

Vivacon AG
Half-Year Report 2008

vivacon



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Half-Year Report 2008

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Key Financial Figures

in million €	2nd Q 2008	2nd Q 2007	30.06.2008	30.06.2007
Transaction volume	108.8	262.6	146.1	328.4
Revenues	39.5	33.0	78.5	57.5
Total output	73.0	50.6	114.5	81.9
EBIT	17.1	12.7	19.9	18.9
Net consolidated income for the year attributable to shareholders of the parent company (Net income)	5.8	11.7	-0.1	15.0
EPS – undiluted – (in EUR)	0.29	0.60	0.0	0.77
EPS – diluted – (in EUR)	0.29	0.57	0.0	0.74
Investments (without company acquisitions)	28.2	3.5	29.3	4.3
Number of employees (average)	799	90	794	84
Subscribed capital			19.8	19.8
Shareholders' equity			234.1	238.0
Balance sheet total			1.049.2	951.7

Half-Year Report 2008

Letter to Shareholders



Michael Jung
CEO

To our shareholders,

after the focus of our business activity in the first three months of the financial year was on optimising holdings, the first transactions occurred in the second quarter. In addition to the sale of more than 2,000 residential and commercial units, we have acquired ground rent portfolios in several transactions, with a volume of around 2 million euro cash flow p.a. This demonstrates the success of our strategic alignment of also concentrating on the direct acquisition of leasehold properties and, by this, to be independent on the portfolio business. In order to react flexibly to market opportunities and to be able to acquire more and more leasehold portfolios, Vivacon AG issued a convertible bond with a value of EUR 24 million at favourable conditions at the end of April, which was fully subscribed for by Credit Suisse Securities (Europe) Limited, London, acting as a principal investor.

In addition, in the quarter just completed, the ordinary General Meeting of the company was held. In particular, an increase in the dividend to EUR 0.50 per share for the past financial year 2007 was resolved. This means an increase by 25 % compared to the prior year, and allows our shareholders to participate in the increase in income of the company.

■ ■ ■ Figures and Data

The transaction volume of Vivacon AG in the second quarter of 2008 reached EUR 108.8 million compared to EUR 262.6 million in 2007. The decrease was principally determined by the Institutional Investors business segment. In the quarter completed, only one transaction with a volume of EUR 80 million was carried out while the largest sale in the history of the firm, with a transaction volume of EUR 220 million took place in the prior year's quarter. In the first half of 2008, the transaction volume amounted to EUR 146.1 million, after a volume of EUR 328.4 million in the first half of 2007. In addition to this record largest portfolio transaction, the transaction volume in the previous year was also positively influenced by the sale of the firm's own office building, "Rheinauhafen" amounting for some EUR 26 million.



Visualisation sample flat Am Clarenbach, Cologne



Visualisation sample flat Am Clarenbach, Cologne



Visualisation Am Clarenbach, Cologne

Revenues in the second quarter of 2008 reached EUR 39.5 million, which represents an increase of 20 % compared to EUR 33.0 million in the comparable quarter in 2007. This increase in revenues is mainly attributable to the newly acquired Curanis (EUR 4.5 million) as well as to an increase in ground rents (+ 52 % to EUR 3.4 million) and rental income (+ 65 % to EUR 10.6 million). Thus, 47 % of revenue was generated by recurring income sources from ground rent, rental income and property management in the second quarter 2008. The portfolio sale in the second quarter of 2008 was carried out as a share deal, so that no revenue was reported. This essentially led to a decrease in revenue to Institutional Investors from EUR 12.3 million to EUR 0.7 million. In the first half of 2008, consolidated revenue increased by 36 % to EUR 78.5 million and the proportion of recurring revenues amounted to 51%.

Compared to the same quarter last year, EBIT increased by 35 % to EUR 17.1 million. This corresponds to an EBIT of EUR 19.9 million (1H 2007: EUR 18.9 million) in the first half of 2008. The acquisition of leasehold properties with an annual cash flow of approximately EUR 2 million has had a positive effect in the past quarter, and confirms the company's strategic decision to reinforce this sector. The results furthermore make it clear that Vivacon AG does not depend on portfolio transactions anymore. Inflation has increased further in the second quarter, which is generally positive for this business model, as ground rent adjusts automatically and 100 % to inflation.

The consolidated profit in the second quarter of 2008 amounted to EUR 7.0 million, as against EUR 11.4 million in the same quarter in the previous year. In the first half of the year, consolidated profit thus reached EUR 1.2 million (1H 2007: EUR 15.5 million). Earnings per share thus reached EUR 0.29 in the second quarter, as against EUR 0.60 in the second quarter of the 2007 fiscal year. In the first half of 2008, earnings per share reached EUR 0.00 (H1 2007: EUR 0.77).

■■■ Investment Management segment

The sale of a comprehensive real estate portfolio to an institutional investor via lease holding was the focus of Investment Management activities in the second quarter. The company is currently generating yearly ground rent income of EUR 0.86 million from this transaction, with a preliminary volume of around EUR 80 million. The sale occurred through the transfer of company shares (share deals). The West German portfolio comprises more than 2,000 residential and commercial units with a residential and usage space of over 130,000 square metres. The real ground rent income obtained here is secured first-rate, indexed and extends over a term of 198 years. The contribution to profits from this transaction will be posted in the second half of 2008, as a market evaluation of the ground lease properties does not occur before entry in the land registry.



Britzer Parkvillas, Berlin



Visualisation sample flat Britzer Parkvillen, Berlin



Visualisation Luisenstadt, Berlin



Visualisation Luisenstadt, Berlin

Portfolios from ground rent cash flows also secured further transactions for the company. In total, additional yearly claims in the amount of approximately EUR 2.0 million are being generated from cash flows acquired in the course of the second quarter. Holdings in inflation-secured ground rent claims of Vivacon AG thus rose to around EUR 16.2 million p.a. at the end of the second quarter. The additions of leasehold properties were predominantly depicted in the balance sheet within the second quarter. In total, 38 % of our ground rents were already purchased directly from third parties.

■ ■ ■ Asset Management segment

The optimising of a portfolio of around 1,000 residential units in Salzgitter-Thiede was a focus of the Asset Management segment in the second quarter of the current financial year. The creation of a family-oriented residential park is planned for the development of the "Gartenstadt Thiede" district. Among other things, this is to include a considerable investment into the building substance as well as a rearranging and redesign of the green spaces. In an initial step, 80 residential units are to be revitalised. With the creation of a new variety of products, Vivacon AG will first increase the occupancy rate of the flats in order to then privatise them to the renters. Further comprehensive optimisation of holdings will occur in parallel in Salzgitter Bad and in Salzgitter Gebhardtshagen. Here as well, variously defined target groups will be addressed through a differentiated offer. In addition to students, the product range is geared to single parents and senior citizens.

The area of property management also developed positively over the course of the second quarter via the 80 % investment of Vivacon AG in the Curanis Group. Despite the difficult market environment, the volume of units managed here in this segment thus increased by an additional 5,000 units to today's 58,000, with a market value of more than EUR 4.5 billion. This development took account of the most recent software conversion and the launch of the ReLion system. The reporting system now implemented allows individual assessments geared to institutional needs, and thus corresponds to the 'one-stop-shopping' philosophy of Vivacon AG.

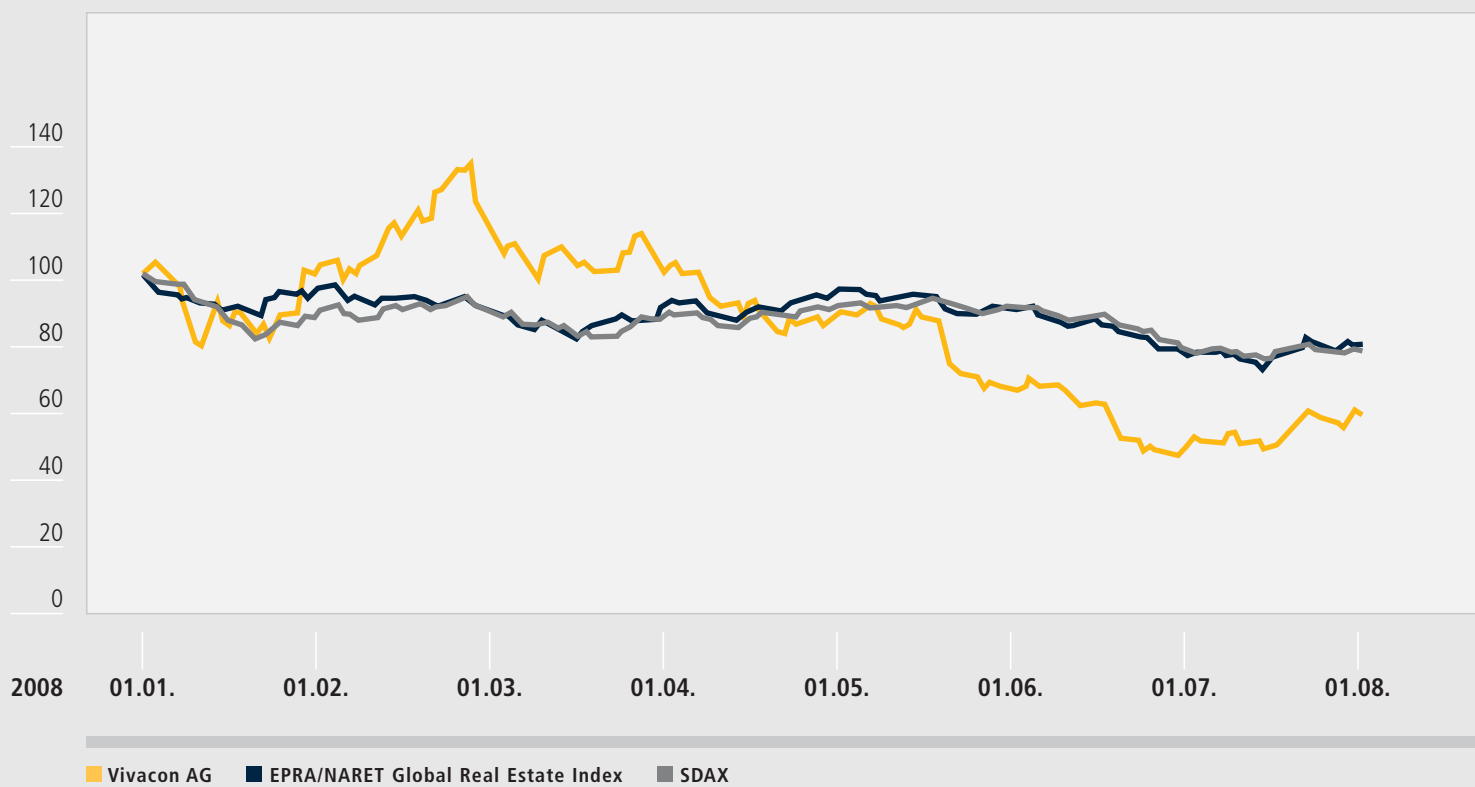
■ ■ ■ Development segment

After the sales start of four projects in the course of the first quarter, their sale also went very successfully in the second quarter:

The listed baroque building "Dalberger Hof" in the city centre of Mainz prompted considerable demand from occupant-owners and capital investors. Within just a few weeks, it was already possible for 46 % of the stately freehold flats to be notarised. The project volume is around EUR 21 million.

The sale of luxury flats in the new construction project "Am Clarenbach" in Cologne went very successfully after the start of sales in March 2008 in the second quarter. Just under half of the 32 residential units have already been sold, with 47 %. In a top location in Cologne, the project comprises a total sales volume of EUR 18.2 million.

■ ■ ■ Development of Vivacon share
in the first half-year 2008



The launch of the new product line "Vivacon Rendite", which comprises student, manager and senior citizen flats, proceeded with great promise. That the concept is in demand with capital investors was shown at the first "My-Studio" building, which is currently being built in Bonn and was conceived for students. 36 % of the 60 fully-equipped convenience apartments with a sales volume of EUR 4.3 million have already been sold, 42 % more are reserved. In a second construction stage, the building of 70 more new residential units is planned. An initial "Living Project" in Berlin, which is geared toward requirements of managers, comprises a total volume in the amount of EUR 20 million and has already been almost completely sold off.

The listed "Palais am Stadtkai" in Mülheim an der Ruhr, which is being expanded with a newly constructed building, is also enjoying good demand. After the flats being created in the old building had sold after only a few weeks, the sale of 24 exclusive freehold flats in the new building started in March 2008 with a total sales volume of around EUR 16.5 million.

In Berlin, the sale of the "Britzer Parkvillas" project with 35 notarised sales (46 %) of a total of 76 freehold flats made progress. They are currently taking shape in nine listed art nouveau villas of the ensemble. The total sales volume is approximately EUR 17 million.

Also in Berlin, which is currently the development investment focus of Vivacon AG, the sales start of the third Philippe Starck property will begin as early as September of this year under the label "yoo Germany", parallel to the launch of the sales activities of "Luisenstadt". Both projects together have a sales volume totalling EUR 170 million, which comprise over 400 exclusive residential units in top locations in the federal capital.

In addition, the company has concluded a purchase agreement in the second quarter for an area covering 56,000 square metres in Kornwestheim near Stuttgart. On a gross floor space of around 90,000 square metres, Vivacon AG intends not only to revitalise listed buildings for offices and retail, but also to develop high-quality living space.

■■■ Negative Development of the Share Price

After the Vivacon share price had outperformed the SDAX and the EPRA index in the first quarter, the price developed negatively in the second quarter. After a closing price of EUR 13.38 at the end of the first quarter of 2008, the share price closed at EUR 6.05 on 30 June 2008. Since then, the price has again recovered to some extent. The management continues to maintain that the share price development is not justified, and is further of the opinion of medium-term recovery.

■ ■ ■ Outlook

Investment Management perspective:

We intend to exploit cooperation possibilities with regard to the acquisition of commercial leaseholds through the most recently concluded 10 % investment of Vivacon AG in the Deutsche Reit AG. The commercial real estate holdings of Deutsche Reit holds future acquisition potential for Vivacon AG as a partner of the company.

In total, the company expects a significant contribution to earnings for the current fiscal year from the direct acquisition of commercial as well as residential leasehold properties and is currently analysing an acquisition pipeline in the double-digit million euro range.

Furthermore, additional portfolios for transactions will continue to be structured to need and negotiated with market participants. This too, in the sense of the business model, will always happen under the premises of an application of the leasehold.

Asset Management perspective:

Via the newly acquired holdings over the course of the second quarter within the context of the Property Management activities of the Curanis Group, the growth development prognosticated here had already almost been achieved by the end of the second quarter (9.5 %). Current negotiations with international institutional property owners are already sketching out good opportunities for growth, also for 2009.

Development perspective:

With its press conference on 26 June 2008, Vivacon AG reinforced its commitment to development in the federal capital. Currently, there are now a total of four top-class projects being realised, with a total volume of around EUR 210 million, exclusively in top locations of the pulsating metropolis.

At the moment, the "Luisenstadt" is the largest project, on a 12,000 square metres area with historical buildings. Berlin architect Annette Axthelm designed the concept for the 375 luxury flats being created with a total living space of more than 26,000 square metres. With the foreseeable start of construction being mid 2009, tradition will meet up with modernity; listed buildings will be gently combined with luxurious new construction.

On the banks of the Spree, the company already announced for October 2008 the start of construction of the third Philipp Starck property, the exclusive design line of Vivacon AG. Around 100 flats under the "yoo Germany" label will thus be created across from Friedrichstrasse – once again an excellent location, such as those of the two properties in Hamburg and Munich that have already been successfully realised.

The start of construction for the "Living 106" project will already occur in a very short time. The property of the product line "Vivacon Rendite", designed for capital investors and owner-occupants, will very soon offer 60 completely equipped and wellness-oriented flats, as well as a variety of services for a demanding clientele.

However, sales of various projects in the private investor segment in exclusively top locations in other major German cities too are also waiting for a start signal in 2008. Currently nationwide projects amounting to more than EUR 400 million are offered by the Vivacon Development segment. Furthermore we are expecting stimuli from a cooperation agreement currently under negotiation with a German credit institution for a purveyor function in the area of high-quality real estate for owner-occupancy or capital investment.

Conclusion:

The sum total of the diversified business activities of Vivacon AG documents the operational flexibility and strength of the company, even in a period in which the mood amidst German real estate has clearly cooled off as a result of the American subprime crisis. The company is therefore confirming its total annual prognosis for Group profit to the amount of EUR 60 million.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Michael Jung', with a stylized flourish at the end.

Michael Jung
CEO

Half-Year Report 2008
Interim Report for the period
1 January to 30 June 2008

A ■■■ Report on net worth, financial position and earnings

a) Business performance and major events

During the first six months of the 2008 fiscal year, Vivacon AG adjusted its operations to the current reticence in the portfolio trading business and pressed ahead with the direct acquisition of leasehold portfolios, strategically bolstered its asset management activities through the acquisition of a majority holding in the Curanis group and planned several projects in the Development segment – especially in the luxury market segment.

In the “Institutional Sales” segment, which encompasses the business segments portfolio trading, acquisition of leasehold properties, as well as the group’s asset management activities, the group was nevertheless able to conclude the sale of three property portfolios. The individual transactions involved were as follows:

In June 2008, a property portfolio predominantly located in West Germany with a total provisional value of approx. EUR 80 million was sold to an institutional investor. The sale was carried out using the leasehold ownership model. Annual leasehold payments of EUR 0.9 million p.a. will initially be generated for the group from this contract of sale. As usual, leasehold properties are only shown in the balance sheet at their current market value following security through land register registration, meaning that during the first half of 2008, it was not possible to post any significant contribution to operating income from this agreement.

In the first half of 2008, two further property portfolios encompassing 500 residential units with a total value of EUR 26 million were sold to the joint venture operated with Forum European Realty Income S.à.r.L., Luxembourg. This property portfolio is directly held by WIAG Wohnimmobilien AG. Vivacon AG controls a 30 % stake in this company.

The earnings from the sales to the joint venture with Forum European Realty Income S.à.r.L., Luxembourg are largely reported under the item “Earnings from investments in associated companies”, and are therefore not included under earnings before taxes and interest.

Vivacon AG responded to the drop in the transaction volume in the German residential property market by focusing its resources on the direct purchase of leasehold portfolios, as well as the implementation of long-term exploitation strategies for the property portfolios. During the first half of the year, leasehold portfolios generating leasehold ground rents totalling EUR 2.0 million were acquired. The market valuation of the ground lease properties is based on a discounted cash flow method. The net gain from investment properties results from this market valuation of ground lease cash flows. The discount rate has not changed compared to 31 December 2007.

During the first half of the year, the group continued to focus on the acquisition of property portfolios in the current market environment. As of 30 June 2008, a total of approximately 6,000 residential and commercial units were available for disposal in the second half of the 2008 fiscal year.

In addition, due to the acquisition of a majority stake in the Curanis group, the Vivacon group was able to expand its service offering to include property management during the first half of the year. The Curanis group, which currently has some 58,000 residential and commercial units under management, is one of Germany's largest property managers.

