			**46.5**
Share attributable to Group shareholders			*-78.7*			*21.6*
Share attributable to hybrid capital providers			*24.0*			*24.0*
Share attributable to third parties			*0.0*			*0.9*
Undiluted earnings per share in €			-0.58			0.17
Diluted earnings per share in €			-0.58			0.17 [2)]

[1)] The unrealised changes in value include all valuation effects from IAS 2, IAS 36, IAS 39 and IAS 40 without tax effects
[2)] Information on the adjustment of diluted earnings per share can be found in the notes

Condensed consolidated statement of comprehensive income for the first nine months

in €m	9M/2011	9M/2010
Consolidated net profit	**-54.7**	**46.5**
Market valuation available-for-sale securities	1.1	1.7
Market valuation of hedging instruments	23.9	8.7
Adjustment for currency translation of foreign subsidiaries	0.1	1.7
Actuarial earnings and losses from performance-based pension plans and similar obligations	0.3	-3.7
Deferred taxes on value adjustments set off directly against equity	3.0	3.3
Income and expenses recognised in equity	**28.4**	**11.7**
Total comprehensive income	**-26.3**	**58.2**
Share attributable to Group shareholders	*-50.3*	*33.3*
Share attributable to hybrid capital providers	*24.0*	*24.0*
Share attributable to third parties	*0.0*	*0.9*

Consolidated income statement for the third quarter

in €m	3Q/2011 Before changes in value	3Q/2011 Unrealised changes in value [1]	3Q/2011 Total	3Q/2010 Before changes in value	3Q/2010 Unrealised changes in value [1]	3Q/2010 Total
Revenues	121.0		121.0	136.0		136.0
Changes in inventories and other own work capitalised	46.0		46.0	94.2		94.2
Unrealised changes in market value of investment property	0.0	8.5	8.5	0.0	28.7	28.7
Realised changes in market value of investment property	-1.8		-1.8	-1.6		-1.6
Other operating income	4.6	0.1	4.7	5.0	0.0	5.0
Material expenses	-53.1	-0.1	-53.2	-131.5	-0.2	-131.7
Personnel expenses	-18.1		-18.1	-17.1		-17.1
Depreciation and amortisation of intangible assets and property, plant and equipment	-1.7	-0.2	-1.9	-1.6	0.0	-1.6
Expenses from investment property	-20.7		-20.7	-15.8		-15.8
Other operating expenses	-27.4		-27.4	-29.1		-29.1
Gains/losses from associated participations accounted for using the equity method	1.3		1.3	13.3		13.3
Income from equity investments	0.0		0.0	0.5		0.5
Earnings before interest and taxes (EBIT)	**50.3**	**8.3**	**58.6**	**52.4**	**28.5**	**80.9**
Financial income	17.4	10.1	27.5	3.5	14.4	17.8
Financial expenses	-71.3	-31.8	-103.1	-60.2	-12.8	-73.0
Financial result	**-53.9**	**-21.7**	**-75.6**	**-56.7**	**1.6**	**-55.1**
Net profit before income taxes	**-3.6**	**-13.4**	**-17.0**	**-4.4**	**30.1**	**25.7**
Income taxes			20.0			-7.4
Consolidated net profit			**3.0**			**18.3**
Share attributable to Group shareholders			*-5.0*			*10.2*
Share attributable to hybrid capital providers			*8.0*			*8.0*
Share attributable to third parties			*0.0*			*0.1*
Undiluted earnings per share in €			-0.04			0.08
Diluted earnings per share in €			-0.04			0.08 [2]

[1] The unrealised changes in value include all valuation effects from IAS 2, IAS 36, IAS 39 and IAS 40 without tax effects
[2] Information on the adjustment of diluted earnings per share can be found in the notes

Condensed consolidated statement of comprehensive income for the third quarter

in €m	3Q/2011	3Q/2010
Consolidated net profit	**3.0**	**18.3**
Market valuation available-for-sale securities	-1.1	2.2
Market valuation of hedging instruments	-13.3	19.5
Adjustment for currency translation of foreign subsidiaries	1.1	0.0
Actuarial earnings and losses from performance-based pension plans and similar obligations	-1.4	0.0
Deferred taxes on value adjustments set off directly against equity	8.2	-2.1
Income and expenses recognised in equity	**-6.5**	**19.6**
Total comprehensive income	**-3.5**	**37.9**
Share attributable to Group shareholders	*-11.5*	*29.8*
Share attributable to hybrid capital providers	*8.0*	*8.0*
Share attributable to third parties	*0.0*	*0.1*

