

25 March 2008

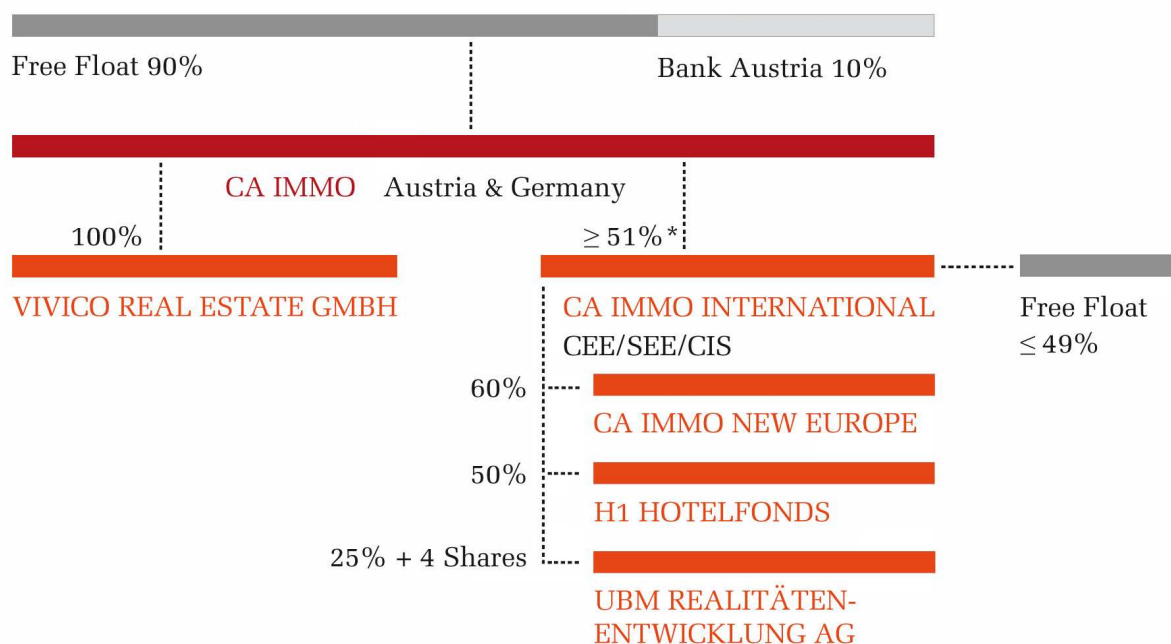
CA Immo Group 2007: “EUROPEAN LEAGUE” DEBUT

- **Strong fiscal year 2007 for the CA Immo Group: rent income +60%, group result +27%, operating cash-flow +74%**
- **Value of real estate assets increases by 17% to reach 2.5 bn €**
- **CA Immo: acquisition of Germany’s Vivico as a platform for doing business in Germany**
- **CA Immo International: continued growth**

After having experienced a year of restructuring in 2006, CA Immo Group used the past business year in order to achieve a sustainable expansion of its position. Strong increases were effected in all the important numbers: rent income rose by 60%, the EBITDA by 53% and the group result by 27%, while operating cash-flow increased by a whole 74%.

The real estate portfolio was significantly enlarged in terms of floor space and value, with both figures now at new record highs (floor space 2,074,178 sqm; market value 2,535.3 m €). The acquisition at the turn of the year of Germany’s Vivico Group as a future platform for all activities in Germany was a further milestone on the path that, in 2007, saw CA Immo Group catapulted into the league of Europe’s largest real estate companies in 2007. Despite the most unfavourable environment on the international capital markets, the group embarked on this course as a consistent and long-term project.

Organisational structure of CA Immo Group



* CA Immo contingent has been extended to 56% at beginning of 2008.

State: 31.12.2007

* CA Immo has further increased its stake in CA Immo International since the beginning of 2008.