In the "Private Investors" segment, which includes the group's property development business, a total of 209 units with a transaction value of EUR 40 million were sold. After factoring in the sale of the Rheinauhafen office building to be used by the Vivacon group in the future and included in the transaction volume in the corresponding period last year, Vivacon AG was able to continue the positive development seen during the prior year. Successful sales of new properties in the listed building and designer properties segments especially contributed to this success. Furthermore, in the first six months of the fiscal year, preparations were made for the start of the sale of the yoo projects in Berlin and Dusseldorf, as well as a project in Hamburg-Harvestehude. Once initiated, these projects will result in a marked increase in contracted project volume, to some EUR 500 million.

The payment of a dividend of EUR 0.50 per share was approved at the AGM in May 2008. In order to be able to respond flexibly to market opportunities and acquire leasehold portfolios, Vivacon AG issued a convertible bond valued at EUR 24 million at the end of April 2008. This bond was fully subscribed for by Credit Suisse Securities (Europe) Limited, London, acting as a principal investor.

b) Earnings

The company's key performance indicator is its transaction volume (notarised sales prices). The revenues in the "Institutional Investors" segment posted in the financial statements cannot be directly deduced from the sales volume reported in the reporting year due to the respective structuring alternatives. As a rule, transactions are structured in the context of a sale of company shares. The revenue under IRFS varies according to the financing structure of the divested portfolio as well as the book value of the land leases which is retained as margin by Vivacon AG. The growth of the company's transaction volume (including the sale of two portfolios to the joint venture operated with Forum) is summarised below:

	2008 in EUR million	2007 in EUR million	Change in %
Private Investors	40.1	63.6	-36.9 %
Institutional Investors	106.0	246.8	-60.0 %
Transaction volume	146.1	328.4	-55.5 %

The group's transaction volume fell short of that of the prior year. This decline is primarily attributable to the "Institutional Investors" segment. Vivacon AG was not able to avoid the general market trend. Commensurate to this – in the prior year the transaction volume included the sale of the Rheinauhafen project with a volume of EUR 26.4 million – the transaction volume in the "Private Investors" increased by 7.9 % year-on-year.

In the "Private Investors" segment, the successful placements of the yoo Munich project, as well as the development projects "Clarenbachkanal" in Cologne and "Chausseestrasse" in Berlin, led to the indicated increase in transaction volume. The volume of notarised transactions in the fiscal year 2008 in the "Private investors" segment was generated by the placement of a total of 209 units (prior year: 206 units). Overall, the group pressed ahead with its strategic positioning in the luxury residential units segment.

Group revenue rose from EUR 57.5 million in the reference period for the prior year to EUR 78.5 million during the first half of 2008. Here it must be noted that owing to the initial consolidation of the Curanis group and the enlargement of the property portfolio, the revenue is only comparable to a limited degree. Revenue in the "Institutional Investors" business segment fell from EUR 15.9 million to EUR 0.8 million owing to market developments. In the reporting period, all sales were conducted in the form of share deals with the margin posted as revenue. In contrast, rental income increased by EUR 11.3 to EUR 21.2 million, while revenues generated by asset management services rose to EUR 11.9 million owing to the acquisition of the Curanis group. Vivacon group has achieved revenues from ground leases totalling EUR 6.8 million in the first half of 2008.

Revenue in the "Private Investors" business segment increased by EUR 10.5 million to EUR 39.4 million during the reporting year.

The earnings before tax and interest in the "Institutional Investors" segment amounted to EUR 20.1 million in the first half of 2008 (Prior year: EUR 18.8 million). The "Private Investors" segment generated total earnings before tax and interest of EUR 0.2 million (Prior year: EUR 0.1 million).

The expenditure on personnel and other operating expenses increased noticeably in the reporting year. This increase from EUR 6.9 million to EUR 13.8 million is solely attributable to the consolidation of the Curanis group. The personnel expenses posted for the Curanis group totalled EUR 7.9 million in the first half-year 2008.

The increase in other operating expenses from EUR 11.7 million to EUR 14.1 million especially results from the initial inclusion of the Curanis group, which during the first six months of the fiscal year reported other operating expenses in the amount of EUR 2.1 million. Other operating expenses for the first six months of 2008 include costs from inflation hedges as a result of market value changes totalling EUR 7.6 million.

The posted consolidated earnings before tax and interest contain net profits from the assessment of properties held as financial investments carried at the fair value of EUR 18.3 million.

The negative financial result (excluding reported revenue from associated companies) came to EUR 19.0 million in 2008. During the same period last year, a positive financial result of EUR 0.7 million was reported. This trend was also due to the upward valuation of interest hedging contracts during the first half year of EUR 8.5 million. During the reporting year, changes in value and interest hedging transactions resulted in profits of EUR 2.4 million. The group has safeguarded itself against volatility in short-term interest rates by securitising the leasehold payments. Furthermore, the financing of the larger portfolio of properties held for sale, resulted in an increase in the reported interest paid.

The net profit for the year reported fell overall from EUR 15.5 million to EUR 1.2 million due to the lower contribution to operating income from portfolio trading.

c) Balance sheet

Total assets increased by EUR 97 million to EUR 1,049 compared to 31 December 2007. The growth in non-current assets was essentially the result of leasehold properties acquired in 2008 which will remain in the long-term ownership of the company as well as the result of the goodwill of the acquisition of the Curanis Holding GmbH. The increase in short-term assets is due to the progress of the development projects as well as the increase in other short-term assets. The increase in other short-term assets is due to the entitlement of the transfer of ground lease cash flows which is presented in this caption. The financing of the property portfolio is generally structured as land register-secured property financing, and the terms correspond in principle to the planned periods of retention for the property portfolios intended for sale.

The current liabilities due to banks primarily involve the financing of projects in the listed building and design segment, as well as in the "Institutional Investors" business segment. The acquired property packages and projects are carried under assets as properties held for sale. The long-term financing of the group continues to be realised by the securitisation of leasehold payments as well as the convertible bond issued at a nominal value of EUR 24.0 million. Other long-term bank liabilities relate to the finance in relation to the Curanis acquisition and long-term financing of real estate portfolios.

d) Financial position

The payment of a dividend of EUR 0.50 per share was approved at the Vivacon AG GSM. The total value of the dividend payment was EUR 9.9 million.

On the balance sheet date, the group had liquid funds worth EUR 78 million from prepayments which are not at free disposal of the group for general financing purposes. Vivacon AG is currently in the process of implementing the third securitisation of leasehold payments. We expect to conclude this transaction some time during the third quarter of the current fiscal year.

B ■■■ Risks and opportunities assessment

The opportunities and risks relevant to the future development of the group as presented in the consolidated financial statements for the 2008 fiscal year may still have a significant impact on the development of the group. The most important changes in the risks and opportunities since the beginning of the fiscal year are presented below.

The uncertainties in the international property markets and financial markets emanating from the American property market do not affect the group directly. The focus of the group in the "Institutional Sales" segment is exclusively in the area of German residential property, which produces high returns by international standards. Buyers of German residential property are international property investors from various countries. The German property market nonetheless could not remain unaffected by global developments, due to the reduced refinancing opportunities. While Vivacon AG has noted a continuing high demand for German residential property, current transaction volumes are nevertheless significantly down those seen in prior years. The Executive Board is countering this development by focusing its resources on the direct acquisition of leasehold portfolios as well as their short- and long-term financing.

The Executive Board is confident that it will be able to master and has adequately hedged against the risks inherent to the business using the measures taken to date.

C ■■■ Report on significant transactions with related parties

No significant transactions involving related parties took place in the reporting period other than the sale of property portfolios to the joint venture WIAG Wohnimmobilien AG.

D ■■■ Outlook for the 2008 fiscal year

The volume of orders on hand as per IFRS on 30 June 2008 in the amount of EUR 77.5 million (30 June 2007: EUR 122.9 million), as well as the inventory of properties available for sale during the second half of the year form a sound basis for the 2008 fiscal year in the "Private Investors" segment. Based on the negotiations currently being conducted, and against the backdrop of the concrete implementation of the short- and long-term financing of the leasehold cash flows, we anticipate the "Institutional Investors" segment to make a significant contribution to operating income. As communicated, we can confirm that we expect to be able to improve on the prior year's results to approximately EUR 60 million during the 2008 fiscal year.

Cologne, August 2008

sgd. Michael Jung sgd. Timo Herbrand sgd. Oliver Priggemeyer sgd. Michael Ries sgd. Frank Zweigner

Half-Year Report 2008
Supplementary Notes to the
interim consolidated financial statement
for the period ending 30 June 2008

A ■■■ General notes to the financial statements

The interim consolidated financial statements for the period ending 30 June 2008, presented in the quarterly report of Vivacon AG, consisting of the consolidated balance sheet, the consolidated income statement, statement of changes in shareholders' equity, cash flow statement and supplementary notes have been prepared according to International Financial Reporting Standards (IFRS) in compliance with IAS 34. We additionally complied with the standards set forth in GAS 6 to the extent that they go beyond the requirements of IAS 34.

With the following exceptions, the same accounting and valuation principles and methods of calculation were applied as for the consolidated financial statement of the entire previous year.

The consolidation, accounting and valuation methods are presented in the annual report of Vivacon AG for the 2007 fiscal year. The annual report is available for download on the Internet (<http://www.vivacon.de>), as well as in printed form from the company.

B ■■■ Changes in consolidated companies

In the first six months of the 2008 fiscal year, new companies were established and sold, due to further real estate purchases and sales. The subsidiaries included in the consolidated financial statements for the period ending 30 June 2008, together with the associated shareholdings and additions to the consolidated companies in the quarter under review, are listed in Appendix 1 to these supplementary notes.

