



URBAN
BENCHMARKS.

FINANCIAL REPORT
AS AT 31 MARCH 2017

FINANCIAL KEY FIGURES ¹⁾

INCOME STATEMENT

		1.1.-31.3.2017	1.1.-31.3.2016
Rental income	€ m	43.8	40.2
EBITDA	€ m	30.4	28.8
Operating result (EBIT)	€ m	43.4	46.5
Net result before taxes (EBT)	€ m	31.2	19.1
Consolidated net income	€ m	23.2	13.2
Operating cash flow	€ m	24.5	34.4
Capital expenditure	€ m	31.9	22.1
FFO I (excl. Trading and pre taxes)	€ m	23.6	20.9
FFO II (incl. Trading and after taxes)	€ m	20.2	14.9

BALANCE SHEET

		31.3.2017	31.12.2016
Total assets	€ m	4,437.0	4,309.1
Shareholders' equity	€ m	2,228.4	2,204.5
Long and short term interest-bearing liabilities	€ m	1,663.0	1,565.6
Net debt	€ m	1,225.2	1,167.7
Net asset value (EPRA NAV)	€ m	2,518.2	2,497.5
Triple Net asset value (EPRA NNAV)	€ m	2,314.9	2,294.4
Gearing	%	55.0	53.0
Equity ratio	%	50.2	51.2
Gross LTV	%	47.0	45.9
Net LTV	%	34.6	34.2

PROPERTY PORTFOLIO²⁾

		31.3.2017	31.12.2016
Total usable space (excl. parking, excl. projects) ³⁾	sqm	1,569,855	1,609,242
Gross yield investment properties	%	6.0	6.1
Fair value of properties	€ m	3,887.5	3,819.9
Occupancy rate	%	91.1	92.4

SHARE RELATED KEY FIGURES

		1.1.-31.3.2017	1.1.-31.3.2016
Rental income / share	€	0.47	0.42
Operating cash flow / share	€	0.26	0.36
Earnings per share	€	0.25	0.14
FFO 1 / share	€	0.25	0.22
		31.3.2017	31.12.2016
NAV/share	€	23.87	23.60
EPRA NAV/share	€	26.97	26.74
EPRA NNAV/share	€	24.79	24.56

SHARES

		31.3.2017	31.12.2016
Number of shares	pcs.	98,808,336	98,808,336
Treasury shares	pcs.	5,438,046	5,403,319
number of shares outstanding	pcs.	93,370,290	93,405,017
Ø number of shares	pcs.	98,808,336	98,808,336
Ø Treasury shares	pcs.	5,433,036	3,813,021
Ø number of shares outstanding	pcs.	93,375,300	94,995,315
Ø price/share	€	18.65	16.40
Closing price (31.03.)	€	20.60	17.47
Highest price	€	20.60	19.50
Lowest price	€	17.30	14.35

¹⁾ Key figures include all fully consolidated properties, i.e. all properties wholly owned by CA Immo

²⁾ Includes fully consolidated real estate (wholly owned by CA Immo) and real estate in which CA Immo holds a proportionate share (at equity)

³⁾ incl. land leases and rentable open landscapes

FOREWORD BY THE MANAGEMENT BOARD



Frank Nickel (CEO), Dr. Hans Volckens (CFO)

DEAR SHAREHOLDERS,

CA Immo has made a successful start to business year 2017 and sustained the positive earnings trend of recent quarters.

Results for quarter one 2017

In the first three months of 2017, rental income for CA Immo rose by a significant 9% to € 43.8 m. The positive trend was essentially sustained through the acquisition of Millennium Towers in Budapest and the procurement of a minority holding from joint venture partner Union Investment, which in turn generated an increase in rent. The result from renting stood at € 38.2 m, compared to € 35.3 m in 2016. As a result of the positive operational development, earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by around 6% to €30.4 m (compared to € 28.8 m in 2016).

The revaluation result totalled € 9.5 m on the key date (2016: € 16.7 m). The largest contributions to the revaluation gain in terms of amount came from properties in Munich and Berlin. Earnings before interest and taxes (EBIT) of € 43.4 m were around 7% below last year's figure (€ 46.5 m in 2016), largely due to a lower revalua-

tion result in yearly comparison. The financial result after the first three months stood at € -12.2 m, a significant improvement on the previous year's value of € -27.4 m. The Group's financing costs, a key element in long-term revenue, fell by approximately 9% on the 2016 value to € -10.2 m.

Earnings before taxes (EBT) stood at € 31.2 m, up 63% on the previous year's value of €19.1 m. Aside from the higher operational result, a significantly improved financial result compensated for the lower revaluation result. The result for the period was € 23.2 m, a substantial improvement of roughly 76% on last year's figure. Earnings per share amounted to € 0.25 on the balance sheet date (€ 0.14 per share in 2016).

FFO I, a key indicator of the Group's long-term earning power, reported before taxes and adjusted for the sales result and other non-permanent effects, totalled € 23.6 m in quarter one of 2017 (€ 20.9 m in 2016). FFO I per share was € 0.25 on the key date, more than 16% up on the 2016 figure of € 0.22 per share. As in preceding quarters, this underlines operational development that was both robust and independent of the valuation result and

which forms the basis for the long-term dividend policy of CA Immo. FFO II, which includes the sales result and applicable taxes, stood at €20.2 m on the key date (€ 14.9 m in 2016). FFO II per share was € 0.15 (against € 0.51 per share in 2016).

CA Immo has upheld a robust balance sheet with an equity ratio of 50% and a conservative loan-to-value ratio (net debt to property assets) of 35%. On the key date, NAV (shareholders' equity) per share was €23.87 (against € 22.12 per share on 31.3.2016). The EPRA NAV per share stood at € 26.97 (€ 24.61 per share on 31.3.2016).

Successful bond issue

In February 2017 CA Immo issued a corporate bond with a volume of € 175 m, a seven-year term and an interest rate of 1.875%. Proceeds from this transaction helped to optimise the financing structure further, which will entail an increase in long-term revenue for the Group.

Changes in the Supervisory Board

At the request of the Supervisory Board, Professor Sven Bienert and Professor Klaus Hirschler, the two Supervisory Board members formerly appointed by means of registered shares, were elected as new members of the Supervisory Board along with Gabriele Düker at this year's Ordinary General Meeting. Their mandates will extend to the Ordinary General Meeting that rules on the approval of actions in business year 2021.

Dividend of € 0.65 per share

At the 30th Ordinary General Meeting, shareholders approved the proposal of the Management Board to raise the dividend for the fourth time in succession on the basis of the strong operational result and pay 65 cents per share for business year 2016 (50 cents in 2015). This was equivalent to a payment of around 70% of long-term revenue (FFO I), the established objective of the company.

Dynamic implementation of growth strategy

The strategic focus has turned to expansion of real estate portfolios in the core cities. This will enable CA Immo to pursue its central objective of steadily raising recurring earnings over the long term and thereby increasing the dividend for shareholders. In-house development of high quality office properties on the core markets of CA Immo as a driver of organic growth, especially in Germany, has accelerated over recent quarters; the monetisation of existing land reserves (mainly in inner city areas of Munich, Frankfurt and Berlin) will pick up pace. Moreover, the company is currently investigating the possibility of developing land earmarked for residential construction in future, which would enable it to generate profits associated with sales completely independently. The significant organic growth potential has thereby expanded to include a high-yield element.

The acquisition of the 49% share of the Eastern Europe portfolio from joint venture partner Union Investment is consistently in line with the strategic goal of eliminating minority holdings from the routine business of CA Immo. As part of the implementation of this strategy, CA Immo together with both joint venture partners decided to evaluate the sale of the Tower 185 office building in Frankfurt (CA Immo holding: 33%) within what is presently an ideal market environment. In parallel, all internal approvals for the realisation of the Tower ONE project, another high-quality office tower in Frankfurt, have been obtained.

Outlook

The annual target for long-term revenue – an increase in FFO I on last year's value of € 91.7 m to over € 100 m (> € 1.05 per share) – is hereby confirmed.

Vienna, May 2017
The Management Board



Frank Nickel
(Chief Executive Office)



Dr. Hans Volckens
(Member of the Management Board)

SHARE

RATE DEVELOPMENT, STOCK EXCHANGE SALES AND MARKET CAPITALISATION FOR THE CA IMMO SHARE

The CA Immo share price opened business year 2017 at € 17.51 and performed strongly throughout the first quarter. On key date 31 March 2017 the rate had risen to a high for the year of € 20.60, an approximate rise of 18% since the start of the year. The low for the year so far was € 17.30. By comparison EPRA, the European index for real estate, reported growth of just over 2%. Thanks to this positive rate development, the discount to NAV (intrinsic value) has also halved since the end of 2016; on the final day it was around -14% (31.12.2016: -26%).

As at the balance sheet date, market capitalisation for CA Immo was approximately € 2.0bn (€ 1.7bn on 31.12.2016). Since the end of 2016, the average trading volume has risen marginally to 367,000 shares (against 360,200 on 31.12.2016). In the first three months, the average liquidity of the share was € 6,862.6K (€ 5,885.5K on 31.12.2016).

TREASURY SHARES

At the end of November 2016 the company launched a new share buyback programme for up to 1,000,000 shares (approximately 1% of the company's capital stock) with an upper limit of € 17.50 per share. As in previous instances, the repurchase will be undertaken to support the purposes permitted by resolution of the Ordinary General Meeting and will end on 2 November 2018 at the latest. In the first quarter of 2017, another 34,727 shares had been acquired through the programme at a weighted equivalent value per share of approximately € 17.49. As at the balance sheet date, therefore, CA Immobilien Anlagen AG held 5,438,046 treasury shares in total; given the total number of voting shares issued (98,808,336), this is equivalent to around 6% of the voting shares. Details of transactions completed, along with any changes to the programme, will be published at <http://www.caimmo.com/en/investor-relations/share-buy-back-ca-immo/>.

ONE YEAR PERFORMANCE (31.3.2016 TO 31.3.2017)

CA Immo share	19.22%
ATX	24.60%
IATX	15.56%
EPRA Developed Europe	-1.32%

Source: Vienna Stock Exchange

ANALYST COVERAGE

CA Immo is assessed by eight investment companies. After publication of the annual results for 2016, analysts from Erste Group, Kepler Cheuvreux and SRC Research confirmed their recommendation to purchase, raising their target prices to € 23.50 or € 24.00. Overall, the most recent 12-month target rates were in the range of € 17.70 to € 24.00, with the valuation median at € 21.80.

ANALYST RECOMMENDATIONS

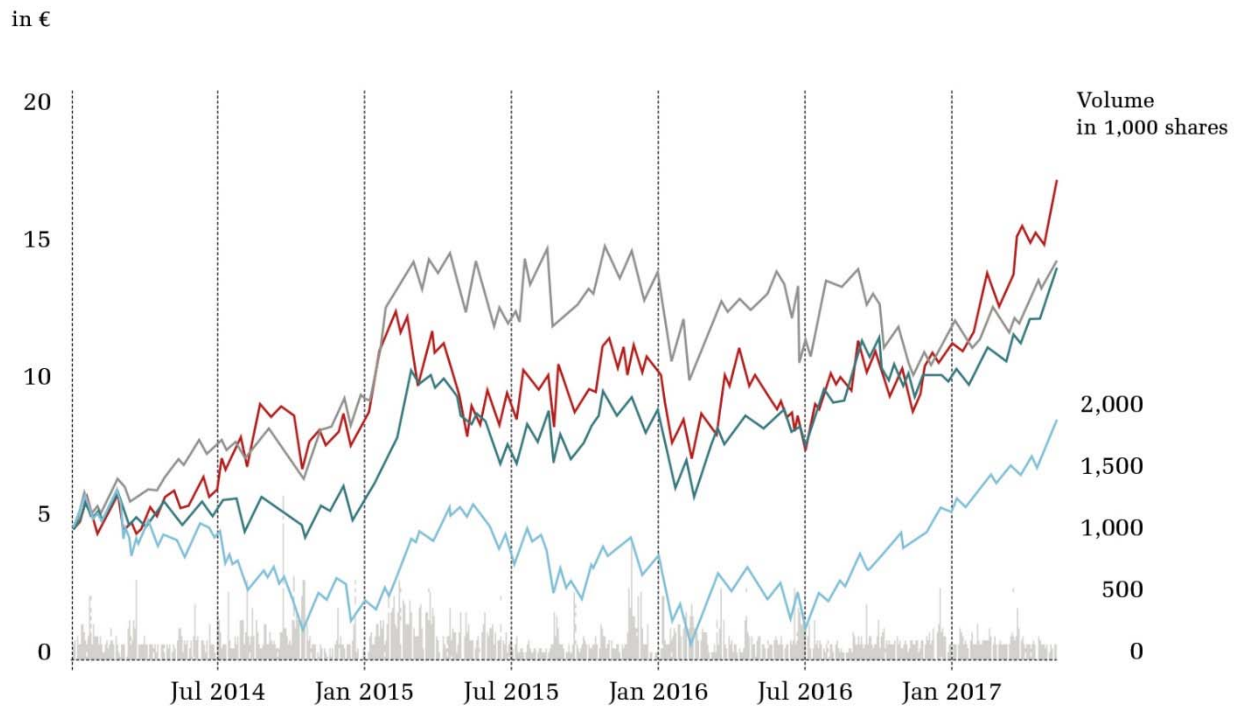
Baader-Helvec Bank	14.5.2017	23.00	Buy
Erste Group	30.3.2017	24.00	Buy
Goldman Sachs	25.1.2017	19.20	Neutral
HSBC	12.10.2016	19.60	Neutral
Kepler Cheuvreux	23.3.2017	23.50	Buy
Raiffeisen Centrobank	13.3.2017	20.60	Hold
SRC Research	22.3.2017	24.00	Buy
Wood & Company	3.5.2017	17.70	Neutral
Average		21.45	
Median		21.80	

BONDS

In February 2017 the company issued a new seven-year corporate bond with a volume of € 175m and a coupon of 1.875%. The bond was given an investment grade rating of Baa2 with negative prospects by Moody's Investors Service Ltd ('Moody's'), the international rating agency. As at 31 March 2017, therefore, four CA Immo bonds were trading on the unlisted securities market of the Vienna Stock Exchange and the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg).