Consolidated statement of financial position

in €m	30.09.2011	31.12.2010
ASSETS		
Non-current assets		
Intangible assets	251.3	250.0
Investment property	4,263.3	4,760.7
Property, plant and equipment	137.8	128.9
Financial assets	133.6	153.9
Investments in participations accounted for using the equity method	93.3	81.9
Derivative financial instruments	0.0	3.5
Deferred tax assets	324.3	271.0
Receivables and other assets	64.2	47.6
Total non-current assets	**5,267.9**	**5,697.5**
Current assets		
Inventories	1,036.9	1,065.0
Receivables and other assets	159.6	177.0
Income tax receivables	30.4	45.2
Securities	2.1	2.0
Cash and cash equivalents	150.7	274.9
	1,379.8	**1,564.2**
Non-current assets held for sale	301.5	30.7
Total current assets	**1,681.3**	**1,594.9**
Total assets	**6,949.2**	**7,292.4**

in €m	30.09.2011	31.12.2010
EQUITY AND LIABILITIES		
Equity		
Subscribed capital	138.6	126.0
Capital reserve	696.0	622.1
Treasury shares	-0.5	-0.5
Other reserves	-73.2	-101.3
Retained earnings	161.9	238.5
Equity attributable to Group shareholders	**922.8**	**884.8**
Hybrid capital	400.9	400.9
Minority interests	0.0	0.3
Total equity	**1,323.8**	**1,286.1**
Liabilities		
Non-current liabilities		
Financial liabilities	3,585.2	4,143.1
Derivative financial instruments	45.3	46.0
Deferred tax liabilities	62.5	71.5
Pension provisions	17.1	16.3
Other provisions	12.5	27.4
Liabilities	47.7	3.2
Total non-current liabilities	**3,770.2**	**4,307.4**
Current liabilities		
Financial liabilities	1,390.5	1.145.4
Derivative financial instruments	51.2	66.5
Other provisions	84.7	54.4
Liabilities	275.5	354.8
Income tax liabilities	53.3	77.8
	1,855.2	**1,698.9**
Liabilities associated with non-current assets held for sale	0.0	0.0
Total current liabilities	**1,855.2**	**1,698.9**
Total equity and liabilities	**6,949.2**	**7,292.4**

Statement of changes in equity

in €m	Subscribed capital	Capital reserve	Treasury shares	Other reserves: Market valuation avail.-for-sale securities	Market valuation hedging instruments	Hedge of net investment	Adjustments for currency translation	Retained earnings	Equity attributable to Group shareholders	Hybrid capital	Minority interests	Total equity
Balance at 01.01.2010	**126.0**	**621.6**	**-0.5**	**4.8**	**-115.8**	**12.9**	**-35.3**	**250.1**	**863.8**	**400.9**	**0.4**	**1,265.1**
Consolidated net profit								21.6	21.6	24.0	0.9	46.5
Earnings recognised directly in equity				2.1	10.5		1.7	-2.6	11.7			11.7
Total comprehensive income	**0.0**	**0.0**	**0.0**	**2.1**	**10.5**	**0.0**	**1.7**	**19.0**	**33.3**	**24.0**	**0.9**	**58.2**
Accrual on profit distribution for hybrid capital									0.0	-24.0		-24.0
Capital increase									0.0			0.0
Share-based payment		0.1							0.1			0.1
Changes to group of consolidated companies/others								-0.5	-0.5		-0.1	-0.6
Balance at 30.09.2010	**126.0**	**621.7**	**-0.5**	**6.9**	**-105.3**	**12.9**	**-33.6**	**268.6**	**896.7**	**400.9**	**1.2**	**1,298.8**
Balance at 01.01.2011	**126.0**	**622.1**	**-0.5**	**8.3**	**-87.8**	**12.9**	**-34.7**	**238.5**	**884.8**	**400.9**	**0.3**	**1,286.1**
Consolidated net profit								-78.7	-78.7	24.0	0.0	-54.7
Earnings recognised directly in equity				0.9	27.1		0.1	0.3	28.4			28.4
Total comprehensive income	**0.0**	**0.0**	**0.0**	**0.9**	**27.1**	**0.0**	**0.1**	**-78.4**	**-50.3**	**24.0**	**0.0**	**-26.3**
Accrual on profit distribution for hybrid capital									0.0	-24.0		-24.0
Capital increase	12.6	74.3							86.9			86.9
Share-based payment		0.7							0.7			0.7
Changes to group of consolidated companies/others		-1.1						1.8	0.7		-0.3	0.4
Balance at 30.09.2011	**138.6**	**696.0**	**-0.5**	**9.2**	**-60.7**	**12.9**	**-34.6**	**161.9**	**922.8**	**400.9**	**0.0**	**1,323.8**