CA Immobilien Anlagen AG: new strategic base in Germany

Over the past two years, CA Immo Group has expanded into an investment group. The bundling of Eastern European business beneath the umbrella of CA Immo International was mirrored by the concentration of CA Immo on the target markets of Austria and Germany. The corporation's acquisition of the Hessen portfolio at the end of 2006 was a major step in this direction. The acquisition of German real estate developer Vivico, which is specialised in the development of entire city neighbourhoods on former properties of the German Railways, means a new platform for the group's German activities. The project development business in this important market will be consistently pursued working from this base. The know-how of Vivico and the experience of CA Immo mean extensive synergies which will stimulate the continued growth of CA Immo Group.

At the end of 2007, the portfolio of CA Immo Group consisted of altogether 212 properties, divided among 183 income properties and 29 projects in development, credit purchases and/or stakes. Total floor space rose by 17% to reach 2,074,178 sqm (incl. projects and parking spaces), with the portfolio's value rising against the year before by 20% to reach 2.535 bn €.

Viewed according to target markets, 40% of the floor space lies in Germany and 32% lie in Austria, followed by 6% each in Hungary in Romania. In terms of usage, office space predominates with a share of 59% of floor space, followed by industrial space and warehouses with 18%, retail space with 9%, and hotels and apartments with 5% each.

The average economic vacancy rate (based on loss against ideal financial performance for the year) reached 3.8% across the group's entire portfolio, with vacancy at 3.1% on the balance sheet date (as opposed to 7% at the end of 2006).

Rent income in 2007 was distributed at 36% from Germany, 22% from Austria and 31% from eastern and southern Europe. In terms of usage, offices accounted for 77% of total rental income, followed by apartments with 9%, retail space with 7%, hotels at 3% and other forms of use at 4%.

In its business results, CA Immo was able to achieve significant increases in all important figures: rental income rose by 60% over 2006, from 77.1 m € to 123.3 m €. Turnover grew at a similar rate of 56% and reached 144.6 m € (after 92.6 m € in 2006). The net result exhibited growth of 63% to reach 108.7 m € for 2007. EBITDA climbed by 53% to reach 90.7 m € on the balance sheet date. Strong growth was also shown by the EBIT, with a plus of 68% (from 90.2 m € to 151.5 m €), as well as EBT with growth of 26% (from 84.3 m € to 106.2 m €). In accordance with this, the group result grew by 27% to reach 83.9 m € (compared with 66.4 m € the year before) Operating cash-flow lay at 83.4 m €, meaning an increase of 74%.

Profit & Loss in 2007

Million €	2007	2006	Change
Rental income	123.3	77.1	+60%
Sales revenue	144.6	92.6	+56%
Net result (NOI)	108.7	66.6	+63%
<i>NOI as percentage of turnover</i>	75%	73%	
Results from real estate sales	5.7	7.3	+22%
EBITDA	90.7	59.2	+53%
<i>EBITDA as a percentage of turnover</i>	63%	64%	
Results from revaluation	65.4	32.5	+101%
Operating results (EBIT)	151.5	90.2	+68%
<i>EBIT as a percentage of turnover</i>	105%	97%	
Financial results	-45.3	-5.9	
Results before taxes (EBT)	106.2	84.3	+26%
Group results	83.9	66.4	+27%

2007 Group Balance Sheet – short version

	2007 in m €	%	2006 in m €	%
Real estate assets	2,535.3	66%	1,318.3	49%
Down-payments on real estate	0	0	797.7	29%
Immaterial assets	34.0	1%	30.4	1%
Financial investments and other	637.6	17%	44.7	2%
Tax accrual and deferral	0.8	0%	1.8%	0%
Total assets	3,207.8	84%	2,192.9	81%
Receivables	47.6	1%	30.7	1%
liquid resources and securities	568.1	15%	489.2	18%
Current assets	615.6	16%	519.9	19%
Total assets	3,823.4	100%	2,712.8	100%
Equity capital	2,265.4	59%	1,485.2	55%
Debt from bonds	194.4	5%	193.9	7%
Long-term financial obligations	962.2	25%	842.4	31%
Short-term financial obligations	251.1	7%	51.2	2%
Other financial obligations	57.4	2%	71.5	3%
Tax accrual and deferral	92.9	2%	68.6	2%
Total equity and liabilities	3,823.4	100%	2,712.8	100%

Portfolio expansion in Austria and Germany

During the past business year, CA Immo has significantly expanded its portfolio in its two core markets:

- In Vienna, a package with 23 properties was purchased, meaning the addition of ca. 60,000 m² of floor space to the portfolio in one fell swoop (incl. space still to be built).
- In Germany, 2007 saw the “Hessen Package,” purchased the year before, come onto the balance sheet for the first time. These 36 properties encompass ca. 450,000 m² of rentable space and, in 2007 alone, they yielded rental income of ca. 42 m €.
- In the middle of downtown Berlin, CA Immo purchased a government office centre leased to government legal offices and totalling 35,000 sqm.
- In Hamburg, the group is developing a logistics centre for the textile group Hennes & Mauritz.
- An office building in the Charlottenburg district of Berlin, near to the Kurfürstendamm commercial street, expanded the German Portfolio by an additional 5,340 sqm.

Additional prominent changes in the portfolio were the sale of several spaces that did not fit the overall strategic orientation of the portfolio, as well as the completion and opening of the hotel on the Rennweg in Vienna on the property of the former state printing office. In doing so, CA Immo not only completed its first hotel project single-handedly, but also created a landmark in the densely populated, high-quality Viennese hotel landscape.

Acquisition of real estate developer Vivico

The greatest influence on the portfolio and future market presence was doubtless had, however, by the acquisition of the Vivico Group, which brings to CA Immo Group both extensive additions to the real estate portfolio as well as the whole range of know-how available to this experienced German developer of entire city neighbourhoods. The Vivico acquisition alone increased the value of CA Immo’s real estate portfolio by 42%. The increase in space already leased or currently being developed amounted to around 6.9 million square metres, with the new additions to be found in the best city-centre areas in cities like Berlin, Frankfurt am Main, Munich and Cologne, as well as further large German cities. This addition means that CA Immo Group is now offering usable space of around 9 million square metres, with the Vivico portfolio fitting extremely well into the CA Immo Group portfolio, which is oriented toward long-term value and substance.

CA Immo International AG: constant use of opportunities in Eastern Europe

The market-listed subsidiary CA Immobilien Anlagen AG bundles together the real estate business of the Group in the states of CEE, SEE and the CIS region. With the project development fund CA Immo New Europe and the H1 Hotelfonds fund, further investment products with clear content profiles were created for large institutional investors. Local teams in Budapest, Prague, Bucharest and Belgrade ensure maximum local networking.

Portfolio of 725,867 sqm

The portfolio policy of the company has been characterized by balanced expansion and sales activities. In sum, real estate assets increased by 34% over the 2006 figure to reach 708.4 m € (after taking into account sales and purchases, investments in project development and value growth); this included 17 income properties, seven projects in development and three properties for which down-payments toward a credit-purchase have already been made. These properties, taken together, offered floor space of around 725,802 sqm (including projects and parking spaces).

In terms of geographic distribution 22% of floor space lie in Hungary, followed by Romania with 20% and Poland with 17%. In terms of usage, office space dominates the portfolio (ca. 68% of total floor space). Retail space accounted for 15% and hotels for 10% of floor space. The average economic vacancy rate (based on loss against ideal financial performance for the year) reached 3.5%, and on the balance-sheet date the vacancy rate was at 3.1% (compared to 7% at the close of 2006).

Business figures show continued positive development

The important business figures for CA Immo International continued to increase: turnover rose by 10% from 47.6 m € to 52.3 m €. Rental income remained constant at 38.1 m € after having been 38.2 m €, since 2007 acquisitions had been concentrated primarily on new project development and not on income properties. The net result improved by 7% to reach 36.3 m €. The operating result (EBIT) increased by 30% to make 82.9 m €. The corporate result simultaneously climbed by 41% to reach 67.2 m €.