SHARE PRICE DEVELOPMENT IN RELATION TO ATX, IATX, EPRA (1.1.2014 to 12.5.2017)

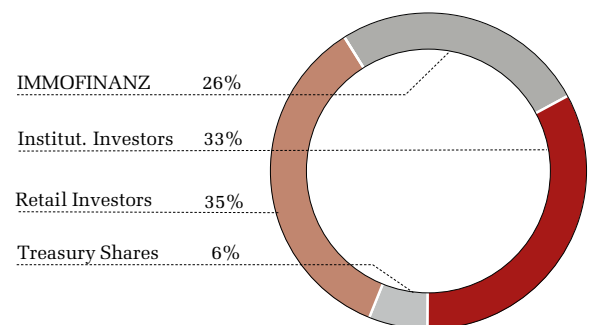
CA Immo ATX IATX EPRA



CAPITAL STOCK AND SHAREHOLDER STRUCTURE

The company's capital stock amounted to € 718,336,602.72 on the balance sheet date. This was divided into four registered shares and 98,808,332 bearer shares each with a proportionate amount of the capital stock of € 7.27. The bearer shares trade on the prime market segment of the Vienna Stock Exchange (ISIN: AT0000641352). The registered shares are held by IMMOFINANZ Group, the biggest shareholder in CA Immo with a holding of 26%. The remaining shares of CA Immo (approximately 74% of the capital stock) are in free float with both institutional and private investors. The company is not aware of any other shareholders with a stake of more than 4%.

SHAREHOLDER STRUCTURE



SHARE RELATED KEY FIGURES

		31.3.2017	31.12.2016
EPRA NNNNAV/share	€	24.79	24.56
NAV/share	€	23.87	23.60
Price (key date)/NAV per share – 1 ¹⁾	%	–13.70	–26.00
Price (key date)/NNNAV per share – 1 ¹⁾	%	–16.93	–28.90
Number of shares	pcs.	98,808,336	98,808,336
Treasury shares	pcs.	5,438,046	5,403,319
number of shares outstanding	pcs.	93,370,290	93,405,017
Ø number of shares	pcs.	98,808,336	98,808,336
Ø Treasury shares	pcs.	5,433,036	3,813,021
Ø number of shares outstanding	pcs.	93,375,300	94,995,315
Ø price/share	€	18.65	16.40
Market capitalisation (key date)	€ m	2,035	1,726
Highest price	€	20.60	19.50
Lowest price	€	17.30	14.35
Closing price	€	20.60	17.47

¹⁾ before deferred taxes

RESOLUTIONS OF THE ORDINARY GENERAL MEETING

The 30th Ordinary General Meeting of CA Immo was held on 11 May 2017. In terms of the company's capital stock, attendance was around 52% (roughly 530 shareholders and shareholder representatives). Taking account of the 5,438,046 treasury shares held by the company, which do not confer voting rights, attendance was approximately 55%.

Changes to the Supervisory Board

At the request of the Supervisory Board, Professor Sven Bienert and Professor Klaus Hirschler, the two Supervisory Board members formerly appointed by means of registered shares, were elected along with Gabriele Düker as a new member of the Supervisory Board at this year's Ordinary General Meeting. Their mandates expire after the Ordinary General Meeting that rules on the approval of actions in business year 2021. The number of Supervisory Board members appointed by the Ordinary General Meeting had been reduced from nine to eight in future. At present, the Supervisory Board of CA Immo comprises eight members elected by the Ordinary General Meeting,

two members appointed by IMMOFINANZ Group by means of registered shares and four employee representatives.

Dividend raised by 30%

Payment of a dividend of € 0.65 per share with dividend entitlement was resolved for business year 2016 (an increase of 30% year-on-year). Under Austrian taxation law, the distribution of net retained earnings partially (in the amount of € 0.22 per share) qualified as a capital repayment according to article 4 subsection 12 of the Income Tax Act (EStG). The dividend payment day was 17 May 2017.

The results of voting may be viewed in detail at <http://www.caimmo.com/en/investor-relations/ordinary-general-meeting/>.

BASIC INFORMATION ON THE CA IMMO SHARE

Type of shares:	No-par value shares
Stock market listing:	Vienna Stock Exchange, Prime Market
Indices:	ATX, ATX-Prime, IATX, FTSE EPRA/NAREIT Europe, GPR 250, WBI
Specialist:	Raiffeisen Centrobank AG
Market Maker:	Baader Bank AG, Erste Group Bank AG
Stock exchange symbol / ISIN:	CAI / AT0000641352
Reuters:	CAIV.VI
Bloomberg:	CAI:AV
Email:	ir@caimmo.com
Web site:	www.caimmo.com

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FINANCIAL CALENDAR 2017

22 MARCH

PUBLICATION OF ANNUAL RESULTS FOR 2016
 PRESS CONFERENCE ON FINANCIAL STATEMENTS

24 MAY

INTERIM REPORT FOR THE FIRST QUARTER 2017

1 MAY

VERIFICATION DATE FOR THE 30TH ORDINARY GENERAL MEETING

24 AUGUST

SEMI-ANNUAL REPORT 2017

11 MAY

30TH ORDINARY GENERAL MEETING

23 NOVEMBER

INTERIM REPORT FOR THE THIRD QUARTER 2017

15 MAY/16 MAY/17 MAY

EX-DIVIDEND DATE / RECORD DATE (DIVIDEND) /
 DIVIDEND PAYMENT DAY

22 MARCH 2018

PUBLICATION OF ANNUAL RESULTS FOR 2017
 PRESS CONFERENCE ON FINANCIAL STATEMENTS

ECONOMIC ENVIRONMENT

THE ECONOMIC TREND¹⁾

In 2016 the global economy and Europe in particular had to cope with numerous challenges including geopolitical tensions, terrorist attacks, stressed banking sectors, UK's vote to leave the European Union. That notwithstanding, the European economy has shown resilience and delivered economic growth as well as strong dynamics regarding the creation of new jobs. GDP growth picked up towards the end of 2016 and is expected to maintain its momentum into 2017. European economies enjoyed a number of favourable factors, such as the low oil price, a depreciating euro (especially against the US dollar) and in particular accommodative monetary policies. According to the European Commission, private consumption has been the main growth driver in Europe while investment continued to be subdued, which "casts a shadow of doubt over the sustainability of the recovery and the economy's potential growth".

THE MONEY MARKET AND INTEREST ENVIRONMENT²⁾

Monetary policy continues to be highly expansive and is characterised by the continuance of historically low interest rates. In March 2016, the European Central Bank

(ECB) under Mario Draghi announced a package of measures that exceeded market expectations. The policy of quantitative easing was extended with a further reduction in the deposit rate to -0.4%. Starting in April, € 80 bn (up from the previous level of € 60 bn) were invested in the purchase programme for government bonds and other securities. The programme was extended at least to the end 2017 at the reduced rate of € 60 bn per month. In a repeated responses to criticism about the policy in Germany, the ECB said that it is still not the time to start tapering the stimulus programme.

The European Central Bank (ECB) has maintained its interest rates at record lows at its April 2017 policy meeting. The marginal refinancing rate stands at 0.0%, while the marginal lending rate stands slight above at 0.25%. The interest rate on deposit facilities (deposit rate) for the euro zone stands at -0.4%. The rate remained negative during the whole year to make lending more attractive to banks.

The 3 month Euribor rate remained in negative territory, fluctuating between -0.32% and -0.33% in the period under review. As a result of the expansive policy of the European Central Bank (ECB), yields on government bonds from eurozone countries and corporate bonds with good credit ratings remain at historic lows. The 10-year German federal bond produced a negative yield for the first time in the second quarter of 2016. Corporate bonds with a negative yield of -0.05% were issued for the first time in quarter three of 2016.

¹⁾ European Commission, Bloomberg, Financial Times, The Economist

²⁾ Sources: Eurostat, Central Statistical Offices, Bloomberg

ECONOMIC DATA FOR CA IMMO CORE MARKETS

	Growth rate of real GDP ¹⁾		Annual inflation	Rate of	Public budget	Gross public	Current
	2016	2017	rates ²⁾	unemployment ³⁾	balance	debt	account
			in %	in %	as % of GDP	as % of GDP	balance
					2016	2016	2016
EU -28	1.9	1.8	2.0	8.0	-1.9	85.1	2.1
Euro zone -19	1.7	1.6	1.9	9.5	-1.7	91.5	3.6
AT	1.5	1.6	2.3	5.9	-1.4	83.5	2.4
GER	1.9	1.6	2.0	3.9	0.6	68.2	8.7
PL	2.8	3.2	1.8	5.3	-2.3	53.6	0.2
CZ	2.4	2.6	2.3	3.2	0.3	37.8	-0.2
HU	1.9	3.5	2.3	4.3	-1.8	73.5	5.4
RO	4.9	4.4	2.3	5.3	-2.8	39.1	-2.2

Source: European Commission, Eurostat, Bloomberg

¹⁾ Forecast, change versus prior year (in %); ²⁾ by April 2017; ³⁾ by March 2017 (seasonally adjusted)

OUTLOOK ¹⁾

The European Commission raised its growth forecast for the euro zone slightly to 1.6% in 2017 and 1.8% in 2018. At the same time, it pointed to “exceptional risks” surrounding its forecast, such as the start of “Brexit” negotiations between Britain and the European Union and “to be clarified” intentions of the new administration of the United States in key policy areas. The unemployment rate in the euro area is expected to decline further, from 10.0% in 2016 to 9.6% in 2017.

Euro zone inflation has reached its highest level in four years (above the targeted ECB rate) in spring 2017 driven by rising energy costs, which has intensified the discussion on whether the bank should reduce its stimulative monetary policy. Annual inflation up to 2.5% in the US in January 2017 (up from 2.1% in December) led to another interest rate hike up 0.25 points in March and consequently to a policy turnaround of the Federal Reserve’s towards a more aggressive monetary tightening path. However, US economic growth slowed to an annual rate of 0.7% in the opening quarter of the year, which led the Fed to keep its target range for the federal funds rate at 0.75% to 1%.

¹⁾ Sources: European Commission Winter 2017 Economic Forecast, Bloomberg, Financial Times, The Economist

PROPERTY MARKETS

The real estate investment market¹⁾

During the first quarter of 2017, transaction activity on the European investment market for commercial real estate was roughly equivalent to last year's level at €56.1 bn (+1%). Around 40% of the volume was invested in the office property sector (-2% compared to Q1 2016). While the UK faced a downturn on the same quarter of last year, investment markets on continental Europe reported stable growth despite elections in several key real estate markets. In particular, Germany, the Czech Republic, Hungary, Spain and Sweden reported record results in quarter one.

Germany posted the strongest first quarter result since records began with total investment in commercial real estate of €12.6 bn (up 49% on Q1 2016). Offices remained the segment producing the greatest demand, with the proportion of foreign investors rising sharply to 43% (against 32% in quarter one of 2016). Returns are continuing to diminish: in the first quarter, the peak yield for offices was 3.80% for Frankfurt (Q1 2016: 4.40%), with Berlin currently at 3.25% (4.00%) and Munich reporting 3.20% (3.65%).

