



URBAN  
BENCHMARKS.

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FINANCIAL REPORT  
AS AT 30 SEPTEMBER 2018

## FINANCIAL KEY FIGURES <sup>1)</sup>

### INCOME STATEMENT

		1.1.-30.9.2018	1st –3rd Quarter 2017 restated
Rental income	€ m	141.5	133.5
EBITDA	€ m	113.4	120.7
Operating result (EBIT)	€ m	224.1	203.6
Net result before taxes (EBT)	€ m	182.5	181.2
Consolidated net income	€ m	135.9	147.3
Operating cash flow	€ m	88.5	98.4
Capital expenditure	€ m	256.3	233.8
FFO I (excl. Trading and pre taxes)	€ m	93.7	84.2
FFO II (incl. Trading and after taxes)	€ m	88.3	95.3

### BALANCE SHEET

		30.9.2018	31.12.2017 restated
Total assets	€ m	5,092.8	4,743.4
Shareholders' equity	€ m	2,478.1	2,419.3
Long and short term interest-bearing liabilities	€ m	1,880.3	1,749.3
Net debt	€ m	1,399.4	1,365.1
Net asset value (EPRA NAV)	€ m	2,896.2	2,805.1
Triple Net asset value (EPRA NNAV)	€ m	2,616.5	2,543.8
Gearing	%	56.5	56.4
Equity ratio	%	48.7	51.0
Gross LTV	%	46.1	45.9
Net LTV	%	34.3	35.8

### PROPERTY PORTFOLIO

		30.9.2018	31.12.2017 restated
Total usable space (excl. parking, excl. projects) <sup>2)</sup>	sqm	1,505,571	1,466,057
Gross yield investment properties <sup>3)</sup>	%	6.1	6.1
Fair value of properties	€ m	4,078.7	3,813.8
Occupancy rate <sup>3)</sup>	%	95.3	95.2

### SHARE RELATED KEY FIGURES

		1.1.-30.9.2018	1st –3rd Quarter 2017
Rental income / share	€	1.52	1.43
Operating cash flow / share	€	0.95	1.05
Earnings per share	€	1.46	1.58
FFO I / share	€	1.01	0.90
FFO II / share	€	0.95	1.02
		30.9.2018	31.12.2017 restated
NAV/share	€	26.64	25.95
EPRA NAV/share	€	31.13	30.09
EPRA NNAV/share	€	28.13	27.29
Dividend paid in the business year/per share	€	0.80	0.65
Dividend yield	%	2.60	2.52

### SHARES

		30.9.2018	31.12.2017
Number of shares	pcs.	98,808,336	98,808,336
Treasury shares	pcs.	5,780,037	5,582,054
number of shares outstanding	pcs.	93,028,299	93,226,282
Ø number of shares	pcs.	98,808,336	98,808,336
Ø Treasury shares	pcs.	5,747,129	5,479,394
Ø number of shares outstanding	pcs.	93,061,207	93,328,942
Ø price/share	€	28.13	21.80
Closing price	€	30.78	25.81
Highest price	€	32.94	26.00
Lowest price	€	21.40	17.30

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

<sup>2)</sup> incl. land leases and rentable open landscapes

<sup>3)</sup> Excl. properties used for own purposes and the office buildings Visionary in Prague and ViE in Vienna, which are still in the stabilization phase

## FOREWORD BY THE MANAGEMENT BOARD

### DEAR SHAREHOLDERS,

CA Immo remains on course for dynamic expansion, reporting further highly positive progress on 30 September 2018.

#### Results for the first three quarters of 2018

Recurring earnings (FFO I) increased by 11.4% on the 2017 figure of € 84.2 m to stand at € 93.7 m. FFO I per share totalled € 1.01, up 11.6% on last year's reference value. As in preceding quarters, this underlines operational development that was both highly robust and independent of the valuation result and which forms the basis for the long-term dividend policy of CA Immo. FFO II stood at € 88.3 m (€ 95.3 m in 2017) while FFO II per share was € 0.95 per share (€ 1.02 per share in 2017).

In the first three quarters of 2018, rental income for CA Immo rose by 6.0% to € 141.5 m. This positive development was mainly the result of the acquisition of the Warsaw Spire Building B in the Polish capital and the associated increase in rent. Completion of the KPMG building and a new large-scale letting in Berlin delivered further growth momentum. Net rental income as at the key date was € 130.5 m, up 7.1% on the 2017 value of € 121.8 m.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) fell 6.0% to € 113.4 m, below the previous year's level. This was largely due to the lower contribution from property sales.

The revaluation result was highly positive at € 92.5 m on key date 30 September 2018, significantly above the 2017 figure of € 32.7 m. The largest contributions to the revaluation gain in terms of amount came from value adjustments to the German real estate portfolio on the basis of higher land values. Moreover, a contractually agreed letting in the Austrian portfolio in Q4 led to a significantly positive valuation effect. After the first three quarters, the result from joint ventures was € 19.9 m (€ 52.4 m in 2017).

Earnings before interest and taxes (EBIT) were € 224.1 m, 10.1% above the corresponding figure for last year of € 203.6 m. The financial result of € -41.6 m (€ -22.5 m last year) contained a non-cash valuation effect in connection with the outstanding convertible bond of € -23.6 m. Earnings before taxes (EBT) of € 182.5 m were 0.8% up on the 2017 value of € 181.2 m. Adjusted to take

account of the convertible bond valuation effect, there was an increase of 13.0%.

The result for the period totalled € 135.9 m or € 1.46 per share (2017: € 147.3 m or € 1.58 per share).

#### Robust balance sheet indicators

With an equity ratio of 48.7% and a conservative net loan-to-value ratio (net debt to property assets) of 34.3%, the strength of CA Immo's balance sheet provides an extremely sound basis on which to implement the Group's growth strategy. Net asset value (shareholders' equity) was € 26.64 per share on the key date (€ 25.95 per share on 31.12.2017). The EPRA NAV was up 3.5% at € 31.13 per share as of 30 September 2018 (€ 30.09 per share in 2017). Adjusted to take account of the dividend payment of 80 cents per share in May 2018, the EPRA NAV rose by 6.1% since the start of the year.

#### Strong portfolio growth in 2018

The in-house development of high quality properties on core markets and subsequent transfer to the asset portfolio is a significant driver of organic growth for the CA Immo Group, enabling long-term earning power and thus the dividend paid to shareholders to be steadily raised. Following on from completion of the KPMG building in Berlin's Europacity district, the ViE office building in Vienna was transferred to the company's portfolio in the third quarter of 2018. Two more buildings – the Orhideea office building in Bucharest and the Steigenberger Hotel (Intercity) at Frankfurt main station – will be transferred to the company's portfolio in the final quarter.

Selective acquisitions on CA Immo's core Eastern European markets are sustaining the strong pace of organic growth. Following on from successful acquisitions in Prague and Bucharest in previous quarters, another value-generating purchase was confirmed in Warsaw at the beginning of the 4<sup>th</sup> quarter 2018. Assuming full occupancy, the acquisitions of the newly developed Visionary office building in Prague (approximate transaction volume of € 65 m, gross rentable space of 23,000 sqm), Campus 6.1 in Bucharest (transaction volume of around € 53 m, gross rentable space of 22,000 sqm) and the Spire C office building in Warsaw (transaction volume of approximately € 100 m, gross rentable space of 21,700 sqm) will serve to raise annual rental revenue by approximately € 4.0 m in Prague and Bucharest, respectively, and € 5.4 m in Warsaw.

At the end of October, Volksbank Wien signed a rental agreement to run from the end of 2019 in respect of 14,000 sqm of office space in a portfolio building in the Lände 3 district. The office property has an approximate rentable effective area of 50,000 sqm; with Volksbank as a long-term tenant, the building is now 95% let.

**Staffing changes in the Management Board and Supervisory Board**

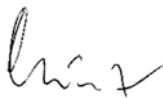
Against the background of terminated merger talks with IMMOFINANZ AG and the subsequent sale of its holding in CA Immo, Dr. Hans Volckens opted to terminate his mandate with the mutual consent of the Supervisory Board. The mandate of Chief Executive Officer Andreas Quint, who took on the duties of the Chief Financial Officer on an interim basis, was extended to 31 December 2021 ahead of time. Keegan Viscius, the long-serving Senior Vice President of the Starwood Capital Group, resigned from Starwood and moved to the Management Board of CA Immo as of 1 November 2018, where he assumed responsibility for the investment and asset management area in his capacity as Chief Investment Officer (CIO).

In the course of the change of main shareholder, Dr. Oliver Schumy and Stefan Schönauer, the Supervisory Board members appointed by the IMMOFINANZ Group on the basis of registered shares, stepped down as members of the Supervisory Board with effect from midnight on 27 September 2018. At the same time, the new main shareholder exercised its rights of appointment associated with the registered shares to appoint three members to the Supervisory Board of CA Immo: Sarah Broughton, Laura Rubin and Jeffrey Dishner. The Supervisory Board members Gabriele Düker and Professor Sven Bienert resigned their mandates at the end of October 2018.

**Outlook**

The annual target for long-term revenue – an increase in FFO I on last year's value of € 106.8 m to over € 115 m – is hereby confirmed.

Vienna, November 2018  
The Management Board



Andreas Quint  
(Chairman)



Keegan Viscius  
(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 2018 at € 25.80 and maintained the positive trend until mid-September. On key date 30 September 2018, the rate closed at € 30.78 (up approximately 19%). By comparison, the ATX fell by approximately 2% and the EPRA (excluding the UK), the European index for real estate, reported decline of 0.4%. The high for the year of € 32.94 was recorded in August, while the lowest price was € 21.40. The CA Immo share is currently trading with a premium to NAV of around 16% (intrinsic value).

As at 30 September 2018, market capitalisation for CA Immo was approximately € 3.0 bn (€ 2.5 bn on 31.12.2017). Since the end of 2017, the average trading volume has fallen by 13% to stand at 238,300 shares (against 272,600 on 31 December 2017). By contrast, the average liquidity of the share has risen by around 14% since the end of 2017 to stand at € 6,624.0 K (€ 5,823.1 K on 31.12.2017).

### SHARE BUYBACK

In the course of the share buyback programme launched in November 2016 for up to a million shares (approximately 1% of the company's capital stock), no more shares were acquired in the third quarter in view of the defined upper limit of € 24.20 per share. The buyback programme finished on 2nd November 2018 as planned. As at the balance sheet date, the company held 5,780,037 treasury shares; 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 <https://www.caimmo.com/en/investor-relations/share-buy-back-ca-immo/>.

### ONE YEAR PERFORMANCE

(30.9.2017 TO 30.9.2018)

CA Immo share	28.4%
ATX	1.6%
IATX	15.8%
EPRA Developed Europe	5.6%

Source: Bloomberg

### ANALYST COVERAGE

With Deutsche Bank having resumed coverage (with a recommendation to buy and a target price of € 40.00), CA Immo is currently assessed by nine investment companies. During the third quarter, Erste Group, HSBC, Kepler Cheuvreux, RCB and SRC Research reaffirmed their recommendations and raised their target prices. The most recently published 12-month target rates are in the range of € 27.50 to € 40.00, with the valuation median at € 33.00. The closing rate for the balance sheet date 30 September 2018 implies price potential of approximately 7%.

### ANALYST RECOMMENDATION

Baader-Helvetia Bank	17.8.2018	33.00 €	Hold
Deutsche Bank	17.10.2018	40.00 €	Buy
Erste Group	28.9.2018	38.00 €	Buy
Goldman Sachs	2.7.2018	27.50 €	Neutral
HSBC	29.10.2018	37.00 €	Buy
Kepler Cheuvreux	23.8.2018	35.00 €	Buy
Raiffeisen Centrobank	5.9.2018	32.60 €	Hold
SRC Research	24.8.2018	33.00 €	Hold
Wood & Company	23.8.2018	29.00 €	Hold
<b>Average</b>		<b>33.90 €</b>	
<b>Median</b>		<b>33.00 €</b>	

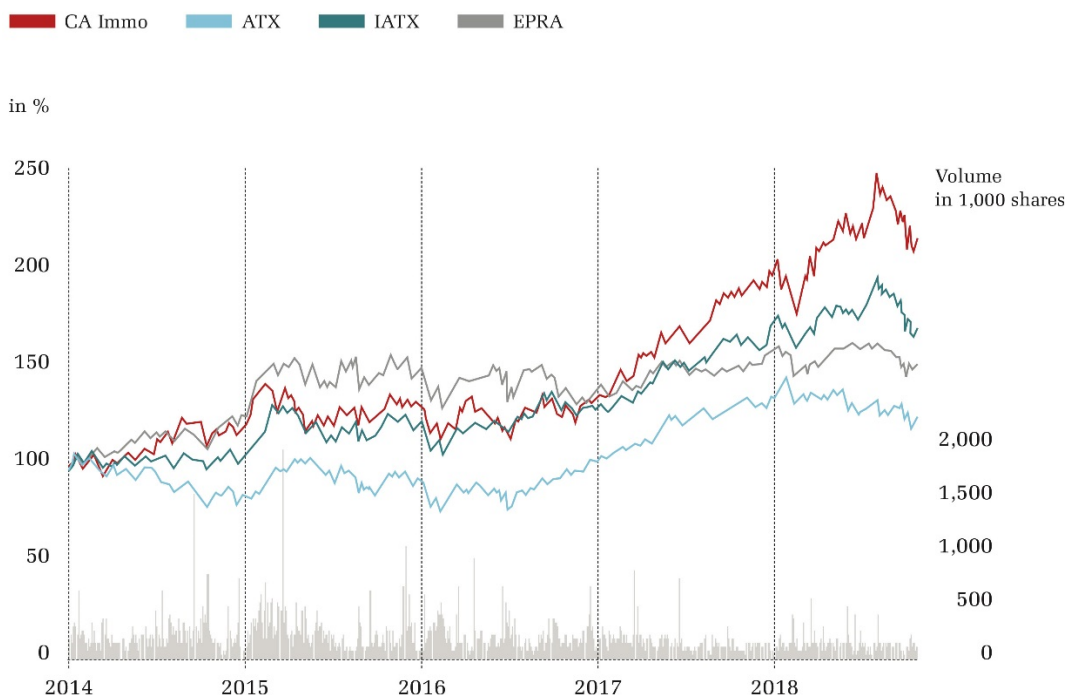
### BONDS

#### Another corporate bond issued

In September 2018, the company issued a new corporate bond with a volume of € 150 m and a term of 7.5 years. The coupon for the fixed-rate bond was 1.875%, with a denomination per unit of € 1,000. The bond, which is registered for trading on the Second Regulated Market of the Vienna Stock Exchange, was given an investment grade rating of Baa2 by Moody's Investors Service Ltd., the international rating agency.

As at the balance sheet date, five CA Immo corporate bonds were thus trading on the second regulated market of the Vienna Stock Exchange and, to an extent, the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg). The convertible bonds issued in the fourth quarter of 2017 were registered for trading in the unregulated third market (multilateral trade system) of the Vienna Stock Exchange.

SHARE PRICE DEVELOPMENT IN RELATION TO ATX, IATX, EPRA (1.1.2014 to 31.10.2018)



## 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).

### Block sale of 26% share to Starwood completed

The block sale of a holding of IMMOFINANZ Group of approximately 26% in CA Immo was concluded at the end of the third quarter following approval of the responsible antitrust authorities and the Management Board of CA Immo to transfer the four registered shares. The 25,690,163 bearer shares and four registered shares in CA Immo were acquired by SOF-11 Starlight 10 EUR S.à r.l., a company managed by the Starwood Capital Group ('Starwood'). The block sale value totals € 757.9 m, equivalent to a calculated value per share of € 29.50. With a shareholding of approximately 26% and four registered shares, Starwood is now the largest shareholder in CA Immo. Starwood, a financial investor specialising in global real estate investment, has an excellent reputation.

The remaining shares of CA Immo are in free float with both institutional and private investors. Other major shareholders include AXA S.A., BlackRock Inc. (each with approximately 4%) and the S IMMO Group (with around 6%). The company also held 5,780,037 treasury shares as at the balance sheet date.

### Staffing changes in the Management Board and Supervisory Board

Against the background of concluded merger talks with IMMOFINANZ AG and the subsequent sale of this party's holding in CA Immo, Dr. Hans Volckens opted to terminate his mandate with the mutual consent of the Supervisory Board. Dr. Volckens duly resigned his post as a member of the Management Board as of midnight on 10 October 2018. At the end of September 2016, alongside the usual responsibilities associated with the remit of the Chief Financial Officer, he took on all special tasks relating to the merger talks with IMMOFINANZ AG in order to represent and uphold the interests of CA Immo as effectively as possible. The Supervisory Board will advise on his successor in the near future.