With the exception of Curanis Holding GmbH, its subsidiaries and the acquisition of the shares in the company that meanwhile trades under the name yoo Düsseldorf GmbH & Co. KG, companies included in the consolidated financial statements for the first time during the course of the first quarter of the 2008 are all intra-group start-ups. With the exception of Curanis Holding GmbH and its subsidiaries, the costs of purchasing the shares in these new subsidiaries thus fall within the range of the minimum equity contribution requirements under company law. Pursuant to the final agreement dated 9 February 2008, and with effect from 1 January 2008, Vivacon acquired an 80 % stake in Curanis Holding GmbH. The acquisition of Curanis Holding GmbH is described in section C. a). The acquisition of yoo Düsseldorf GmbH & Co. KG does not constitute an acquisition within the meaning of IFRS 3.4, since the company did not have any business operations at the time of acquisition.

In March 2008, the following companies were sold to the joint venture operated with Forum Realty Income S.à.r.L, Luxembourg (this transaction is also referred to below as the "Forum transaction"):

- Vivacon Immobilienportfolio XVIII./2007 GmbH & Co. KG, Cologne
- Vivacon Immobilienportfolio XVIII./2007 Verwaltungsgesellschaft mbH, Cologne
- Vivacon Erwerber Immobilienportfolio XVIII./2007 GmbH, Cologne
- Vivacon Immobilienportfolio XXXIV./2007 GmbH & Co. KG, Cologne
- Vivacon Immobilienportfolio XXXIV./2007 Verwaltungsgesellschaft mbH, Cologne
- Vivacon Erwerber Immobilienportfolio XXXIV./2007 GmbH, Cologne

Consequently, as of 30 June 2008, Vivacon AG directly held 30 % of the shares in the above companies. Therefore, the companies are included in the consolidated interim financial statements of the Vivacon AG for the period ending 30 June 2008, according to the equity method. All told, as of 30 June 2008, the joint venture possesses a property portfolio of 4,356 residential units.

With effect as of 30 June 2008, the group sold a property portfolio comprising a total of approximately 2,000 units. The transfer of the property portfolios was effected through the transfer of a total of 22 corporate rights.

The companies were therefore no longer included in the consolidated interim financial statements of 30 June 2008. The transaction volume resulting from these sales amounted to a total of EUR 80 million. Due to the settlement in the form of a transfer of corporate rights, only a small part of the transaction volume is reported as group revenue. The revenue in the portfolio trading business segment amounted to EUR 0.8 million in total.

C ■■■ Notes on the balance sheet

a) Goodwill

The increase in goodwill resulted exclusively from the acquisition of Curanis Holding GmbH. Pursuant to the contract of 9 January 2008, Vivacon AG acquired 80 % of the shares of Curanis Holding GmbH. The strategic purpose of this acquisition is the expansion of the value chain in the Group and generate management synergies for the Group property portfolio. Curanis Holding GmbH is one of the market's leading property management companies in Germany. The companies of the Curanis group have a workforce of approx. 600 employees and manage a total of 53,000 residential and commercial units with a total value of approximately EUR 4.0 billion. In 2007, the company generated revenues of EUR 21.2 million with an EBIT margin of approx. 11.5 %. The acquisition of the Group came into effect on 1 January 2008.

Curanis Holding GmbH and its subsidiaries have been included in the consolidated financial statements of Vivacon AG since the 1 January 2008. The provisional purchase price for the acquisition of the aforementioned shares totalled EUR 18.75 million, and was declared final on the basis of the acquisition balance sheet for the period ending 1 January 2008. The Curanis group reported primarily receivables (EUR 3.2 million) and liquid funds (EUR 2.1 million) on the acquisition date. On the acquisition date, equity shown on the balance sheet totalled EUR 2.5 million with a balance sheet total of EUR 6.8 million. The acquisition price largely reflects the long-term management contracts with these long-term management contracts reflecting the material intangible assets at the time of transfer. The final purchase price accounting has not yet taken place, and will in all probability therefore take be taken into account next quarter.

b) Fair value of investment properties

The fair value of investment properties held has developed as follows since 1 January 2008 (in EUR million):

Fair value on 1 January 2008	348.0
Additions at acquisition costs in the period from 1 January to 31 March 2008	1.0
Additions at acquisition costs in the period from 1 April to 30 June 2008	25.2
Net profit from the adjustment of the fair value in the period from 1 January to 31 March 2008	2.4
Net profit from the adjustment of the fair value in the period from 1 April to 30 June 2008	15.9
Fair value on 30 June 2008	392.5

The development of fair value in the second quarter of the 2008 fiscal year primarily reflects additions to ground lease properties and the fair value adjustments carried out in this quarter. The additions in the period from 1 January 2008 to 30 June 2008 resulted from purchases of ground lease property portfolios used largely for the housing industry. No properties were transferred within the framework of portfolio transactions, since the properties earned as a margins in the process of the portfolio transactions notarised with effect from 30 June 2008 are not yet classified as leasehold properties under civil law, due to a lack of securitisation in the land register. As a result, they are therefore reported as other assets.

To establish the fair value of the ground lease properties, Vivacon AG continued to employ the internationally-recognised discounted cash flow (DCF) method. The individual DCF valuation of the ground lease properties occurred exclusively on the basis of the virtually certain determinable ground rent cash flow for the individual properties. The discount rate applied as on 30 June 2008 amounted to 4.05 % (unchanged compared to 31 December 2007). In this connection, the increased nominal interest rate was compensated by the increased long-term inflationary expectations, so that the real interest rate used for the measurement of the leasehold properties has remained unchanged.

In view of the interest rate sensitivity when applying the DCF method for the valuation of the ground lease properties, significant value changes can occur in the case of ground lease properties as a result of future changes in the base interest rate, inflationary expectations and/or in the risk premiums. However, overall, it would appear that owing to the long-term nature of the cash flows to be valued and the contractually agreed inflation adjustment, the fluctuations of the nominal short-term interest rate will only have a limited effect on the measurement of the leasehold properties.

c) Investment in associated companies

Long-term equity investments in associated companies on 30 June 2008, reported under long-term financial assets as of 31 December 2007, represent 30 % the shares in the following subgroup parent companies:

- WIAG Wohnimmobilien AG, Cologne
- Freeholdco GmbH & Co. KG, Cologne/Freeholdco GmbH, Cologne

The EUR 1.4 million change in investments carried in the first six months of the 2008 fiscal year consists of EUR 0.1 million attributable to WIAG Wohnimmobilien AG and EUR 0.8 million to Freeholdco GmbH & Co. KG, reflecting the proportional earnings of these subgroups as well as capital increase of EUR 0.5 million. The net profit achieved by Freeholdco GmbH & Co. KG in particular results from the valuation of the leasehold properties of the company at fair value according to IAS 40. The reported earnings of WIAG Wohnimmobilien AG resulted almost exclusively from the rental management of the portfolio properties.

d) Inventories

In the first six months of the fiscal year, the company acquired extensive housing portfolios. The existing housing stock available for sale on 30 June 2008, amounted to approximately residential units. As of 30 June 2008, the group has no obligations for further property portfolios purchased.

e) Development of shareholders' equity

The current number of shares outstanding as of 30 June 2008, amounted to 19,846,035. Dividends amounting to EUR 0.50 per share were paid out in the current fiscal year. The overall amount of dividends paid for the fiscal year was therefore EUR 9.9 million. On the date of issue, the convertible bond issued in the second quarter of 2008 valued at EUR 24.0 million has an equity ratio of EUR 3.5 million, which after deduction of the pro rata transaction costs is reported in equity.

f) Liabilities from bonds

Changes in non-current liabilities from bonds resulted predominantly from repayments carried out in the first six months of the 2008 fiscal year.

Vivacon AG and other subsidiaries transferred ownership of several leasehold properties to 100 % limited partnerships, which were founded in the 2005 and 2006 fiscal years. The subsidiary limited partnerships floated bonds in two issues totalling EUR 179.5 million in volume to special purpose vehicles based abroad, which in turn financed themselves by issuing bonds on the capital market.

The agreements on the bonds in the first issue have an expected term until 2036 and pay interest at 4.74 % p. a. The agreement on the bonds of the second issue have an expected term until 2017 and pay variable interest based on the 3-month Euribor rate. Interest rate swap agreements were concluded in connection with the variable rate bonds offered in the second issue.

The bonds must be repaid at maturity. The subsidiary limited partnerships use the ground rent income to cover their own costs and pay interest to the bondholders. Any liquidity surplus that then remains in the subsidiary limited partnerships is used for redemption. Under existing inflation swaps, any future increases in leasehold payments effected under the leasehold inflation indexing clauses were swapped for a constant cash flow over the term of the swap agreement.

Vivacon AG plans to securitize additional ground lease property portfolios to refinance the group's growth.

g) Liabilities due to banks

In the first half of the year, the group financed purchases of property portfolios primarily through short-term borrowing, representing current liabilities to banks. Bridge financing of leasehold properties reported under liabilities due to banks was unchanged as of 31 December 2007. On 30 June 2008, the liabilities resulting from this bridge financing totalled EUR 51.4 million, compared to EUR 35.0 million as of 31 December 2007.

h) Financial instruments

As part of its 2006 bond offer, Vivacon AG concluded the financial instruments presented under item C. e) (interest swaps and inflation swaps). The long-term, variable rate financing of property portfolios held for sale was additionally converted to fixed rate cash flows by means of interest swaps. In the first six months of the 2008 fiscal year, market valuation resulted in total other operating expenses in the amount of EUR 7.6 million, interest costs of EUR 3.5 million in the first three months of the financial year 2008 as well as interest income of EUR 5.9 million posted in the second quarter of 2008. The negative fair value of the inflation swaps totalling EUR 19.7 million is presented as a separate item under current liabilities. The positive fair value of the interest swap agreements totalling EUR 7.9 million is reported separately under the current assets.

D ■■■ Notes on the income statement

a) Sales revenues

As a result of the initial first consolidation of Curanis Holding GmbH and its subsidiaries, the individual items of the income statements are not directly comparable with those of the previous year.