Peak yields for offices in **Vienna** stood at 4.0% at the end of 2016 and remain under pressure. In 2017, demand is expected to remain strong with a total transaction volume (forecast) of around € 3.5 m (2016: € 2.8 m).

Commercial property markets in the **CEE region** generated €12.6 bn in 2016, the highest investment volume on record. Poland (46%) followed by the Czech Republic (29%) and Hungary (13%) continue to deliver the largest contributions while displaying high dynamism and strong growth rates. The year 2017 has also got off to a dynamic start: according to estimates of Colliers International, the transaction volume for the CEE-6 was €2.3 bn in quarter one, equivalent to an increase of 41% on the previous year's quarter. Office properties accounted for some 40% of this total. At year end of 2016, peak yields for offices stood at 5.35% in Warsaw, 5.0% in Prague, 6.75% in Budapest and 7.5% in Bucharest, with further downturns expected for Prague and Budapest.

¹⁾ CBRE: European Investment Market Snapshot, Q1 2017; MarketView Snapshot Investment Market Germany, Q1 2017; Austria Investment Market View Q4 2016; JLL: CEE Investment Pulse H2 2016; Colliers International: CEE Real Estate Investment Compass 2017

The office property markets²⁾

Turnover on the German office rental market was marginally up as the new year began, although hampered by the limited supply of well equipped office premises. Vacancy levels continued to fall on the core CA Immo markets of Berlin, Frankfurt and Munich in the first quarter. At the same time, the completion volume in the Big 7 was virtually unchanged on the figure for quarter one of 2016 with just over 200,000 sqm. The low volume was associated with a high proportion of owner occupation, further limiting the availability of premises and pushing office markets towards full occupancy. Lettings performance in **Berlin** declined by 13% on the previous quarter at just under 216,000 sqm; despite this, the vacancy rate fell further to 4.2% (Q1 2016: 5.1%). Floor space turnover in **Frankfurt** was 116,300 sqm in quarter one, 10% lower than the figure for the prior quarter; the vacancy rate was stable at 9% (Q1 2016: 8.9%; Q4 2016: 9.1%). **Munich** reclaimed its place as the most dynamic office market with office space take-up of 260,000 sqm, a rise of 39% on quarter one of 2016. The vacancy rate has fallen to an historic low of 4.2% (5.3% in Q1 2016).

The very strong lettings performance of 2016 in **Vienna** (329,000 sqm) will be maintained at a high level during 2017 according to the forecasts of CBRE. The vacancy rate was 5.3% at the end of 2016.

The office market in **Warsaw** continues to be characterised by extensive construction activity and consistently strong lettings performance. Office space take-up of 140,000 sqm in the first quarter broadly matched the level of the same period last year. The vacancy rate was 14.2% at the end of 2016. The vacancy rate in **Budapest** has fallen further to 9.2%, a record low in terms of the long-term average of 16%. Following a very strong final quarter of 2016, floor space turnover was just under 67,000 sqm (down 21% on Q1 2016). Lettings activity of approximately 90,100 sqm was reported in **Prague** during the first quarter; the anticipated completion volume for 2017 is 151,000 sqm. The vacancy rate continued to decline to 9.4%. The healthy lettings performance in **Bucharest** was sustained in the first quarter (94,000 sqm). The vacancy rate fell further to 9.5% owing to the low completion volume.

²⁾ JLL: Office Market Overview Germany Q1 2017; CEE Investment Pulse H2 2016; Prague, Budapest Office Pulse Q1 2017; CBRE: Vienna Office Market View 2016; Bucharest Office Q1 2017; C&W: Poland Office Market Snapshot Q1 2017

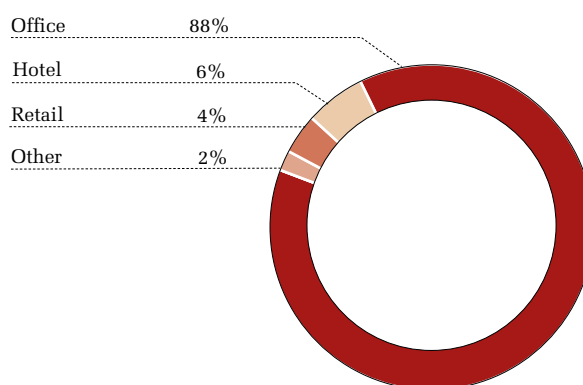
PROPERTY ASSETS

As at key date 31 March 2017, CA Immo's total **property assets** stood at € 3.9 bn (31.12.2016: € 3.8 bn). The company's core business is commercial real estate, with a clear focus on office properties in Germany, Austria and Eastern Europe; it deals with both investment properties (84% of the total portfolio) and investment properties under development (12% of the total portfolio). Properties intended for trading (reported under short-term property assets) account for the remaining 4% of property assets.

As at 31 March 2017, the **investment property portfolio** had an approximate market value of € 3.3 bn (of which fully consolidated: € 3.0 bn) and incorporated a total rentable effective area¹⁾ of 1.4 m sqm. Around 47% of the portfolio (based on book value) is located in CEE and SEE nations, with 36% of the remaining investment properties in Germany and 17% in Austria.

In the first three months of the year, the Group generated **rental income** of € 47.3 m; the portfolio produced a yield of 6.0%. The **occupancy rate** was 91.1% as at 31 March 2017 (against 92.4% on 31.12.2016). For details, please see the 'Changes to the Portfolio' section.

DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY MAIN USAGE (Basis: € 3.3 bn)



Of **investment properties under development** with a total book value of around € 475.8 m, development projects and land reserves in Germany account for 88%, while the Eastern Europe segment represents 11% and Austria 1%. Investment properties under development in Germany with a total market value of € 417.5 m include projects under construction with a value of € 150.0 m and land reserves with a book value of € 267.5 m.

¹⁾ Including properties used for own purposes and land leases

PROPERTY ASSETS OF THE CA IMMO GROUP AS AT 31 MARCH 2017

in € m	Investment properties ¹⁾			Investment properties under development			Short-term property assets ²⁾			Property Assets			Property Assets in %		
	full	at equity	Σ	full	at equity	Σ	full	at equity	Σ	full	at equity	Σ	full	at equity	Σ
Austria	551	0	551	7	0	7	0	13	13	558	13	572	16	4	15
Germany	994	196	1,190	417	0	417	48	79	127	1,459	275	1,734	41	79	45
Czechia	265	0	265	14	0	14	0	0	0	278	0	278	8	0	7
Hungary	469	0	469	1	0	1	0	0	0	470	0	470	13	0	12
Poland	288	16	304	0	0	0	0	0	0	288	16	304	8	4	8
Romania	259	0	259	25	5	30	0	0	0	284	5	289	8	2	7
Serbia	96	0	96	0	0	0	0	0	0	96	0	96	3	0	2
Others	101	37	137	6	0	4	0	0	0	107	37	141	3	11	4
Total	3,023	248	3,271	470	5	476	48	93	140	3,541	347	3,888	100	100	100
Share of total portfolio			84%			12%			4%			100%			

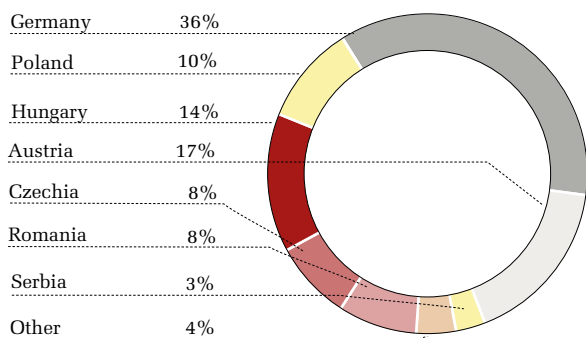
Full: Fully consolidated properties wholly owned by CA Immo

At equity: Includes all properties partially owned by CA Immo accounted for using the equity method (appears under 'Income from joint ventures' in the income statement); pro-rata-share

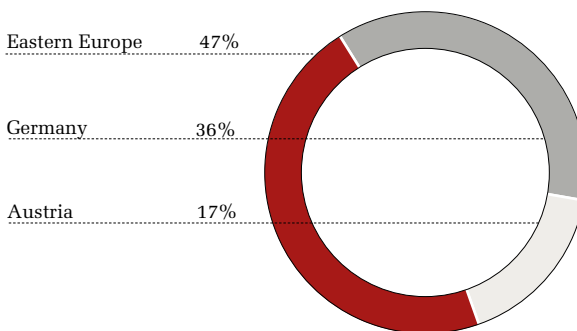
¹⁾ Includes properties used for own purposes

²⁾ Short-term property assets including properties intended for trading or sale

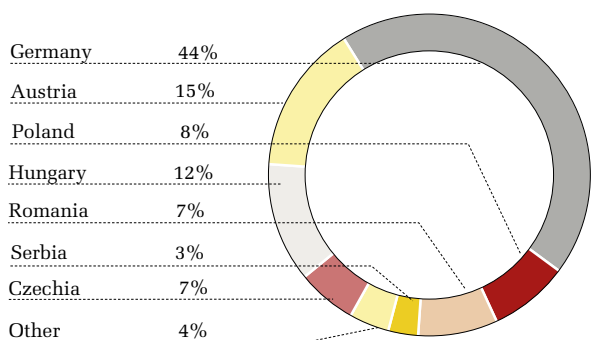
DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY COUNTRY (Basis: € 3.3 bn)



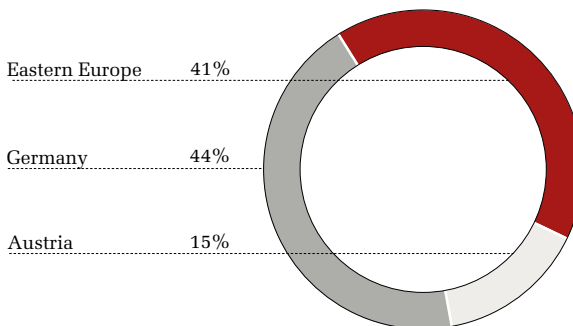
DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY SEGMENT (Basis: € 3.3 bn)



DISTRIBUTION OF BOOK VALUE TOTAL PROPERTY ASSETS BY COUNTRY (Basis: € 3.9 bn)



DISTRIBUTION OF BOOK VALUE TOTAL PROPERTY ASSETS BY SEGMENT (Basis: € 3.9 bn)



CHANGES TO THE PORTFOLIO IN THE FIRST THREE MONTHS OF 2017

GERMANY

The investment property portfolio

In Germany, CA Immo held investment properties with an approximate value of € 1,187.7 m¹⁾ on 31 March 2017 (31 December 2016: € 1,173.2 m). The occupancy rate for the German investment property assets on the key date was 93.1% (against 93.9% on 31.12.2016). Where the rent contributions of properties intended for trading and temporarily let property reserves in the development segment are taken into account, rental income of € 14.9 m was generated in the first three months.

Approximately 3,700 sqm of office space was newly let in Germany between January and the end of March. Thereof, rental agreements in Tower 185 in Frankfurt accounted for 1,400 sqm of rentable space. Consequently, the occupancy rate for the building now stands at around 92%.

Development projects

Based on total investment costs, the volume of investment properties under construction in Germany (exclud-

ing land reserves) is approximately € 639.7 m (value after completion) as at key date 31 March 2017. In total, CA Immo holds investment properties under development (including land reserves) with a book value of € 417.5 m; thereof, land reserves account for € 267.5 m and projects under construction account for € 150.0 m (please see table on the next page for details).

In March, CA Immo has received a construction permit for the NEO office, hotel and residential complex with 21,000 m² of gross floor space in the Baumkirchen Mitte quarter in Munich. Construction work has started in March. In advance, the tristar GmbH Hotelgruppe has been signed as long-term tenant for the hotel occupying the first six floors of the NEO property. In addition, CA Immo has acquired the 50% stake in the development project previously held by joint venture partner PATRI-ZIA and is now the sole owner. CA Immo's total investment in the building complex is € 86 m.

In March, CA Immo decided on realization of a further office building in the Berlin city district **Europacity**. My.B, spanning around 16,500 sqm, will be constructed directly on the Heidestraße.

Sales

During the first three months, trading income from German properties totalled € 6.10 m.