The mandate of Chief Executive Officer Andreas Quint, who took on the duties of the Chief Financial Officer on

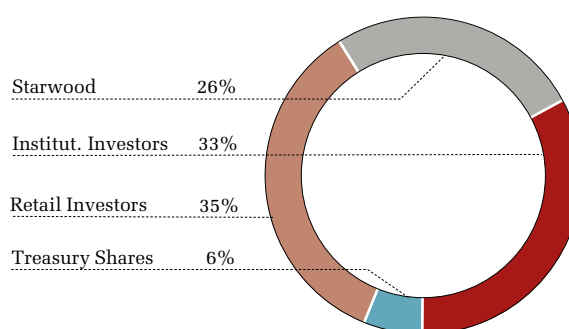
an interim basis, was extended to 31 December 2021 ahead of time.

Keegan Viscius, the long-serving Senior Vice President of the Starwood Capital Group, resigned from Starwood and moved to the Management Board of CA Immo as of 1 November 2018, where he assumed responsibility for the investment and asset management area in his capacity as Chief Investment Officer (CIO). As Senior Vice President of Starwood, Keegan Viscius was responsible for real estate investments in Europe for more than six years.

In the course of the change of the main shareholder, Dr. Oliver Schumy and Stefan Schönauer, the Supervisory Board members delegated by the IMMOFINANZ Group on the basis of registered shares, stepped down as members of the Supervisory Board with effect from midnight on 27 September 2018. At the same time, the new main shareholder exercised its rights of appointment associated with the registered shares to appoint three members to the Supervisory Board of CA Immo: Sarah Broughton, Laura Rubin and Jeffrey Dishner. The Supervisory Board

members Gabriele Düker and Professor Sven Bienert resigned their Supervisory Board mandates at the end of October 2018.

#### SHAREHOLDER STRUCTURE



#### SHARE RELATED KEY FIGURES

		30.9.2018	31.12.2017 restated
EPRA NNNAV/share	€	28.13	27.29
NAV/share	€	26.64	25.95
Price (key date)/NAV per share – <sup>1)</sup>	%	15.55	–0.56
Price (key date)/NNNAV per share – <sup>1)</sup>	%	9.44	–5.43
Number of shares	pcs.	98,808,336	98,808,336
Treasury shares	pcs.	5,780,037	5,582,054
number of shares outstanding	pcs.	93,028,299	93,226,282
Ø number of shares	pcs.	98,808,336	98,808,336
Ø Treasury shares	pcs.	5,747,129	5,479,394
Ø number of shares outstanding	pcs.	93,061,207	93,328,942
Ø price/share	€	28.13	21.80
Market capitalisation (key date)	€ m	3,041.32	2,549.75
Highest price	€	32.94	26.00
Lowest price	€	21.40	17.30
Closing price	€	30.78	25.81
Dividend paid in the business year/per share	€	0.80	0.65
Dividend yield	%	2.60	2.52

<sup>1)</sup> before deferred taxes

## 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 IPCM LFFS Sustainable GRES, WBI
Specialist:	Raiffeisen Centrobank AG
Market maker:	Baader Bank AG, Erste Group Bank AG, Hudson River Trading Europe Ltd., Société Générale S.A., Tower Research Capital Europe Limited
Stock exchange symbol/ISIN:	CAI/AT0000641352
Reuters:	CAIV.VI
Bloomberg:	CAI:AV
Email:	<a href="mailto:ir@caimmo.com">ir@caimmo.com</a>
Web site:	<a href="http://www.caimmo.com">www.caimmo.com</a>

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## FINANCIAL CALENDAR 2019

**27 MARCH / 28 MARCH**

PUBLICATION OF ANNUAL RESULTS FOR 2018 /  
 PRESS CONFERENCE ON FINANCIAL STATEMENTS

**22 MAY**

INTERIM REPORT FOR THE FIRST QUARTER 2019

**29 APRIL**

VERIFICATION DATE FOR THE  
 32ND ORDINARY GENERAL MEETING

**21 AUGUST / 22 AUGUST**

SEMI-ANNUAL REPORT 2019 /  
 PRESS CONFERENCE ON SEMI-ANNUAL RESULT

**9 MAY**

32ND ORDINARY GENERAL MEETING

**21 NOVEMBER**

INTERIM REPORT FOR THE THIRD QUARTER 2019

**13 MAY / 14 MAY / 15 MAY**

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

**25 MARCH / 26 MARCH (2020)**

PUBLICATION OF ANNUAL RESULTS FOR 2019 /  
 PRESS CONFERENCE ON FINANCIAL STATEMENTS



## ECONOMIC ENVIRONMENT

### THE ECONOMIC TREND<sup>1)</sup>

Most recent economic data and survey outcomes underline the recovery seen in the European Union, which has also gained momentum in recent quarters. The increase of 2.3% of the eurozone over the year 2017 represented the highest growth rate since 2007. Prospects for growth have been revised upward despite persistent geopolitical and economic uncertainties at the global level. The unemployment rate in the EU-28 has reached its lowest level since 2008. That notwithstanding, the IMF warned that the tariffs on imports threatened by both President Donald Trump and his trading partners could lower the annual growth rate of the global economy by 0.5% by 2020. The Fund left its forecasts for global economic growth in 2018 unchanged.

Growth in the eurozone in 3Q 2018 was 1.7% yoy and 1.9% in the entire EU (after + 2.2% and + 2.1% in the previous quarter, respectively). Compared to the previous three months, 3Q 2018 GDP in the eurozone expanded by 0.2% and by 0.3% in the EU.

The (seasonally adjusted) unemployment rate was 8.1% (down from 8.9% in September 2017) in the eurozone and 6.7% (also stable to the previous quarter and below the value of September 2017 of 7.5%) for the EU as a whole, which is the lowest rate since November 2008. The government debt in the eurozone stood at the end of the third quarter of 2018 at 86.3% (81.0% in the EU-28). Annual inflation in the eurozone is estimated at 2.2% in October 2018, slightly above the rate targeted by the ECB of below, but close to 2.0% (September 2018: 2.0%).

According to the most recent publication of Eurostat (September 2018) the unemployment rate in **Germany** remains on a record low standing at 3.4%. The German economy recorded a GDP growth of 2.2% in 2017 and 1.7% in 3Q 2018. Strong export figures based on global economic recovery, rising tax revenues and a combination of real wage growth and a historically low interest rate level have also stimulated consumer spending in Europe's largest economy. The inflation rate for Germany was reported at 2.4% in October 2018. The economy of **Austria** continued to grow with real GDP rising by 2.9% in 2017 and 2.6% in 3Q 2018. The inflation rate stood at 2.4% in June 2018, the unemployment rate at 4.7%.

As observed in preceding years, the positive economic conditions in the core CA Immo markets in the **CEE region** gained further momentum throughout 2017 and sustained this trend into 2018. Supported by the tailwind of the positive development of the German economy, Eastern Europe posted its steepest growth in 9 years. Strong increases in employment combined with real wage growth stimulate private consumption. Additionally, there is a massive effect from large inflows of EU funds, representing an essential lever for the Eastern European economies.

Within the CEE core markets, Romania reported the highest GDP growth of 7.0% in 2017, clearly exceeding expectations (3Q 2018: 4.1%). The economy of Poland also developed extremely well, as the GDP rose by 4.6% (3Q 2018: 5.7%). The gross domestic product in the Czech Republic grew by 4.3% in 2017 and by 2.3% in the third quarter of 2018, and in Hungary by 4.0% and 5.0% in the same period. The unemployment rate in the CEE countries is significantly lower than in the EU-28 and the euro area average; it was reported for September 2018 at 2.3% in the Czech Republic, 3.8% in Hungary, 3.4% in Poland and 4.1% in Romania.

### THE MONEY MARKET AND INTEREST ENVIRONMENT<sup>2)</sup>

Following the economic recovery in Europe, the European Central Bank (ECB) announced at its meeting in October 2018 that the ECB's policy of quantitative easing will, despite the recent market volatility, gradually end (in October, the monthly purchase volume has already halved to € 15 billion). ECB President Mario Draghi reiterated his optimistic view of the outlook for the Eurozone ("broad based growth"), but said that momentum was dwindling.

Previously, Draghi had stressed that interest rates would remain extremely low until at least September 2019. At its latest meeting the Governing Council of the ECB decided that the interest rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will remain unchanged at 0.00%, 0.25% and -0.40%. The 3-month Euribor remained in negative territory throughout the first nine months of 2018.

<sup>1)</sup> International Monetary Fund, Bloomberg, Financial Times, The Economist, Eurostat

<sup>2)</sup> Sources: ECB, Eurostat, Financial Times, Bloomberg

## REAL ESTATE MARKETS

### The real estate investment market<sup>1)</sup>

After nine months, transaction activity on the European investment market for commercial real estate had climbed to €216 bn, broadly matching last year's high level.

Investment activity in **Germany** remains highly dynamic. After three quarters, the transaction volume was approximately €56.2 bn, 12% above last year's value. Returns are continuing to diminish: in the third quarter, the peak yield for offices was 3.20% for Frankfurt (Q3 2017: 3.30%), with Berlin currently at 3.10% (3.10%) and Munich reporting 2.90% (3.00%). Positive development on the office rental markets is sustaining high demand on the part of investors. Some €20.1 bn was invested in German office properties over the first nine months, a +5% increase on last year.

Peak yields for offices in **Vienna** were unchanged at 3.80% in the third quarter of 2018. Present market activity in the **CEE** region is indicative of record investment levels in 2018. As at the key date, peak yields for offices stood at 4.75% in Warsaw, 4.75% in Prague, 6.00% in Budapest and 7.20% in Bucharest.

### The office property markets<sup>2)</sup>

The German office rental market continues to develop very strongly, with steadily falling vacancy and rising rental rates.

Office space take-up in **Berlin** totalled approximately 586,000 sqm in the first three quarters of 2018. With demand remaining positive and completion figures low, the vacancy rate has declined to the present level of 2.4%. According to CBRE figures, vacancy has fallen by 31% to approximately 442,000 sqm within one year. The continuing shortage of floor space is driving the upward trend in the peak rent, which is currently reported at €32.50/sqm per month. The office completion volume is relatively low and stood at approximately 70,000 sqm in the third quarter of 2018. For the year as a whole, the turnover volume for the lettings market is likely to be between 800,000 sqm and 850,000 sqm according to the CBRE.

Floor space turnover in **Frankfurt** was approximately 442,000 sqm for the first nine months. The vacancy rate fell 210 base points in yearly comparison to stand at 8.1% currently. CBRE expects market developments to remain positive, with demand for centrally located office premises with top quality fixtures and fittings remaining

strong. In yearly comparison, the peak rent level rose only slightly (+4%) to €41.0/sqm per month.

Office space take-up in **Munich** to the third quarter of 2018 was around 698,000 sqm, confirming the best performing nine months for the city. This market remains characterised by a shortage of supply in prime locations. The vacancy level has fallen further to 3.0%, 20 base points (bps) below last year's value. The attainable peak rent is reported as €37.0/sqm per month, up 4% year-on-year. According to the completion forecast, the situation is not expected to ease over the next two years.

Lettings performance in **Vienna** was approximately 166,000 sqm after three quarters. Demand is likely to remain consistently high in Q4 2018, with lettings performance exceeding 200,000 sqm; however, the vacancy rate could also rise as more projects are expected to be completed before the end of 2018. The vacancy rate currently stands at 5.0%, with peak rents remaining at €25.5/sqm per month.

Lettings on the office market in **Warsaw** amounted to roughly 635,000 sqm in the first three quarters. The CBRE is also predicting a record value of up to 860,000 sqm for the whole year. The market remains characterised by extensive construction activity, with some 190,000 sqm completed in the first three quarters. The vacancy rate has declined by 290 bps on last year's value to 10.0%. Strong demand for office space was also noted in **Budapest** in the second quarter of 2018 (106,800 sqm, up 64% on last year). The vacancy rate has stabilised at 7.6%. Development activity is gaining pace, with appr. 460,000 sqm currently under construction.

Lettings activity of around 341,700 sqm was reported in **Prague** during the first three months. The vacancy rate has continued to decline to 6.1%. The current development volume is appr. 354,000 sqm (with about 45% preleased). Lettings performance in **Bucharest** after six months totalled appr. 149,000 sqm (70% preleased). 158,000 sqm of floor space are currently under construction and shall be delivered by the end of the year. The vacancy rate is reported at a new record low (8.0%).

<sup>1)</sup> CBRE: European Investment Market Snapshot Q3 2018; MarketView Investment Market Germany Q3 2018 / Q3 2017

<sup>2)</sup> CBRE: European Investment Quarterly MarketView Q3 2018, Austria Office Market Snapshot Q3 2018, Germany Investment MarketView Q3

2018, Germany Office Investment MarketView Q3 2018, Office Market View Vienna, Berlin, Frankfurt, Munich, Warsaw, Prague Q3 2018; Office Market View Budapest, Bucharest, Q2 2018

## PROPERTY ASSETS

### Changes in presentation and accounting policies

In the course of the company's strategic portfolio optimisation, CA Immo has continuously reduced the proportion of minority holdings in the portfolio. These **property investments held in joint ventures** are consolidated at equity and shown in the income statement under 'Result from joint ventures'. Since 2018, these minority holdings are no longer presented separately in the tables of the 'Property assets' sections alongside fully consolidated properties (wholly owned by CA Immo); instead, they are added as footnotes where necessary. Unless otherwise stated, therefore, all indicators in this report refer exclusively to fully consolidated properties wholly owned by CA Immo; the comparative values for 31 December 2017 have been adjusted accordingly. As at 30 September 2018, the portfolio value of partially owned real estate amounted to € 89.7 m<sup>1)</sup> (€ 390.4 m<sup>1)</sup> on 31 December 2017); the buildings are 95.3%<sup>1)</sup> let and show a yield of 7.5%<sup>1)</sup>.

The application of **IFRS 9 and IFRS 15 accounting standards** – which is mandatory as of January 1<sup>st</sup> 2018 – has material impact on the consolidated financial statements, which is explained in the notes from page 34 onwards. Comparative figures were adapted accordingly.

As at key date 30 September 2018, CA Immo's total **property assets** stood at € 4.1 bn (31.12.2017: € 3.8 bn<sup>2)</sup>). 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 (82% of the total portfolio) and investment properties under development (17% of the total portfolio). Properties intended for trading (reported under short-term property assets) account for the remaining 1% of property assets.

As at 30 September 2018, the **investment property portfolio** had an approximate book value of € 3.4 bn (31 December 2017: € 3.2 bn) and incorporated a total rentable effective area<sup>3)</sup> of 1.3 m sqm. Around 49% of the portfolio (based on book value) is located in CEE and SEE nations, with 35% of the remaining investment properties in Germany and 16% in Austria.

In the first nine months of the year, the Group generated **rental income** of € 141.5 m (30 September 2017: € 133.5 m); nearly unchanged to 31 December 2017, the portfolio produced a yield of 6.1%<sup>4)</sup>. The **occupancy rate** was 95.3%<sup>4)</sup> as at 30 September 2018 (against 95.2% on 31 December 2017). For details, please see the 'Changes to the Portfolio' section.

Of **investment properties under development** with a total book value of around € 670.7 m, development projects and land reserves in Germany account for 88%, while the Eastern Europe segment represents 12% and Austria 0%. Investment properties under development in Germany with a book value of € 593.5 m include projects under construction (€ 361.0 m) and land reserves (€ 232.5 m).