Condensed consolidated statement of cash flows

in €m	9M/2011	9M/2010
Earnings before interest and taxes (EBIT)	**69.6**	**237.1**
Unrealised changes in market value of investment property	-16.1	-50.3
Realised changes in market value of investment property	1.2	0.7
Depreciation and appreciation of intangible assets and property, plant and equipment	5.6	6.9
Other non-cash income and expenses	80.4	-73.4
Changes in receivables and inventories of other segments (not including Development, Real Estate and Private Funds)	-0.5	20.7
Changes in liabilities and provisions	-42.2	-24.6
Non-distributed earnings from participations accounted for using the equity method	-3.7	-14.3
Changes in non-current assets and liabilities held for sale	0.0	4.0
Dividends received	1.9	3.3
Cash flow from current activities	**96.2**	**110.1**
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]	-155.1	-55.1
Cash flow from short/mid-term investments in operating activities	**-155.1**	**-55.1**
Cash flow from operating activities before interest and taxes	**-58.9**	**55.0**
Net interest payments	-147.3	-142.1
Net tax payment	-9.2	-12.9
Cash flow from operating activities	**-215.4**	**-100.0**
Cash flow from investing activities	**249.2**	**21.9**
Cash flow from financing activities	**-158.2**	**33.1**
Net change in cash and cash equivalents from operations	-124.4	-45.0
Cash and cash equivalents as of 01.01.	**274.9**	**274.9**
Changes in cash and cash equivalents due to exchange rate movements	0.2	-0.1
Cash and cash equivalents as of 30.09.	**150.7**	**229.8**
thereof cash in property disposal group	*0.0*	*0.0*
Cash and cash equivalents reported on the balance sheet	150.7	229.8

[1] Gain on disposal is included in other operating income

Notes

Segment reporting for the first nine months of 2011

9M/2011	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	225.2		225.2	132.9		132.9	33.9		33.9	42.7		42.7	2.8		2.8	3.0	0.0		0.0	440.4	0.0	440.4
Internal revenues	2.0		2.0	0.4		0.4	0.0		0.0	0.5		0.5	0.0		0.0	22.6	-25.5		-25.5	0.0	0.0	0.0
Total revenues	**227.2**	**0.0**	**227.2**	**133.4**	**0.0**	**133.4**	**33.9**	**0.0**	**33.9**	**43.1**	**0.0**	**43.1**	**2.8**	**0.0**	**2.8**	**25.6**	**-25.5**	**0.0**	**-25.5**	**440.4**	**0.0**	**440.4**
Net rents from investment property	182.0		182.0	0.0		0.0	2.5		2.5	0.0		0.0	0.0		0.0	0.0	-0.5		-0.5	184.0	0.0	184.0
Other net rents	2.1		2.1	8.1		8.1	0.0		0.0	0.0		0.0	0.0		0.0	0.4	-1.5		-1.5	9.1	0.0	9.1
Income from service charges	32.9		32.9	3.7		3.7	0.0		0.0	0.0		0.0	0.0		0.0	0.1	-0.4		-0.4	36.4	0.0	36.4
Income from project disposals	7.9		7.9	114.0		114.0	0.9		0.9	0.0		0.0	0.0		0.0	0.0	0.0		0.0	122.8	0.0	122.8
Income from construction contracts	0.0		0.0	5.0		5.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	5.0	0.0	5.0
Income from transactions, concepts and sales	0.0		0.0	2.4		2.4	16.9		16.9	3.1		3.1	0.1		0.1	0.0	0.0		0.0	22.5	0.0	22.5
Income from fund and property management	0.0		0.0	0.0		0.0	7.1		7.1	40.0		40.0	2.6		2.6	1.9	-0.1		-0.1	51.5	0.0	51.5
Other revenues	2.3		2.3	0.2		0.2	6.4		6.4	0.0		0.0	0.1		0.1	23.2	-23.0		-23.0	9.1	0.0	9.1
Changes in inventories and other own work capitalised	-7.0		-7.0	73.9		73.9	5.6		5.6	0.0		0.0	0.0		0.0	-0.1	0.0		0.0	72.4	0.0	72.4
Unrealised changes in market value of investment property	0.0	-37.1	-37.1	0.0		0.0	0.0	53.2	53.2	0.0		0.0	0.0		0.0	0.0	0.0		0.0	0.0	16.1	16.1
Realised changes in market value of investment property	-0.4		-0.4	-0.1		-0.1	-0.6		-0.6	0.0		0.0	0.0		0.0	0.0	0.0		0.0	-1.2	0.0	-1.2
Other operating income	7.0		7.0	1.8		1.8	1.2	1.6	2.8	1.0		1.0	0.3		0.3	14.2	-13.9		-13.9	11.7	1.6	13.3
Material expenses	-2.9	0.9	-2.0	-187.5	-86.9	-274.4	-7.1	-0.1	-7.2	-0.1		-0.1	-0.1		-0.1	-0.5	1.7		1.7	-196.4	-86.1	-282.5
Personnel expenses	-1.9		-1.9	-0.8		-0.8	-6.0		-6.0	-8.9		-8.9	-2.8		-2.8	-32.5	0.0		0.0	-52.9	0.0	-52.9
Depreciation and amortisation of intangible assets and property, plant and equipment	-0.3		-0.3	0.0		0.0	-3.9	-0.2	-4.1	-0.2		-0.2	-0.1		-0.1	-0.9	0.0		0.0	-5.4	-0.2	-5.6
Expenses from investment property	-56.5		-56.5	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	-56.5	0.0	-56.5
Other operating expenses	-33.5		-33.5	-22.9		-22.9	-4.6		-4.6	-21.2		-21.2	-4.5		-4.5	-28.6	37.6		37.6	-77.6	0.0	-77.6
Gains/loss from associated participations accounted for using the equity method	0.9		0.9	2.1		2.1	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	3.0	0.0	3.0
Income from share investments	0.7		0.7	0.0		0.0	0.0		0.0	0.0		0.0	0.1		0.1	0.0	0.0		0.0	0.8	0.0	0.8
Segment result (EBIT)	**133.3**	**-36.2**	**97.1**	**-0.2**	**-86.9**	**-87.1**	**18.5**	**54.5**	**73.0**	**13.7**	**0.0**	**13.7**	**-4.2**	**0.0**	**-4.2**	**-22.8**	**0.0**	**0.0**	**0.0**	**138.3**	**-68.6**	**69.6**
Financial result																				-159.7	-25.5	-185.2
Net profit before tax																				**-21.5**	**-94.1**	**-115.6**
Income taxes																						60.9
Consolidated net profit																						**-54.7**
Segment assets			4,279.5			1,028.0			751.8			266.3			14.3	285.0			-0.1			6,624.8
thereof investments in associated participations accounted for using the equity method			*71.3*			*8.2*			*0.0*			*13.9*			*0.0*	*0.0*			*0.0*			*93.3*
Investments			45.6			0.9			89.6			1.3			0.0	7.5			0.0			144.8