¹⁾ Includes fully consolidated properties (wholly owned by CA Immo) and properties in which CA Immo holds a proportionate share (at equity); excl. properties used for own purposes

OVERVIEW INVESTMENT PROPERTIES KEY DATA AS AT 31 MARCH 2017 ¹⁾

	Book value			Rentable area			Occupancy rate			Annualised rental income			Yield		
	full	at equity	in € m	full	at equity	in sqm	full	at equity	in %	full	at equity	in € m	full	at equity	in %
			Σ			Σ			Σ			Σ			Σ
Austria	547.0	0.0	547.0	332,076	0	332,076	94.5	0.0	94.5	30.6	0.0	30.6	5.6	0.0	5.6
Germany	991.8	195.9	1187.7	297,154	34,158	331,312	94.8	85.2	93.1	48.3	9.4	57.7	4.9	4.8	4.9
Czechia	264.6	0.0	264.6	105,866	0	105,866	95.1	0.0	95.1	17.9	0.0	17.9	6.7	0.0	6.7
Hungary	468.7	0.0	468.7	248,340	0	248,340	86.4	0.0	86.4	33.2	0.0	33.2	7.1	0.0	7.1
Poland	288.3	15.8	304.1	93,663	7,047	100,710	89.1	97.5	89.6	19.0	1.2	20.2	6.6	7.4	6.6
Romania	258.9	0.0	258.9	105,781	0	105,781	92.6	0.0	92.6	19.8	0.0	19.8	7.6	0.0	7.6
Serbia	96.3	0.0	96.3	46,680	0	46,680	79.2	0.0	79.2	6.8	0.0	6.8	7.0	0.0	7.0
Others	100.7	36.7	137.5	69,305	23,591	92,896	88.1	94.0	89.8	7.2	3.2	10.4	7.1	8.8	7.6
Total	3,016.4	248.5	3,264.8	1,298,865	64,796	1,363,661	91.4	88.1	91.1	182.7	13.8	196.5	6.1	5.6	6.0

Full: Includes all fully consolidated real estate, i.e. all properties wholly owned by CA Immo

At equity: Includes all real estate (pro-rata-share) partially owned by CA Immo accounted for using the equity method (appears under 'Income from joint ventures' in the income statement)

¹⁾ Excludes properties used for own purposes

²⁾ incl. supraedificates in Austria (approximately 106,000 sqm)

AUSTRIA

The investment property portfolio

As at 31 March 2017, CA Immo held investment properties in Austria with a value of € 547.0 m and an occupancy rate of 94.5% (94.8% on 31.12.2016). The company's asset portfolio generated rental income of € 7.7 m in the first three months. Between January and the end of March, some 2,600 sqm of usable space was newly let in Austria (approximately 1,000 sqm of this was office space); contract extensions have been agreed for around 440 sqm of usable space.

Development projects

In March CA Immo laid the symbolic foundation stone for its latest construction project on Erdberger Lände in Vienna. The ViE office building, which spans approximately 14,700 sqm, is being constructed next to the Donaukanal and the Wiener Prater. It will be the final building block in the Lände 3 urban development project. The total investment is approximately € 38 m, with completion scheduled for 2018.

Sales

Trading income for Austria amounted to € 18.5 m in the first three months.

PROJECTS UNDER CONSTRUCTION

Projects (own stock)										
in € m	Total investment ¹⁾	Outstanding construction costs	Planned rent-able effective area in sqm	Gross yield on cost in %	City	Main usage	Share ²⁾ in %	Utilisation rate in %	Start of construction	Scheduled completion
VIE	37.8	30.4	14,727	6.3	Vienna	Residential	100	6	Q3 2016	Q3 2018
MY.O	96.0	77.2	26,183	6.0	Munich	Office	100	0	Q2 2017	Q4 2019
KPMG building	56.3	24.3	12,705	5.8	Berlin	Office	100	90	Q4 2015	Q2 2018
Rieck 1, phase 2	10.4	8.9	2,786	6.4	Berlin	Office	100	0	Q4 2016	Q2 2019
ZigZag	16.3	13.0	4,389	5.7	Mainz	Office	100	0	Q3 2017	Q1 2019
Steigenberger ¹⁾	57.5	40.2	17,347	6.3	Frankfurt	Hotel	100	94	Q3 2016	Q3 2018
NEO	60.6	45.5	12,662	5.4	Munich	Office	100	26	Q1 2017	Q3 2019
Orhideea Towers	73.9	55.4	36,918	8.3	Bucharest	Office	100	22	Q4 2015	Q1 2018
Total	408.8	294.7	127,717	6.2						
Projects (for sale)										
Cube	99.2	72.4	16,990	n.m.	Berlin	Office	100	100	Q4 2016	Q4 2019
Rieck I/ABDA	25.7	21.3	5,215	n.m.	Berlin	Office	100	100	Q4 2016	Q2 2019
Rheinallee III	59.2	42.2	19,668	n.m.	Mainz	Residential	100	95	Q3 2016	Q3 2018
Baumkirchen WA 2	66.1	14.7	11,232	n.m.	Munich	Residential	50	99	Q2 2015	Q3 2017
Baumkirchen WA 3	66.4	39.6	13,631	n.m.	Munich	Residential	50	82	Q3 2016	Q4 2018
Baumkirchen Residential	26.0	19.5	5,426	n.m.	Munich	Residential	100	0	Q1 2017	Q3 2019
Laendyard Living	58.1	32.1	18,834	n.m.	Vienna	Residential	50	100	Q3 2016	Q3 2018
Wohnbau Süd	32.9	13.1	14,023	n.m.	Vienna	Residential	100	100	Q2 2016	Q2 2018
Total	433.7	254.8	105,020							
Total	842.4	549.5	232,737							

¹⁾ Incl. plot ²⁾ All figures refer to the project share held by CA Immo ³⁾ The Mannheimer Strasse bus station next to the hotel (now completed with a value of € 4.2 m) is still assigned to property assets under development as temporary usage and is not included in the table

EASTERN EUROPE**The investment property portfolio**

The value of the CA Immo investment properties is € 1,530.2 m as at 31 March 2017 (thereof fully consolidated: € 1,477.6 m). In the first three months, property assets let with a total effective area of 700,273 sqm generated rental income of 24.7 m. The occupancy rate on the key date was 89.3% (31 December 2016: 91.0%).

New lease agreements relating to around 9,800 sqm rentable area were concluded in Eastern Europe during the first three months, as well as contract extensions for some 27,800 sqm rentable area.

Acquisitions

In January, CA Immo has successfully completed negotiations with joint venture partner Union Investment Real Estate GmbH on acquiring its 49% shares each in the office buildings Danube House in Prague and Infopark in Budapest. With this acquisition, CA Immo increases its share in the buildings from previously 51% to 100%; the transaction has already been closed. This acquisition represents another major step towards expanding the core office property portfolio in CA Immo core cities.

SUPPLEMENTARY REPORT

The following activities after key date 31 March 2017 are reported:

Changes in the Supervisory Board of CA Immo

The number of Supervisory Board members elected by the shareholders' meeting of CA Immobilien Anlagen AG was reduced from nine to eight in the 30th shareholders' meeting. Additionally, Prof. Dr. Sven Bienert, Univ.-Prof. MMag. Dr. Klaus Hirschler and Dipl. BW Gabriele Düker were elected as members of the Supervisory Board of CA Immobilien Anlagen AG until the conclusion of the shareholders' meeting, which resolves on the discharge for the business year 2021.

In the 30th ordinary shareholders' meeting of CA Immobilien Anlagen AG, held on 11.5.2017, a dividend distribution for the 2016 financial year of € 0.65 per no-par share entitled to a dividend, was resolved upon.

As at 19.5.2017, IMMOFINANZ AG transferred its 25,690,163 bearer shares as well as its four registered shares in CA Immobilien Anlagen AG to its 100% owned subsidiary GENA ELF Immobilienholding GmbH.

Sales

In April, CA Immo concluded the sale of its 51% stake in the Aerozone logistics park in Budapest. With this transaction, CA Immo has completed the strategic withdrawal from the logistics segment that began in 2012. Over the past few years, almost 500,000 sqm of logistical space in total has been sold in Poland, Romania, Hungary and Germany. CA Immo held a 51% stake in the recently sold Aerozone logistics park in Budapest, which spans approximately 65,000 sqm, through a joint venture with Union Investment Real Estate. After the acquisition of 49% minority holdings in one office building in Prague and another in Budapest (finalised in January 2017), the Aerozone logistics park in Budapest became the last remaining property in the C1 portfolio held with joint venture partner Union. The joint venture launched in 2005 was disbanded with the closing of this transaction.

RESULTS

Recurring earnings

In the first three months of 2017, rental income for CA Immo rose by a significant 8.9% to € 43,781 K. The positive trend was essentially sustained through the acquisition of Millennium Towers in Budapest and the acquisition of a minority holding from joint venture partner Union Investment, which in turn generated an increase in rent.

In year-on-year comparison, property expenses directly attributable to the asset portfolio, including own operating expenses, rose to € -5,531 K (€ -4,940 K in 2016). The result from renting stood at € 38,249 K after the first three months (€ 35,253 K in 2016). The efficiency of letting activity, measured as the operating margin in rental business (net rental income in relation to rental income), was 87.4%, just below the previous year's value of 87.7%.

Other expenditure directly attributable to project development stood at € -982 K after the first three months, against € -960 K in 2016. Gross revenue from services stood at € 2,715 K, below the previous year's level of € 3,077 K. Alongside development revenue for third parties via the subsidiary omniCon, this item contains revenue from asset management and other services to joint venture partners.

Sales result

After the first quarter, the sales result from property assets held as current assets was € 390 K (€ -584 K in 2016). The result from the sale of investment properties stood at € 358 K on 31 March 2017 (€ 1,202 K in 2016).

Indirect expenditures

After the first three months, indirect expenditures stood at € -10,460 K, 10.4% above the 2016 level of € -9,474 K. This item also contains expenditure counterbalancing the aforementioned gross revenue from services. Other operating income stood at € 177 K compared to the 2016 value of € 285 K.

Earnings before interest, taxes, depreciation and amortisation (EBITDA)

As a result of the positive operational development, earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by 5.7% to € 30,447 K (compared to € 28,799 K in 2016).

Revaluation result

After the first three months, the total revaluation gain of € 17,264 K was counterbalanced by a revaluation loss of

€ -7,732 K. The cumulative revaluation result of € 9,532 K as at key date 31 March 2017 was below last year's reference value of € 16,743 K. The largest contributions to the revaluation gain in terms of amount came from properties in Munich and Berlin.

Result from joint ventures

Current results of joint ventures consolidated at equity are reported under 'Earnings of joint ventures' in the consolidated income statement. Amongst other things, the result of € 4,190 K (€ 1,796 K in 2016) reflects the sale of the 51% share in the Aerozone logistics park in Budapest, which successfully completed the strategic withdrawal from logistical segment.

Earnings before interest and taxes (EBIT)

Earnings before interest and taxes (EBIT) of € 43,370 K were -6.8% below last year's figure (€ 46,543 K in 2016), largely due to a lower revaluation result in yearly comparison.

Financial result

The financial result stood at € -12,192 K after the first three months (€ -27,405 K in 2016). The Group's financing costs, a key element in long-term revenue, fell by -8.6% on the 2016 value to € -10,217 K. The result from interest rate derivative transactions improved from € -1,557 K last year to € 1,007 K. The result from financial investments stood at € 544 K, somewhat lower than the figure for the reference period of 2016 (€ 858 K).

Other items in the financial result (other financial income/expense, result from other financial assets and result from associated companies and exchange rate differences) totalled € -3,526 K (€ -15,525 K in 2016). The result from other financial assets includes depreciation linked to the subsequent valuation of securities available for sale of € -3,398 K (posted in the first quarter).

Taxes on income

Earnings before taxes (EBT) stood at € 31,177 K, up 62.9% on the previous year's value of € 19,139 K. Aside from the higher operational result, a significantly improved financial result compensated for the lower valuation result. After the first three months, taxes on earnings stood at € -7,955 K (€ -5,926 K in 2016).

Result for the period

The result for the period was € 23,222 K, a substantial 75.7% improvement on last year's figure. Earnings per share amounted to € 0.25 on the balance sheet date (€ 0.14 per share in 2016).

Funds from operations (FFO)

An FFO I of € 23,622 K was generated in the first three months of 2017, 13.1% above the previous year's value of € 20,982 K. FFO I, a key indicator of the Group's long-term earning power, is reported before taxes and adjusted for the sales result and other non-permanent effects. FFO I per share stood at € 0.25 on the key date, an increase of 16.4% on the 2016 value of € 0.22 per share. FFO II, which includes the sales result and applicable taxes, stood at € 20,242 K on the key date, 35.9% above the 2016 value of € 14,897 K. FFO II per share was € 0.22 per share (€ 0.15 per share in 2016).

