

REPORT OF THE MANAGEMENT BOARD IN ACCORDANCE WITH
ARTICLE 65(1B) IN CONNECTION WITH ARTICLE 153(4) OF THE
STOCK CORPORATION ACT (AKTG)

1. Authorisation

The Management Board of CA Immobilien Anlagen Aktiengesellschaft intends to propose a resolution to the 23rd Ordinary General Meeting to be held on 12 May 2010 that subsequent to the repurchase of shares, would authorise the Board, to the maximum legally permissible limit

- to use treasury shares to service convertible bonds issued on the basis of the resolution of the General Meeting of 13 May 2008;
- to use treasury shares as consideration for the acquisition of enterprises, businesses or parts thereof, or shares of one or more companies, at home or abroad;
- at any time to sell same according to Article 65 Section 1b of the Stock Corporation Act on the stock exchange or by way of a public offering and to determine the conditions of the sale;
- for a period of five years from the date of the resolution, to resell the treasury shares without excluding the general purchase opportunity or partly or entirely excluding the general purchase opportunity, by any lawful means, including off the exchange;
- to reduce the company's share capital according to Article 65 Section 1 No. 8 last sentence in connection with Article 192 of the Stock Corporation Act by calling in the treasury shares without a further resolution of the General Meeting, whereas the Supervisory Board shall be entitled to adopt by resolution amendments to the Articles of Association arising from the calling-in of shares.

Since the utilisation of treasury shares to service convertible bonds (for which the right of subscription can be excluded), utilisation as consideration for the acquisition of enterprises, businesses, parts thereof or shares in companies and the exclusion of general purchase opportunity in connection with other sales are materially comparable to an exclusion of subscription rights, the Management Board is required to submit a written report to the Ordinary General Meeting under Article 65 Section 1b in connection with Article 153 Section 4 of the Stock Corporation Act. The report must be composed as follows:

2. Purpose of authorisation to utilise/sell, excluding general purchase opportunity/interests of the company

The Ordinary General Meeting of 2008 authorised the Management Board to issue, with the approval of the Supervisory Board, convertible bonds to a maximum nominal amount of up to € 317,185,011.00 by 12 May 2013 in one or more issuances, potentially excluding the subscription rights of shareholders, and to grant the holders of convertible bonds conversion rights on up to 43,629,300 bearer shares of the company. On the basis of this authorisation, a five-year convertible bond with a

volume of € 135 m was issued in November 2009. The coupon for the convertible bond was set at 4.125 % p.a. and the conversion price was defined as € 11.5802 (equivalent to a premium of 27.5 % above the reference price). Shareholders were excluded from subscribing to convertible bonds. In addition to existing contingent capital, treasury shares can be used to service the convertible bonds. Issuing convertible bonds enables the company actively to influence the capital structure whilst optimising capital costs under relatively attractive financing conditions.

With stable capitalisation and a high level of freely available liquidity, the CA Immo Group remains well placed to utilise opportunities that present themselves in the current market climate. Selective acquisitions – especially those that strengthen the portfolio of income-producing properties – are being evaluated. The Management Board must also be able to take the chance to acquire existing enterprises, businesses, parts thereof or shares in companies with a view to entering a market or consolidating a certain position on a market. Taking over existing companies is advantageous because it facilitates fast access to a market, a ready client base and employees familiar with local markets.

In the acquisition of enterprises, businesses, parts thereof or shares in companies, it can be advantageous to use treasury shares as consideration – for example, to ensure shareholders accept a takeover target or in cases where a seller imposes the condition that company shares are pledged instead of cash. Using treasury shares can also produce a lower purchase price than a cash payment in many instances. Moreover, the liquidity requirement for an acquisition is reduced and the transaction is processed faster because existing shares can be used; there is no need to generate new shares first.

The Management Board will also be given the flexibility to resell the acquired treasury shares. The authorisation, which envisages a different kind of sale (with the option of excluding a general purchase opportunity), will enable the Management Board to exploit opportunities that exist at the time of sale quickly, flexibly and cost-effectively. The possibility of selling treasury shares while excluding a general purchase opportunity on the part of shareholders is very important for the company because the company must be in a position to utilise market opportunities that arise in its fast changing environment and on new markets with speed and flexibility, and cover associated capital requirements at short notice. Selling treasury shares and avoiding the time-consuming and cost-intensive processing of shareholder subscription rights can, for example, ensure very rapid coverage of the company's capital requirement in relation to market opportunities arising at short notice. In the interests of the most effective possible utilisation of treasury shares, therefore, it is necessary to provide for the sale thereof by all legally permissible means (including off-exchange and excluding the general purchase opportunity). For these reasons, this type of sale, where necessary, can be beneficial to the company and thus to existing shareholders. Article 65 section 1 line 8 (second sentence) of the Stock Corporation Act prohibits day trading (continual purchase and sale) in treasury shares.

3. Balancing interests

In overall terms, as regards the intended utilisation/sale authorisation for the Management Board (potentially excluding a general purchase opportunity), the interests of the company outweigh any disadvantage to shareholders resulting from the exclusion of a general subscription opportunity where the company's treasury shares are utilised or sold. Therefore, the exclusion of a general opportunity for subscription would appear to be objectively justified. Moreover, the intended utilisation/sale


authorisation for the Management Board accords with the legal intention not to retain treasury shares in the company. The utilisation or sale of treasury shares, and the definition of all conditions relating thereto, are subject to the approval of the company's Supervisory Board. After the adoption of the resolution restricting utilisation or disposal, and no more than two weeks before the resolution is adopted by the Supervisory Board, the Management Board shall publish an appropriate report in line with the legal provisions.

Vienna, April 2010


The Management Board



Wolfhard Fromwald



Bruno Ettenauer



Bernhard H. Hansen