Segment reporting for the first nine months of 2010

9M/2010	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	219.8		219.8	399.0		399.0	28.3		28.3	42.9		42.9	5.2		5.2	2.7	0.0		0.0	697.8	0.0	697.8
Internal revenues	1.9		1.9	0.0		0.0	0.0		0.0	0.6		0.6	0.1		0.1	21.6	-24.1		-24.1	0.0	0.0	0.0
Total revenues	**221.6**	**0.0**	**221.6**	**399.0**	**0.0**	**399.0**	**28.3**	**0.0**	**28.3**	**43.5**	**0.0**	**43.5**	**5.2**	**0.0**	**5.2**	**24.3**	**-24.1**	**0.0**	**-24.1**	**697.8**	**0.0**	**697.8**
Net rents from investment property	192.5		192.5	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	-1.1		-1.1	191.4	0.0	191.4
Other net rents	2.6		2.6	7.6		7.6	0.0		0.0	0.0		0.0	0.0		0.0	0.4	-0.8		-0.8	9.8	0.0	9.8
Income from service charges	25.0		25.0	1.5		1.5	0.0		0.0	0.0		0.0	0.0		0.0	0.1	-0.1		-0.1	26.6	0.0	26.6
Income from project disposals	0.0		0.0	386.5		386.5	1.4		1.4	0.0		0.0	0.0		0.0	0.0	0.0		0.0	387.9	0.0	387.9
Income from construction contracts	0.0		0.0	2.7		2.7	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	2.7	0.0	2.7
Income from transactions, concepts and sales	0.0		0.0	0.5		0.5	13.5		13.5	1.5		1.5	2.4		2.4	0.0	0.1		0.1	17.9	0.0	17.9
Income from fund and property management	0.4		0.4	0.0		0.0	10.1		10.1	41.8		41.8	2.7		2.7	2.7	-1.4		-1.4	56.4	0.0	56.4
Other revenues	1.0		1.0	0.2		0.2	3.3		3.3	0.2		0.2	0.2		0.2	21.0	-20.7		-20.7	5.1	0.0	5.1
Changes in inventories and other own work capitalised	0.3		0.3	32.4		32.4	4.7		4.7	0.0		0.0	0.0		0.0	0.0	0.0		0.0	37.4	0.0	37.4
Unrealised changes in market value of investment property	0.0	-69.1	-69.1	0.0		0.0	0.0	119.4	119.4	0.0		0.0	0.0		0.0	0.0	0.0		0.0	0.0	50.3	50.3
Realised changes in market value of investment property	-0.7		-0.7	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	-0.7	0.0	-0.7
Other operating income	6.5		6.5	0.7		0.7	2.1		2.1	0.6		0.6	6.5		6.5	14.5	-14.1		-14.1	16.8	0.0	16.8
Material expenses	-1.7	1.1	-0.6	-373.6	-9.2	-382.8	-7.5		-7.5	-0.1		-0.1	-1.1		-1.1	-0.7	2.1		2.1	-382.5	-8.1	-390.6
Personnel expenses	-1.2		-1.2	-0.8		-0.8	-5.2		-5.2	-8.7		-8.7	-3.7		-3.7	-31.3	0.0		0.0	-50.8	0.0	-50.8
Depreciation and amortisation of intangible assets and property, plant and equipment	-0.3		-0.3	0.0		0.0	-3.0	-2.2	-5.2	-0.2		-0.2	-0.1		-0.1	-1.1	0.0		0.0	-4.7	-2.2	-6.9
Expenses from investment property	-51.9		-51.9	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	-0.1	0.1		0.1	-52.0	0.0	-52.0
Other operating expenses	-33.1		-33.1	-27.0		-27.0	-4.8		-4.8	-20.8		-20.8	-4.0		-4.0	-26.7	36.1		36.1	-80.4	0.0	-80.4
Gains/losses from associated participations accounted for using the equity method	5.3		5.3	8.8		8.8	0.3		0.3	0.3		0.3	0.0		0.0	0.0	0.0		0.0	14.7	0.0	14.7
Income from share investments	1.5		1.5	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	1.5	0.0	1.5
Segment result (EBIT)	**146.4**	**-68.0**	**78.4**	**39.5**	**-9.2**	**30.3**	**14.9**	**117.2**	**132.1**	**14.6**	**0.0**	**14.6**	**2.9**	**0.0**	**2.9**	**-21.1**	**0.0**	**0.0**	**0.0**	**197.1**	**40.0**	**237.1**
Financial result																				-167.1	-11.8	-179.0
Net profit before tax																				**30.0**	**28.2**	**58.2**
Income taxes																						-11.6
Consolidated net profit																						**46.5**
Segment assets			4,567.6			1,000.1			846.0			265.1			21.5	398.6			-0.2			7,098.7
thereof investments in associated participations accounted for using the equity method			*67.1*			*10.3*			*0.0*			*14.0*			*0.0*	*0.0*			*0.0*			*91.5*
Investments			76.2			15.1			90.4			0.0			0.0	6.2			-0.1			187.9