FUNDS FROM OPERATIONS (FFO)

€ m	1st Quarter	1st Quarter
	2017	2016
Net rental income (NRI)	38.2	35.3
Result from hotel operations	0.0	0.0
Income from services rendered	2.7	3.1
Other expenses directly related to properties under development	-1.0	-1.0
Other operating income	0.2	0.3
Other operating income/expenses	1.9	2.4
Indirect expenses	-10.5	-9.5
Result from investments in joint ventures ¹⁾	1.5	2.3
Finance costs	-10.2	-11.2
Result from financial investments	0.5	0.9
Other adjustment ²⁾	2.1	0.8
FFO I (excl. Trading and pre taxes)	23.6	20.9
Trading result	0.4	-0.6
Result from the sale of investment properties	0.4	1.2
Result from sale of joint ventures	0.8	0.6
At-Equity result property sales	-0.1	-1.5
Result from property sales	1.4	-0.3
Other financial results	0.0	0.0
Current income tax	-2.6	-3.8
current income tax of joint ventures	-0.1	-1.0
Other adjustments	-2.2	-0.9
Other adjustments FFO II	0.0	0.0
FFO II	20.2	14.9

¹⁾ Adjustment for real estate sales and non-sustainable results

²⁾ Adjustment for other non-sustainable results

Balance sheet: assets

As at the balance sheet date, long-term assets amounted to € 3,754,821 K (85% of total assets). Investment property assets on balance sheet amounted to € 3,016,396 K on the key date (€ 2,923,676 K in 2016).

The balance sheet item 'Property assets under development' was € 470,369 K on 31 March 2017 (€ 433,049 K in 2016). Total property assets (investment properties, properties used for own purposes, property assets under development and property assets held as current assets) amounted to € 3,540,877 K on the key date (€ 3,424,269 K on 31.12.2016).

The net assets of joint ventures are shown in the balance sheet item 'Investments in joint ventures', which stood at € 158,386 K on the key date (€ 191,369 K in 2016).

Cash and cash equivalents stood at € 433,671 K on the balance sheet date, a significant rise on the level for 31 December 2016 (€ 395,088 K).

Balance sheet: liabilities**Equity**

As at the key date, shareholders' equity on the Group balance sheet stood at € 2,228,377 K (€ 2,204,541 K on 31.12.2016). The equity ratio of 50.2% remained stable and within the strategic target range (the comparative value for the end of 2016 was 51.2%).

Interest-bearing liabilities

The Group's financial liabilities stood at € 1,663,018 K on the key date (against € 1,565,639 K on 31.12.2016). Net debt (interest-bearing liabilities less cash and cash equivalents) increased by 4.9% on the value for the start of the year (€ 1,167,656 K), amounting to € 1,225,234 K at end of March 2017. 100% of interest-bearing financial liabilities are in euros.

In February 2017 CA Immo issued a corporate bond with a volume of € 175 m, a seven-year term and an interest rate of 1.875%. The issue was assessed at Baa2 by the rating agency Moody's, in line with the issuer rating. Proceeds from this transaction helped to optimise the financing structure further, which will entail an increase in long-term revenue for the Group.

The loan-to-value ratio based on market values as at 31 March 2017 was 34.6% (net, taking account of Group cash and cash equivalents) compared to 34.2% at the start of the year. On the key date, gearing was 55.0% (53.0% on 31.12.2016).

Net asset value

NAV (shareholders' equity) was € 2,228,377K on 31 March 2017 (€ 23.87 per share) compared to the value for the end of 2016 of € 2.204.541K (€ 23.60 per share); this represented an increase per share of 1.1%.

The table below shows the conversion of NAV to NNNAV in compliance with the best practice policy

recommendations of the European Public Real Estate Association (EPRA). The EPRA NAV was € 26.97 per share as at the key date (€ 26.74 per share on 31.12.2016). The EPRA NNNAV per share after adjustments for financial instruments, liabilities and deferred taxes, stood at € 24.79 per share as at 31 March 2017 (€ 24.56 per share on 31.12.2016). The number of shares outstanding on the key date was 93,370,290 (93,405,017 on 31.12.2016).

NET ASSET VALUE (NAV AND NNNAV AS DEFINED BY EPRA)

€ m	31.3.2017	31.12.2016
Equity (NAV)	2,228.4	2,204.5
Exercise of options	0.0	0.0
NAV after exercise of options	2,228.3	2,204.5
NAV/share in €	23.87	23.60
Value adjustment for ¹⁾		
- Own used properties	6.1	6.0
- short-term property assets	35.2	39.9
- Financial instruments	2.5	3.2
Deferred taxes	246.1	243.9
EPRA NAV after adjustments	2,518.2	2,497.5
EPRA NAV per share in €	26.97	26.74
Value adj. for financial instruments	-2.5	-3.2
Value adjustment for liabilities	-24.5	-24.2
Deferred taxes	-176.3	-175.7
EPRA NNNAV	2,314.9	2,294.4
EPRA NNNAV per share in €	24.79	24.56
Change of NNNAV against previous year	0.9%	8.3%
Price (31.03.) / NNNAV per share – 1	-16.9	-28.9
Number of shares excl. treasury shares	93,370,290	93,405,017

¹⁾ Includes proportionate values from joint ventures

RISK REPORT

OPPORTUNITIES AND THREATS

The Group is subject to all risks typically associated with the acquisition, development, management and sale of real estate. These include risks arising from unexpected changes in the macroeconomic market environment, general market fluctuations linked to the economic cycle, delays and budget overruns in project developments and risks linked to financing and interest rates.

As regards the profile of opportunities and risks, no major changes that could give rise to new opportunities or threats to the CA Immo Group have emerged since the consolidated financial statements for business year 2016 were drawn up; nor has there been any significant change

in the company's assessment of the probability of damage occurring and the extent of such potential damage. The position as outlined in the Group management report for 2016 ('Risk report') is therefore unchanged.

Outlook

In 2017, the economic environment will be defined by political challenges. The ongoing tensions have the potential to throw economic development in Europe into considerable doubt. The possibility that the resultant increase in volatility on capital and financial markets will spread even to economically powerful countries like Austria and Germany – and their financial and real estate markets – cannot be ruled out. Many of these risks are not actively manageable; where they arise, CA Immo has a range of precautions in place to minimise the risk.

CONSOLIDATED INCOME STATEMENT

€ 1,000	1st Quarter 2017	1st Quarter 2016
Rental income	43,781	40,193
Operating costs charged to tenants	16,227	13,821
Operating expenses	-18,258	-16,496
Other expenses directly related to properties rented	-3,499	-2,265
Net rental income	38,249	35,253
Other expenses directly related to properties under development	-982	-960
Income from the sale of properties and construction works	3,538	168
Book value of properties sold incl. ancillary and construction costs	-3,148	-752
Result from trading and construction works	390	-584
Result from the sale of investment properties	358	1,202
Income from services rendered	2,715	3,077
Indirect expenses	-10,460	-9,474
Other operating income	177	285
EBITDA	30,447	28,799
Depreciation and impairment of long-term assets	-799	-823
Changes in value of properties held for trading	0	29
Depreciation and impairment/reversal	-799	-794
Revaluation gain	17,264	20,493
Revaluation loss	-7,732	-3,750
Result from revaluation	9,532	16,743
Result from joint ventures	4,190	1,796
Result of operations (EBIT)	43,370	46,543
Finance costs	-10,217	-11,182
Foreign currency gains/losses	-67	-143
Result from interest rate derivative transactions	1,007	-1,557
Result from financial investments	544	858
Result from other financial assets	-3,459	-14,946
Result from associated companies	0	-435
Financial result	-12,192	-27,405
Net result before taxes (EBT)	31,177	19,139
Current income tax	-2,551	-3,786
Deferred taxes	-5,403	-2,140
Income tax expense	-7,955	-5,926
Consolidated net income	23,222	13,213
thereof attributable to non-controlling interests	1	-5
thereof attributable to the owners of the parent	23,222	13,217
Earnings per share in € (basic)	€ 0.25	€ 0.14
Earnings per share in € (diluted)	€ 0.25	€ 0.14

STATEMENT OF COMPREHENSIVE INCOME

€ 1,000	1st Quarter 2017	1st Quarter 2016
Consolidated net income	23,222	13,213
Other comprehensive income		
Cash flow hedges - changes in fair value	936	419
Reclassification cash flow hedges	0	177
Foreign currency gains/losses	130	571
Assets available for sale - changes in fair value	600	571
Income tax related to other comprehensive income	-446	-286
Other comprehensive income for the period (realised through profit or loss)	1,221	1,452
Other comprehensive income for the period	1,221	1,452
Comprehensive income for the period	24,443	14,665
thereof attributable to non-controlling interests	1	-5
thereof attributable to the owners of the parent	24,442	14,669

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ 1,000	31.3.2017	31.12.2016
ASSETS		
Investment properties	3,016,396	2,923,676
Investment properties under development	470,369	433,049
Own used properties	6,554	6,643
Office furniture and equipment	5,400	5,599
Intangible assets	7,822	8,195
Investments in joint ventures	158,386	191,369
Financial assets	88,099	89,713
Deferred tax assets	1,796	1,563
Long-term assets	3,754,821	3,659,806
Long-term assets as a % of total assets	84.6%	84.9%
Assets held for sale	0	26,754
Properties held for trading	47,558	34,147
Receivables and other assets	86,228	76,235
Current income tax receivables	16,592	15,552
Securities	98,157	101,555
Cash and cash equivalents	433,671	395,088
Short-term assets	682,206	649,332
Total assets	4,437,027	4,309,138
LIABILITIES AND SHAREHOLDERS' EQUITY		
Share capital	718,337	718,337
Capital reserves	818,460	819,068
Other reserves	327	-894
Retained earnings	691,206	667,984
Attributable to the owners of the parent	2,228,330	2,204,495
Non-controlling interests	47	46
Shareholders' equity	2,228,377	2,204,541
Shareholders' equity as a % of total assets	50.2%	51.2%
Provisions	12,375	13,242
Interest-bearing liabilities	1,502,884	1,412,635
Other liabilities	83,756	87,180
Deferred tax liabilities	245,666	239,969
Long-term liabilities	1,844,682	1,753,026
Current income tax liabilities	17,130	16,736
Provisions	92,002	84,766
Interest-bearing liabilities	160,135	153,004
Other liabilities	94,702	97,064
Short-term liabilities	363,969	351,571
Total liabilities and shareholders' equity	4,437,027	4,309,138

CONSOLIDATED STATEMENT OF CASH FLOWS

€ 1,000	1st Quarter 2017	1st Quarter 2016
Operating activities		
Net result before taxes	31,177	19,139
Revaluation result incl. change in accrual and deferral of rental income	-9,564	-17,055
Depreciation and impairment/reversal	799	794
Result from the sale of long-term properties and office furniture and other equipment	-385	-1,206
Taxes paid/refunded excl. taxes for the sale of long-term properties	-1,974	6,115
Finance costs, result from financial investments and other financial result	9,673	10,324
Foreign currency gains/losses	67	143
Result from interest rate derivative transactions	-1,007	1,557
Result from other financial assets and non-cash income from investments in at equity consolidated entities	-731	13,585
Cash flow from operations	28,056	33,396
Properties held for trading	-4,404	-2,489
Receivables and other assets	-2,988	-133
Provisions	1,309	1,797
Other liabilities	2,525	1,792
Cash flow from change in net current assets	-3,558	967
Cash flow from operating activities	24,498	34,363
Investing activities		
Acquisition of and investment in long-term properties incl. prepayments	-22,749	-23,434
Acquisition of property companies, less cash and cash equivalents of € 2,387 K (2016: € 0 K)	-27,536	0
Acquisition of office equipment and intangible assets	-229	-179
Repayment/acquisition of financial assets	-208	0
Acquisition of assets available for sale	0	-9,073
Investments in joint ventures	-295	-1,250
Disposal of investment properties and other assets	9,745	12,708
Disposal of investment property companies, less cash and cash equivalents of € 0 K (2016: € 0 K)	-1,972	-52
Disposal of joint ventures	11,983	1,900
Loans made to joint ventures	-267	-412
Loan repayments made by joint ventures	1,607	0
Taxes paid/refunded relating to the sale of long-term properties and loans granted	-1,392	815
Dividend distribution/capital repayment from at equity consolidated entities and assets available for sale	5,799	408
Interest paid for capital expenditure in investment properties	-789	0
Interest received from financial investments	788	166
Cash flow from investing activities	-25,516	-18,403

€ 1,000	1st Quarter 2017	1st Quarter 2016
Financing Activities		
Cash inflow from loans received	2,998	0
Cash inflow from the issuance of bonds	173,447	149,318
Acquisition of treasury shares	-1,496	-15,393
Payment related to the acquisition of shares from non-controlling interests and dividends to minority interests	0	-1,394
Repayment of loans incl. interest rate derivatives	-119,411	-65,640
Other interest paid	-16,215	-10,899
Cash flow from financing activities	39,323	55,992
Net change in cash and cash equivalents	38,306	71,952
Cash and cash equivalents as at 1.1.	395,088	207,112
Changes in the value of foreign currency	277	-8
Cash and cash equivalents as at 31.3	433,671	279,056

The interests paid in the 1st Quarter 2017 totalled € – 17,004 K (1st Quarter 2016: € – 10,899K). The income taxes paid in the 1st Quarter 2017 added up to € – 3,366 K (1st Quarter 2016: € 6,930 K).

