

REPORT OF THE SUPERVISORY BOARD

15th April 2008

REPORT OF THE SUPERVISORY BOARD OF CA IMMOBILIEN ANLAGEN AKTIENGESELLSCHAFT

The interaction between the Supervisory Board and the Management Board was once again characterised by rigorous and open discussions concerning our business situation, the prospects for the company and other specific issues in business year 2007. The Supervisory Board met at regular intervals to consider the business and financial situation, staff changes and management of the risk situation as well as the investment and acquisition plans of CA Immo and its subsidiaries.

Cooperating closely to oversee corporate leadership

During the period under review, the Supervisory Board fulfilled its duties under the law and the Articles of Association and monitored and advised on the conduct of business by the CA Immo Management Board. To facilitate this control function, the Management Board regularly reported – verbally and in writing – on specific transactions and measures. The Supervisory Board was informed, fully and in good time, concerning the details of forthcoming decisions on planned investments and disinvestments. Requested reports on specific issues were quickly and properly supplied by the Management Board, which also satisfactorily explained any deviations from agreed plans and targets. No objections were raised to decisions and measures taken by the Management Board.

Decision-making by committee

Gerhard Nidetzky and Christian Nowotny were confirmed as the chairman and deputy chairman respectively at the constitutive meeting held on 29 May 2007. Having completed his period of office, August Wilhelm Jungmeister stepped down from the Supervisory Board in May 2007. We would like to thank him for the support he has given to the company, and especially for the highly effective advice he offered in support of private shareholders. Horst Pöchhacker was elected as a new member of the Supervisory Board, which held seven meetings during the reporting period. As stipulated in the Articles of Association and the relevant rules of procedure governing urgent cases, many resolutions were passed in writing. Between meetings, the Management Board reported significant events in

writing or by telephone. The Supervisory Board chairman maintained close contact with the Management Board, informing the full Supervisory Board on the outcome of all discussions. The investment and audit committees each held one meeting; the full Supervisory Board was informed in detail as to their decisions and the reasons for those decisions. In mid-September, the decision was taken to reform the organisational structure. The performance bonus for Management Board members and senior managers was also overhauled. These agendas were overseen by the full Supervisory Board, precluding the need to convene a remuneration and nomination committee. At its meeting held on 10 May 2007, the investment committee dealt with the acquisition of a logistics centre in Kassel as well as other potential investments on the Viennese market. Details of the individual members' responsibilities and the composition of the committees are published in the corporate governance report. All members complied with the statutory provisions governing the minimum attendance necessary for participation in Supervisory Board meetings; average attendance exceeded 90 %.

At the meeting held on 19 March 2007, the annual financial statements and Consolidated Financial Statements for 2006, including management reports and the Management Board's proposal on the distribution of profit, were discussed and examined by the audit committee in the presence of the auditor and the Management Board. The audit committee obtained a statement from the proposed examiner and discussed their legal relationship with the company before submitting a recommendation on the selection of an auditor. Risk management within the company was also on the agenda. No objections were raised on any point.

Central issues during the business year

During the past business year, the central themes were undoubtedly the € 653 m capital increase – the largest in the history of CA Immo – and the associated move to the prime segment of the Vienna Stock Exchange. In the second half of the year, the main issues were the investment strategy, the future approach to the German market and, consequently, the acquisition of German project development company Vivico for approximately € 1 bn. In order to utilise the German capital market to a greater degree in future, the Supervisory Board was charged with the establishment of a German REIT to integrate the REIT-compatible properties of CA Immo. An appropriate public limited company with pre-REIT status was founded and the restructuring was carried out.

Other decisions concerned the purchase of the H & M logistical centre in Hamburg for € 115 m and the acquisition of an office building in Berlin for € 101 m. Additional smaller-scale investments were approved in Austria and Germany. The sale of an office property in Gonzagagasse in Vienna was decided and transacted. In overall terms, acquisitions and (dis) investments in Austria and Germany with a total volume of around € 1.8 bn (including Vivico) came under consideration in the reporting period.