Segment reporting for the third quarter of 2011

3Q/2011	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	80.9		80.9	5.6		5.6	18.1		18.1	14.5		14.5	0.7		0.7	1.3	0.0		0.0	121.1	0.0	121.1
Internal revenues	0.8		0.8	0.4		0.4	0.0		0.0	0.2		0.2	0.0		0.0	6.9	-8.2		-8.2	0.0	0.0	0.0
Total revenues	**81.7**	**0.0**	**81.7**	**6.0**	**0.0**	**6.0**	**18.1**	**0.0**	**18.1**	**14.7**	**0.0**	**14.7**	**0.7**	**0.0**	**0.7**	**8.2**	**-8.2**	**0.0**	**-8.2**	**121.0**	**0.0**	**121.0**
Net rents from investment property	61.2		61.2	0.0		0.0	0.9		0.9	0.0		0.0	0.0		0.0	0.0	-0.3		-0.3	61.8	0.0	61.8
Other net rents	0.7		0.7	3.5		3.5	0.0		0.0	0.0		0.0	0.0		0.0	0.2	-0.6		-0.6	3.8	0.0	3.8
Income from service charges	11.4		11.4	1.6		1.6	0.0		0.0	0.0		0.0	0.0		0.0	0.0	-0.3		-0.3	12.8	0.0	12.8
Income from project disposals	7.9		7.9	0.0		0.0	0.2		0.2	0.0		0.0	0.0		0.0	0.0	0.0		0.0	8.1	0.0	8.1
Income from construction contracts	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	0.0	0.0	0.0
Income from transactions, concepts and sales	0.0		0.0	0.7		0.7	12.9		12.9	0.8		0.8	0.0		0.0	0.0	0.0		0.0	14.4	0.0	14.4
Income from fund and property management	0.0		0.0	0.0		0.0	2.5		2.5	13.9		13.9	0.7		0.7	0.4	0.3		0.3	17.9	0.0	17.9
Other revenues	0.5		0.5	0.1		0.1	1.5		1.5	0.0		0.0	0.0		0.0	7.5	-7.4		-7.4	2.3	0.0	2.3
Changes in inventories and other own work capitalised	-7.2		-7.2	51.6		51.6	1.8		1.8	0.0		0.0	0.0		0.0	-0.2	0.0		0.0	46.0	0.0	46.0
Unrealised changes in market value of investment property	0.0	-13.2	-13.2	0.0	0.0	0.0	0.0	21.7	21.7	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.5	8.5
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	2.6		2.6	0.9		0.9	0.2	0.1	0.3	0.6		0.6	0.1		0.1	4.7	-4.4		-4.4	4.6	0.1	4.7
Material expenses	-1.0		-1.0	-50.1	0.0	-50.1	-2.5	-0.1	-2.6	0.0		0.0	0.0		0.0	-0.2	0.7		0.7	-53.1	-0.1	-53.2
Personnel expenses	-0.7		-0.7	-0.2		-0.2	-2.0		-2.0	-3.3		-3.3	-1.0		-1.0	-10.9	0.0		0.0	-18.1	0.0	-18.1
Depreciation and amortisation of intangible assets and property, plant and equipment	-0.1		-0.1	0.0		0.0	-1.2	-0.2	-1.4	-0.1		-0.1	0.0		0.0	-0.3	0.0		0.0	-1.7	-0.2	-1.9
Expenses from investment property	-20.7		-20.7	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	-20.7	0.0	-20.7
Other operating expenses	-12.8		-12.8	-5.7		-5.7	-1.0		-1.0	-7.1		-7.1	-2.0		-2.0	-10.7	11.9		11.9	-27.4	0.0	-27.4
Gains/losses from associated participations accounted for using the equity method	0.4		0.4	1.1		1.1	0.0		0.0	-0.2		-0.2	0.0		0.0	0.0	0.0		0.0	1.3	0.0	1.3
Income from share investments	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	0.0	0.0	0.0
Segment result (EBIT)	**40.4**	**-13.2**	**27.1**	**3.6**	**0.0**	**3.6**	**13.4**	**21.5**	**35.0**	**4.6**	**0.0**	**4.6**	**-2.2**	**0.0**	**-2.2**	**-9.4**	**0.0**	**0.0**	**0.0**	**50.3**	**8.3**	**58.6**
Financial result																				-53.9	-21.7	-75.6
Net profit before tax																				**-3.6**	**-13.4**	**-17.0**
Income taxes																						20.0
Consolidated net profit																						**3.0**
Investments			4.7			0.7			26.3			0.0			0.0	2.5			0.0			34.3