STATEMENT OF CHANGES IN EQUITY

€ 1,000	Share capital	Capital reserves - Others	Capital reserves Treasury share reserve
As at 1.1.2016	718,337	954,052	-32,306
Valuation / reclassification cash flow hedges	0	0	0
Foreign currency gains/losses	0	0	0
Revaluation of assets available for sale	0	0	0
Consolidated net income	0	0	0
Comprehensive income for 2016	0	0	0
Acquisition of treasury shares	0	0	-15,393
As at 31.3.2016	718,337	954,052	-47,699
As at 1.1.2017	718,337	906,148	-87,080
Valuation / reclassification cash flow hedges	0	0	0
Foreign currency gains/losses	0	0	0
Revaluation of assets available for sale	0	0	0
Consolidated net income	0	0	0
Comprehensive income for 2017	0	0	0
Acquisition of treasury shares	0	0	-608
As at 31.3.2017	718,337	906,148	-87,687

Retained earnings	Valuation result (hedging - reserve)	Other reserves	Attributable to shareholders of the parent company	Non-controlling interests	Shareholders' equity (total)
484,074	-5,131	1,385	2,120,410	40	2,120,450
0	470	0	470	0	470
0	0	571	571	0	571
0	0	412	412	0	412
13,217	0	0	13,217	-5	13,213
13,217	470	982	14,669	-5	14,665
0	0	0	-15,393	0	-15,393
497,291	-4,661	2,367	2,119,686	35	2,119,722
667,984	-3,201	2,307	2,204,495	46	2,204,541
0	667	0	667	0	667
0	0	130	130	0	130
0	0	423	423	0	423
23,222	0	0	23,222	1	23,222
23,222	667	553	24,442	1	24,443
0	0	0	-608	0	-608
691,206	-2,533	2,860	2,228,330	47	2,228,377

SEGMENT REPORTING

€ 1,000			Austria		Germany		
1st Quarter 2017	Income producing	Development	Total	Income producing	Development	Total	Income producing
Rental income	7,693	0	7,693	17,636	1,362	18,998	22,211
Rental income with other operating segments	131	0	131	214	3	216	0
Operating costs charged to tenants	2,216	0	2,216	6,126	130	6,256	9,907
Operating expenses	-2,451	0	-2,451	-6,696	-285	-6,982	-11,134
Other expenses directly related to properties rented	-796	0	-796	-1,509	-77	-1,586	-1,833
Net rental income	6,793	0	6,793	15,770	1,132	16,903	19,152
Result from hotel operations	0	0	0	0	0	0	0
Other expenses directly related to properties under development	0	-147	-147	0	-1,042	-1,042	0
Result from trading and construction works	0	622	622	0	-478	-478	0
Result from the sale of investment properties	109	0	109	145	27	172	828
Income from services rendered	0	0	0	82	2,637	2,719	177
Indirect expenses	-325	-176	-501	-1,769	-4,442	-6,211	-2,463
Other operating income	8	0	8	67	29	97	56
EBITDA	6,584	300	6,884	14,295	-2,137	12,159	17,751
Depreciation and impairment/reversal	-379	0	-379	-31	-138	-169	-108
Result from revaluation	-1,167	1	-1,166	11,809	6,858	18,667	-3,954
Result from joint ventures	0	0	0	0	0	0	0
Result of operations (EBIT)	5,038	301	5,339	26,073	4,583	30,657	13,689

31.3.2017

Property assets ¹⁾	551,196	33,838	585,034	1,643,835	563,245	2,207,080	1,376,855
Other assets	38,307	20,215	58,521	293,083	467,063	760,146	177,294
Deferred tax assets	0	0	0	802	609	1,411	739
Segment assets	589,503	54,053	643,556	1,937,720	1,030,917	2,968,637	1,554,888
Interest-bearing liabilities	227,981	39,635	267,616	916,058	147,702	1,063,760	674,698
Other liabilities	17,624	6,438	24,062	44,319	292,127	336,446	42,323
Deferred tax liabilities incl. current income tax liabilities	44,462	1,917	46,379	188,971	52,564	241,535	32,379
Liabilities	290,067	47,990	338,057	1,149,349	492,394	1,641,742	749,401
Shareholders' equity	299,436	6,063	305,499	788,372	538,523	1,326,895	805,488
Capital expenditures ²⁾	1,211	4,455	5,666	5,328	30,231	35,559	3,374

¹⁾ Property assets include rental investment properties, investment properties under development, own used properties, properties held for trading and properties available for sale.

²⁾ Capital expenditures include all acquisitions of properties (long-term and short-term) including additions from initial consolidation, office furniture and other equipment and intangible assets; thereof € 4,404 K (31.12.2016: € 14,906 K) in properties held for trading.

	Eastern Europe core regions			Eastern Europe other regions	Total segments		Transition	Total
Development	Total	Income producing	Development	Total		Holding	Consolidation	
538	22,750	3,280	0	3,280	52,721	0	-8,940	43,781
0	0	0	0	0	347	0	-347	0
237	10,143	1,266	0	1,266	19,881	0	-3,655	16,227
-210	-11,343	-1,357	0	-1,357	-22,133	0	3,875	-18,258
-36	-1,868	-165	0	-165	-4,415	0	916	-3,499
530	19,681	3,024	0	3,024	46,401	0	-8,152	38,249
0	0	0	0	0	0	0	0	0
-47	-47	0	-14	-14	-1,250	0	268	-982
0	0	0	0	0	144	0	246	390
0	828	0	0	0	1,110	0	-752	358
0	177	0	0	0	2,897	1,700	-1,881	2,715
-171	-2,635	-208	-33	-241	-9,588	-3,939	3,066	-10,460
0	56	0	0	0	161	81	-65	177
311	18,062	2,816	-47	2,769	39,874	-2,158	-7,269	30,447
-1	-109	0	0	0	-657	-143	2	-799
146	-3,808	-336	0	-336	13,357	0	-3,825	9,532
0	0	0	0	0	0	0	4,190	4,190
456	14,145	2,480	-47	2,433	52,573	-2,301	-6,903	43,370
77,709	1,454,564	175,350	5,830	181,180	4,427,859	0	-886,981	3,540,877
13,616	190,911	8,493	8,823	17,315	1,026,894	796,472	-929,012	894,354
43	782	223	0	223	2,416	36,712	-37,332	1,796
91,368	1,646,256	184,066	14,653	198,719	5,457,168	833,184	-1,853,325	4,437,027
64,254	738,953	127,879	14,837	142,716	2,213,045	835,782	-1,385,808	1,663,018
6,709	49,032	4,141	15	4,157	413,697	11,299	-142,160	282,836
2,276	34,655	2,782	561	3,343	325,912	1,671	-64,787	262,796
73,239	822,639	134,802	15,414	150,216	2,952,654	848,752	-1,592,755	2,208,650
18,130	823,617	49,264	-761	48,503	2,504,514	-15,567	-260,569	2,228,377
1,716	5,090	852	0	852	47,167	40	-15,284	31,922

€ 1,000	Austria			Germany			
1st Quarter 2016	Income producing	Development	Total	Income producing	Development	Total	Income producing restated
Rental income	8,209	0	8,209	15,037	3,568	18,605	20,841
Rental income with other operating segments	130	0	130	154	0	154	0
Operating costs charged to tenants	2,461	0	2,461	4,723	985	5,708	8,271
Operating expenses	-2,648	0	-2,648	-5,677	-1,449	-7,125	-9,398
Other expenses directly related to properties rented	-572	0	-572	-861	-338	-1,200	-1,050
Net rental income	7,581	0	7,581	13,376	2,766	16,142	18,663
Result from hotel operations	0	0	0	0	0	0	0
Other expenses directly related to properties under development	0	-89	-89	-35	-727	-762	0
Result from trading and construction works	0	39	39	0	-553	-553	0
Result from the sale of investment properties	0	-71	-71	1,510	-3,235	-1,725	574
Income from services rendered	19	0	19	64	2,661	2,725	93
Indirect expenses	-339	-113	-452	-1,225	-3,241	-4,466	-2,281
Other operating income	8	0	8	160	-215	-55	78
EBITDA	7,269	-234	7,035	13,850	-2,544	11,306	17,128
Depreciation and impairment/reversal	-445	0	-445	-19	-123	-142	-85
Result from revaluation	2,961	67	3,028	15,852	1,520	17,373	-3,163
Result from joint ventures	0	0	0	0	0	0	0
Result of operations (EBIT)	9,785	-166	9,619	29,683	-1,146	28,537	13,880
31.12.2016							
Property assets ¹⁾	566,323	29,382	595,705	1,205,942	946,504	2,152,446	1,413,305
Other assets	23,287	15,928	39,215	259,594	463,588	723,181	212,373
Deferred tax assets	0	0	0	499	692	1,191	660
Segment assets	589,610	45,311	634,920	1,466,034	1,410,784	2,876,819	1,626,338
Interest-bearing liabilities	230,104	34,051	264,154	676,212	336,364	1,012,576	745,618
Other liabilities	14,402	4,669	19,071	33,129	277,335	310,464	43,191
Deferred tax liabilities incl. current income tax liabilities	48,025	1,690	49,715	129,673	106,471	236,144	39,691
Liabilities	292,531	40,409	332,941	839,014	720,170	1,559,184	828,500
Shareholders' equity	297,078	4,902	301,980	627,021	690,614	1,317,635	797,837
Capital expenditures ²⁾	3,081	12,095	15,176	10,918	133,609	144,528	189,953

Development restated	Eastern Europe core regions	Income producing restated	Development restated	Eastern Europe other regions	Total segments restated	Holding	Transition	Total
	Total restated			Total restated			Consolidation restated	
418	21,259	3,228	7	3,234	51,308	0	-11,115	40,193
0	0	0	0	0	284	0	-284	0
245	8,516	1,159	0	1,159	17,845	0	-4,024	13,821
-205	-9,603	-1,276	0	-1,276	-20,652	0	4,156	-16,496
-9	-1,059	-182	-4	-186	-3,016	0	751	-2,265
450	19,113	2,929	2	2,931	45,768	0	-10,515	35,253
0	0	0	0	0	0	0	0	0
-70	-70	0	-14	-14	-935	0	-25	-960
0	0	0	0	0	-514	0	-70	-584
0	574	0	0	0	-1,222	0	2,424	1,202
0	93	0	0	0	2,837	1,522	-1,282	3,077
-208	-2,489	-277	-29	-306	-7,713	-3,527	1,767	-9,474
1	79	0	0	0	32	64	189	285
173	17,300	2,652	-41	2,611	38,253	-1,942	-7,512	28,799
0	-85	0	0	0	-671	-125	2	-794
53	-3,110	-411	-52	-463	16,828	0	-86	16,743
0	0	0	0	0	0	0	1,796	1,796
226	14,106	2,241	-93	2,148	54,410	-2,067	-5,800	46,543
75,829	1,489,134	174,860	5,830	180,690	4,417,975	0	-1,005,397	3,412,579
11,809	224,183	7,707	8,870	16,576	1,003,156	655,295	-763,455	894,997
88	747	277	0	277	2,215	40,182	-40,834	1,563
87,726	1,714,064	182,844	14,700	197,543	5,423,346	695,477	-1,809,686	4,309,138
62,861	808,480	128,436	14,796	143,232	2,228,443	653,677	-1,316,480	1,565,639
6,428	49,619	3,685	15	3,699	382,854	12,177	-112,778	282,253
2,227	41,919	2,735	561	3,296	331,074	1,401	-75,770	256,705
71,517	900,018	134,856	15,372	150,229	2,942,370	667,255	-1,505,028	2,104,597
16,209	814,047	47,988	-672	47,315	2,480,976	28,223	-304,656	2,204,541
12,429	202,382	1,859	52	1,911	363,995	472	-72,824	291,644

NOTES

GENERAL NOTES

The condensed consolidated interim financial statements of CA Immobilien Anlagen Aktiengesellschaft ("CA Immo AG"), Vienna as at 31.3.2017 were prepared in accordance with the rules of IAS 34 (Interim Financial Reporting) and are based on the accounting policies and measurement basis described in the annual consolidated financial statements of CA Immobilien Anlagen Aktiengesellschaft for the year 2016, except of new or amended standards.