### PROPERTY ASSETS OF THE CA IMMO GROUP AS AT 30 SEPTEMBER 2018

in € m	Investment properties <sup>5)</sup>	Investment properties under development	Short-term property assets <sup>6)</sup>	Property assets	Property assets in %
Austria	550	0	0	550	13
Germany	1,190	593	41	1,825	45
Czechia	330	11	0	341	9
Hungary	464	2	7	473	12
Poland	376	0	0	376	9
Romania	260	61	0	321	8
Serbia	96	0	0	96	2
Others	93	4	0	97	2
<b>Total</b>	<b>3,360</b>	<b>671</b>	<b>48</b>	<b>4,079</b>	<b>100</b>
Share of total portfolio	82%	17%	1%		

<sup>5)</sup> Includes properties used for own purposes

<sup>6)</sup> Short-term property assets including properties intended for trading or sale

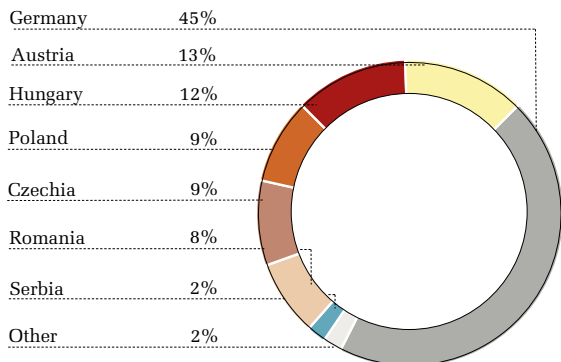
<sup>1)</sup> Key figures include investment properties intended for trading or sale (IFRS 5)

<sup>2)</sup> Figure was adapted according to IFRS 9 and IFRS 15

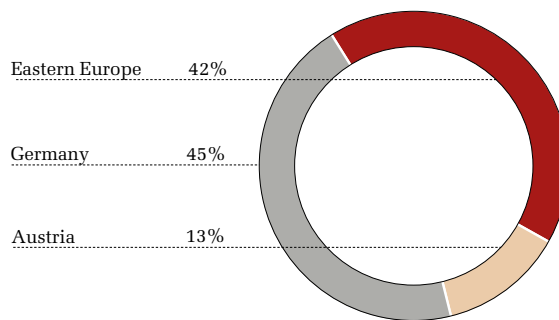
<sup>3)</sup> Including properties used for own purposes and land leases

<sup>4)</sup> Excl. properties used for own purposes and the office buildings Visionary in Prague and ViE in Vienna, which are still in the stabilization phase

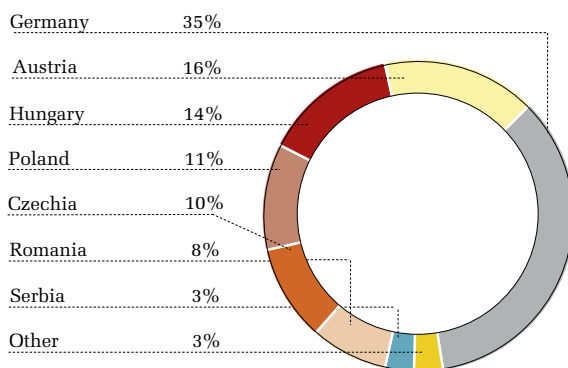
DISTRIBUTION OF BOOK VALUE TOTAL PROPERTY ASSETS BY COUNTRY (Basis: € 4.1 bn)



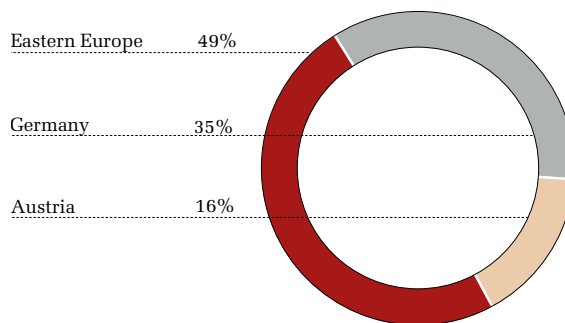
DISTRIBUTION OF BOOK VALUE TOTAL PROPERTY ASSETS BY SEGMENT (Basis: € 4.1 bn)



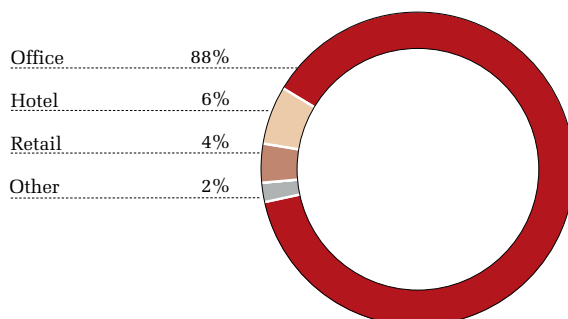
DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY COUNTRY (Basis: € 3.4 bn)



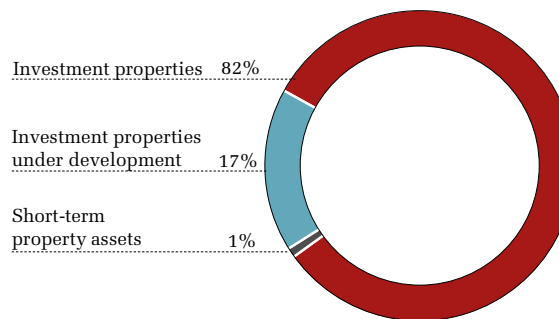
DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY SEGMENT (Basis: € 3.4 bn)



DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY MAIN USAGE (Basis: € 3.4 bn)



DISTRIBUTION OF BOOK VALUE PROPERTY ASSETS BY BUSINESS AREA (Basis: € 4.1 bn)



## CHANGES TO THE PORTFOLIO IN THE FIRST THREE QUARTERS OF 2018

### GERMANY

#### The investment property portfolio

In Germany, CA Immo held investment properties with an approximate value of € 1,188.7 m<sup>1)</sup> on 30 September 2018 (31 December 2017: € 1,099.7 m). The occupancy rate for the German investment property assets on the key date was 98.7% (against 98.2% on 31.12.2017). 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 € 42.8 m was generated in the first nine months (30 September 2017: € 39.1 m).

In Germany, approximately 40,000 sqm of usable area were newly let or extended between January and the end of September. Thereof, around 17,000 sqm accounted for prelettings of development projects.

End of September, CA Immo has signed a lease for approx. 8,500 m<sup>2</sup> in the MY.B office building in Berlin, which is currently still under construction. After concluding this lease, the office building is already around 63% let with one year to go before completion.

CA Immo completed the office building for the tenant KPMG in Berlin's Europacity district in March; the nearly fully let structure, which spans some 12,800 sqm, represented a total investment of approximately € 57 m and is now part of the CA Immo investment portfolio.

#### Development projects

Based on total investment costs, the volume of projects under development in Germany (excluding land reserves) is approximately € 938.3 m as at key date 30 September 2018 (please see table on the next page for details). In total, CA Immo holds investment properties under development<sup>2)</sup> (including land reserves) with a book value of € 593.5 m; thereof, land reserves account for € 232.5 m and projects under construction account for € 361.0 m.

#### Sales

During the first nine months, trading income from German properties totalled € 54.2 m.

### AUSTRIA

#### The investment property portfolio

As at 30 September 2018, CA Immo held investment properties in Austria with a value of € 546.1 m<sup>1)</sup> (31 December 2017: € 494.2 m) and an occupancy rate of 92.3% (96.2% on 31.12.2017). The decline in occupancy rate is a result of a former anchor tenant moving out of one of the Lände 3 office buildings – this vacancy will be continuously compensated during the next months by new tenants moving in, leasing contracts have already been signed accordingly. The company's asset portfolio generated rental income of € 20.9 m in the first nine months (30 September 2017: € 23.1 m).

### OVERVIEW INVESTMENT PROPERTIES KEY DATA AS AT 30 SEPTEMBER 2018 <sup>3)</sup>

	Investment properties	Rentable area <sup>4)</sup>	Occupancy rate	Annualised rental income	Yield
	in € m	in sqm	in %	in € m	in %
Austria	511.1	316,322	92.3	27.9	5.5
Germany	1,188.7	305,484	98.7	56.4	4.7
Czechia	266.7	105,878	97.7	18.5	6.9
Hungary	463.9	218,076	91.9	33.4	7.2
Poland	375.7	115,348	97.1	26.1	6.9
Romania	260.5	105,480	94.2	20.0	7.7
Serbia	96.4	46,130	91.9	7.6	7.9
Others	93.5	69,305	92.1	7.5	8.1
<b>Total</b>	<b>3,256.4</b>	<b>1,282,021</b>	<b>95.3</b>	<b>197.4</b>	<b>6.1</b>

<sup>3)</sup> Excludes properties used for own purposes and short term property assets; excl. of the recently completed office buildings Visionary (Prague) and ViE (Vienna), which are still in the stabilisation phase

<sup>4)</sup> incl. land leases in Austria (around 106,000 sqm)

<sup>1)</sup> Excl. properties used for own purposes and properties intended for trading or sale

<sup>2)</sup> Excl. projects and land reserves intended for trading or sale

Between January and the end of September, some 10,700 sqm of usable space was newly let or extended in Austria. Of this figure, 4,600 sqm accounted for rentals in the ViE office building at the Vienna Donaukanal, which was completed and transferred to the own stock in autumn 2018.

### Development projects

In January, CA Immo handed over 220 rental apartments to the investor ESTRELLA Immobilien Invest AG as part of the Laendyard residential project on Vienna's Do-

naukanal. Development of the remaining 270 owner-occupied and investment apartments being built on an adjacent plot in a joint venture between CA Immo and JP Immobilien was also completed in summer 2018. The final building block in the project, situated close to the Lände and Wiener Prater recreation areas, is the ViE office building, which has been completed in autumn 2018.

### Sales

Trading income for Austria amounted to € 25.1 m in the first nine months.

## PROJECTS UNDER DEVELOPMENT<sup>1)</sup>

in € m	Total investment volume <sup>2)</sup>	Outstanding construction costs	Planned rentable effective area in sqm	Gross yield on cost in %	City	Main usage	Share <sup>3)</sup> in %	Utilisation <sup>4)</sup> in %	Start of construction	Scheduled completion
<b>Projects (for own stock)</b>										
MY.O	96.0	57.3	26,986	6.4	Munich	Office	100	19	Q2 2017	Q2 2020
Europacity, Bürogebäude am Kunstcampus (BT2)	13.2	7.2	2,719	5.7	Berlin	Office	100	0	Q4 2016	Q4 2019
Europacity, MY.B	67.4	37.1	14,844	6.9	Berlin	Office	100	63	Q3 2017	Q4 2019
Zollhafen Mainz, ZigZag	16.1	15.4	4,000	4.1	Mainz	Office	100	0	Q2 2018	Q1 2020
Steigenberger <sup>5)</sup>	58.2	7.7	17,347	6.2	Frankfurt	Hotel	100	99	Q3 2016	Q4 2018
Baumkirchen, NEO	64.3	37.2	13,490	4.9	Munich	Office	100	28	Q1 2017	Q2 2020
Europaviertel, ONE	362.8	335.8	66,187	5.2	Frankfurt	Office	100	27	Q3 2017	Q3 2021
Orhideea Towers	73.9	18.1	36,918	8.8	Bucharest	Office	100	71	Q4 2015	Q4 2018
<b>Subtotal</b>	<b>751.9</b>	<b>515.8</b>	<b>182,490</b>	<b>5.9</b>						
<b>Projects (for sale)</b>										
Europacity, cube berlin	105.5	48.6	17,201	n.m.	Berlin	Office	100	100	Q4 2016	Q4 2019
Europacity, Bürogebäude am Kunstcampus (BT1)	32.4	16.1	5,215	n.m.	Berlin	Office	100	100	Q4 2016	Q2 2019
Rheinallee III	59.6	9.0	19,682	n.m.	Mainz	Residential	100	100	Q3 2016	Q4 2018
JV Baumkirchen WA 3	35.4	8.7	6,831	n.m.	Munich	Residential	50	100	Q3 2016	Q2 2019
Baumkirchen Mitte (MK)	27.6	15.9	5,782	n.m.	Munich	Residential	100	0	Q1 2017	Q2 2020
<b>Subtotal</b>	<b>260.4</b>	<b>98.3</b>	<b>54,711</b>							
<b>Total</b>	<b>1,012.2</b>	<b>614.1</b>	<b>237,201</b>							

<sup>1)</sup> This table includes projects intended for trading or sale as well as projects held in joint ventures

<sup>2)</sup> Incl. plot <sup>3)</sup> All figures refer to the project share held by CA Immo <sup>4)</sup> Utilisation rate for projects for own stock; pre-leasing rate; utilisation rate for projects for sale: sale <sup>5)</sup> The Mannheimer Strasse bus station next to the hotel (with a value of € 5.2 m) is still assigned to property assets under development as temporary usage and is not included in the table



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**EASTERN EUROPE**
**The investment property portfolio**

The value of the CA Immo investment properties<sup>1)</sup> is € 1,619.7 m as at 30 September 2018 (31 December 2017: € 1,561.8 m). In the first nine months, property assets let with a total effective area of 702,753 sqm generated rental income of 77.8 m (30 September 2017: € 71.3 m). The occupancy rate on the key date was 94.4%<sup>2)</sup> (31 December 2017: 93.6%).

New lease agreements relating to around 41,100 sqm rentable area were concluded in the first nine months, as well as contract extensions for some 47,000 sqm rentable area.

**Acquisitions**

Beginning of May, CA Immo has acquired **Campus 6.1 office building in Bucharest** from Skanska; the transaction volume is approx. € 53 m. The closing is subject to the conditions usual for such transactions and is expected end of 2018. Campus 6.1 is an A-class office development, offering 22,000 sqm GLA. The development is located in the Central West area of Bucharest. The building was completed in Q3 2018 and currently has a pre-leasing rate of 95%.

At the end of June, CA Immo acquired another Skanska office building in Prague; the gross transaction volume was approximately € 65 m. A-class office building Visionary was completed in April 2018 and spans 23,000 sqm of gross leasable area. The building is located in Prague 7, one of the most dynamically developing districts in Prague. The transaction was closed when the contract was signed.

**Sales**

In July, the sale of CA Immo's 49% stake in the Megapark office building in the Bulgarian capital of Sofia, spanning around 48,000 sqm, was closed. The sale of this minority holding confirmed the company's exit from the secondary market and a further reduction in minority shareholdings.

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**SUPPLEMENTARY REPORT**

The following activities after key date 30 September 2018 are reported:

**Staffing changes in the Management Board and Supervisory Board**

Details on the staffing changes in the CA Immo Management and Supervisory Board can be found in the "Editorial" chapter.

**Share buyback**

The buyback programme finished on 2<sup>nd</sup> November 2018 as planned. For details on the CA Immo share buyback programme, please see chapter "Share".

**Acquisitions**

In October, CA Immo signed and closed a Sales and Purchase Agreement to acquire the centrally located **Warsaw Spire C office building** comprising of 21,700 sqm GLA in Warsaw, Poland. The transaction volume of the fully rented landmark Class-A property amounts to around € 100 m, the annual gross rental income reaches around € 5.4 m. According to plan, the acquisition will already contribute to recurring earnings (FFO) of CA Immo in the fourth quarter of 2018.

**Rentals**

End of October, Volksbank Wien signed a lease agreement for approximately 14,000 sqm of office space in the CA Immo portfolio building on Dietrichgasse/Haidingergasse starting end of 2019. The office building on Dietrichgasse/Haidingergasse in the Lände 3 district has a rentable area of around 50,000 sqm along with 1,450 car parking spaces. With Volksbank Wien as a long-term tenant, the building will be approximately 95% let.

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<sup>1)</sup> Excl. properties used for own purposes and properties intended for trading or sale

<sup>2)</sup> Exclusive of the office building Visionary in Prague, which is still in the stabilisation phase (completed in April 2018, acquired by CA Immo in June 2018)



Visionary, Prague



Visualisation Campus 6.1, Bucharest



Warsaw Spire Building C, Warsaw



## RESULTS

### Sustained earnings

In the first nine months of 2018, rental income for CA Immo rose by a solid 6.0% to € 141.538 K. This positive development was essentially achieved through the acquisition of the Warsaw Spire Building B in Warsaw and the associated increase in rent. In addition, completion of the KPMG building and a large-scale new letting in Berlin provided impetus for growth. \_

In year-on-year comparison, property expenses directly attributable to the asset portfolio, including own operating expenses, decreased slightly to € -11,067 K (2017: € -11,682 K). The net result from letting after the first three quarters was € 130.471 K (2017: € 121,831 K), up 7.1% on the previous year. The efficiency of letting activity, measured as the operating margin in rental business (net rental income in relation to rental income), was 92.2%, above the previous year's level of 91.3%.

Other expenditure directly attributable to project developments stood at € -2,633 K (2017: € -2,525 K) after the first nine months: Revenue from services came to € 9,312 K, above the previous year's figure of € 7,596 K. Alongside development revenue for third parties via the Group's subsidiary omniCon, this item contains revenue from asset management and other services to joint venture partners.

### Sales result

As of the key date, the sales result from properties held as current assets was € 4,739 K (2017: € 8,375 K). The result from the sale of investment properties stood at € 5,320 K (2017: € 14,364 K) on 30 September 2018. Within this, the largest contribution to earnings was from the sale of a non-strategic plot of land in Munich.

### Indirect expenditures

After the first nine months, indirect expenditures arrived at € -34,343 K, up 15.7% from the level of the previous year (2017: € -29,689 K). This item also contains expenditure counterbalancing the aforementioned gross revenue from services. Other operating income amounted to € 515 K, compared to the 2017 value of € 724 K.

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

As a result of the development described above earnings before interest, taxes, depreciation and amortisation (EBITDA) went down by -6.0% to € 113,382 K (2017: € 120,676 K).

### Revaluation result

After the first nine months, the total revaluation gain of € 112.733 K was counterbalanced by a revaluation loss of € -20,236 K. The cumulative revaluation result was € 92,498 K as of the key date, clearly above the reference value of the previous year (2017: € 32,735 K). The largest contributions to the revaluation gain in terms of amount were made by value adjustments to the German real estate portfolio on the basis of higher land values. In addition, a new letting contractually agreed in the fourth quarter in the Austrian portfolio led to a significantly positive valuation effect.