The revenues reported during the first six months of the 2008 increased significantly year-on-year from EUR 57.5 million to EUR 78.5 million. This increase by EUR 21.0 million reflects the results of the acquisition of the Curanis group with EUR 11.8 million. Moreover, the reported year-on-year rise in sales resulted from the increase in revenue from the property development business, rental income and the leasehold payments. In this context, these sales components overall compensated the shortfall in portfolio trading revenues.

b) Business performance in the first six months as well as segment revenues and segment result

Compared to the same period last year, Vivacon AG was unable to increase the transaction volume (notarised selling prices) neither in the quarter under review nor in the first six months of the year. Decisive for this negative development in the current fiscal year were both the significant drop in business in the "Institutional Investors" business segment and the sales in the business segment "Private Investors". However, the latter is solely attributable to the reported sale of the Rheinauhafen office building in Cologne to be used by Vivacon AG in future. On a comparable basis, the business segment was able to up the transaction volume by 7.9 % compared to the previous year.

The transaction volume in the "Institutional Investors" business segment includes the notarised selling prices of properties commercially transferred as part of the Forum transactions. As in previous periods, the transactions in the business segment "Institutional Investors" are generally structured as a share deals, with the result that the revenue is significantly lower than the transaction volume.

The development of the transaction volume (notarised selling prices) is as follows:

	01. 01. 2008 – 30. 06. 2008 in EUR million	01. 01. 2007 – 30. 06. 2007 in EUR million	01. 04. 2008 – 30. 06. 2008 in EUR million	01. 04. 2007 – 30. 06. 2007 in EUR million
Private Investors	40.1	63.6	28.8	21.9
Institutional Investors	106.0	264.8	80.0	240.7
Transaction volume	146.1	328.4	128.8	262.6

Broken down by segment, revenues and earnings before interest and tax (EBIT) are as follows:

	Revenues		EBIT	
	01.01.2008 – 30.06.2008 in T€	01.01.2007 – 30.06.2007 in T€	01.01.2008 – 30.06.2008 in T€	01.01.2007 – 30.06.2007 in T€
Private Investors	39,447	28,911	216	88
(of which internal operating revenue)	0	0	0	0
Institutional Investors	38,869	28,553	20,074	18,756
(of which internal operating revenue)	0	0		
Reconciliation/Other	197	76	-418	50
Group (consolidated)	78,513	57,540	19,872	18,894

The “Private Investors” business segment developed positively in the first two quarters of 2008. Revenues increased from EUR 28.9 million in the previous year to EUR 39.5 million in the current fiscal year. This increase reflects in particular the progress of the Munich project (yoo) and the Rheinauhafen project.

In the “Institutional Investors” business segment, the sale of a total of 500 residential units as part of the Forum transactions in March 2008 and additional portfolio transactions in June 2008 did not affect revenues, as the transactions were structured as share deals.

The segment “Institutional Investors” includes the portfolio trading activities. These activities did not post major revenues and profits by June 2008. The shortfall in profits from portfolio trading activities was not fully compensated by profit contributions from the direct ground lease acquisitions, which is presented as part of the net gain from the valuation of investment properties. The revenues, however, increased compared with the previous year due to the revenues from rents, ground leases and asset management, which solely relate to the Curanis group activities.

Company revenues from property management in the second quarter compared with the first quarter of 2008 are affected by consolidation entries posted in the second quarter. Like-for-like, Curanis continued its revenue growth compared with the first quarter of 2008 and the full year results of 2007.

The ongoing income of the joint ventures, together with Forum European Realty Income S.à.r.L, Luxembourg, amounting to EUR 0.9 million, are in addition reported under EBIT as earnings from long-term equity investments (see Section C.b. of these notes).

As of 30 June 2008, the order backlog amounted to EUR 77.5 million, as compared to EUR 122.9 million on 30 June 2007.

In the first six months of the 2008 fiscal year, the group generated revenues of EUR 78.5 million compared with EUR 57.5 million in the same period of the previous year. EBIT for the period from 1 January 2008, to 30 June 2008 was EUR 19.9 million, compared to EUR 18.9 million in the same period of the previous year; earnings attributable to shareholders of the parent company came to EUR minus 0.1 million (previous year EUR 15.0 million). The year-on-year decline in earnings before interest and taxes in the first six months of 2008 was due to the sales volumes in the "Institutional Investors" business segment.

Undiluted earnings per share in the first six months of the 2008 fiscal year amounted to EUR 0.00 (in the first six months of the 2007 fiscal year: EUR 0.77). Diluted earnings per share on 30 June 2008, amounted to EUR 0.00 (compared to EUR 0.74 in the previous year). This is based on the weighted average number of shares outstanding in the respective fiscal year.

d) Outlook for the entire year 2008

Vivacon expects a marked year-on-year increase in sales volume and revenues realised for the full year in the "Private Investors" segment.

The order balance according to IFRS as well as especially the scheduled commencement of sales form a sound basis for the second half of the 2008 fiscal year in the "Private Investors" segment. Based on the negotiations currently being conducted, and against the backdrop of the concrete implementation of the short- and long-term financing of the leasehold cash flows, we anticipate that the "Institutional Investors" segment will contribute significantly to operating income. We confirm that we expect to be able to improve on the previous year's results to the announced EUR 60.0 million during the 2008 fiscal year.

E ■■■ Miscellaneous

During the first two quarters of the 2008 fiscal year, the employee share programme was implemented by utilising the approved capital in the amount of EUR 464,000. Additionally, the issuance of a convertible bond reported under C.e) and the payment of a dividend affected shareholders' equity during the reporting period.

Moreover, in July, a strategic investment in Deutsche Reit AG was implemented.

Cologne, August 2008

sgd. Michael Jung sgd. Timo Herbrand sgd. Oliver Priggemeyer sgd. Michael Ries sgd. Frank Zweigner

Group Balance Sheet as of 30 June 2008

ASSETS	Date 30.06.08 €	Date 31.12.07 €
A. Non-current		
I. Intangible assets		
1. Industrial property rights and similar rights and assets	188,251.16	182,207.17
2. Goodwill	18,081,747.90	22,044.43
	18,269,999.06	204,251.60
II. Property, plant and equipment		
1. Investment property	392,465,000.00	348,004,409.00
2. Furniture, fixtures and fittings	5,007,944.16	1,191,035.74
	397,472,944.16	349,195,444.74
III. Investments		
1. Equity investments in associated companies	10,463,996.67	9,012,239.97
2. Other long-term investments	79,210.00	109,070.00
	10,543,206.67	9,121,309.97
IV. Other non-current financial assets		
1. Receivables against associated companies	19,568,063.59	19,697,614.17
2. Other non-current assets	280,863.08	302,015.83
3. Other financial assets	4,600,000.00	4,600,000.00
	24,448,926.67	24,599,630.00
	450,735,076.56	383,120,636.31
B. Current		
I. Real estate held for sale and advances	359,399,589.17	331,906,424.91
II. Work in progress and pre-construction costs	266,489.87	1,479,859.48
III. Receivables and other assets		
1. Receivables from ground rents and other rents and administrative activities	5,848,434.30	1,806,112.18
2. Receivables against associated companies	2,911,915.36	2,781,696.28
3. Receivables from construction contracts	22,742,678.55	15,531,157.95
4. Receivables from building sales and commission	36,138,265.53	49,536,462.63
5. Receivables from derivative financial instruments	7,945,160.71	6,007,302.56
6. Tax refund claims	807,505.55	4,169,727.03
7. Other current assets	50,598,649.80	17,823,242.74
	126,992,609.80	97,655,701.37
IV. Cash, balances at banks and securities	111,754,885.26	137,577,033.20
	598,413,574.10	568,619,018.96
	1,049,148,650.66	951,739,655.27

Group Balance Sheet as of 30 June 2008

LIABILITIES	Date 30.06.08	Date 31.12.07
	€	€
A. Shareholders' Equity		
1. Subscribed capital	19,846,035.00	19,846,035.00
2. Capital reserve	84,599,469.10	79,952,454.18
3. Retained earnings	128,113,499.68	138,129,128.19
Shareholders' equity attributable to shareholders of the parent company	232,559,003.78	237,927,617.37
Minority interests	1,556,782.21	117,077.99
	234,115,785.99	238,044,695.36
B. Non-current liabilities		
1. Deferred tax liabilities	51,242,845.33	51,712,900.51
2. Liabilities due to banks	128,262,806.14	114,477,258.34
3. Liabilities from bonds	172,798,019.28	173,833,151.61
4. Liabilities due from convertible bonds	19,792,670.00	0.00
5. Other liabilities	591,740.57	601,236.74
	372,080,471.32	340,624,547.20
C. Current liabilities		
1. Other provisions	11,610,709.39	12,630,785.38
2. Liabilities due to banks	342,710,225.39	300,308,385.10
3. Advances received	4,172,596.76	2,915,917.27
4. Liabilities due to the purchase of real estate	17,908,320.00	0.00
5. Trade payables	18,635,780.99	26,459,011.09
6. Liabilities from derivative financial instruments	19,674,675.22	10,735,214.04
7. Actual tax liabilities	1,935,480.09	974,448.33
8. Liabilities due to associated companies	1,597,856.23	2,143,359.37
9. Other liabilities	24,099,139.28	16,903,292.13
	442,344,783.35	373,070,412.71
	1,049,148,650.66	951,739,655.27