The condensed consolidated interim financial statements, for the reporting period from 1.1. to 31.3.2017 have been neither fully audited nor reviewed by an auditor.

The use of automatic data processing equipment may lead to rounding differences in the addition of rounded amounts and percentage rates.

CHANGES IN PRESENTATION AND ACCOUNTING POLICIES

The condensed consolidated interim financial statements by 31.3.2017 were prepared in accordance with all IASs, IFRSs and IFRIC and SIC interpretations (existing standards as amended and new standards). Amended and new standards are not applicable for financial year beginning 1.1.2017, in the EU.

CA Immo Group has changed the presentation of the segment reporting compared to 2016 Group consolidated financial statements. Following the decision of the Management Board, the main decision maker, the internal reporting was changed, so that Serbia will now be part of the Eastern Europe core region segment, while Slovakia will be part of the Eastern Europe other region segment. Consequently, we have the transfer between the two reported regions: Serbia will be included in Eastern Europe core region segment (until now Eastern Europe other region segment) and Slovakia will be included in Eastern Europe other region segment (until now in Eastern Europe core region segment).

Reporting segment Eastern Europe core region will now comprise Czech Republic, Hungary, Poland, Romania and Serbia, while the reporting segment Eastern Europe other region will include Bulgaria, Croatia, Slovenia, Russia, Ukraine and Slovakia. The comparative amounts for 2016 were correspondingly restated.

€ 1,000			Eastern Europe core regions			Eastern Europe other regions	
	Income producing (as reported)	Develop- ment (as reported)	Total (as reported)	Income producing (as reported)	Develop- ment (as reported)	Total (as reported)	Income producing adjustment
1st Quarter 2016							
Rental income	20,299	425	20,724	3,769	0	3,769	542
Rental income with other operating segments	0	0	0	0	0	0	0
Operating costs charged to tenants	7,541	245	7,787	1,889	0	1,889	730
Operating expenses	-8,623	-205	-8,828	-2,051	0	-2,051	-775
Other expenses directly related to properties rented	-1,172	-13	-1,185	-59	0	-59	122
Net rental income	18,045	452	18,497	3,547	0	3,547	618
Result from hotel operations	0	0	0	0	0	0	0
Other expenses directly related to properties under development	0	-71	-71	0	-12	-12	0
Result from trading and construction works	0	0	0	0	0	0	0
Result from the sale of investment properties	574	0	574	0	0	0	0
Income from services rendered	93	0	93	0	0	0	0
Indirect expenses	-2,235	-215	-2,450	-323	-23	-346	-46
Other operating income	78	1	78	0	0	0	0
EBITDA	16,554	167	16,722	3,225	-35	3,190	573
Depreciation and impairment/reversal	-84	0	-84	0	0	0	-1
Result from revaluation	-2,926	1	-2,925	-648	0	-648	-237
Result from joint ventures	0	0	0	0	0	0	0
Result of operations (EBIT)	13,544	168	13,713	2,577	-35	2,542	335
31.12.2016							
Property assets	1,358,965	79,739	1,438,704	229,200	1,920	231,120	54,340
Other assets	255,894	11,859	267,753	7,624	8,820	16,444	-43,521
Deferred tax assets	936	88	1,024	0	0	0	-276
Segment assets	1,615,795	91,686	1,707,481	236,824	10,740	247,564	10,543
Interest-bearing liabilities	780,914	62,861	843,775	136,578	14,796	151,374	-35,296
Other liabilities	41,740	6,435	48,175	5,135	8	5,143	1,451
Deferred tax liabilities incl. current income tax liabilities	34,806	2,789	37,594	7,621	0	7,621	4,885
Liabilities	857,460	72,085	929,545	149,334	14,804	164,138	-28,960
Shareholders' equity	758,335	19,601	777,936	87,490	-4,064	83,426	39,502
Capital expenditures	184,696	12,481	197,177	7,115	0	7,115	5,257

Develop- ment adjustment	Eastern Europe core regions			Eastern Europe other regions			Eastern Europe core regions			Eastern Europe other regions	
	Total adjustment	Income producing adjustment	Develop- ment adjustment	Total adjustment	Income producing restated	Develop- ment restated	Total restated	Income producing restated	Develop- ment restated	Total restated	
-7	535	-541	7	-535	20,841	418	21,259	3,228	7	3,234	
0	0	0	0	0	0	0	0	0	0	0	
0	730	-730	0	-730	8,271	245	8,516	1,159	0	1,159	
0	-775	775	0	775	-9,398	-205	-9,603	-1,276	0	-1,276	
4	126	-123	-4	-127	-1,050	-9	-1,059	-182	-4	-186	
-2	616	-619	2	-617	18,663	450	19,113	2,929	2	2,931	
0	0	0	0	0	0	0	0	0	0	0	
1	1	0	-2	-2	0	-70	-70	0	-14	-14	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	574	0	574	0	0	0	
0	0	0	0	0	93	0	93	0	0	0	
7	-39	46	-6	40	-2,281	-208	-2,489	-277	-29	-306	
0	0	0	0	0	78	1	79	0	0	0	
6	578	-573	-6	-579	17,128	173	17,300	2,652	-41	2,611	
0	-1	0	0	0	-85	0	-85	0	0	0	
52	-185	237	0	237	-3,163	53	-3,110	-411	-52	-463	
0	0	0	0	0	0	0	0	0	0	0	
58	393	-336	-6	-342	13,880	226	14,106	2,241	-93	2,148	
-3,910	50,430	-54,340	3,910	-50,430	1,413,305	75,829	1,489,134	174,860	5,830	180,690	
-50	-43,570	83	50	133	212,373	11,809	224,183	7,707	8,870	16,577	
0	-277	277	0	277	660	88	747	277	0	277	
-3,960	6,583	-53,980	3,960	-50,021	1,626,338	87,726	1,714,064	182,844	14,700	197,543	
0	-35,295	-8,142	0	-8,142	745,618	62,861	808,480	128,436	14,796	143,232	
-7	1,444	-1,450	7	-1,444	43,191	6,428	49,619	3,685	15	3,699	
-562	4,324	-4,886	561	-4,325	39,691	2,227	41,919	2,735	561	3,296	
-568	-29,527	-14,478	568	-13,910	828,500	71,517	900,018	134,856	15,372	150,228	
-3,392	36,111	-39,502	3,392	-36,110	797,837	16,209	814,047	47,988	-672	47,316	
-52	5,205	-5,256	52	-5,204	189,953	12,429	202,382	1,859	52	1,911	

SCOPE OF CONSOLIDATION

In the first quarter of 2017 the Hungarian joint venture entity, EUROPOLIS ABP Kft., which owned a logistics property, was sold.

Additionally, during the first quarter of 2017, CA Immo Group bought the remaining stake in four joint venture companies in Hungary, Czech Republic and Germany from its joint venture partners. Following the acquisition of the remaining stakes, consisting of properties with a fair value of approximately € 105 m, these entities are fully consolidated. Given the purchase, the stake of CA Immo Group increased from 50% (respectively 51%) to 100%.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Statement of financial position

The financial assets (long term assets) consist of the following items:

	31.3.2017	31.12.2016
Loans to joint ventures	3,343	3,608
Loans to associated companies	8,750	8,750
Other investments	56,629	57,774
Other financial assets	19,377	19,581
Financial assets	88,099	89,713

As at 31.3.2017, CA Immo Group held cash and cash equivalents amounting to € 433,671 K, cash and cash equivalents contain bank balances of € 18,813 K (31.12.2016: € 20,260 K) to which CA Immo Group only has restricted access for a period of at most 3 months and act as collateral for ongoing loan repayments and investments in ongoing development projects.

These balances serve the purpose of securing current loan repayments (principal and interest), current investments in projects under development and cash deposits as guarantees. In addition, cash and cash equivalents subject to drawing restrictions from 3 up to 12 months are presented in caption 'receivables and other assets'. Restricted cash with a longer lock-up period (over 12 months) is presented under 'financial assets'.

€ 1,000	31.3.2017	31.12.2016
Maturity > 1 year	7,932	8,288
Maturity from 3 to 12 months	5,065	7,800
Cash at banks with drawing restrictions	12,997	16,088

Income Statement

The result from revaluation in the first quarter of 2017 results from revaluation gain of € 17,264 K (mainly from segment Germany) and revaluation loss of € 7,732 K, which mainly results from the segment Eastern Europe core regions.

The acquisition of entities in Czech Republic, Hungary and Germany led to a revaluation of the before held investment of € 2,441 K which is presented in the result from joint ventures. The immediate revaluation after the acquisition of properties – in amount of the difference between acquisition costs and fair value of properties at acquisition date – amounts to € 2,282 K.

CA Immo Group presents in the result from other financial assets an impairment of available for sale securities amounting to € - 3,398 K.

The result from derivative interest rate transactions comprises the following:

€ 1,000	1st Quarter 2017	1st Quarter 2016
Valuation interest rate derivative transactions	1,007	-1,380
Reclassification of valuation results recognised in equity	0	-177
Result from interest rate derivative transactions	1,007	-1,557

The result from the measurement of interest rate derivatives is attributable to the change in fair values of the interest rate swaps for which no cash flow hedge relationship exists or, in the case of "reclassification", no longer exists. Reclassifications mainly arised from the refinancing of variable interest bearing loans (into fixed interest bearing loans) or their early repayment.

Tax expenses comprise the following:

€ 1,000	1st Quarter 2017	1st Quarter 2016
Current income tax (current year)	-2,072	-3,276
Current income tax (previous years)	-479	-510
Current income tax	-2,551	-3,786
Change in deferred taxes	-5,583	-2,171
Tax benefit on valuation of assets available for sale in equity	180	31
Income tax expense	-7,955	-5,926
Effective tax rate (total)	25.5%	31.0%

Current income tax (current year) arises in the segment Germany (€ 904 K) and segment Eastern Europe core region (€ 830 K).

Earnings per share

		1st Quarter 2017	1st Quarter 2016
Weighted average number of shares outstanding	pcs.	93,375,300	96,144,993
Consolidated net income	€ 1,000	23,222	13,217
basic earnings per share	€	0.25	0.14

SHARES BUY - BACK PROGRAM

Another share buyback programme for up to 1,000,000 shares (approx. 1% of the company's current capital stock) with an upper limit of € 17.50 per share was launched at the end of November 2016. The equivalent value to be attained must be within the range stipulated in the enabling resolution passed by the Ordinary General Meeting and may be no more than 30% below and 10% above the average non-weighted stock exchange closing price on the ten trading days preceding the repurchase. As in previous instances, the repurchase will be undertaken to support the purposes permitted by resolution of the Ordinary General Meeting and will end on 2.11.2018 at the latest. By the balance sheet date, further 34,727 shares (ISIN AT0000641352) had been acquired through the programme at a weighted equivalent value per share of approximately € 17.49.

As at 31.3.2017, CA Immobilien Anlagen AG held 5,438,046 treasury shares in total; given the total number of voting shares issued (98,808,336), this is equivalent to around 5.5% of the voting stock.

FINANCIAL INSTRUMENTS

Category	Book value	Fair value	Book value	Fair value
€ 1,000	31.3.2017	31.3.2017	31.12.2016	31.12.2016
Cash at banks with drawing restrictions	7,932	7,932	8,288	8,288
Derivative financial instruments	10	10	12	12
Primary financial instruments	80,157		81,413	
Financial assets	88,099		89,713	
Cash at banks with drawing restrictions	5,065	5,065	7,800	7,800
Derivative financial instruments	14	14	17	17
Other receivables and other financial assets	47,468		44,031	
Non financial assets	33,681		24,387	
Receivables and other assets	86,228		76,235	
Current income tax receivables	16,592		15,552	
Securities	98,157	98,157	101,555	101,555
Cash and cash equivalents	433,671		395,088	
	722,746		678,144	

The fair value of the other receivables and financial assets as well as the primary financial instruments in the category of loans and amounts receivable essentially equals the book value due to short-term maturities. Financial assets are partially mortgaged as security for financial liabilities.