### Result from joint ventures

Current results of joint ventures consolidated at equity are reported under 'Earnings of joint ventures' in the consolidated income statement. The result of € 19,914 K (2017: € 52,409 K) contains a positive effect in connection with the sale of Tower 185 in Frankfurt (closing in the first quarter of 2018) totalling € 10,166 K (of which € 8,531 K relate to the reversal of deferred taxes).

### Earnings before interest and taxes (EBIT)

Earnings before interest and taxes (EBIT) of € 224,125 K were 10.1% above the result generated in the previous year (2017: € 203,637 K).

### Financial result

The financial result for the first nine months amounted to € -41,585 K (2017: € -22,466 K). Despite a higher financing volume, the Group's finance costs, a key element of recurring earnings, remained stable (-0.1%) compared to 2017, and arrived at € -26,409 K.

The result from interest rate derivative transactions includes a non-cash valuation effect in connection with the convertible bond and amounted to € -23,620 K (2017: € -1,525 K). The convertible bond issued in 2017 consists of a debt component and, due to the repayment option in CA Immo shares, a separable embedded derivative. The fair value of the derivative at the time of issue corresponds to the residual value between the fair value of the convertible bond and the fair value of the debt component.

The result from financial investments of € 6.682 K was above the reference value of the previous period (2017: € 5,556 K). Other items in the financial result (result from other financial assets, from associated companies and exchange rate differences) totalled € 1,529 K (2017: € -60 K). The result from other financial assets of the previous year

includes depreciation linked to the subsequent valuation of securities available for sale.

#### Taxes on income

Earnings before taxes (EBT) totalled € 182,540 K, 0.8% above last year's value of € 181,171 K. As at the key date, income tax expenses came to € –46,630 K (2017: € –33,882 K).

#### Result for the period

The result for the period was € 135,905 K, –7.7% below the value of the previous year (2017: € 147,289 K). Earnings per share amounted to € 1.46 per share (2017: € 1.58 per share) on the balance sheet date.

#### FFO – funds from operations

In the first nine months of 2018, an FFO I of € 93,741 K was generated, up 11.4% from the previous year's value of € 84,181 K. FFO I is a key indicator of the Group's long-term earning power and is reported before taxes and adjusted for the sales result and other non-permanent effects. FFO I per share stood at € 1.01 on the key date, an increase of 11.7% on the previous year's value (2017: € 0.91 per share).

FFO II, which includes the sales result and applicable taxes, stood at € 88.262 K on the key date, 7.3% below the 2017 value of € 95,250 K. FFO II per share was € 0.95 per share (2017: € 1.02 per share).

#### FUNDS FROM OPERATIONS

€ m	1st –3rd Quarter 2018	1st –3rd Quarter 2017 restated
Net rental income (NRI)	130.5	121.8
Income from services rendered	9.3	7.6
Other expenses directly related to properties under development	–2.6	–2.5
Other operating income	0.5	0.7
Other operating income/expenses	7.2	5.8
Indirect expenses	–34.3	–29.7
Result from investments in joint ventures <sup>1)</sup>	3.9	4.1
Finance costs	–26.4	–26.4
Result from financial investments	6.6	5.6
Other adjustment <sup>2)</sup>	6.4	3.0
<b>FFO I (excl. Trading and pre taxes)</b>	<b>93.7</b>	<b>84.2</b>
Trading result	4.7	8.4
Result from the sale of investment properties	5.3	14.4
Result from sale of joint ventures	0.0	0.9
At-Equity result property sales	12.1	4.1
Result from property sales	22.2	27.8
Current income tax	–35.5	–12.8
current income tax of joint ventures	–0.1	–0.1
Other adjustments	–11.9	–3.9
Other adjustments FFO II <sup>3)</sup>	19.8	0.0
<b>FFO II</b>	<b>88.3</b>	<b>95.3</b>

<sup>1)</sup> Adjustment for real estate sales and non-sustainable results

<sup>2)</sup> Adjustment for other non-sustainable results

<sup>3)</sup> Taxes in connection with the sale of Tower 185

**Balance sheet: assets**

As at the balance sheet date, long-term assets amounted to € 4,323,027 K (85.0% of total assets). Investment property assets on the balance sheet amounted to € 3,354,564 K on the key date (31 December 2017: € 3,155,677 K).

The balance sheet item 'Property assets under development' was € 670,698 K (31 December: € 579,274 K) on 30 September 2018. Total property assets (investment properties, properties used for own purposes, properties under development and property assets held as current assets) amounted to € 4,078,693 K (31 December 2017: € 3,813,811 K).

The net assets of joint ventures are shown in the balance sheet item 'Investments in joint ventures', which arrived at € 193,877 K (31 December 2017: € 214,950 K) on the key date.

Cash and cash equivalents amounted to € 479,909 K (31 December 2017: € 383,288 K) as at the balance sheet date.

**Balance sheet: liabilities****Equity**

As at the key date, shareholders' equity on the Group balance sheet stood at € 2,478,091 K (31 December 2017: € 2,419,270 K). The equity ratio of 48.7% remained stable and within the strategic target range, compared to 51.0% at the end of 2017.

**Interest-bearing liabilities**

The Group's financial liabilities stood at € 1,880,279 K on the key date (31 December 2017: € 1,749,330 K). Net debt (interest-bearing liabilities less cash and cash equivalents) remained stable in yearly comparison at € 1,399,396 K at the end of September 2018 (31 December 2017: € 1,365,068 K). 100% of the interest-bearing liabilities are in euros.

The loan-to-value ratio based on the balance sheet values as at 30 September 2018 was 34.3% (net, taking account of the Group's cash and cash equivalents), compared to 35.8% at the beginning of the year. On the key date, gearing was 56.5% (31 December 2017: 56.4%).

**Net asset value**

NAV (= IFRS shareholders' equity) on 30 September 2018 was € 2,478,091 K (€ 26.64 per share), remaining stable compared to the value for the end of 2017 of € 2,419,270 K (€ 25.95 per share). The value as of 30 September 2018 reflects, inter alia, the dividend payment of € 74,423 K in May 2018.

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

ommendations of the European Public Real Estate Association (EPRA). The EPRA NAV was € 31.13 per share on the key date (31 December 2017: € 30.09 per share). The EPRA NNNAV per share, after adjustments for financial instruments, liabilities and deferred taxes, amounted to € 28.13 per share as of 30 September 2018 (31 December 2017: € 27.29 per share). The number of shares outstanding on the key date was 93,028,299 (31 December 2017: 93,226,282).

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

€ m	30.9.2018	31.12.2017 restated
<b>Equity (NAV)</b>	<b>2,478.0</b>	<b>2,419.2</b>
Exercise of options	0.0	0.0
<b>NAV after exercise of options</b>	<b>2,478.0</b>	<b>2,419.2</b>
<b>NAV/share in €</b>	<b>26.64</b>	<b>25.95</b>
Value adjustment for <sup>1)</sup>		
- Own used properties	6.5	6.3
- Short-term property assets	110.2	79.8
- Financial instruments	0.0	0.8
Deferred taxes	301.5	298.9
<b>EPRA NAV after adjustments</b>	<b>2,896.2</b>	<b>2,805.1</b>
<b>EPRA NAV per share in €</b>	<b>31.13</b>	<b>30.09</b>
Value adj. for financial instruments	0.0	-0.8
Value adjustment for liabilities	-56.5	-41.8
Deferred taxes	-223.2	-218.6
<b>EPRA NNNAV</b>	<b>2,616.5</b>	<b>2,543.8</b>
<b>EPRA NNNAV per share in €</b>	<b>28.13</b>	<b>27.29</b>
Change of NNNAV against previous year	3.1%	10.9%
Price (key date)/NNNAV per share -1	1.5%	-5.4%
Number of shares excl. treasury shares	93,028,299	93,226,282

<sup>1)</sup> Includes proportionate values from joint ventures

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## RISK REPORT

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### 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 2017 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 2017 ('Risk report') is therefore unchanged.

## CONSOLIDATED INCOME STATEMENT

€ 1,000	1st –3rd Quarter 2018	1st –3rd Quarter 2017 restated	3rd Quarter 2018	3rd Quarter 2017 restated
Rental income	141,538	133,513	47,777	44,953
Operating costs charged to tenants	41,698	38,755	12,352	11,312
Operating expenses	–45,028	–41,538	–13,221	–12,011
Other expenses directly related to properties rented	–7,737	–8,899	–3,233	–2,505
<b>Net rental income</b>	<b>130,471</b>	<b>121,831</b>	<b>43,675</b>	<b>41,750</b>
<b>Other expenses directly related to properties under development</b>	<b>–2,633</b>	<b>–2,525</b>	<b>–1,258</b>	<b>–667</b>
Income from the sale of properties and construction works	37,248	35,156	13,458	18,381
Book value of properties sold incl. ancillary and construction costs	–32,509	–26,781	–13,793	–12,221
<b>Result from trading and construction works</b>	<b>4,739</b>	<b>8,375</b>	<b>–336</b>	<b>6,160</b>
<b>Result from the sale of investment properties</b>	<b>5,320</b>	<b>14,364</b>	<b>937</b>	<b>10,142</b>
Income from services rendered	9,312	7,596	1,979	1,837
Indirect expenses	–34,343	–29,689	–11,002	–9,187
Other operating income	515	724	70	344
<b>EBITDA</b>	<b>113,382</b>	<b>120,676</b>	<b>34,066</b>	<b>50,378</b>
Depreciation and impairment of long-term assets	–1,669	–2,183	–518	–807
<b>Depreciation and impairment/reversal</b>	<b>–1,669</b>	<b>–2,183</b>	<b>–518</b>	<b>–807</b>
Revaluation gain	112,733	77,728	50,703	–1,931
Revaluation loss	–20,236	–44,994	–6,912	–5,233
<b>Result from revaluation</b>	<b>92,498</b>	<b>32,735</b>	<b>43,792</b>	<b>–7,165</b>
Result from joint ventures	19,914	52,409	–3,030	12,727
<b>Result of operations (EBIT)</b>	<b>224,125</b>	<b>203,637</b>	<b>74,309</b>	<b>55,133</b>
Finance costs	–26,409	–26,437	–8,079	–7,934
Foreign currency gains/losses	3,724	–785	–274	–430
Result from derivatives	–23,386	–1,525	–6,586	–2,298
Result from financial investments	6,682	5,556	779	1,036
Result from other financial assets	0	–3,459	0	0
Result from associated companies	–2,195	4,183	–876	429
<b>Financial result</b>	<b>–41,585</b>	<b>–22,466</b>	<b>–15,035</b>	<b>–9,197</b>
<b>Net result before taxes (EBT)</b>	<b>182,540</b>	<b>181,171</b>	<b>59,274</b>	<b>45,936</b>
Current income tax	–35,478	–12,766	–3,867	–5,021
Deferred taxes	–11,152	–21,117	–9,076	–368
<b>Income tax expense</b>	<b>–46,630</b>	<b>–33,882</b>	<b>–12,943</b>	<b>–5,388</b>
<b>Consolidated net income</b>	<b>135,910</b>	<b>147,289</b>	<b>46,330</b>	<b>40,548</b>
thereof attributable to non-controlling interests	5	7	3	1
<b>thereof attributable to the owners of the parent</b>	<b>135,905</b>	<b>147,282</b>	<b>46,327</b>	<b>40,547</b>
<b>Earnings per share in € (basic)</b>	<b>€1.46</b>	<b>€1.58</b>	<b>€0.50</b>	<b>€0.44</b>
<b>Earnings per share in € (diluted)</b>	<b>€1.46</b>	<b>€1.58</b>	<b>€0.50</b>	<b>€0.44</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ 1,000	1st –3rd Quarter 2018	1st –3rd Quarter 2017 restated	3rd Quarter 2018	3rd Quarter 2017 restated
<b>Consolidated net income</b>	<b>135,910</b>	<b>147,289</b>	<b>46,330</b>	<b>40,548</b>
<b>Other comprehensive income</b>				
Cash flow hedges - changes in fair value	0	1,386	0	–4
Reclassification cash flow hedges	1,110	1,114	368	722
Foreign currency gains/losses	–3,951	562	139	271
Revaluation other investments	0	1,544	0	–258
Income tax related to other comprehensive income	–268	–1,188	–89	–234
<b>Other comprehensive income for the period (realised through profit or loss)</b>	<b>–3,109</b>	<b>3,419</b>	<b>418</b>	<b>498</b>
Revaluation securities	5,316	21,539	11,180	10,030
Revaluation IAS 19	178	406	0	0
Income tax related to other comprehensive income	–389	–1,764	–511	–946
<b>Other comprehensive income for the period (not realised through profit or loss)</b>	<b>5,105</b>	<b>20,181</b>	<b>10,669</b>	<b>9,084</b>
<b>Other comprehensive income for the period</b>	<b>1,996</b>	<b>23,601</b>	<b>11,087</b>	<b>9,583</b>
<b>Comprehensive income for the period</b>	<b>137,905</b>	<b>170,889</b>	<b>57,417</b>	<b>50,130</b>
thereof attributable to non-controlling interests	5	7	3	1
<b>thereof attributable to the owners of the parent</b>	<b>137,901</b>	<b>170,883</b>	<b>57,414</b>	<b>50,130</b>





## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ 1,000	30.9.2018	31.12.2017 restated	1.1.2017 restated
<b>ASSETS</b>			
Investment properties	3,354,564	3,155,677	2,923,676
Investment properties under development	670,698	579,274	433,049
Own used properties	5,284	5,500	6,643
Office furniture and equipment	5,202	5,462	5,599
Intangible assets	6,119	6,703	8,195
Investments in joint ventures	193,877	214,950	194,838
Financial assets	85,467	86,466	90,199
Deferred tax assets	1,816	1,934	1,563
<b>Long-term assets</b>	<b>4,323,027</b>	<b>4,055,966</b>	<b>3,663,761</b>
Long-term assets as a % of total assets	84.9%	85.5%	85.1%
Assets held for sale and relating to disposal groups	7,753	40,106	26,754
Properties held for trading	40,837	36,459	15,549
Receivables and other assets	104,968	90,583	84,934
Current income tax receivables	13,278	19,343	15,552
Securities	122,984	117,668	101,555
Cash and cash equivalents	479,909	383,288	395,088
<b>Short-term assets</b>	<b>769,728</b>	<b>687,447</b>	<b>639,433</b>
<b>Total assets</b>	<b>5,092,755</b>	<b>4,743,413</b>	<b>4,303,194</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Share capital	718,337	718,337	718,337
Capital reserves	789,832	794,493	819,068
Other reserves	20,723	18,727	-894
Retained earnings	949,144	887,662	682,525
<b>Attributable to the owners of the parent</b>	<b>2,478,035</b>	<b>2,419,219</b>	<b>2,219,036</b>
Non-controlling interests	56	51	46
<b>Shareholders' equity</b>	<b>2,478,091</b>	<b>2,419,270</b>	<b>2,219,082</b>
Shareholders' equity as a % of total assets	48.7%	51.0%	51.6%
Provisions	39,858	36,756	56,058
Interest-bearing liabilities	1,751,096	1,680,410	1,412,635
Other liabilities	69,895	50,911	36,965
Deferred tax liabilities	308,273	296,871	245,312
<b>Long-term liabilities</b>	<b>2,169,123</b>	<b>2,064,948</b>	<b>1,750,970</b>
Current income tax liabilities	37,622	17,638	16,736
Provisions	108,861	127,386	111,311
Interest-bearing liabilities	129,183	68,920	153,004
Other liabilities	162,565	45,182	52,091
Liabilities relating to disposal groups	7,311	71	0
<b>Short-term liabilities</b>	<b>445,542</b>	<b>259,196</b>	<b>333,142</b>
<b>Total liabilities and shareholders' equity</b>	<b>5,092,755</b>	<b>4,743,413</b>	<b>4,303,194</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