Segment reporting for the third quarter of 2010

3Q/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	72.0		72.0	39.3		39.3	9.2		9.2	13.4		13.4	1.0		1.0	1.2	0.0		0.0	136.0	0.0	136.0
Internal revenues	0.5		0.5	0.0		0.0	0.0		0.0	0.2		0.2	0.0		0.0	7.5	-8.2		-8.2	0.0	0.0	0.0
Total revenues	**72.5**	**0.0**	**72.5**	**39.3**	**0.0**	**39.3**	**9.2**	**0.0**	**9.2**	**13.6**	**0.0**	**13.6**	**1.0**	**0.0**	**1.0**	**8.6**	**-8.2**	**0.0**	**-8.2**	**136.0**	**0.0**	**136.0**
Net rents from investment property	64.2		64.2	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	-0.2		-0.2	64.0	0.0	64.0
Other net rents	1.0		1.0	1.4		1.4	0.0		0.0	0.0		0.0	0.0		0.0	0.2	-0.3		-0.3	2.2	0.0	2.2
Income from service charges	6.8		6.8	0.5		0.5	0.0		0.0	0.0		0.0	0.0		0.0	0.1	0.0		0.0	7.3	0.0	7.3
Income from project disposals	0.0		0.0	36.7		36.7	0.0		0.0	0.0		0.0	0.0		0.0	-0.5	0.5		0.5	36.7	0.0	36.7
Income from construction contracts	0.0		0.0	0.8		0.8	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	0.8	0.0	0.8
Income from transactions, concepts and sales	0.0		0.0	0.0		0.0	4.5		4.5	0.6		0.6	0.0		0.0	0.0	0.0		0.0	5.1	0.0	5.1
Income from fund and property management	0.2		0.2	0.0		0.0	4.1		4.1	13.0		13.0	1.0		1.0	2.0	-1.3		-1.3	18.9	0.0	18.9
Other revenues	0.3		0.3	0.0		0.0	0.6		0.6	0.0		0.0	0.0		0.0	7.0	-6.9		-6.9	0.9	0.0	0.9
Changes in inventories and other own work capitalised	0.2		0.2	95.2		95.2	-1.1		-1.1	0.0		0.0	0.0		0.0	0.0	0.0		0.0	94.2	0.0	94.2
Unrealised changes in market value of investment property	0.0	-20.3	-20.3	0.0	0.0	0.0	0.0	49.0	49.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28.7	28.7
Realised changes in market value of investment property	-1.6		-1.6	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	-1.6	0.0	-1.6
Other operating income	2.4		2.4	0.4		0.4	1.8		1.8	0.2		0.2	0.1		0.1	4.6	-4.6		-4.6	5.0	0.0	5.0
Material expenses	-0.6		-0.6	-131.0	-0.2	-131.2	0.1		0.1	0.0		0.0	-0.6		-0.6	-0.2	0.8		0.8	-131.5	-0.2	-131.7
Personnel expenses	-0.3		-0.3	-0.3		-0.3	-1.7		-1.7	-3.4		-3.4	-1.2		-1.2	-10.2	0.0		0.0	-17.1	0.0	-17.1
Depreciation and amortisation of intangible assets and property, plant and equipment	-0.1		-0.1	0.0		0.0	-1.0	0.0	-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	-15.8		-15.8	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0	0.0		0.0	-15.8	0.0	-15.8
Other operating expenses	-12.8		-12.8	-8.2		-8.2	-1.8		-1.8	-8.4		-8.4	-1.6		-1.6	-8.6	12.1		12.1	-29.1	0.0	-29.1
Gains/losses from associated participations accounted for using the equity method	6.3		6.3	7.1		7.1	0.0		0.0	-0.1		-0.1	0.0		0.0	0.0	0.0		0.0	13.3	0.0	13.3
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)	**50.8**	**-20.3**	**30.5**	**2.5**	**-0.2**	**2.3**	**5.5**	**49.0**	**54.5**	**1.8**	**0.0**	**1.8**	**-2.2**	**0.0**	**-2.2**	**-6.1**	**0.1**	**0.0**	**0.1**	**52.4**	**28.5**	**80.9**
Financial result																				-56.7	1.6	-55.1
Net profit before tax																				**-4.4**	**30.1**	**25.7**
Income taxes																						-7.4
Consolidated net profit																						**18.3**
Investments			17.7			4.1			37.0			0.0			0.0	2.4			0.0			61.1

Selected explanatory notes

This interim financial 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 uniform accounting policies.