Key resolutions adopted by the Supervisory Board in connection with subsidiaries concerned acquisitions by CA Immo International, which manages activities in eastern Europe, and investments

in project developments by CA Immo New Europe, in which CA Immo International in turn holds a 60 % share. Once again, acquisitions and (dis) investments with a total volume of around € 1.9 bn came under consideration for the eastern European regions.

The Supervisory Board obtained ongoing reports on economic and structural changes affecting CA Immo and its subsidiaries on target markets (including the financial and capital markets) and held regular discussions with the Management Board on the opportunities and threats posed by these trends. Both the Management Board and the Supervisory Board will continue to assess the impact of such developments in detail.

Strategic measures and changes in the Management Board

One key topic in Supervisory Board and Management Board discussions was the question of the future strategic direction of the company. Medium term planning for the period 2007–2011 was debated at strategic meetings taking place throughout the year.

The Management Board tenure of Gerhard Engelsberger came to an end on 31 January 2008. He had served on the Board since 1987, the year the company was formed. In those 21 years he helped build CA Immo into a distinguished property investment company with the respect of investors. We extend our thanks to him for his energetic and effective contribution that will be remembered for the high levels of mutual trust between Mr. Engelsberger and the Supervisory Board.

The departure of Gerhard Engelsberger heralded a new division of responsibilities within the Management Board. The organisational structure was revamped to ensure seamless compatibility with the business priorities of the Management Board, which in future will comprise two members. The Supervisory Board and the Management Board will continue to work together to position CA Immo as a dynamic and forward-looking company.

Committed to the Austrian Corporate Governance Code

CA Immo's Management Board and Supervisory Board are obliged to observe the regulations of the Austrian Corporate Governance Code. The Supervisory Board has fulfilled the duties and responsibilities defined therein, using its meetings to discuss in detail the requirements of good corporate governance and ensure compliance with the provisions of the Code. Regular reviews will take place to establish whether additional implementation or improvement measures are necessary. The Articles of Association and the rules of procedure are harmonised with the Code on an ongoing basis. At its meeting on 19 March 2007, for example, the Supervisory Board defined the criteria for its own independence (which have been published on CA Immo's web site www.caimmoag.com). In line with these criteria, Supervisory Board members have personally declared their own independence. An indication of whether a member ranks as independent under these standards is included in the section on corporate governance. With respect to the Compliance Decree for Issuers issued by the Financial Market Authority (FMA), the annual review of CA Immo's compliance with the Code was presented

and explained to the Supervisory Board. The regular examinations conducted by the compliance officers did not give rise to any objections.

Committee to audit the annual financial statements and Consolidated Financial Statements and assess risk management

KPMG Wirtschaftsprüfungs- und Steuerberatungs GmbH has audited the annual financial statements for 2007, including the management report, and the Consolidated Financial Statements to 31 December 2007, including the Group management report, and has attached its unqualified opinion. The Consolidated Financial Statements were audited according to the legal provisions and principles of proper accounting applicable in Austria as well as the International Standards on Auditing (ISA) published by the International Auditing and Assurance Standards Board (IAASB) and were confirmed as proper. In compliance with Article 96 of the Austrian Stock Corporation Act, the audit committee discussed in detail and examined the annual financial statements and Consolidated Financial Statements for 2007, the management reports, the Management Board's proposal on the distribution of profit and the auditor's reports in the presence of the auditor and the Management Board. No objections were raised. The annual financial statements for 2007 (including the management report), the Consolidated Financial Statements to 31 December 2007 (including the Group management report), the report of the Supervisory Board and the Management Board's proposal on the distribution of profit were presented to the Supervisory Board for approval. The Supervisory Board approved the results of the audit and adopted the annual financial statements in accordance with Article 125 paragraph 2 of the Stock Corporation Act. The Supervisory Board consents to the Management Board's proposal on the distribution of profit.

The Supervisory Board expresses its thanks to the members of the Management Board and the employees of CA Immo for their continued commitment, and wishes the company every success for the future.

On behalf of the Supervisory Board
Gerhard Nidetzky
Chairman