Group Profit and Loss Statement for the period from 1 April to 30 June 2008

	2008		2007
	€		€
01. Revenues			
a) Sales to private investors	20,260,436.65		11,385,124.96
b) Sales to institutional investors	707,815.89		12,960,809.16
c) Rental income	10,620,625.88		6,447,512.43
d) Administrative activities	4,528,243.06		0.00
e) Leasehold ground rents	3,410,166.79		2,240,320.57
		39,527,288.27	33,033,767.12
02. Changes to total real estate held for sale with finished and unfinished structures together with work in progress		16,348,495.21	10,465,726.85
03. Net earnings from fair-value valuation of investment properties at its fair value		15,908,193.61	6,498,279.22
04. Other operating income		1,226,044.63	569,147.88
05. Purchased services			
a) Property management	-10,289,016.00		-2,791,656.72
b) Sale of real estate	-30,839,559.88		-23,077,281.83
c) Expenses for administrative activities	-575,311.01		
d) Other purchased materials and services	-56,002.23		-33,414.03
		-41,759,889.12	-25,902,352.58
06. Personnel expenses			
a) Wages and salaries	-5,703,326.52		-3,587,253.57
b) Payroll taxes	-1,630,199.99		-253,419.66
		-7,333,526.51	-3,840,673.23
07. Amortisation and depreciation on intangible non-current assets and on property, plant and equipment		-305,294.79	-90,953.58
08. Other operating expenses		-6,468,917.46	-8,022,302.31
09. Earnings from equity investments (in associated companies)		650,897.80	1,013,841.75
10. Income from other securities of financial assets		8,893,906.50	7,095,652.92
11. Interest and similar expenses		-16,966,875.62	-5,798,252.53
12. Net operating income from ordinary business activities/ Income before taxes		9,720,322.52	15,021,881.51
13. Taxes on income		-2,732,037.99	-3,587,110.80
14. Net consolidated income		6,988,284.53	11,434,770.71
Minority interest in net income for the year		1,140,333.81	-216,783.20
Net consolidated income for the year attributable to shareholders of the parent company		5,847,950.72	11,651,553.91
		6,988,284.53	11,434,770.71
Earnings per share (in EUR) – undiluted		0.29	0.60
Earnings per share (in EUR) – diluted		0.29	0.57

Group Profit and Loss Statement for the period from 1 January to 30 June 2008

	2008		2007
	€		€
01. Revenues			
a) Sales to private investors	37,824,711.63		27,258,244.78
b) Sales to institutional investors	787,978.88		15,859,051.46
c) Rental income	21,218,779.97		9,948,891.11
d) Administrative activities	11,861,732.49		0.00
e) Leasehold ground rents	6,819,545.19		4,473,613.61
		78,512,748.16	57,539,800.96
02. Changes to total real estate held for sale with finished and unfinished structures together with work in progress		16,140,389.65	13,984,123.79
03. Net earnings from fair-value valuation of investment properties at its fair value		18,299,183.61	8,154,963.24
04. Other operating income		1,593,271.97	2,265,133.22
05. Purchased services			
a) Property management	-17,530,468.74		-5,682,356.80
b) Sale of real estate	-47,644,154.98		-38,475,302.94
c) Expenses for administrative activities	-1,068,598.54		
d) Other purchased materials and services	-116,266.43		-95,624.75
		-66,359,488.69	-44,253,284.49
06. Personnel expenses			
a) Wages and salaries	-11,881,959.62		-6,485,424.66
b) Payroll taxes	-1,897,005.07		-455,431.34
		-13,778,964.69	-6,940,856.00
07. Amortisation and depreciation on intangible non-current assets and on property, plant and equipment		-439,231.83	-143,420.68
08. Other operating expenses		-14,096,232.18	-11,712,165.39
09. Earnings from equity investments (in associated companies)		926,797.80	2,012,210.33
10. Income from other securities of financial assets		9,077,358.55	10,263,605.45
11. Interest and similar expenses		-28,067,764.09	-9,537,650.08
12. Net operating income from ordinary business activities/ Income before taxes		1,808,068.26	21,632,460.35
13. Taxes on income		-585,343.94	-6,129,906.43
14. Net consolidated income		1,222,724.32	15,502,553.92
Minority interest in net income for the year		1,296,286.11	510,885.73
Net consolidated income for the year attributable to shareholders of the parent company		-73,561.79	14,991,668.19
		1,222,724.32	15,502,553.92
Earnings per share (in EUR) – undiluted		0.00	0.77
Earnings per share (in EUR) – diluted		0.00	0.74

Group Cash Flow Statement for the period of 1 January to 30 June 2008

	2008 €	2007 €
01. Net income for the year	1,222,724.32	15,502,553.92
02. Depreciation (+) /Amortisation (–) on fixed assets	439,231.83	143,420.68
03. Loss (+) / Gain (–) from the disposal of fixed assets	0.00	0.00
04. Loss (+) / Gain (–) from the fair value valuation of investment property	– 18,299,183.61	– 8,154,963.24
05. Non-cash relevant addition (–) of real estate	0.00	0.00
06. Personnel expenses for share option scheme (+)	1,162,754.94	1,538,242.00
07. Earnings from long-term equity investments in associated companies	– 926,797.80	– 2,012,210.33
08. Increase (+) /Decrease (–) in minority interests	143,418.11	16,150.00
09. Increase (+) /Decrease (–) in deferred tax liabilities	– 470,055.18	6,132,774.31
10. Increase (+) /Decrease(–) in actual tax liabilities	679,505.27	– 196,054.75
11. Increase (–) /Decrease (+) of other operating non-current and current assets	– 52,116,280.07	– 205,230,356.25
12. Increase (+) /Decrease (–) of operating current and non-current liabilities not affecting payment	30,138,058.74	170,789,071.84
13. Cash flow from operating activities	– 38,026,623.45	– 21,471,371.82
14. Capital contributions to at-equity investments	– 524,958.90	0.00
15. Payments in relation to leasehold investment property (–)	– 8,253,087.39	– 3,883,210.27
16. Payments in relation to business combinations (–)	– 19,041,901.78	0.00
17. Payments made for fixed asset investments (–)	– 3,219,268.24	– 456,000.89
18. Cash flow from investing activities	– 31,039,216.31	– 4,339,211.16
19. New non-current borrowings (+)	15,000,000.00	0.00
20. Cash flow from securitisation bridge financing	14,891,273.21	0.00
21. Cash flow from issuing bonds and repayment of bonds (net of transaction costs)	– 1,035,132.33	– 174,271.01
22. Cash flow from issuing bonds of associated companies	129,550.58	– 2,935,747.93
23. Cash flow from bond and non-current borrowings repayments	– 1,214,452.20	– 244,103.01
24. Receipts from capital increases less payments made for costs directly attributable to the capital increase (+)	0.00	666,187.08
25. Receipts from convertible bonds (+) less transaction costs (–)	23,276,930.00	
26. Dividend payments	– 9,923,017.50	– 7,771,647.60
27. Cash flow from financing activities	41,125,151.76	– 10,459,582.47
28. Cash-relevant changes to funds (total of rows 13, 18, 27)	– 27,940,688.00	– 36,270,165.45
29. Currency conversion effects	– 19,049.22	0.00
30. Change in funds due to change in consolidated companies	2,137,589.28	0.00
31. Funds at the start of the period	137,577,033.20	154,552,640.91
32. Funds at the close of the period	111,754,885.26	118,282,475.46
Payments resulting from earnings from associated companies	0.00	0.00
Interest received	2,096,829.92	795,828.95
Interest paid	– 17,502,198.01	– 8,127,815.27
Tax refunds	3,802,418.13	125,922.56
Tax payments	– 1,486,416.41	– 1,724,167.48

Development of Shareholders' Equity for the period of 1 January to 30 June 2008

Development of Shareholders' Equity in the period from 1 January to 30 June 2007:

	Shareholders' equity attributable to shareholders of the parent company				Minority interest €	Total €
	Subscribed capital €	Capital reserve €	Retained earnings €	Total €		
Date 01.01.2007	19,347,784.00	74,068,092.93	89,661,260.85	183,077,137.78	-20,055.54	183,057,082.24
Stock option exercised in the course of capital increase	135,346.00	530,841.08		666,187.08		666,187.08
Personnel expenses for share option scheme		1,538,242.00		1,538,242.00		1,538,242.00
Dividend payment			-7,771,647.60	-7,771,647.60		-7,771,647.60
Additions to minority interests					16,150.00	16,150.00
Net consolidated income			14,991,668.19	14,991,668.19	510,885.73	15,502,553.92
Date 30.06.2007	19,429,119.00	76,137,176.01	96,881,281.44	192,501,587.45	506,980.19	193,008,567.64

Development of Shareholders' Equity in the period from 1 January to 30 June 2008:

	Shareholders' equity attributable to shareholders of the parent company				Minority interest €	Total €
	Subscribed capital €	Capital reserve €	Retained earnings €	Total €		
Date 01.01.2008	19,846,035.00	79,952,454.18	138,129,128.19	237,927,617.37	117,077.99	238,044,695.36
Stock option exercised in the course of capital increase	0.00	0.00		0.00		0.00
Personnel expenses for share option scheme		1,162,754.92		1,162,754.92		1,162,754.92
Currency conversion difference			-19,049.22	-19,049.22		-19,049.22
Dividend payment			-9,923,017.50	-9,923,017.50		-9,923,017.50
Convertible bond		3,611,370.00		3,611,370.00		3,611,370.00
Transaction costs in conjunction with the convertible bond		-127,110.00		-127,110.00		-127,110.00
Additions to minority interests				0.00	143,418.11	143,418.11
Net consolidated income			-73,561.79	-73,561.79	1,296,286.11	1,222,724.32
Date 30.06.2008	19,846,035.00	84,599,469.10	128,113,499.68	232,559,003.78	1,556,782.21	234,115,785.99

Half-Year Report 2008

List of consolidated companies of the interim statement
Annex 1 of the Supplementary Notes