Category	Book value 31.3.2017	Fair value 31.3.2017	Book value 31.12.2016	Fair value 31.12.2016
€ 1,000				
Bonds	639,513	667,700	471,658	498,201
Other interest-bearing liabilities	1,023,505	1,020,077	1,093,981	1,092,266
Interest-bearing liabilities	1,663,018		1,565,639	
Derivative financial instruments	9,637	9,637	11,583	11,583
Other primary liabilities	168,822		172,661	
Total other liabilities	178,458		184,244	
	1,841,477		1,749,883	

The fair value of other primary liabilities essentially equals the book value due to daily and/or short-term maturities.

Derivative financial instruments and hedging transactions

€ 1,000	Nominal value	Fair value	31.3.2017 Book value	Nominal value	Fair value	31.12.2016 Book value
Interest rate swaps	425,314	-9,637	-9,637	397,766	-11,583	-11,583
Swaption	20,000	14	14	20,000	17	17
Interest rate caps	43,919	10	10	44,196	12	12
Total	489,233	-9,613	-9,613	461,962	-11,554	-11,554
- thereof hedging (cash flow hedges)	91,561	-3,370	-3,370	92,360	-4,151	-4,151
- thereof stand alone (fair value derivatives)	397,672	-6,242	-6,242	369,602	-7,403	-7,403

Interest rate swaps are concluded for the purpose of hedging future cash flows. The effectiveness of the hedge relationship between hedging instruments and hedged items is assessed on a regular basis by measuring effectiveness.

€ 1,000	Nominal value	Fair value	31.3.2017 Book value	Nominal value	Fair value	31.12.2016 Book value
- Cash flow hedges (effective)	89,432	-3,294	-3,294	90,626	-4,069	-4,069
- Cash flow hedges (ineffective)	2,129	-76	-76	1,734	-82	-82
- Fair value derivatives (HFT)	333,753	-6,266	-6,266	305,406	-7,432	-7,432
Interest rate swaps	425,314	-9,637	-9,637	397,766	-11,583	-11,583

Currency	Nominal value	Start	End	Fixed interest rate as at 31.3.2017	Reference interest rate	Fair value 31.3.2017 in € 1,000
Interest rate swaps						
EUR - CFH	91,561	11/2007	9/2018	2.25%–4.50%	3M-Euribor	-3,370
EUR - stand alone	333,753	9/2013	12/2024	-0.18%–2.28%	3M-Euribor	-6,266
Total interest swaps = variable in fixed	425,314					-9,637
Swaption	20,000	11/2015	11/2017	1.25%	6M-Euribor	14
Interest rate caps	43,919	3/2014	9/2019	1.50%–2.00%	3M-Euribor	10
Total	489,233					-9,613

Currency	Nominal value	Start	End	Fixed interest rate as at 31.12.2016	Reference interest rate	Fair value 31.12.2016 in € 1,000
Interest rate swaps	in € 1,000					
EUR - CFH	92,360	11/2007	9/2018	2.25%–4.50%	3M-Euribor	–4,151
EUR - stand alone	305,406	9/2013	12/2024	–0.18%–2.28%	3M-Euribor	–7,432
Total interest swaps = variable in fixed	397,766					–11,583
Swaption	20,000	11/2015	11/2017	1.25%	6M-Euribor	17
Interest rate caps	44,196	3/2014	9/2019	1.50%–2.00%	3M-Euribor	12
Total	461,962					–11,554

Gains and losses in other comprehensive income of cash-flow hedges

€ 1,000	2017	2016
As at 1.1.	–3,201	–5,131
Change in valuation of cash flow hedges	936	419
Reclassification cash flow hedges	0	177
Income tax cash flow hedges	–269	–126
As at 31.3.	–2,533	–4,661
thereof: attributable to the owners of the parent	–2,533	–4,661

Hierarchy of fair values

Financial instruments measured at fair value relate to derivative financial instruments as well as available for sale securities and other investments (AFS). As in prior year, the valuation of derivative financial instruments is based on inputs which can be observed either directly or indirectly (e.g. interest rate curves or foreign exchange forward rates). This represents level 2 of the fair value hierarchy in accordance with IFRS 13.81. The valuation of available for sale securities is based on stock market prices and therefore represents level 1 of the fair value hierarchy. The fair value of other not listed investments is internally assessed and so represents level 3 of the fair value hierarchy. There were no reclassifications between the levels.

Capital structure

Net debt and gearing ratio:

€ 1,000	31.3.2017	31.12.2016
Interest-bearing liabilities		
Long-term interest-bearing liabilities	1,502,884	1,412,635
Short-term interest-bearing liabilities	160,135	153,004
Interest-bearing assets		
Cash and cash equivalents	-433,671	-395,088
Cash at banks with drawing restrictions	-4,114	-2,894
Net debt	1,225,234	1,167,656
Shareholders' equity	2,228,377	2,204,541
Gearing ratio (Net debt/equity)	55.0%	53.0%

Cash at banks with drawing restrictions were considered in the calculation of net debt, as long as they are mainly used to secure the repayments of financial liabilities.

BUSINESS RELATIONSHIPS WITH RELATED PARTIES

Balances/ transactions with Joint Ventures

€ 1,000	31.3.2017	31.12.2016
Investments in joint ventures	158,386	191,369
Investments in joint ventures held for sale	0	11,690
Loans	3,343	3,608
Receivables	5,411	6,970
Liabilities	22,855	35,145
Provisions	19,211	18,406
	1st Quarter 2017	1st Quarter 2016
Joint ventures result	3,361	1,227
Result from sale of joint ventures	828	569
Result from joint ventures	4,190	1,796
Other income	572	558
Other expenses	-265	-282
Interest income	44	194

The loans to and a large portion of the receivables from joint ventures existing at the reporting date, serve to finance properties. The interest rates are at arm's length. Partial securities exist in connection with these loans.

Balances/ transactions with associated companies

€ 1,000	31.3.2017	31.12.2016
Loans	8,750	8,750
	1st Quarter 2017	1st Quarter 2016
Expenses due to associated companies	0	-435
Result from associated companies	0	-435

The loans to associated companies existing as of the reporting date serve to finance properties. All loans have interest rates at arm's length. No guarantees or other forms of security partially exist in connection with these loans. In the book value of loans to associated companies, a cumulative impairment amounting to € 13,652 K (31.12.2016: € 13,652 K) is included.

IMMOFINANZ AG, Vienna

Since 2.8.2016, IMMOFINANZ AG holds 25,690,163 bearer shares as well as four registered shares of CA Immo AG representing with approximately 26% of the capital stock the largest single shareholder.

Between IMMOFINANZ AG and CA Immo AG there is a reciprocal shareholding. The CA Immo Group holds 54,805,566 bearer shares of IMMOFINANZ AG (equivalent to approximately 5.6% of the capital stock of IMMOFINANZ AG).

CA Immo AG and IMMOFINANZ AG have agreed to enter into constructive dialogue concerning a potential merger of the two companies. IMMOFINANZ AG had advocated selling or spinning off its Russian portfolio as a precondition to potentially successful merger negotiations; in mid-December 2016, the company announced that talks on the possible merger (including separation of the Russia portfolio) would be suspended and the timetable would be adjusted.

O1 Group Limited, Cyprus

From 20.2.2015 until its disposal to IMMOFINANZ AG on 2.8.2016 (closing date), O1 Group Limited directly or indirectly held 25,690,163 bearer shares and four registered shares of CA Immo AG.

OTHER LIABILITIES AND CONTINGENT LIABILITIES

As at 31.3.2017, contingent liabilities of CA Immo Germany Group resulting from concluded purchase agreements for cost assumptions in connection with contaminated sites or war damage amount to € 616 K (31.12.2016: € 566 K). In addition, letters of support exist for a joint venture in Germany, amounting to € 2,000 K (31.12.2016: € 2,000 K). As security for liabilities from loans guarantees, letters of comfort and declarations for joint liabilities were issued for two (2016: four) joint ventures in an extent of € 2,500 K (31.12.2016: € 10,650 K). Furthermore, as security for warranty risks in Germany a guarantee was issued in an amount of € 11,066 K (31.12.2016: € 11,066 K).

CA Immo Group has agreed to adopt a guarantee in connection with the refunding of the project "Airport City St. Petersburg" in the extent of € 8,469 K (31.12.2016: € 11,299 K).

In connection with disposals, marketable guarantees exist between CA Immo Group and the buyer for coverage of possible warranty and liability claim for which in the expected extent financial dispositions were made. The actual claims may exceed the expected extent.

Following the disposal of Tower 185, Frankfurt, as at 31.12.2013 CA Immo Group granted a guarantee for compensation of rent-free periods as well as rent guarantees for which adequate provisions have been recognised in the balance sheet. The shares in CA Immo Frankfurt Tower 185 GmbH & Co KG as well as the shares in CA Immo Frankfurt 185 Betriebs GmbH were pledged as security for loans.

For the purpose of recognising tax provisions, estimates have to be made. Uncertainties exist concerning the interpretation of complex tax regulations and as regards the amount and timing of taxable income. Due to these uncertainties and the grade of complexity estimates may vary from the real tax expense also in a material amount. CA Immo Group recognises appropriate provisions for known and probable charges arising from ongoing tax audits. Concerning a tax audit in Eastern Europe uncertainties about the possible prescription of default interest exist. CA Immo Group estimates the possibility of actual expenses due to these default interests as low.

Mortgages, pledges of rental receivables, bank accounts and share pledges as well as similar guarantees are used as market collateral for bank liabilities.

In addition, there are other financial obligations of order commitments related to building site liabilities for work carried out in the course of developing real estate in Austria in the amount of € 8,342 K (31.12.2016: € 13,300 K), in Germany in the amount of € 50,162 K (31.12.2016: € 50,400 K) and in Eastern Europe in the amount of € 28,731 K (31.12.2016: € 31,716 K). In addition as at 31.3.2017, CA Immo Group is subject to other financial commitments resulting from construction costs from urban development contracts which can be capitalised in the future with an amount of € 42,947 K (31.12.2016: € 44,136 K).

The total obligation of the payments of equity in joint ventures for which no adequate provisions have been recognised amount in Austria to € 6,035 K (31.12.2016: € 6,035 K) in Germany to € 5,500 K (31.12.2016: € 6,471 K) and in Eastern Europe to € 457 K (31.12.2016: € 191 K) as per 31.3.2017. Besides the mentioned obligations of equity-payments, no further obligations to joint ventures exist.

Borrowings, for which the financial covenants have not been met as at 31.3.2017, thus enabling the lender in principle to prematurely terminate the loan agreement, have to be recognised in short-term financial liabilities irrespective of the remaining term under the contract. This classification applies notwithstanding the status of negotiations with the banks concerning the continuation or amendment of the loan agreements. As at 31.3.2017, this applied to no loan (31.12.2016: no loan).

SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM REPORTING PERIOD

The number of Supervisory Board members elected by the shareholders' meeting of CA Immobilien Anlagen AG was reduced from nine to eight in the 30th shareholders' meeting. Additionally, Prof. Dr. Sven Bienert, Univ.-Prof. MMag. Dr. Klaus Hirschler and Dipl. BW Gabriele Düker were elected as members of the Supervisory Board of CA Immobilien Anlagen AG until the conclusion of the shareholders' meeting, which resolves on the discharge for the business year 2021.

In the 30th ordinary shareholders' meeting of CA Immobilien Anlagen AG, held on 11.5.2017, a dividend distribution for the 2016 financial year of € 0.65 per no-par share entitled to a dividend, was resolved upon.

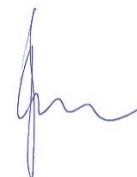
As at 19.5.2017, IMMOFINANZ AG transferred its 25,690,163 bearer shares as well as its four registered shares in CA Immobilien Anlagen AG to its 100% owned subsidiary GENA ELF Immobilienholding GmbH.

Vienna, 19.5.2017

The Management Board



Frank Nickel
(Chief Executive Officer)



Dr. Hans Volckens
(Member of the Management Board)

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We ask for your understanding that gender-conscious notation in the texts of this Interim Report largely had to be abandoned for the sake of undisturbed readability of complex economic matters.

IMPRINT

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GENERAL INFORMATION ON CA IMMO SHARE

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DISCLAIMER

This Interim Report contains statements and forecasts which refer to the future development of CA Immobilien Anlagen AG and their companies. The forecasts represent assessments and targets which the Company has formulated on the basis of any and all information available to the Company at present. Should the assumptions on which the forecasts have been based fail to occur, the targets not be met, then the actual results may deviate from the results currently anticipated. This Interim Report does not constitute an invitation to buy or sell the shares of CA Immobilien Anlagen AG.