In accordance with IAS 34, IVG has elected to prepare condensed reporting for the presentation of the consolidated interim financial report of IVG Immobilien AG for the period ended 30 September 2011 compared with the annual financial statements. Except for the amendments and new regulations specified below, IVG has applied the same accounting policies in preparing the interim financial statements as in the consolidated financial statements for the 2010 financial year. For further information on this please see the consolidated financial statements as at 31 December 2010.

In the income statement and segment reporting, unrealised measurement effects resulting from the write-down of and the reversal of whrite-downs on inventories (IAS 2), impairment losses and reversals of impairments losses (IAS 36), the fair value measurement of financial instruments (IAS 39) and the fair value measurement of investment property (IAS 40) (excluding tax effects) are reported in the separate column “unrealised changes in value”. Due to the form of presentation, the consolidated income statement and segment reporting consist of the total of the two columns “before changes in value” and “unrealised changes in value”.

In the interim financial statements, an adjustment of the diluted earnings per share for the reporting period and the prior-year period as well as for the 2008, 2009 and 2010 consolidated financial statements was performed due to the adjustment for non-dilutive effects.

The condensed interim financial statements and the interim financial report as of 30 September 2011 have neither been audited nor reviewed by an auditor.

Changes to accounting principles

The following new or amended standards and interpretations were adopted for the first time from 1 January 2011:

- Changes to IFRS 1 “First-time Adoption of International Financial Reporting Standards” – Limited exemption from comparative IFRS 7 disclosures
- Improvements to IFRSs 2010 “Improvements to International Financial Reporting Standards” with regard to individual changes to IFRS 1, IFRS 3, IFRS 7, IAS 1, IAS 21, IAS 28, IAS 31, IAS 34 and IFRIC 13
- Changes to IAS 24 ”Related Party Disclosures” – Change to definitions and simplification of disclosure requirements for government-related entities
- Changes to IAS 32 “Financial Instruments: Disclosure and Presentation” – Classification of rights issues
- Changes to IFRIC 14 “IAS 19 – The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction”
- IFRIC 19 “Extinguishing Financial Liabilities with Equity Instruments”

The regulations effective for the first time from 1 January 2011 had no significant effect on the interim financial report of the IVG Group as at 30 September 2011.

Adjustment of diluted earnings per share

The diluted earnings per share were adjusted for the inclusion of non-dilutive effects in prior periods that was not in line with the standards.

The correction of this error in accordance with IAS 8.42 occurred for the first time in the second quarter of 2011.

The corrected values for previous periods are shown below.

per share in €	Diluted EPS* before adjustment	Adjustment	Diluted EPS* after adjustment
Third quarter 2010	0.09	-0.01	0.08
9 months 2010	0.22	-0.05	0.17
Consolidated financial statements 2010	0.02	-0.09	-0.07
Consolidated financial statements 2009	-1.41	-0.20	-1.61
Consolidated financial statements 2008	-3.80	-0.38	-4.18

* EPS = earnings per share

Significant transactions in the reporting period

- Revenues declined by €257.4 million to €440.4 million in the reporting period. This reduction is due to the high comparable figure in the first nine months of 2010, which was determined by the invoicing of a total of nine project developments in the IVG Development segment with a volume of €386.5 million. By contrast, only one project development in Berlin was invoiced at €109.0 million in this segment in the first nine months of 2011; this project development was transferred to the IVG Premium Green Fund in the first quarter of 2011.
- Of the unrealised changes in market value of investment property up to 30 September 2011 (+€16.1 million), -€37.1 million relates to the IVG Real Estate segment and +€53.2 million to the IVG Caverns segment.
- Of the seven caverns completed in April 2011 and handed over to tenants, six were sold to the IVG Cavern Fund for a purchase price of €180.0 million. The transaction resulted in realised changes in market value of -€0.6 million. In the IVG Real Estate segment, realised changes in market value improved slightly from -€0.7 million in the first nine months of 2010 to -€0.4 million in the reporting period.
- By 30 September 2011, the material expenses of €282.5 million included write-downs to the lower net realisable value totalling -€86.1 million. These primarily related to the major project THE SQUAIRE at Frankfurt Airport in the context of finalising the project.
- For a commitment to purchase back an investment property which was sold in Finland in 2005 a provision was formed for the difference between repurchase price and fair market value considering interest and other costs.
- Of the unrealised changes in value of financial income (financial expenses) totalling +€50.9 million (-€76.4 million), +€36.4 million (-€50.8 million) relates to predominantly positive (negative) changes in the fair value of derivative financial instruments (Q3 2011: income of +€4.4 million and expenses of -€19.8 million).
- The €72.5 million increase in income taxes to +€60.9 million in the first nine months of 2011 is due firstly to the development of pre-tax earnings and secondly to the additional capitalisation of commercial tax loss carryforwards.