€ 1,000	1st –3rd Quarter 2018	1st –3rd Quarter 2017 restated
<b>Operating activities</b>		
Net result before taxes	182,540	181,171
Revaluation result incl. change in accrual and deferral of rental income	-93,211	-33,790
Depreciation and impairment/reversal	1,669	2,183
Result from the sale of long-term properties and office furniture and other equipment	-5,347	-14,516
Taxes paid excl. taxes for the sale of long-term properties and investments	-3,708	-10,646
Finance costs, result from financial investments and other financial result	19,835	20,881
Foreign currency gains/losses	-3,724	785
Result from derivatives	23,386	1,525
Result from other financial assets and non-cash income from investments in at equity consolidated entities	-17,826	-53,134
<b>Cash flow from operations</b>	<b>103,613</b>	<b>94,459</b>
Properties held for trading	-2,918	-1,234
Receivables and other assets	-16,643	7,440
Provisions	1,785	-2,428
Other liabilities	2,631	199
<b>Cash flow from change in net working capital</b>	<b>-15,145</b>	<b>3,977</b>
<b>Cash flow from operating activities</b>	<b>88,468</b>	<b>98,436</b>
<b>Investing activities</b>		
Acquisition of and investment in long-term properties incl. prepayments	-173,369	-93,817
Acquisition of property companies, less cash and cash equivalents of € 190 K (2017: € 2,454 K)	-59,297	-128,609
Acquisition of office equipment and intangible assets	-357	-777
Repayment/acquisition of financial assets	16	-198
Investments in joint ventures	-2	-3,328
Disposal of investment properties and other assets	20,427	20,660
Disposal of investment property companies, less cash and cash equivalents of € 954 K (2017: € 0 K)	38,940	7,334
Disposal of joint ventures	7,174	12,083
Loans made to joint ventures	-6,401	-325
Loan repayments made by joint ventures	30	1,814
Taxes paid relating to the sale of long-term properties and investments	-6,479	-3,937
Dividend distribution/capital repayment from at equity consolidated entities and other investments	158,739	13,105
Interest paid for capital expenditure in investment properties	-5,303	-3,215
Interest received from financial investments	2,725	737
<b>Cash flow from investing activities</b>	<b>-23,156</b>	<b>-178,471</b>

€ 1,000	1st –3rd Quarter 2018	1st –3rd Quarter 2017 restated
<b>Financing activities</b>		
Cash inflow from loans received	89,344	36,153
Cash inflow from the issuance of bonds	146,756	173,388
Costs paid for issuance of convertible bonds	–111	0
Repayment of loans received from joint ventures	–600	0
Acquisition of treasury shares	–4,662	–3,948
Dividend payments to shareholders	–74,423	–60,691
Payment/Repayment related to the acquisition of shares from non-controlling interests and dividends to non-controlling interests	–36	1,410
Repayment of loans incl. interest rate derivatives	–96,530	–220,184
Other interest paid	–26,642	–28,267
<b>Cash flow from financing activities</b>	<b>33,096</b>	<b>–102,139</b>
<b>Net change in cash and cash equivalents</b>	<b>98,409</b>	<b>–182,174</b>
Fund of cash and cash equivalents 1.1.	383,512	395,088
Changes in the value of foreign currency	–1,408	505
Changes due to classification of disposal group	–375	–1
<b>Fund of cash and cash equivalents 30.9.</b>	<b>480,137</b>	<b>213,418</b>
Expected credit losses cash and cash equivalents	–228	0
<b>Cash and cash equivalents 30.9. (balance sheet)</b>	<b>479,909</b>	<b>213,418</b>

The interests paid in the first three quarters of 2018 totalled € –31,944 K (1st-3rd quarter 2017: € –31,482 K). The income taxes paid in the first three quarters of 2018 added up to € –10,187 K (1st-3rd quarter 2017: € –14,583 K).

## STATEMENT OF CHANGES IN EQUITY

€ 1,000	Share capital	Capital reserves - Others	Capital reserves - Treasury share reserve
<b>As at 1.1.2017 (as reported)</b>	<b>718,337</b>	<b>906,148</b>	<b>-87,080</b>
Change due to IFRS 15	0	0	0
<b>As at 1.1.2017 (restated)</b>	<b>718,337</b>	<b>906,148</b>	<b>-87,080</b>
Valuation/reclassification cash flow hedges	0	0	0
Foreign currency gains/losses	0	0	0
Revaluation securities and other investments	0	0	0
Revaluation IAS 19	0	0	0
Consolidated net income	0	0	0
<b>Comprehensive income for 2017 restated</b>	<b>0</b>	<b>0</b>	<b>0</b>
Dividend payments to shareholders	0	-20,541	0
Acquisition of treasury shares	0	0	-3,814
<b>As at 30.9.2017 restated</b>	<b>718,337</b>	<b>885,607</b>	<b>-90,893</b>
<b>As at 31.12.2017 (as reported)</b>	<b>718,337</b>	<b>885,607</b>	<b>-91,113</b>
Change due to IFRS 9/IFRS 15	0	0	0
<b>As at 1.1.2018</b>	<b>718,337</b>	<b>885,607</b>	<b>-91,113</b>
Valuation/reclassification cash flow hedges	0	0	0
Foreign currency gains/losses	0	0	0
Revaluation securities	0	0	0
Revaluation IAS 19	0	0	0
Consolidated net income	0	0	0
<b>Comprehensive income for 2018</b>	<b>0</b>	<b>0</b>	<b>0</b>
Dividend payments to shareholders	0	0	0
Acquisition of treasury shares	0	0	-4,662
<b>As at 30.9.2018</b>	<b>718,337</b>	<b>885,607</b>	<b>-95,775</b>

Retained earnings	Valuation result (hedging - reserve)	Other reserves	Attributable to shareholders of the parent company	Non-controlling interests	Shareholders' equity (total)
667,984	-3,201	2,307	2,204,495	46	2,204,541
14,541	0	0	14,541	0	14,541
682,525	-3,201	2,307	2,219,036	46	2,219,082
0	1,789	0	1,789	0	1,789
0	0	562	562	0	562
0	0	20,972	20,972	0	20,972
0	0	277	277	0	277
147,282	0	0	147,282	7	147,289
147,282	1,789	21,811	170,883	7	170,889
-40,149	0	0	-60,691	0	-60,691
0	0	0	-3,814	0	-3,814
789,658	-1,412	24,118	2,325,414	53	2,325,467
862,689	-842	23,782	2,398,459	51	2,398,510
24,972	0	-4,213	20,760	0	20,760
887,662	-842	19,569	2,419,219	51	2,419,270
0	842	0	842	0	842
0	0	-3,951	-3,951	0	-3,951
0	0	4,984	4,984	0	4,984
0	0	121	121	0	121
135,905	0	0	135,905	5	135,910
135,905	842	1,154	137,901	5	137,905
-74,423	0	0	-74,423	0	-74,423
0	0	0	-4,662	0	-4,662
949,144	0	20,723	2,478,035	56	2,478,091

## SEGMENT REPORTING

€ 1,000			Austria				Germany	
1st –3rd Quarter 2018	Income producing	Development	Total	Income producing	Development	Total	Income producing	
Rental income	20,798	105	20,904	40,976	3,253	44,229	73,635	
Rental income with other operating segments	400	0	400	376	7	383	0	
Operating costs charged to tenants	5,078	19	5,097	8,894	219	9,113	25,852	
Operating expenses	-5,809	-19	-5,827	-10,021	-332	-10,353	-27,567	
Other expenses directly related to properties rented	-1,687	0	-1,687	-2,652	-381	-3,033	-2,626	
<b>Net rental income</b>	<b>18,781</b>	<b>105</b>	<b>18,886</b>	<b>37,572</b>	<b>2,766</b>	<b>40,338</b>	<b>69,293</b>	
Other expenses directly related to properties under development	0	-146	-146	0	-2,345	-2,345	0	
Result from trading and construction works	0	12,902	12,902	0	7,987	7,987	0	
Result from the sale of investment properties	60	0	60	-1,497	1,287	-209	84	
Income from services rendered	0	0	0	522	8,776	9,299	409	
Indirect expenses	-1,181	-68	-1,248	-4,199	-14,722	-18,921	-8,735	
Other operating income	10	0	10	332	55	387	96	
<b>EBITDA</b>	<b>17,670</b>	<b>12,794</b>	<b>30,464</b>	<b>32,731</b>	<b>3,804</b>	<b>36,536</b>	<b>61,147</b>	
Depreciation and impairment/reversal	-501	0	-501	-78	25	-53	-341	
Result from revaluation	15,703	-196	15,507	19,357	67,478	86,835	-1,479	
Result from joint ventures	0	0	0	0	0	0	0	
<b>Result of operations (EBIT)</b>	<b>32,872</b>	<b>12,598</b>	<b>45,470</b>	<b>52,010</b>	<b>71,308</b>	<b>123,318</b>	<b>59,326</b>	
<b>Timing of revenue recognition</b>								
Properties held for trading	0	1,941	1,941	0	7,363	7,363	0	
Sale of investment properties	22,053	0	22,053	760,010	21,118	781,128	86	
<b>Total income IFRS 15 - transferred at a point in time</b>	<b>22,053</b>	<b>1,941</b>	<b>23,994</b>	<b>760,010</b>	<b>28,481</b>	<b>788,491</b>	<b>86</b>	
Income from the sale of properties and construction works	0	26,431	26,431	0	61,597	61,597	0	
Income from services rendered	0	0	0	522	8,776	9,299	409	
<b>Total income IFRS 15 - transferred over time</b>	<b>0</b>	<b>26,431</b>	<b>26,431</b>	<b>522</b>	<b>70,373</b>	<b>70,896</b>	<b>409</b>	
<b>Total income IFRS 15</b>	<b>22,053</b>	<b>28,371</b>	<b>50,425</b>	<b>760,532</b>	<b>98,854</b>	<b>859,387</b>	<b>495</b>	
<b>30.9.2018</b>								
Property assets <sup>1)</sup>	514,906	38,683	553,589	1,254,473	713,900	1,968,373	1,565,468	
Other assets	12,968	38,237	51,205	522,558	515,137	1,037,696	126,666	
Deferred tax assets	0	0	0	239	1,295	1,534	592	
<b>Segment assets</b>	<b>527,874</b>	<b>76,920</b>	<b>604,794</b>	<b>1,777,271</b>	<b>1,230,332</b>	<b>3,007,603</b>	<b>1,692,726</b>	
Interest-bearing liabilities	203,230	12,626	215,856	647,696	188,448	836,145	687,845	
Other liabilities	3,942	12,783	16,725	25,600	317,775	343,375	44,986	
Deferred tax liabilities incl. current income tax liabilities	44,071	990	45,061	219,723	70,922	290,645	39,806	
<b>Liabilities</b>	<b>251,243</b>	<b>26,399</b>	<b>277,642</b>	<b>893,019</b>	<b>577,145</b>	<b>1,470,164</b>	<b>772,638</b>	
<b>Shareholders' equity</b>	<b>276,631</b>	<b>50,521</b>	<b>327,152</b>	<b>884,252</b>	<b>653,188</b>	<b>1,537,439</b>	<b>920,088</b>	
Capital expenditures <sup>2)</sup>	1,462	20,562	22,024	71,342	146,187	217,529	71,818	

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

<sup>2)</sup> 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 € 36,655 K (31.12.2017 restated: € 29,264 K) in properties held for trading.

Development	Eastern Europe core regions	Income producing	Development	Eastern Europe other regions	Total segments	Holding	Transition	Total
	Total			Total			Consolidation	
130	73,765	8,798	0	8,798	147,696	0	-6,158	141,538
0	0	0	0	0	782	0	-782	0
100	25,952	2,943	0	2,943	43,104	0	-1,407	41,698
-100	-27,668	-3,205	0	-3,205	-47,054	0	2,026	-45,028
-1	-2,627	-319	0	-319	-7,666	0	-70	-7,737
<b>129</b>	<b>69,422</b>	<b>8,216</b>	<b>0</b>	<b>8,216</b>	<b>136,863</b>	<b>0</b>	<b>-6,391</b>	<b>130,471</b>
-613	-613	0	-15	-15	-3,118	0	486	-2,633
0	0	0	0	0	20,890	0	-16,151	4,739
0	84	7,254	79	7,333	7,268	0	-1,948	5,320
0	409	0	0	0	9,708	9,636	-10,031	9,312
-392	-9,127	-457	-58	-514	-29,811	-15,786	11,254	-34,343
340	436	0	0	0	833	110	-428	515
<b>-535</b>	<b>60,612</b>	<b>15,014</b>	<b>6</b>	<b>15,020</b>	<b>142,631</b>	<b>-6,040</b>	<b>-23,210</b>	<b>113,382</b>
0	-341	0	0	0	-894	-278	-496	-1,669
-1,980	-3,459	-6,136	0	-6,136	92,747	0	-249	92,498
0	0	0	0	0	0	0	19,914	19,914
<b>-2,514</b>	<b>56,812</b>	<b>8,878</b>	<b>6</b>	<b>8,884</b>	<b>234,484</b>	<b>-6,318</b>	<b>-4,041</b>	<b>224,125</b>
0	0	0	0	0	9,304	0	-8,979	325
0	86	7,411	1,118	8,529	811,796	0	-768,476	43,320
<b>0</b>	<b>86</b>	<b>7,411</b>	<b>1,118</b>	<b>8,529</b>	<b>821,100</b>	<b>0</b>	<b>-777,455</b>	<b>43,645</b>
0	0	0	0	0	88,028	0	-51,105	36,923
0	409	0	0	0	9,708	9,636	-10,031	9,312
<b>0</b>	<b>409</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>97,735</b>	<b>9,636</b>	<b>-61,136</b>	<b>46,235</b>
<b>0</b>	<b>495</b>	<b>7,411</b>	<b>1,118</b>	<b>8,529</b>	<b>918,835</b>	<b>9,636</b>	<b>-838,591</b>	<b>89,880</b>
73,289	1,638,757	93,480	3,910	97,390	4,258,109	0	-179,416	4,078,693
13,057	139,724	6,112	10,618	16,730	1,245,354	1,043,584	-1,276,692	1,012,247
167	758	756	0	756	3,048	37,321	-38,554	1,816
<b>86,513</b>	<b>1,779,239</b>	<b>100,348</b>	<b>14,528</b>	<b>114,876</b>	<b>5,506,511</b>	<b>1,080,906</b>	<b>-1,494,662</b>	<b>5,092,755</b>
65,402	753,247	50,667	9,343	60,010	1,865,259	1,066,208	-1,051,188	1,880,279
8,267	53,253	3,192	2	3,194	416,547	54,379	-82,435	388,491
130	39,936	315	562	877	376,518	4,865	-35,488	345,895
<b>73,799</b>	<b>846,437</b>	<b>54,174</b>	<b>9,907</b>	<b>64,081</b>	<b>2,658,324</b>	<b>1,125,451</b>	<b>-1,169,111</b>	<b>2,614,664</b>
<b>12,714</b>	<b>932,802</b>	<b>46,174</b>	<b>4,621</b>	<b>50,795</b>	<b>2,848,188</b>	<b>-44,545</b>	<b>-325,551</b>	<b>2,478,091</b>
20,369	92,187	1,534	0	1,534	333,273	254	-77,223	256,305

€ 1,000	Austria			Germany			
1st –3rd Quarter 2017 restated	Income producing	Development	Total	Income producing	Development	Total	Income producing
Rental income	23,098	0	23,098	56,318	3,173	59,491	66,702
Rental income with other operating segments	392	0	392	694	8	701	0
Operating costs charged to tenants	5,603	0	5,603	13,640	265	13,905	23,909
Operating expenses	-6,225	0	-6,225	-14,520	-104	-14,623	-25,667
Other expenses directly related to properties rented	-1,690	0	-1,690	-8,053	16	-8,037	-4,074
<b>Net rental income</b>	<b>21,178</b>	<b>0</b>	<b>21,178</b>	<b>48,079</b>	<b>3,358</b>	<b>51,437</b>	<b>60,871</b>
Other expenses directly related to properties under development	0	-334	-334	0	-3,344	-3,344	0
Result from trading and construction works	0	9,114	9,114	0	7,665	7,665	0
Result from the sale of investment properties	727	0	727	8,942	4,659	13,601	913
Income from services rendered	0	0	0	254	7,138	7,392	604
Indirect expenses	-1,114	-62	-1,176	-6,075	-12,335	-18,410	-8,814
Other operating income	74	7	81	349	238	587	135
<b>EBITDA</b>	<b>20,865</b>	<b>8,726</b>	<b>29,591</b>	<b>51,548</b>	<b>7,380</b>	<b>58,928</b>	<b>53,710</b>
Depreciation and impairment/reversal	-740	0	-740	-94	-320	-414	-412
Result from revaluation	-1,885	-98	-1,983	180,707	11,447	192,155	-28,729
Result from joint ventures	0	0	0	0	0	0	0
<b>Result of operations (EBIT)</b>	<b>18,240</b>	<b>8,628</b>	<b>26,868</b>	<b>232,161</b>	<b>18,507</b>	<b>250,668</b>	<b>24,569</b>
<b>Timing of revenue recognition</b>							
Properties held for trading	0	0	0	0	5,665	5,665	0
Sale of investment properties	20,839	0	20,839	16,400	1,035	17,435	12,848
<b>Total income IFRS 15 - transferred at a point in time</b>	<b>20,839</b>	<b>0</b>	<b>20,839</b>	<b>16,400</b>	<b>6,701</b>	<b>23,101</b>	<b>12,848</b>
Income from the sale of properties and construction works	0	38,147	38,147	0	48,097	48,097	0
Income from services rendered	0	0	0	254	7,138	7,392	604
<b>Total income IFRS 15 - transferred over time</b>	<b>0</b>	<b>38,147</b>	<b>38,147</b>	<b>254</b>	<b>55,235</b>	<b>55,489</b>	<b>604</b>
<b>Total income IFRS 15</b>	<b>20,839</b>	<b>38,147</b>	<b>58,986</b>	<b>16,654</b>	<b>61,936</b>	<b>78,589</b>	<b>13,452</b>
<b>31.12.2017 restated</b>							
Property assets <sup>1)</sup>	535,088	32,588	567,677	1,872,411	681,610	2,554,020	1,495,908
Other assets	47,445	55,184	102,629	164,671	385,173	549,844	136,925
Deferred tax assets	0	0	0	587	1,354	1,941	859
<b>Segment assets</b>	<b>582,533</b>	<b>87,773</b>	<b>670,305</b>	<b>2,037,670</b>	<b>1,068,136</b>	<b>3,105,806</b>	<b>1,633,692</b>
Interest-bearing liabilities	224,551	45,450	270,001	919,303	150,852	1,070,155	691,516
Other liabilities	9,616	10,474	20,090	35,122	220,090	255,212	46,832
Deferred tax liabilities incl. current income tax liabilities	43,068	6,417	49,486	232,671	60,658	293,328	35,696
<b>Liabilities</b>	<b>277,236</b>	<b>62,341</b>	<b>339,577</b>	<b>1,187,096</b>	<b>431,600</b>	<b>1,618,695</b>	<b>774,044</b>
<b>Shareholders' equity</b>	<b>305,298</b>	<b>25,432</b>	<b>330,729</b>	<b>850,574</b>	<b>636,536</b>	<b>1,487,110</b>	<b>859,647</b>
Capital expenditures <sup>2)</sup>	4,872	36,981	41,854	16,059	195,876	211,936	155,601