■ ■ ■ List of consolidated companies
as of 30 June 2008

SOMMERSTRASSE FÜRTH GmbH, Cologne	100 %
Vivacon Karlsbad GmbH & Co. KG, Cologne	100 %
Vivacon Development GmbH & Co. KG, Cologne	100 %
VD office Rheinauhafen GmbH & Co. KG, Cologne (via Vivacon Development GmbH & Co. KG)	100 %
yoo Deutschland GmbH, Cologne	50 %
yoo Hamburg GmbH & Co. KG, Cologne (via yoo Deutschland GmbH)	32.5 %
yoo München GmbH & Co. KG, Cologne (via yoo Deutschland GmbH)	50 %
Grundbesitzverwaltungsgesellschaft Wuhletalkarree GmbH & Co. KG, Cologne	100 %
GERMAN REAL ESTATE OPPORTUNITIES GmbH & Co. KG, Cologne	100 %
GERMAN GROUND LEASE PROPERTIES GmbH & Co. KG, Cologne	100 %
GERMAN GROUND LEASE PROPERTIES GmbH & Co. II KG, Cologne	100 %
MAPLE LEAF GERMANY TWO GmbH & Co. KG, Cologne	100 %
Vivacon Grundstücks GmbH & Co. KG, Cologne	100 %
GERMAN REAL ESTATE OPPORTUNITIES Grundstücks GmbH & Co. KG, Cologne (via GERMAN REAL ESTATE OPPORTUNITIES GmbH & Co. KG)	100 %
GERMAN GROUND LEASE PROPERTIES Grundstücks GmbH & Co. KG, Cologne (via GERMAN GROUND LEASE PROPERTIES GmbH & Co. KG)	100 %
GERMAN GROUND LEASE PROPERTIES Grundstücks II. GmbH & Co. KG, Cologne (via GERMAN GROUND LEASE PROPERTIES GmbH & Co. II. KG)	100 %
VIVAPROTECT Assekuranzkontor für Wohnungswirtschaft GmbH, Cologne	90 %
Vivacon Immobilien Portfolio I./2006 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio V./2006 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio IX./2006 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XII./2006 GmbH & Co. KG, Cologne	100 %
Vivacon Asset Management GmbH & Co. KG, Cologne	100 %
Vivacon Karlsbad Verwaltungs GmbH, Cologne	100 %
Vivacon Development Verwaltungs GmbH, Cologne (via Vivacon Development GmbH & Co. KG)	100 %
VD office Rheinauhafen Verwaltungs GmbH, Cologne (via Vivacon Development GmbH & Co. KG)	100 %
yoo Hamburg Verwaltung GmbH, Cologne (via yoo Deutschland GmbH)	32.5 %
yoo München Verwaltung GmbH, Cologne (via yoo Deutschland GmbH)	50 %
Vogtländische Baugesellschaft Verwaltungs GmbH, Cologne	100 %
GERMAN REAL ESTATE OPPORTUNITIES Verwaltung GmbH, Cologne	100 %
GERMAN GROUND LEASE PROPERTIES Verwaltungs-GmbH, Cologne	100 %
GERMAN GROUND LEASE PROPERTIES Verwaltungs II-GmbH, Cologne	100 %
Vivacon Rheinruhr Portfolio I. Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Immobilien Portfolio I./2006 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Immobilien Portfolio IV./2006 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Immobilien Portfolio V./2006 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Immobilien Portfolio VI./2006 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Immobilien Portfolio VII./2006 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Immobilien Portfolio VIII./2006 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Immobilien Portfolio IX./2006 Verwaltungsgesellschaft mbH, Cologne	100 %

Vivacon Immobilien Portfolio X./2006 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Immobilien Portfolio XI./2006 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Immobilien Portfolio XII./2006 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Asset Management Verwaltungs GmbH, Cologne	100 %
Vivacon Real Estate Management GmbH, Cologne	100 %
Vivacon Grundstücks Verwaltungs GmbH, Cologne	100 %
Vivacon Finance S.A.R.L., Luxembourg	100 %
Vivacon Erwerber Portfolio IX./2006 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XII./2006 GmbH, Cologne	100 %
Vivacon Allgemeine Verwaltungsgesellschaft, Cologne (former Vivacon Immobilien Portfolio XIV./2006 Verwaltungsgesellschaft mbH, Cologne)	100 %
Vivacon Immobilien Portfolio XVI./2006 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XVII./2006 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Immobilien Portfolio XVIII./2006 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Immobilien Portfolio XIX./2006 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Erwerber Portfolio XVI./2006 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XIX./2006 GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XIX./2006 GmbH & Co. KG, Cologne	100 %
GERMAN REAL ESTATE OPPORTUNITIES Grundstückseigentums GmbH & Co. KG, Cologne (via GERMAN REAL ESTATE OPPORTUNITIES GmbH & Co. KG)	100 %
SOMMERSTRASSE FÜRTH Grundstückseigentums GmbH & Co. KG, Cologne (via SOMMERSTRASSE FÜRTH GmbH)	100 %
Vivacon Grundstückseigentums Verwaltungs GmbH, Cologne	100 %
Vivacon Grundstückseigentums GmbH & Co. KG, Cologne	100 %
Grundbesitzverwaltungsgesellschaft Wuhletalkarree Grundstückseigentums GmbH & Co. KG, Cologne (via Grundbesitzverwaltungsgesellschaft Wuhletalkarree GmbH & Co. KG)	100 %
German Ground Lease Properties VIERTE GmbH & Co. KG, Cologne (former: RIAG Immobilienverwaltung Erbbaurechte GmbH & Co. KG, Essen)	100 %
German Ground Lease Properties IV. Verwaltungs GmbH, Cologne (former: RIAG Immobilienverwaltung Erbbaurechte GmbH, Essen)	100 %
German Ground Lease Properties III. Verwaltungs GmbH, Cologne (former: Montan Grundstücks-Gesellschaft Erbbaurechtsverwaltungs GmbH, Essen)	100 %
German Ground Lease Properties DRITTE GmbH & Co. KG, Cologne (former: Montan Grundstücks-Gesellschaft Erbbaurechtsverwaltungs GmbH & Co. KG, Essen)	100 %
German Ground Lease Finance S.A. Luxembourg	0 %
German Ground Lease Finance S.A. II Luxembourg	0 %
Vivacon Immobilien Portfolio XVI./2006 Verwaltungs GmbH, Cologne	100 %
Vivacon Stadtbad Mülheim GmbH & Co. KG, Cologne	100 %
Vivacon Stadtbad Mülheim Verwaltungs GmbH, Cologne	100 %
Vivacon Development Köln-Lindenthal GmbH & Co. KG, Cologne	100 %
Vivacon Development Köln-Lindenthal Verwaltungs GmbH, Cologne	100 %
Vivacon Development Projektgesellschaft I. GmbH & Co. KG, Cologne	100 %
Vivacon Development Projektgesellschaft I. Verwaltungs GmbH, Cologne	100 %
Vivacon Development Projektgesellschaft II. GmbH & Co. KG, Cologne	100 %
Vivacon Development Projektgesellschaft II. Verwaltungs GmbH, Cologne	100 %
Vivacon Development Projektgesellschaft III. GmbH & Co. KG, Cologne	100 %
Vivacon Development Projektgesellschaft III. Verwaltungs GmbH, Cologne	100 %
Vivacon Development Projektgesellschaft IV. GmbH & Co. KG, Cologne	100 %
Vivacon Development Projektgesellschaft IV. Verwaltungs GmbH, Cologne	100 %

Vivacon Development Projektgesellschaft V. GmbH & Co. KG, Cologne	100 %
Vivacon Development Projektgesellschaft V. Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio III./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio V./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio VII./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio IX./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio I./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio II./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio III./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio V./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio VI./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio VII./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio VIII./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio IX./2007 Verwaltungs GmbH, Cologne	100 %
Westdeutschland Immobilien Portfolio I./2007 Verwaltungs GmbH, Cologne (former: Vivacon Immobilien Portfolio X./2007 Verwaltungs GmbH, Cologne)	100 %
Vivacon Erwerber Portfolio III./2007 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio V./2007 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio VII./2007 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio IX./2007 GmbH, Cologne	100 %
Vivacon CEE a.s., Prague	100 %
Level 4 Networks GmbH, Cologne	51 %
Vivacon Privatinvestoren Verwaltungs GmbH, Cologne (via Vivacon Privatinvestoren GmbH & Co. KG)	100 %
Vivacon Privatinvestoren GmbH & Co. KG, Cologne	100 %
Vivacon Denkmal Verwaltungs GmbH, Cologne (via Vivacon Privatinvestoren GmbH & Co. KG)	100 %
Vivacon Denkmal GmbH & Co. KG, Cologne (via Vivacon Privatinvestoren GmbH & Co. KG)	100 %
Vivacon Geistinger Park Hennef Verwaltungs GmbH, Cologne (via Vivacon Privatinvestoren GmbH & Co. KG)	100 %
Vivacon Geistinger Park Hennef GmbH & Co. KG, Cologne (via Vivacon Privatinvestoren GmbH & Co. KG)	100 %
Vivacon Privatinvestoren Vertriebsverwaltungs GmbH, Cologne (via Vivacon Privatinvestoren GmbH & Co. KG)	100 %
Vivacon Privatinvestoren Vertriebs GmbH & Co. KG, Cologne (via Vivacon Privatinvestoren GmbH & Co. KG)	100 %
Vivacon Neubau Verwaltungs GmbH, Cologne (via Vivacon Privatinvestoren GmbH & Co. KG)	100 %
Vivacon Neubau GmbH & Co. KG, Cologne (via Vivacon Privatinvestoren GmbH & Co. KG)	100 %
Vivacon Immobilien Portfolio XI./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XI./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XI./2007 GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XII./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XII./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XII./2007 GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XIV./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XV./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XVI./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XVI./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XVI./2007 GmbH, Cologne	100 %
Hestia I Properties Frankenland GmbH & Co. KG, Cologne	100 %
Hestia One Management GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XVII./2007 GmbH, Cologne	100 %