- On 30 September 2011, we let around 18,500 sqm in THE SQUAIRE project at Frankfurt Airport to Deutsche Lufthansa. The occupancy rate by space has consequently risen to 82%.
- In February 2011, 12.6 million new bearer shares were issued as part of a capital increase, generating gross income of €86.9 million. Directly attributable transaction costs amounted to €1.1 million; this amount was deducted from the capital reserve as “Other change”.
- The €312.8 million reduction in financial liabilities is chiefly the result of a partial repayment relating to the syndicated loan from 2009 from the proceeds of the cavern sales and the repayment of a project financing.
- Property financing in the amount of €45 million expiring towards the end of the year was prolonged for a period of ten years. A bank also granted an unconditional credit facility for the financing of the project THE SQUAIRE Parking.
- The project financing for THE SQUAIRE project maturing as at 30 September 2011 was extended until 31 December 2013 in line with the current exit planning on the basis of a binding term sheet and/or an addendum to the loan agreement.

Treasury shares

IVG held 32,229 treasury shares as at 30 September 2011. This corresponds to 0.0233% of IVG’s share capital, i.e. €32,229.

Significant transactions with related parties

As described in the notes to the 2010 consolidated financial statements, IVG conducts arm’s-length transactions with unconsolidated subsidiaries and companies accounted for using the equity method.

In the first quarter of 2011, there was a large transaction involving the sale of 94.9% of shares in Investitionsgesellschaft Hackescher Markt mbH & Co. KG to the associated IVG Premium Green Fund. The purchase price for this share transfer was €16.5 million.

Events after the balance sheet date

In addition to the two financing agreements concluded at the end of September – a secured extension for THE SQUAIRE in the amount of €500 million and new financing for THE SQUAIRE Parking totalling €35 million – IVG managed to secure the following extensions on the basis of binding term sheets/binding commitments:

- The financing for the Pegasus portfolio expiring in the fourth quarter of 2011 was extended at its current volume of €145 million until 31 October 2013. IVG expects unchanged financing costs.
- A bilateral credit facility maturing in December 2011 will be partially extended until 25 September 2014 by being added to the syndicated loan from 2009.
- The syndicated loan from 2009 in the amount of €1,017 million maturing as at 28 December 2012 will be extended until 25 September 2014. By the new maturity date, repayments totalling €504 million will be paid, financed by cavern sales.
- The “CORE” financing for the Allianz portfolio in the amount of €933 million due to expire in September 2012 will be extended until 31 December 2015. A special repayment is scheduled for 2012 from the sale of two properties in Munich to a EuroSelect fund. Regular payments of €20 million per year are also agreed.

In doing so, we have succeeded in taking decisive steps towards restructuring IVG’s financing structure in recent weeks.

In October 2011, we completed the Board of Management team. After Dr. Niesslein left the Board of Management as planned, since 1 November 2011 the Board of Management has consisted of Prof. Wolfgang Schäfers (Chairman of the Board of Management/CEO), Dr. Hans Volkert Volckens (CFO) and Christian Kühni (COO). With this new line-up, we will continue on our path with determination.

In contracts dated 26 October 2011 and 4 November 2011, we sold two properties in Paris. The total purchase price of both transactions amounts to approximately €250 million. Both properties are expected to be transferred to the buyers by the end of 2011.

In line with the investment platform strategy, a group of investors led by IVG concluded a purchase agreement on 28 October 2011 to acquire the fully-let “Silberturm” property in the Frankfurt banking district. The transaction was successfully carried out as a club deal in line with our co-investment approach together with eight institutional investors who provided over 90% of the fund’s equity and with IVG’s long-term equity stake.

Declaration of the Board of Management

“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 for the rest of the financial year.”

Bonn, 10 November 2011

W. Schäfers

Prof. Dr. Wolfgang Schäfers

Dr. Hans Volkert Volckens

Christian Kühni

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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/more 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.

Imprint

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Financial calendar 2011/2012

Date	Organizer	Event	Location
14.11.2011	DZ Bank	DZ Bank Frankfurt Conference	Frankfurt a.M.
15.11.2011	Bankhaus Lampe	Roadshow	Zurich
16.11.2011	DSW	DSW-Forum	Bonn
17.11.2011	WestLB	WestLB Deutschland Conference	Frankfurt a.M.
28.03.2012	IVG	Publication of the Annual Report 2011	
11.05.2012	IVG	Publication of the interim report 1Q/2012	
15.05.2012	IVG	Annual General Meeting	Bonn
10.08.2012	IVG	Publication of the interim report 2Q/2012	
09.11.2012	IVG	Publication of the interim report 3Q/2012	