Development	Eastern Europe core regions	Income producing	Development	Eastern Europe other regions	Total segments	Holding	Transition	Total
	Total			Total			Consolidation	
1,586	68,288	9,760	0	9,760	160,637	0	-27,124	133,513
0	0	0	0	0	1,093	0	-1,093	0
705	24,614	3,234	0	3,234	47,355	0	-8,601	38,755
-619	-26,285	-3,511	0	-3,511	-50,644	0	9,107	-41,538
-185	-4,259	-386	0	-386	-14,372	0	5,473	-8,899
<b>1,488</b>	<b>62,358</b>	<b>9,097</b>	<b>0</b>	<b>9,097</b>	<b>144,069</b>	<b>0</b>	<b>-22,238</b>	<b>121,831</b>
-118	-118	0	-31	-31	-3,828	0	1,303	-2,525
0	0	0	0	0	16,780	0	-8,404	8,375
0	913	0	0	0	15,242	0	-878	14,364
0	604	0	0	0	7,996	8,330	-8,730	7,596
-502	-9,316	-639	-73	-713	-29,615	-12,450	12,375	-29,689
8	143	0	0	0	812	149	-237	724
<b>875</b>	<b>54,585</b>	<b>8,458</b>	<b>-105</b>	<b>8,353</b>	<b>151,456</b>	<b>-3,971</b>	<b>-26,809</b>	<b>120,675</b>
-86	-498	0	0	0	-1,652	-376	-154	-2,183
-1,278	-30,007	-4,466	0	-4,466	155,698	0	-122,963	32,735
0	0	0	0	0	0	0	52,409	52,410
<b>-489</b>	<b>24,079</b>	<b>3,992</b>	<b>-105</b>	<b>3,887</b>	<b>305,502</b>	<b>-4,348</b>	<b>-97,517</b>	<b>203,638</b>

0	0	0	0	0	5,665	0	-697	4,968
0	12,848	0	0	0	51,122	0	-13,346	37,775
<b>0</b>	<b>12,848</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>56,787</b>	<b>0</b>	<b>-14,044</b>	<b>42,743</b>
0	0	0	0	0	86,244	0	-56,056	30,188
0	604	0	0	0	7,996	8,330	-8,730	7,596
<b>0</b>	<b>604</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>94,240</b>	<b>8,330</b>	<b>-64,786</b>	<b>37,784</b>
<b>0</b>	<b>13,452</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>151,027</b>	<b>8,330</b>	<b>-78,830</b>	<b>80,528</b>

54,779	1,550,687	175,770	4,860	180,630	4,853,014	0	-1,039,203	3,813,811
10,628	147,554	6,768	15,859	22,627	822,653	929,744	-824,729	927,669
205	1,064	164	0	164	3,168	37,113	-38,347	1,934
<b>65,612</b>	<b>1,699,304</b>	<b>182,702</b>	<b>20,719</b>	<b>203,421</b>	<b>5,678,836</b>	<b>966,856</b>	<b>-1,902,279</b>	<b>4,743,413</b>
36,299	727,815	123,363	13,228	136,591	2,204,563	911,596	-1,366,829	1,749,330
13,163	59,995	3,437	45	3,482	338,780	33,564	-112,037	260,306
118	35,815	2,781	560	3,341	381,970	1,301	-68,763	314,509
<b>49,580</b>	<b>823,624</b>	<b>129,581</b>	<b>13,833</b>	<b>143,415</b>	<b>2,925,311</b>	<b>946,461</b>	<b>-1,547,629</b>	<b>2,324,144</b>
<b>16,032</b>	<b>875,680</b>	<b>53,120</b>	<b>6,885</b>	<b>60,006</b>	<b>2,753,525</b>	<b>20,395</b>	<b>-354,650</b>	<b>2,419,269</b>
19,988	175,590	2,260	0	2,260	431,639	206	-131,213	300,633

## NOTES

### GENERAL NOTES

The condensed consolidated interim financial statements of CA Immobilien Anlagen Aktiengesellschaft ("CA Immo AG"), Vienna as at 30.9.2018 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 2017, except of new or amended standards.

The condensed consolidated interim financial statements, for the reporting period from 1.1. to 30.9.2018 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 30.9.2018 were prepared in accordance with all IASs, IFRSs and IFRIC and SIC interpretations (existing standards as amended and new standards) as adopted by the EU and applicable for the financial year beginning 1.1.2018. The following amended standards are applicable for the first time in the business year 2018:

Standard/Interpretation	Content	entry into force <sup>1)</sup>
IFRS 15	Revenue from Contracts with Customers	1.1.2018
Amendments to IFRS 15	Clarifications to IFRS 15 Revenue from Contracts with Customers	1.1.2018
IFRS 9	Financial instruments	1.1.2018
Amendments to IFRS 4	Applying IFRS 9 with IFRS 4 Insurance Contracts	1.1.2018
Annual Improvements to IFRS Standards 2014-2016 Cycle	Miscellaneous	1.1.2018
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions	1.1.2018
Amendments to IAS 40	Transfers of Investment Property	1.1.2018
IFRIC 22	Foreign Currency Transactions and Advance Considerations	1.1.2018

<sup>1)</sup> The standards and interpretations are to be applied to business years commencing on or after the effective date.

The first time application of the amended standards and interpretations have no essential impact on the consolidated financial statements. The first time application of IFRS 9 and IFRS 15 has material impact on the consolidated financial statements and is explained in more detail below.

#### Impact of IFRS 9 and IFRS 15 on the consolidated financial statements

##### IFRS 9: Financial instruments

"IFRS 9 Financial Instruments" replaces "IAS 39 Financial Instruments: Recognition and Measurement". CA Immo Group does not apply IFRS 9 retrospectively and therefore all necessary changes are reflected in the balance sheet as at 31.12.2017.

The subsequent measurement of financial assets/liabilities is based on three categories with different valuations and a different recognition of changes in value. The categorization results both from the dependence of the contractual cash flows of the instrument and from the business model according to which the instrument is held/managed. As financial instruments measured at "amortized cost" qualify only those, whose business model gives rise to cash flows that are solely payments of principal and interests (SPPI – "solely payments of principal and interest"). All other financial assets are measured at fair value through profit and loss. For equity instruments that are not held/managed for trading purposes, i.e. for which the primary objective is not the short-term value appreciation/realization, an option for recognition of the changes in the

other comprehensive income continues to exist. CA Immo Group makes use of this option for the securities which were classified as available for sale (AFS – available for sale) according to IAS 39.

IFRS 9 provides a three-step model for the recognition of losses. Accordingly, in the first step an expected 12-month loss must be recognized at the recognition date. In the second step, a significant increase in the risk of default should lead to an increase in the risk provision for the expected loss of the entire residual term. In the third step, upon occurrence of an objective indication of impairment, the interest has to be recognized based on the net book value (book value less risk provision). For leasing receivables according to IAS 17 there is an option to recognize the risk provision in the amount of the expected loss over the entire residual term at the recognition date. CA Immo Group exercises this option: as at 31.12.2017 the additional recognition of the allowance for leasing receivables is € 56 K. The allowances for cash at banks is € 223 K and the allowances for other financial assets stands at € 71 K.

Consequences will result in the recognition in the profit and loss for the changes in value of German partnerships participations classified as „available for sale“ according to IAS 39, since these changes in value have previously been recorded without affecting profit and loss. Now these changes are recorded through profit and loss. As at 31.12.2017, the change results only from a reclassification in shareholders' equity.

The application of IFRS 9 leads to changes in the financial statements of CA Immo Group in connection with the modification of debt instruments, since previous accounting method applied by the CA Immo Group under IAS 39 measured the liability at amortized cost (effective interest method). Now IFRS 9 regulates that changes in present value due to loan modifications are to be recognized immediately in the profit and loss and distributed over the residual term by means of the effective interest method. This change increases the shareholders' equity as at 31.12.2017 with € 3,291 K.

**IFRS 15: Revenue from contracts with customers**

IFRS 15 supersedes IAS 11, IAS 18 and the related interpretations and stipulates when and in which amount revenue has to be recognized. Income from leases (rental income) are excluded from the new IFRS 15 standard, as they fall under IAS 17 or starting 2019, under IFRS 16. The new standard provides a single, principle-based five-step model, which, apart from certain exceptions, has to be applied to all contracts with customers.

1. Identification of the contract with the customer
2. Identification of the performance obligations in the contract
3. Determination of the transaction price
4. Allocation of the transaction price to the performance obligations based on stand-alone selling prices of the individual performance obligations
5. Recognition of revenue over a period of time or at a specific point in time when performance obligation is fulfilled

CA Immo Group retrospectively applies IFRS 15 and makes use of practical easements for application, such as no restatement of completed contracts.

IFRS 15 requires, that if the entity's performance does not create an asset with alternative use to the entity and the entity has an enforceable right of payment, revenue is recognized over time. This assessment requires specific judgement. This applies, depending on the contract and on the legal environment, to the sale of residential projects as soon as they are sold. All capitalized cost according to IAS 2, including interest according to IAS 23, for the residential project are expensed as cost to fulfill the contract. On the other hand, the contractual payment according to the stage of completion is recognized as revenue. The incremental costs of obtaining a contract are also capitalized and expensed according to the stage of completion. Any received advance payment is netted off against the contract asset and might lead to a contract liability.

This also influences the result from joint ventures, since some of the residential projects are in joint ventures entities.

The identification of the stand-alone performance obligations in connection with the identification of the customer also lead to a differentiated recognition of revenue in respect of public interest development contracts. As a consequence, amounts previously treated as deferred revenues are already recognized as realised and the costs for the public interest development contracts are recognized as provisions. The difference amounting to the margin increases the equity.

The initial application of IFRS 9 (retrospectively without restatement of previous year comparatives) and IFRS 15 (retrospectively with full restatement of previous year comparatives) has the following effects on consolidated profit and loss, consolidated comprehensive income, consolidated balance sheet and consolidated statement of cash flows:

€ 1,000	1st –3rd Quarter 2017 as reported	Change due to IFRS 15	1st –3rd Quarter 2017 according to IFRS 15 restated
Rental income	133,513	0	133,513
Operating costs charged to tenants	38,755	0	38,755
Operating expenses	-41,538	0	-41,538
Other expenses directly related to properties rented	-8,899	0	-8,899
<b>Net rental income</b>	<b>121,831</b>	<b>0</b>	<b>121,831</b>
<b>Other expenses directly related to properties under development</b>	<b>-2,525</b>	<b>0</b>	<b>-2,525</b>
Income from the sale of properties and construction works	17,515	17,642	35,156
Book value of properties sold incl. ancillary and construction costs	-11,136	-15,645	-26,781
<b>Result from trading and construction works</b>	<b>6,378</b>	<b>1,997</b>	<b>8,375</b>
<b>Result from the sale of investment properties</b>	<b>19,775</b>	<b>-5,412</b>	<b>14,364</b>
Income from services rendered	7,596	0	7,596
Indirect expenses	-29,689	0	-29,689
Other operating income	724	0	724
<b>EBITDA</b>	<b>124,091</b>	<b>-3,415</b>	<b>120,676</b>
Depreciation and impairment of long-term assets	-2,183	0	-2,183
<b>Depreciation and impairment/reversal</b>	<b>-2,183</b>	<b>0</b>	<b>-2,183</b>
Revaluation gain	77,887	-159	77,728
Revaluation loss	-44,994	0	-44,994
<b>Result from revaluation</b>	<b>32,893</b>	<b>-159</b>	<b>32,735</b>
Result from joint ventures	50,712	1,697	52,409
<b>Result of operations (EBIT)</b>	<b>205,513</b>	<b>-1,876</b>	<b>203,637</b>
Finance costs	-26,447	10	-26,437
Foreign currency gains/losses	-785	0	-785
Result from derivatives	-1,525	0	-1,525
Result from financial investments	5,418	138	5,556
Result from other financial assets	-3,459	0	-3,459
Result from associated companies	4,183	0	4,183
<b>Financial result</b>	<b>-22,614</b>	<b>148</b>	<b>-22,466</b>
<b>Net result before taxes (EBT)</b>	<b>182,899</b>	<b>-1,728</b>	<b>181,171</b>
Current income tax	-12,766	0	-12,766
Deferred taxes	-22,513	1,396	-21,117
<b>Income tax expense</b>	<b>-35,279</b>	<b>1,396</b>	<b>-33,882</b>
<b>Consolidated net income</b>	<b>147,620</b>	<b>-331</b>	<b>147,289</b>
thereof attributable to non-controlling interests	7	0	7
<b>thereof attributable to the owners of the parent</b>	<b>147,613</b>	<b>-331</b>	<b>147,282</b>
Earnings per share in € (basic)	€1.58	€0.00	€1.58
Earnings per share in € (diluted)	€1.58	€0.00	€1.58

€ 1,000	1st –3rd Quarter 2017 as reported	Change due to IFRS 15/ reclassification IFRS 9	1st –3rd Quarter 2017 according to IFRS 15/IFRS 9 restated
<b>Consolidated net income</b>	<b>147,620</b>	<b>-331</b>	<b>147,289</b>
<b>Other comprehensive income</b>			
Cash flow hedges - changes in fair value	1,386	0	1,386
Reclassification cash flow hedges	1,114	0	1,114
Foreign currency gains/losses	562	0	562
Assets available for sale - changes in fair value	23,083	-23,083	0
Revaluation other investments	0	1,544	1,544
Income tax related to other comprehensive income	-2,822	1,634	-1,188
<b>Other comprehensive income for the period (realised through profit or loss)</b>	<b>23,324</b>	<b>-19,905</b>	<b>3,419</b>
Revaluation securities	0	21,539	21,539
Revaluation IAS 19	406	0	406
Income tax related to other comprehensive income	-130	-1,634	-1,764
<b>Other comprehensive income for the period (not realised through profit or loss)</b>	<b>277</b>	<b>19,905</b>	<b>20,181</b>
<b>Other comprehensive income for the period</b>	<b>23,601</b>	<b>0</b>	<b>23,601</b>
		0	
<b>Comprehensive income for the period</b>	<b>171,221</b>	<b>-331</b>	<b>170,889</b>
thereof attributable to non-controlling interests	7	0	7
<b>thereof attributable to the owners of the parent</b>	<b>171,214</b>	<b>-331</b>	<b>170,883</b>