Vivacon Immobilien Portfolio XIX./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XIX./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XIX./2007 GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XX./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XX./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XX./2007 GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XXI./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XXII./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XXII./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XXII./2007 GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XXIII./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XXIV./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XXV./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XXVI./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XXVI./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XXVI./2007 GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XXVII./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XXVII./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XXVII./2007 GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XXVIII./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XXVIII./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XXVIII./2007 GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XXIX./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XXIX./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XXIX./2007 GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XXX./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XXX./2007 Verwaltungs GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XXX./2007 GmbH, Cologne	100 %
WESTDEUTSCHLAND Immobilien Portfolio II./2007 Verwaltungsgesellschaft mbH	100 %
WESTDEUTSCHLAND Immobilien Portfolio III./2007 GmbH & Co. KG	99.7 %
WESTDEUTSCHLAND Erwerber Portfolio III./2007 GmbH	94.8 %
WESTDEUTSCHLAND Immobilien Portfolio III./2007 Verwaltungsgesellschaft mbH	100 %
Vivacon Grundstückseigentumsverwaltungs III./2007 GmbH, Cologne	100 %
Vivacon Grundstückseigentums III. 1./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Grundstückseigentums III. 2./2007 GmbH & Co. KG, Cologne (via German Ground Lease Properties DRITTE GmbH & Co. KG)	100 %
Vivacon Grundstückseigentums III. 3./2007 GmbH & Co. KG, Cologne (via German Ground Lease Properties VIERTE GmbH & Co. KG)	100 %
Vivacon Grundstückseigentums III. 4./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Grundstückseigentums III. 5./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Development Harvestehuder Weg I GmbH & Co. KG, Cologne (via Vivacon Development GmbH & Co. KG)	100 %
Vivacon Development Harvestehuder Weg II GmbH & Co. KG, Cologne (via Vivacon Development GmbH & Co. KG)	100 %
Vivacon Erwerber Portfolio XXXII./2007 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XXXIII./2007 GmbH, Cologne	100 %
Vivacon Immobilien Portfolio XXXI./2007 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Immobilien Portfolio XXXII./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XXXII./2007 Verwaltungsgesellschaft mbH, Cologne	100 %

Vivacon Immobilien Portfolio XXXIII./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XXXIII./2007 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Immobilien Portfolio XXXV./2007 Verwaltungsgesellschaft mbH, Cologne	100 %
Vivacon Erwerber Portfolio Baden-Württemberg GmbH, Cologne	100 %
Vivacon Erwerber Portfolio Bayern GmbH, Cologne	100 %
Vivacon Beteiligungs GmbH & Co. KG, Cologne (via Vivacon Finanzierungs GmbH & Co. KG)	100 %
Vivacon Erwerber Portfolio Bremen und Umland GmbH, Cologne	100 %
Vivacon Deutz-Kalker-Bad GmbH & Co. KG, Cologne (via Vivacon Privatinvestoren GmbH & Co. KG)	100 %
Vivacon Deutz-Kalker-Bad-Verwaltungs GmbH, Cologne (via Vivacon Privatinvestoren GmbH & Co. KG)	100 %
Vivacon Finanzierungs GmbH & Co. KG, Cologne	100 %
Vivacon Erwerber Portfolio Frankenland GmbH, Cologne	100 %
Vivacon Erwerber Portfolio Hamburg und Umland GmbH, Cologne	100 %
Vivacon Erwerber Portfolio Hannover und Umland GmbH, Cologne	100 %
Vivacon Immobilienportfolio Baden-Württemberg GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Bayern GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Bremen und Umland GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Frankenland GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Hamburg und Umland GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Hannover und Umland GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Mitteldeutschland GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Münsterland GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Neue Bundesländer GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Norddeutschland GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio östliche Großstädte GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Rheinland GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Rhein-Main-Neckar GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Rhein-Ruhr GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Süd-West-Deutschland GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio Westfalen GmbH & Co. KG, Cologne	100 %
Vivacon Immobilienportfolio westliche Großstädte GmbH & Co. KG, Cologne	100 %
Vivacon Erwerber Portfolio Mitteldeutschland GmbH, Cologne	100 %
Vivacon Erwerber Portfolio Münsterland GmbH, Cologne	100 %
Vivacon Erwerber Portfolio Neue Bundesländer GmbH, Cologne	100 %
Vivacon Erwerber Portfolio Norddeutschland GmbH, Cologne	100 %
Vivacon Erwerber Portfolio östliche Großstädte GmbH, Cologne	100 %
Vivacon Erwerber Portfolio Rheinland GmbH, Cologne	100 %
Vivacon Erwerber Portfolio Rhein-Main-Neckar GmbH, Cologne	100 %
Vivacon Erwerber Portfolio Rhein-Ruhr GmbH, Cologne	100 %
Vivacon Erwerber Portfolio Süd-West-Deutschland GmbH, Cologne	100 %
Vivacon Villenquartier Wiesbaden GmbH & Co. KG, Cologne (via Vivacon Privatinvestoren GmbH & Co. KG)	100 %
Vivacon Villenquartier Wiesbaden Verwaltungs GmbH, Cologne (via Vivacon Privatinvestoren GmbH & Co. KG)	100 %
Vivacon Erwerber Portfolio Westfalen GmbH, Cologne	100 %
Vivacon Erwerber Portfolio westliche Großstädte GmbH, Cologne	100 %
WESTDEUTSCHLAND Immobilien Portfolio IX./2007 GmbH & Co. KG, Dusseldorf	99.7 %
WESTDEUTSCHLAND Erwerber Portfolio IX./2007 GmbH, Dusseldorf	94.8 %
Vivacon Development Harvestehuder Weg I Verwaltungs GmbH, Cologne (via Vivacon Development GmbH & Co. KG)	100 %

Vivacon Development Harvestehuder Weg II Verwaltungs GmbH, Cologne (via Vivacon Development GmbH & Co. KG)	100 %
Vivacon Development Harvestehuder Weg III. GmbH & Co. KG, Hamburg (via Vivacon Development Harvestehuder Weg I GmbH & Co. KG)	99.7 %
Vivacon Grundstückseigentums III. 6./2007 GmbH & Co. KG, Cologne (via Vivacon Immobilien Portfolio XIX./2006 GmbH & Co. KG)	100 %
yoo Berlin GmbH & Co. KG, Cologne (via yoo Deutschland GmbH)	50 %
yoo Berlin Verwaltungs GmbH, Cologne (via yoo Deutschland GmbH)	50 %
VD Berlin-Mitte Luisenstadt Verwaltungs GmbH, Cologne (via Vivacon Development GmbH & Co. KG)	100 %
APV Alsterproperty Vermögensverwaltungsgesellschaft mbH, Seevetal	94.6 %

Additions to consolidated companies in the period of 1 January 2008 to 31 March 2008:

Curanis Holding GmbH, Munster	80 %
Novaris GmbH, Munster (via Curanis Holding GmbH, Munster)	80 %
Curanis Wohnimmobilien GmbH (via Curanis Holding GmbH, Munster)	80 %
Curanis Gewerbeimmobilien GmbH (via Curanis Holding GmbH, Munster)	80 %
caventis GmbH, Munster (via Curanis Holding GmbH, Munster)	80 %
Dr. Wilhelm Tiemann Wohnungsverwaltung GmbH (via Curanis Holding GmbH, Munster)	80 %
Curanis Verwaltungsgesellschaft für Wohnungseigentum mbH (via Curanis Holding GmbH, Munster)	80 %
H+B Gesellschaft f. Haus- und Bauservice GmbH (via Curanis Holding GmbH, Munster)	80 %
VD Berlin-Mitte Luisenstadt Verwaltungs GmbH & Co. KG, Cologne (via Vivacon Development GmbH & Co. KG)	100 %
Hestia 1 Properties Nürnberg GmbH & Co. KG, Cologne	100 %

Additions to consolidated companies in the period of 1 April 2008 tom 30 June 2008:

Deutsche Wohnungsprivatisierungs GmbH, Cologne	100 %
Medicon Immobilien GmbH & Co. KG, Cologne	100 %
Medicon Verwaltungs GmbH, Cologne	100 %
Medicon Wohnbau GmbH & Co. KG, Cologne	100 %
Vivacon Allgemeine Verwaltungs II GmbH, Cologne	100 %
Vivacon Erwerber Portfolio II./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio III./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio IV./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio IX./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio V./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio VI./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio VII./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio VIII./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio X./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XI./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XII./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XIII./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XIV./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XIX./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XV./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XVI./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XVII./2008 GmbH, Cologne	100 %

Vivacon Erwerber Portfolio XVIII./2008 GmbH, Cologne	100 %
Vivacon Erwerber Portfolio XX./2008 GmbH, Cologne	100 %
Vivacon Grundstückseigentums III./2007 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio II./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio III./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio IV./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio IX./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio V./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio VI./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio VII./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio VIII./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio X./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XII./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XIII./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XIV./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XIX./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XV./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XVI./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XVII./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XVIII./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Immobilien Portfolio XX./2008 GmbH & Co. KG, Cologne	100 %
Vivacon Invest 1 GmbH, Cologne	100 %
Vivacon Invest 2 GmbH, Cologne	100 %
yoo Düsseldorf GmbH & Co. KG, Cologne (via yoo Deutschland GmbH)	50 %
yoo Düsseldorf Verwaltungs GmbH, Cologne (via yoo Deutschland GmbH)	50 %

Imprint

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Photos:

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Statements with regard to the future

This half-year report contains figures that relate to future developments. These statements represent assessments that we have made on the basis of the currently available information. If the assumptions on which the statements are based are not fulfilled then the actual results may differ from those presently expected.

Note

This report appears in German (original version) and in English (a non-binding translation).