€ 1,000	31.12.2017	Changes due to	Change due to	31.12.2017
	as reported	IFRS 9	IFRS 15	according to IFRS 9 and IFRS 15 restated
<b>ASSETS</b>				
Investment properties	3,155,677	0	0	3,155,677
Investment properties under development	579,274	0	0	579,274
Own used properties	5,500	0	0	5,500
Office furniture and equipment	5,462	0	0	5,462
Intangible assets	6,703	0	0	6,703
Investments in joint ventures	207,182	0	7,768	214,950
Financial assets	85,570	-35	931	86,466
Deferred tax assets	2,025	0	-91	1,934
<b>Long-term assets</b>	<b>4,047,393</b>	<b>-35</b>	<b>8,608</b>	<b>4,055,966</b>
Long-term assets as a % of total assets	84.9%			85.5%
Assets held for sale and relating to disposal groups	40,106	0	0	40,106
Properties held for trading	79,317	0	-42,858	36,459
Receivables and other assets	81,314	-92	9,361	90,583
Current income tax receivables	19,343	0	0	19,343
Securities	117,668	0	0	117,668
Cash and cash equivalents	383,512	-223	0	383,288
<b>Short-term assets</b>	<b>721,259</b>	<b>-316</b>	<b>-33,497</b>	<b>687,447</b>
<b>Total assets</b>	<b>4,768,653</b>	<b>-351</b>	<b>-24,888</b>	<b>4,743,413</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
Share capital	718,337	0	0	718,337
Capital reserves	794,493	0	0	794,493
Other reserves	22,940	-4,213	0	18,727
Retained earnings	862,689	7,153	17,819	887,662
<b>Attributable to the owners of the parent</b>	<b>2,398,459</b>	<b>2,940</b>	<b>17,819</b>	<b>2,419,219</b>
Non-controlling interests	51	0	0	51
<b>Shareholders' equity</b>	<b>2,398,510</b>	<b>2,940</b>	<b>17,819</b>	<b>2,419,270</b>
Shareholders' equity as a % of total assets	50.3%			51.0%
Provisions	5,646	0	31,110	36,756
Interest-bearing liabilities	1,684,170	-3,760	0	1,680,410
Other liabilities	86,434	0	-35,523	50,911
Deferred tax liabilities	291,305	468	5,098	296,871
<b>Long-term liabilities</b>	<b>2,067,555</b>	<b>-3,291</b>	<b>685</b>	<b>2,064,948</b>
Current income tax liabilities	17,638	0	0	17,638
Provisions	100,658	0	26,728	127,386
Interest-bearing liabilities	68,920	0	0	68,920
Other liabilities	115,303	0	-70,121	45,182
Liabilities relating to disposal groups	71	0	0	71
<b>Short-term liabilities</b>	<b>302,588</b>	<b>0</b>	<b>-43,393</b>	<b>259,196</b>
<b>Total liabilities and shareholders' equity</b>	<b>4,768,653</b>	<b>-351</b>	<b>-24,888</b>	<b>4,743,413</b>

€ 1,000	31.12.2016 as reported	Change due to IFRS 15	1.1.2017 according to IFRS 15 restated
<b>ASSETS</b>			
Investment properties	2,923,676	0	2,923,676
Investment properties under development	433,049	0	433,049
Own used properties	6,643	0	6,643
Office furniture and equipment	5,599	0	5,599
Intangible assets	8,195	0	8,195
Investments in joint ventures	191,369	3,469	194,838
Financial assets	89,713	486	90,199
Deferred tax assets	1,563	0	1,563
<b>Long-term assets</b>	<b>3,659,806</b>	<b>3,955</b>	<b>3,663,761</b>
Long-term assets as a % of total assets	84.9%		85.1%
Assets held for sale and relating to disposal groups	26,754	0	26,754
Properties held for trading	34,147	-18,598	15,549
Receivables and other assets	76,235	8,699	84,934
Current income tax receivables	15,552	0	15,552
Securities	101,555	0	101,555
Cash and cash equivalents	395,088	0	395,088
<b>Short-term assets</b>	<b>649,332</b>	<b>-9,899</b>	<b>639,433</b>
<b>Total assets</b>	<b>4,309,138</b>	<b>-5,943</b>	<b>4,303,194</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Share capital	718,337	0	718,337
Capital reserves	819,068	0	819,068
Other reserves	-894	0	-894
Retained earnings	667,984	14,541	682,525
<b>Attributable to the owners of the parent</b>	<b>2,204,495</b>	<b>14,541</b>	<b>2,219,036</b>
Non-controlling interests	46	0	46
<b>Shareholders' equity</b>	<b>2,204,541</b>	<b>14,541</b>	<b>2,219,082</b>
Shareholders' equity as a % of total assets	51.2%		51.6%
Provisions	13,242	42,816	56,058
Interest-bearing liabilities	1,412,635	0	1,412,635
Other liabilities	87,180	-50,215	36,965
Deferred tax liabilities	239,969	5,343	245,312
<b>Long-term liabilities</b>	<b>1,753,026</b>	<b>-2,056</b>	<b>1,750,970</b>
Current income tax liabilities	16,736	0	16,736
Provisions	84,766	26,545	111,311
Interest-bearing liabilities	153,004	0	153,004
Other liabilities	97,064	-44,973	52,091
<b>Short-term liabilities</b>	<b>351,571</b>	<b>-18,429</b>	<b>333,142</b>
<b>Total liabilities and shareholders' equity</b>	<b>4,309,138</b>	<b>-5,943</b>	<b>4,303,194</b>

€ 1,000	1st –3rd Quarter 2017 as reported	Change due to IFRS 15	1st –3rd Quarter 2017 according to IFRS 15 restated
<b>Operating activities</b>			
Net result before taxes	182,899	-1,728	181,171
Revaluation result incl. change in accrual and deferral of rental income	-33,949	159	-33,790
Depreciation and impairment/reversal	2,183	0	2,183
Result from the sale of long-term properties and office furniture and other equipment	-19,815	5,299	-14,516
Taxes paid/refunded excl. taxes for the sale of long-term properties	-10,646	0	-10,646
Finance costs, result from financial investments and other financial result	21,029	-148	20,881
Foreign currency gains/losses	785	0	785
Result from derivatives	1,525	0	1,525
Result from other financial assets and non-cash income from investments in at equity consolidated entities	-51,436	-1,698	-53,134
<b>Cash flow from operations</b>	<b>92,575</b>	<b>1,884</b>	<b>94,459</b>
Properties held for trading	-18,698	17,464	-1,234
Receivables and other assets	7,591	-151	7,440
Provisions	-772	-1,656	-2,428
Other liabilities	17,740	-17,541	199
<b>Cash flow from change in net working capital</b>	<b>5,861</b>	<b>-1,884</b>	<b>3,977</b>
<b>Cash flow from operating activities</b>	<b>98,436</b>	<b>0</b>	<b>98,436</b>
<b>Investing activities</b>			
Acquisition of and investment in long-term properties incl. prepayments	-93,817	0	-93,817
Acquisition of property companies, less cash and cash equivalents of € 2,454 K	-128,609	0	-128,609
Acquisition of office equipment and intangible assets	-777	0	-777
Repayment/acquisition of financial assets	-198	0	-198
Investments in joint ventures	-3,328	0	-3,328
Disposal of investment properties and other assets	20,660	0	20,660
Disposal of investment property companies, less cash and cash equivalents of € 0 K	7,334	0	7,334
Disposal of joint ventures	12,083	0	12,083
Loans made to joint ventures	-325	0	-325
Loan repayments made by joint ventures	1,814	0	1,814
Taxes paid/refunded relating to the sale of long-term properties and loans granted	-3,937	0	-3,937
Dividend distribution/capital repayment from at equity consolidated entities and other investments	13,105	0	13,105
Interest paid for capital expenditure in investment properties	-3,215	0	-3,215
Interest received from financial investments	737	0	737
<b>Cash flow from investing activities</b>	<b>-178,471</b>	<b>0</b>	<b>-178,471</b>



€ 1,000	1st –3rd Quarter 2017 as reported	Change due to IFRS 15	1st –3rd Quarter 2017 according to IFRS 15 restated
<b>Financing activities</b>			
Cash inflow from loans received	36,153	0	36,153
Cash inflow from the issuance of bonds	173,388	0	173,388
Acquisition of treasury shares	–3,948	0	–3,948
Dividend payments to shareholders	–60,691	0	–60,691
Repayment/payment related to the acquisition of shares from non-controlling interests	1,410	0	1,410
Repayment of loans incl. interest rate derivatives	–220,184	0	–220,184
Other interest paid	–28,267	0	–28,267
<b>Cash flow from financing activities</b>	<b>–102,139</b>	<b>0</b>	<b>–102,139</b>
<b>Net change in cash and cash equivalents</b>	<b>–182,174</b>	<b>0</b>	<b>–182,174</b>
Cash and cash equivalents as at 1.1.	395,088	0	395,088
Changes in the value of foreign currency	505	0	505
Changes due to classification of disposal group	–1	0	–1
<b>Cash and cash equivalents as at 30.9.</b>	<b>213,418</b>	<b>0</b>	<b>213,418</b>

The following tables show the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of financial assets and financial liabilities as at 31.12.2017:

31.12.2017 € 1,000	Classification IAS 39 <sup>1)</sup>	Classification IFRS 9 <sup>2)</sup>	Book value according to IAS 39	Book value according to IFRS 9
Cash and cash equivalents with drawing restrictions	L&R	AC	10,066	10,031
Derivative financial instruments	HFT	FVTPL	293	293
Primary financial instruments	L&R	AC	3,160	3,160
Loans to associated companies	L&R	FVTPL	15,176	15,176
Other investments	AFS	FVTPL	56,875	56,875
<b>Financial assets</b>			<b>85,570</b>	<b>85,535</b>
Cash and cash equivalents with drawing restrictions	L&R	AC	3,679	3,655
Other receivables and assets	L&R	AC	58,639	58,571
<b>Receivables and other assets</b>			<b>62,318</b>	<b>62,226</b>
<b>Securities</b>	<b>AFS</b>	<b>FVOCI</b>	<b>117,668</b>	<b>117,668</b>
<b>Cash and cash equivalents</b>	<b>L&amp;R</b>	<b>AC</b>	<b>383,512</b>	<b>383,288</b>
<b>Total</b>			<b>649,068</b>	<b>648,717</b>

31.12.2017 € 1,000	Classification IAS 39 <sup>1)</sup>	Classification IFRS 9 <sup>2)</sup>	Book value according to IAS 39	Book value according to IFRS 9
Convertible bond	FLAC	AC	184,334	184,334
Bonds	FLAC	AC	648,447	648,447
Other interest-bearing liabilities	FLAC	AC	920,308	916,549
<b>Interest-bearing liabilities</b>			<b>1,753,089</b>	<b>1,749,330</b>
Derivative financial instruments	HFT	FVTPL	23,021	23,021
Other primary liabilities	FLAC	AC	55,098	55,098
<b>Other liabilities</b>			<b>78,120</b>	<b>78,120</b>
			<b>1,831,209</b>	<b>1,827,450</b>

<sup>1)</sup> HFT – held for trading, AFS – available for sale, L&R – loans and receivables, FLAC – financial liabilities at amortised cost

<sup>2)</sup> FVTPL – fair value through profit or loss, FVOCI – fair value through other comprehensive income, AC – amortised cost

#### **New standard IFRS 16**

CA Immo Group currently evaluates the effects of the new standard IFRS 16 (effective date 1.1.2019) in a project in order to assess the necessary adjustments for accounting as well as processes and systems.

#### **IFRS 16: Leases**

The new standard defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To be classified as lease, the contract needs to fulfill the following criteria:

- The fulfillment of the contract depends on the use of an identified asset.
- The contract must convey the right to control the use of an identified asset.

Under IFRS 16, lessors classify all leases in the same manner as under IAS 17, distinguishing between two types of leases: finance and operating. Lessees, however, do not need to separate between the types of leases but need to recognize an asset as a "right of use" for all lease contracts upon lease commencement and need to book a corresponding leasing liability. Leases of low-value assets and short-term leases as well as software are excepted.

The changes of IFRS 16 on the operating leases of CA Immo Group mainly concern leases for furniture and office equipment and rental agreements in Germany. The right of use asset for the rented offices of CA Immo Germany is estimated to approximately € 11.5 m.

The application of IFRS 16 will lead to the recognition of a right of use asset and a lease liability in those cases where CA Immo Group is lessee and not owner of a land plot. The relevant contracts, which occur in Eastern Europe, have been subject to a more detailed analysis. From the current perspective, the investment properties as well as the interest-bearing liabilities will increase by around € 25 m.

A final decision has not yet been made with respect to exercising the available options for the transitional provisions and the use of options under IFRS 16. CA Immo Group will likely apply IFRS 16 retrospectively without adjusting the prior year comparative figures.

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## **SCOPE OF CONSOLIDATION**

In the first three quarters of 2018 the closing of the sale of the Tower 185 Betriebs GmbH (reclassified as held for sale as at 31.12.2017), the closing of the sale of a subsidiary with a property in Austria (reclassified as held for sale as at 31.12.2017) as well as the closing of the sale of a holding company and a subsidiary with a plot in Ukraine took place. Moreover, the sale of a participation in a joint venture in Bulgaria was closed.

In June 2018, CA Immo Group acquired the office building Visionary in Prague. The preliminary purchase price for the recently completed property is approximately € 65 m. The acquisition is not qualified as a business combination according to IFRS 3. The closing of the transaction took place on 27.6.2018.

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## **NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

### **Statement of financial position**

With respect to determination of the fair value of the properties, we refer to the detailed presentation in 2017 consolidated financial statements. CA Immo Group commissions external valuations for monitoring significant changes related to market and properties. Thus an external valuation was carried out in Austria for two properties as at 30.9.2018 (as at 30.6.2018, 5.6% of the properties in Austria as well as 31.7% in Germany and 5.3% of the properties in Eastern Europe, according to segment reporting, were subject to an external valuation). The values of the other properties were determined based on binding purchase agreements or internally updated on basis of the previous year's valuations.

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

€ 1,000	30.9.2018	31.12.2017 restated
Loans to joint ventures	3,112	3,061
Loans to associated companies	10,710	15,176
Other investments	56,136	56,875
Other financial assets	15,510	11,354
<b>Financial assets</b>	<b>85,467</b>	<b>86,466</b>

As at 30.9.2018, one property in Eastern Europe (core regions)/Hungary and other assets amounting to € 7,753 K were reclassified to assets held for sale and relating to disposal groups. Liabilities relating to disposal groups comprise € 33 K provisions, € 7,126 K financial liabilities and € 153 K other liabilities. A sale within one year from the date of reclassification is regarded as highly probable.

As at 30.9.2018, CA Immo Group held cash and cash equivalents amounting to € 479,909 K, cash and cash equivalents contain bank balances of € 10,619 K (31.12.2017: € 16,140 K) to which CA Immo Group only has restricted access for a period of at most three 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	30.9.2018	31.12.2017 restated
Maturity > 1 year	11,273	10,031
Maturity from 3 to 12 months	4,939	3,655
<b>Cash at banks with drawing restrictions</b>	<b>16,212</b>	<b>13,686</b>

### Income Statement

The result from revaluation in the first three quarters of 2018 results from revaluation gain of € 112,733 K (mainly from the segment Germany) and revaluation loss of € -20,236 K (mainly from the segment Eastern Europe core regions and Eastern Europe other regions).

The revaluation of the acquired building Visionary in Prague – representing the difference between the preliminary acquisition costs and fair value of the property at the date of the initial consolidation – amounts to € 1,717 K.

The foreign currency gains/losses in the first three quarters of 2018 contain the reclassification of the reserve for foreign currency translation in amount of € 3,920 K due to the sale of two Ukrainian entities and the liquidation of one Ukrainian entity.

The result from derivatives comprises the following:

€ 1,000	1st –3rd Quarter 2018	1. –3. Quartal 2017
Valuation interest rate derivative transactions	1,344	–431
Ineffectiveness of interest rate swaps	0	20
Reclassification of valuation results recognised in equity	–1,110	–1,114
Valuation derivative convertible bond	–23,620	0
<b>Result from derivatives</b>	<b>–23,386</b>	<b>–1,525</b>

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. The reclassifications result from early repayment of the borrowings.

Tax expenses comprise the following:

€ 1,000	1st –3rd Quarter 2018	1st –3rd Quarter 2017 restated
Current income tax (current year)	–34,411	–9,927
Current income tax (previous years)	–1,067	–2,839
<b>Current income tax</b>	<b>–35,478</b>	<b>–12,766</b>
Change in deferred taxes	–11,024	–22,359
Tax benefit on valuation of assets available for sale in equity	–129	1,243
<b>Income tax expense</b>	<b>–46,630</b>	<b>–33,882</b>
Effective tax rate (total)	25.5%	18.7%

Current income tax (current year) mainly arises in the segment Germany (€ -28,245 K). The change in income tax (previous years) is mainly explained by provisions for findings during tax audits in Germany. The changes in deferred taxes in the first three quarters of 2018 include opposite effects on income tax (current year) resulting from sales of real estate and project realization in amount of € 22,079 K (thereof € 19,825 K in the segment Germany).

### Earnings per share

		1st –3rd Quarter 2018	1st –3rd Quarter 2017 restated
Weighted average number of shares outstanding	pcs.	93,061,207	93,362,329
Consolidated net income	€ 1,000	135,905	147,282
<b>Basic earnings per share</b>	<b>€</b>	<b>1.46</b>	<b>1.58</b>

		1st –3rd Quarter 2018	1st –3rd Quarter 2017 restated
Weighted average number of shares outstanding	pcs.	93,061,207	93,362,329
<b>Dilution effect:</b>			
Convertible bond	pcs.	6,560,347	0
<b>Weighted average number of shares</b>	<b>pcs.</b>	<b>99,621,554</b>	<b>93,362,329</b>

The diluted earnings per share for the first three quarters of 2018 corresponds to the undiluted earnings per share. The effect of the convertible bond on the income statement increases the earnings per share, thus there is no dilution.

### SHARES BUY - BACK PROGRAM

At the end of November 2016, another share buyback programme was launched 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, which was raised to € 24.20 per share end of August 2017. Additionally, the price has to comply with the authorizing resolution of the Annual General Meeting, meaning that the lowest amount payable on repurchase is not to be less than 30% and not to exceed 10% of the average unweighted price at the close of the market 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 ended on 2.11.2018 according to the schedule. In the first three quarters of 2018 197,983 shares (ISIN AT0000641352) had been acquired through the programme at a weighted equivalent value per share of approximately € 23.55.

As at 30.9.2018, CA Immobilien Anlagen AG held 5,780,037 treasury shares in total; given the total number of voting shares issued (98,808,336), this is equivalent to around 5.8% of the voting stock.

### FINANCIAL INSTRUMENTS

Category	Book value	Fair value	Book value	Fair value
€ 1,000	30.9.2018	30.9.2018	31.12.2017	31.12.2017
			restated	
Cash at banks with drawing restrictions	11,273	11,319	10,031	10,066
Derivative financial instruments	773	773	293	293
Primary financial instruments	73,421		76,142	
<b>Financial assets</b>	<b>85,467</b>		<b>86,466</b>	
Cash at banks with drawing restrictions	4,939	4,965	3,655	3,679
Other receivables and other financial assets	65,443		62,974	
Non financial assets	34,585		23,954	
<b>Receivables and other assets</b>	<b>104,968</b>		<b>90,583</b>	
<b>Securities</b>	<b>122,984</b>	<b>122,984</b>	<b>117,668</b>	<b>117,668</b>
<b>Cash and cash equivalents</b>	<b>479,909</b>		<b>383,288</b>	
	<b>793,327</b>		<b>678,005</b>	

The fair value of the other receivables and financial assets as well as the primary financial instruments essentially equals the book value due to short-term maturities. The book values of the other investments that are included in the primary financial instruments correspond to their fair values. Financial assets are partially mortgaged as security for financial liabilities.

Category € 1,000	Book value	Fair value	Book value	Fair value
	30.9.2018	30.9.2018	31.12.2017 restated	31.12.2017
Convertible bond	187,055	188,431	184,334	186,330
Bonds	791,616	823,784	648,447	687,811
Other interest-bearing liabilities	901,608	902,525	916,549	921,656
<b>Interest-bearing liabilities</b>	<b>1,880,279</b>		<b>1,749,330</b>	
Derivative financial instruments	46,477	46,477	23,021	23,021
Other primary liabilities	185,984		73,072	
<b>Total other liabilities</b>	<b>232,460</b>		<b>96,093</b>	
	<b>2,112,739</b>		<b>1,845,423</b>	

The stock exchange price of the convertible bond amounts to € 231,985 K. The fair value of the embedded derivative of the convertible bond amounts to € 43,554 K. The debt component of the convertible bond and the embedded derivative of the convertible bond are separately reported.

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	30.9.2018	Nominal value	Fair value	31.12.2017
			Book value			Book value
Interest rate swaps - assets	40,752	162	162	92,343	293	293
Interest rate swaps - liabilities	467,924	-2,923	-2,923	363,645	-3,088	-3,088
<b>Total interest rate swaps</b>	<b>508,676</b>	<b>-2,762</b>	<b>-2,762</b>	<b>455,987</b>	<b>-2,795</b>	<b>-2,795</b>
Interest rate floors	45,000	612	612	0	0	0
Derivative convertible bond	0	-43,554	-43,554	0	-19,934	-19,934
<b>Total derivatives</b>	<b>553,676</b>	<b>-45,704</b>	<b>-45,704</b>	<b>455,987</b>	<b>-22,729</b>	<b>-22,729</b>
- thereof stand alone (fair value derivatives)						
- assets	85,752	773	773	92,343	293	293
- thereof stand alone (fair value derivatives)						
- liabilities	467,924	-46,477	-46,477	363,645	-23,021	-23,021

The derivative of the convertible bond results from the repayment option of the convertible bond into shares of CA Immo AG and is reported at fair value.

€ 1,000	Nominal value	Fair value	30.9.2018	Nominal value	Fair value	31.12.2017
			Book value			Book value
- fair value derivatives (HFT) - assets	40,752	162	162	92,343	293	293
- fair value derivatives (HFT) - liabilities	467,924	-2,923	-2,923	363,645	-3,088	-3,088
<b>Interest rate swaps</b>	<b>508,676</b>	<b>-2,762</b>	<b>-2,762</b>	<b>455,987</b>	<b>-2,795</b>	<b>-2,795</b>
Interest rate floors	45,000	612	612	0	0	0
<b>Total interest rate derivatives</b>	<b>553,676</b>	<b>-2,150</b>	<b>-2,150</b>	<b>455,987</b>	<b>-2,795</b>	<b>-2,795</b>

Interest rate derivatives	Nominal value in € 1,000	Start	End	Fixed interest rate as at 30.9.2018	Reference interest rate	Fair value in € 1,000 30.9.2018
EUR - stand alone - assets	40,752	6/2017	6/2027	0.66%–0.70%	3M-Euribor	162
EUR - stand alone - liabilities	467,924	7/2016-12/2018	6/2019-12/2032	-0.18%–1.19%	3M-Euribor	-2,923
<b>Total interest swaps = variable in fixed</b>	<b>508,676</b>					<b>-2,762</b>
Interest rate floors	45,000	5/2018	5/2028	0.00%	3M-Euribor	612
<b>Total interest rate derivatives</b>	<b>553,676</b>					<b>-2,150</b>



Interest rate derivatives	Nominal value in € 1,000	Start	End	Fixed interest rate as at 31.12.2017	Reference interest rate	Fair value in € 1,000 31.12.2017
EUR - stand alone - assets	92,343	12/2016-6/2017	12/2023-6/2027	0.29%–0.66%	3M-Euribor	293
EUR - stand alone - liabilities	363,645	7/2016-12/2017	6/2019-12/2029	–0.18%–1.12%	3M-Euribor	–3,088
<b>Total interest swaps = variable in fixed</b>	<b>455,987</b>					<b>–2,795</b>

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

€ 1,000	2018	2017
<b>As at 1.1.</b>	<b>–842</b>	<b>–3,201</b>
Change in valuation of cash flow hedges	0	1,407
Change of ineffectiveness cash flow hedges	0	–20
Reclassification cash flow hedges	1,110	1,114
Income tax cash flow hedges	–268	–712
<b>As at 30.9.</b>	<b>0</b>	<b>–1,412</b>
thereof: attributable to the owners of the parent	0	–1,412

### Hierarchy of fair values

Financial instruments measured at fair value relate to derivative financial instruments as well as securities and other investments. 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 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	30.9.2018	31.12.2017 restated
<b>Interest-bearing liabilities</b>		
Long-term interest-bearing liabilities	1,751,096	1,680,410
Short-term interest-bearing liabilities	129,183	68,920
<b>Interest-bearing assets</b>		
Cash and cash equivalents	-479,909	-383,288
Cash at banks with drawing restrictions	-974	-974
<b>Net debt</b>	<b>1,399,396</b>	<b>1,365,068</b>
Shareholders' equity	2,478,091	2,419,270
<b>Gearing ratio (Net debt/equity)</b>	<b>56.5%</b>	<b>56.4%</b>

For the calculation of the gearing ratio the book value of cash and cash equivalents is taken into consideration for practical easement. Cash at banks with drawing restrictions were considered in the calculation of net debt, in case they are used to secure the repayments of financial liabilities.

### BUSINESS RELATIONSHIPS WITH RELATED PARTIES

#### Balances/transactions with Joint Ventures

€ 1,000	30.9.2018	31.12.2017 restated
Investments in joint ventures	193,877	214,950
Investments in joint ventures held for sale	0	2,276
Loans	3,112	3,061
Receivables	15,763	8,582
Liabilities	125,808	9,409
Provisions	11,766	12,420
	<b>1st –3rd Quarter 2018</b>	<b>1st –3rd Quarter 2017 restated</b>
Joint ventures result	19,893	51,500
Result from sale of joint ventures	21	909
<b>Result from joint ventures</b>	<b>19,914</b>	<b>52,409</b>
Other income	1,779	1,913
Other expenses	-720	-958
Interest income	361	41
Interest expense	-2	0

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. No guarantees or other forms of securities exist in connection with these loans. The liabilities to joint ventures in amount of € 118,084 K result from a dividend prepayment due to the sale of the Tower 185, held by a joint venture.

<b>Balances/transactions with associated companies</b>		
€ 1,000	<b>30.9.2018</b>	<b>31.12.2017</b>
Loans	10,710	15,176
	<b>1st –3rd Quarter 2018</b>	<b>1. –3. Quartal 2017</b>
Income from associated companies	0	4,183
Expenses due to associated companies	-2,195	0
<b>Result from associated companies</b>	<b>-2,195</b>	<b>4,183</b>
Interest income from associated companies	0	1,052

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 exist in connection with these loans. In the book value of loans to associated companies, a cumulated impairment amounting to € 11,692 K (31.12.2017: € 7,226 K) is included.

#### **IMMOFINANZ Group, Vienna**

During the period from 2.8.2016 to 27.9.2018, the IMMOFINANZ Group held 25,690,163 bearer shares as well as four registered shares of CA Immo AG through its 100% owned subsidiary GENA ELF Immobilienholding GmbH; with approximately 26% of the capital stock it represented the largest single shareholder of the company.

Between IMMOFINANZ Group and the CA Immo Group, there was a reciprocal shareholding until 27.9.2018. The CA Immo Group holds 5,480,556 bearer shares of IMMOFINANZ AG (equivalent to approximately 4.9% of the capital stock of IMMOFINANZ AG). In the first three quarters of 2018, for the IMMOFINANZ securities a dividend amounting to € 3,836 K was recognized in the consolidated income statement.

In 2016, CA Immo AG and IMMOFINANZ AG had agreed to enter into a constructive dialogue concerning a potential merger of the two companies. On 28.2.2018, IMMOFINANZ AG announced to continue the suspension of detailed discussions over a possible merger between both companies for the time being and to evaluate other strategic options, among others, the possible sale of its investment in CA Immo AG. A corresponding bidding process for a block sale of its 26% investment had been started. On 2.7.2018 IMMOFINANZ AG informed, that it sold its investment in CA Immo to SOF-11 Starlight 10 EUR S.á r.l., a company managed by the Starwood Capital Group. On 18.7.2018, the Management Board of CA Immo AG approved the transfer of the four registered shares to SOF-11 Starlight 10 EUR S.á r.l. The transaction was completed on 27.9.2018 following approval of the responsible antitrust authorities.

#### **Starwood Capital Group (Starwood)**

Since 27.9.2018, SOF-11 Starlight 10 EUR S.á r.l. holds 25,843,562 bearer shares and four registered shares of CA Immo AG. With a shareholding of 26.16% of the share capital, it is now the largest single shareholder in the company. SOF-11 Starlight 10 EUR S.á r.l. is an indirect wholly owned subsidiary of SOF-11 International SCSp. SOF-11 International SCSp is part of a group of companies known as SOF-XI, a discretionary fund with approximately USD 7.56 bn assets under management. SOF-XI is a fund managed by Starwood, a privately owned global alternative investment company with more than 80 partners. Starwood Capital Group is an investor focusing on global real estate investments.

## **OTHER LIABILITIES AND CONTINGENT LIABILITIES**

As at 30.9.2018, 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 € 566 K (31.12.2017: € 608 K). In addition, letters of support exist for a joint venture in Germany, amounting to € 2,000 K (31.12.2017: € 2,000 K). As security for liabilities from loans guarantees, letters of comfort and declarations for joint liabilities were issued for two (2017: two) joint ventures in an extent of € 2,500 K (31.12.2017: € 2,500 K). Furthermore as security for warranty risks in Germany, guarantees were issued in an amount of € 15,066 K (31.12.2017: € 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 € 1,027 K (31.12.2017: € 8,469 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.

For the purpose of recognising tax provisions, estimates have to be made. Uncertainties exist concerning the interpretation of complex tax regulations as well as calculation methods in practice 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. This may include amended interpretations of tax authorities for previous periods. CA Immo Group recognises appropriate provisions for known and probable charges arising from ongoing tax audits.

Uncertainties also relate to the retrospective application of subsequent tax changes concerning completed and law-aligned restructurings in Eastern Europe. CA Immo Group estimates the possibility of incurring actual expenses due to the subsequent change of tax law and their implications for past restructurings, as low.

In connection with a development project in Eastern Europe a contractor preliminary claimed payment of additional costs of € 25.31 million and the entitlement to extension of time for completion of the works. CA Immo fully rejected these out-of-court claims as these have no substance or legal ground. No lawsuit was initiated.

Existing uncertainties are continually evaluated and may lead to adjustments of estimates.

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 € 2,502 K (31.12.2017: € 8,789 K), in Germany in the amount of € 200,997 K (31.12.2017: € 153,549 K) and in Eastern Europe in the amount of € 6,979 K (31.12.2017: € 22,533 K). In addition as at 30.9.2018, 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 € 9,134 K (31.12.2017 restated: € 16,241 K).

The total obligation of the payments of equity in joint ventures for which no adequate provisions have been recognised amount in Austria to € 0 K (31.12.2017: € 6,035 K) in Germany to € 2,665 K (31.12.2017: € 1,990 K) and in Eastern Europe to € 0 K (31.12.2017: € 0 K) as per 30.9.2018. 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 30.9.2018, 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 30.9.2018, this applied to no loan (31.12.2017: no loan).

In May 2018, the contract for the acquisition of Campus 6.1 office building in Bukarest with an area of 22,000 square meters and an estimated transaction volume of € 53 m was signed. The closing is expected for the 4th quarter 2018.

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#### SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM REPORTING PERIOD

In October 2018, the CA Immo Group acquired part C of the Warsaw Spire Complex in Warsaw. The preliminary transaction volume for the fully let property with an area of 21,700 sqm amounts to € 100 m.

The share buyback programme launched in November 2016 for up to 1,000,000 shares (around 1% of the company's share capital) finished on 2.11.2018 as planned. In total, 780,037 bearer shares were acquired via the stock exchange under this program.

Against the background of concluded merger talks with IMMOFINANZ AG and the subsequent sale of this party's holding in CA Immo, Dr. Hans Volckens opted to terminate his mandate with the mutual consent of the Supervisory Board. Dr. Volckens duly resigned his post as a member of the Management Board as of midnight on 10.10.2018. At the end of September 2016, alongside the usual responsibilities associated

with the remit of the Chief Financial Officer, he took on all special tasks relating to the merger talks with IMMOFINANZ AG in order to represent and uphold the interests of CA Immo as effectively as possible. The Supervisory Board will advise on his successor in the near future.

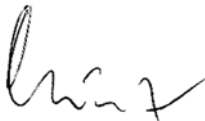
The mandate of Chief Executive Officer Andreas Quint, who took on the duties of the Chief Financial Officer on an interim basis, was extended to 31.12.2021 ahead of time.

Keegan Viscius, the long-serving Senior Vice President of the Starwood Capital Group, resigned from Starwood and moved to the Management Board of CA Immo as of 1.11.2018, where he assumed responsibility for the investment and asset management area in his capacity as Chief Investment Officer (CIO). As Senior Vice President of Starwood, Keegan Viscius was responsible for real estate investments in Europe for more than six years.

In the course of the change of the main shareholder, Dr. Oliver Schumy and Stefan Schönauer, the Supervisory Board members delegated by the IMMOFINANZ Group on the basis of registered shares, stepped down as members of the Supervisory Board with effect from midnight on 27.9.2018. At the same time, the new main shareholder exercised its rights of appointment associated with the registered shares to appoint three members to the Supervisory Board of CA Immo: Sarah Broughton, Laura Rubin and Jeffrey Dishner. The Supervisory Board members Gabriele Düker and Professor Sven Bienert resigned their Supervisory Board mandates at the end of October 2018.

Vienna, 20.11.2018

The Management Board



Andreas Quint  
(Chief Executive Officer)



Keegan Viscius  
(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

Published by: CA Immobilien Anlagen AG, 1030 Vienna, Mechelgasse 1  
Text: Susanne Steinböck, Christoph Thurnberger, Claudia Höbart  
Layout: Cornelia Kellner, Photographs: CA Immo, Production: 08/16; this report is set inhouse with FIRE.sys

## GENERAL INFORMATION ON CA IMMO SHARE

Listed on Vienna Stock Exchange  
ISIN: AT0000641352  
Reuters: CAIV.VI  
Bloomberg: CAI: AV

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