Profit & Loss in 2007

Million €	2007	2006	Change
Rental income	38.1	38.2	-0.2%
Sales revenue	52.3	47.6	+10%
Net result (NOI)	36.3	34.0	+7%
<i>NOI as percentage of turnover</i>	69%	71%	
Results from real estate sales	3.9	3.0	30%
EBITDA	27.0	32.0	-15%
<i>EBITDA as a percentage of turnover</i>	52%	67%	
Results from revaluation	57.6	32.8	+76%
Operating results (EBIT)	82.9	63.8	+30%
<i>EBIT as a percentage of turnover</i>	158%	134%	
Financial results	-2.0	-4.7	+57%
Results before taxes (EBT)	81.3	59.1	+38%
Group results	67.2	47.8	+41%

2007 Group Balance Sheet – short version

	2007 in m €	%	2006 in m €	%
Real estate assets	708.4	73%	530.0	64%
Immaterial assets	0.7	0%	0.5%	0%
Financial investments and other	107.3	11%	42.7	5%
Tax accrual and deferral	4.7	0.5%	5.1	1%
Total assets	821.2	84%	578.5	70%
Receivables	11.0	1%	13.6	2%
liquid resources and securities	143.6	15%	234.9	28%
Current assets	154.6	16%	248.4	30%
Total assets	975.8	100%	826.9	100%
Equity capital	692.0	71%	582.7	70%
Long-term financial obligations	207.7	21%	197.5	24%
Short-term financial obligations	24.8	3%	12.8	2%
Other financial obligations	27.8	3%	24.0	3%
Tax accrual and deferral	24.0	2%	9.8	1%
Total equity and liabilities	975.8	100%	826.9	100%

Portfolio strategy: targeted growth in all markets

The continued development of the real estate portfolio in 2007 was characterized by a mixture of attractive new arrivals and strategically planned, isolated sales. The highlights among the new properties:

- In Poland, CA Immo International entered the project “Poleczki Business Park” in Warsaw with a stake of 50%. The other 50% are held by the joint venture partner, in which the corporation holds a stake of 25% plus four shares.
- In the Czech Republic, the business hotel “Diplomat Center” in Plzen, the project “CITY Deko” in Prague and the “English International School” (also in Prague) joined the portfolio.

The office property “Jungmannova” in Prague was sold, with the proceeds from the sale representing a growth in value of 115% compared to the cumulative investment.

- CA Immo International also expanded its presence in Hungary, adding the office building “Capital Square” in Budapest and a 50% stake in the project “Duna Center Györ” (a specialist retail centre).
- The corporation entered the Serbian market for the first time, with the “Belgrade Office Center” (a credit purchase) and the office building “Sava City”.
- In Russia, CA Immo International is to put up the Airport City St. Petersburg together with real estate developer Warimpex.

Share price: both corporations subject to unfavourable conditions

In 2007, the share price and performance of CA Immo and CA Immo International stock were affected to equal degrees by the turbulences on the international capital markets. In the year’s first half, both titles exhibited their usual steady growth. The switch of the CA Immo title into the prime segment was preceded by a successful capital increase.

At mid-year, the onset of negative developments on financial markets worldwide also began to have a negative effect on the Viennese stock market. Both stocks, like the entire industry, were unable to escape this downward trend and experienced large drops in their value. At the end of the year, the stock of CA Immo listed at a discount of around 30% to its intrinsic worth on the balance sheet date, with CA Immo International stock listing at a discount of 23%.

This discrepancy between the actual value of the group and the image provided by stock prices also suggests that this may be a favourable time to purchase this title. It seems inevitable that the share prices of both CA Immo and CA Immo International will begin to reflect the positive business and assets development of these corporations much more realistically during the course of 2008.

Outlook for 2008

The CA Immo Group will continue on its path of diversification and sustainable expansion. In doing so, the emphasis will be on Germany and on those markets in south-eastern Europe in which the Group is already well-represented via CA Immo International. Particular importance will be accorded the business field of “project development”, and here the focus will be in particular on the development of city neighbourhoods by Vivico in Germany, as well as on the activities of the H1 Hotelfonds fund and CA Immo New Europe in the regions of SEE and Russia.

The planned investment framework for CA Immo Group amounts to around 600 m € for real estate assets and 350 m € each for project development in Germany (through Vivico) and in Eastern Europe (through CA Immo New Europe). This amounts to an investment volume of around 1.3 bn € for the further development of the portfolio. This means that the group’s real estate assets can be expected to exceed the 5 bn € mark by the end of 2008. This does not affect the strategic objective of making a

profit from the sale of properties by selling between one and three properties worth around 10 to 15% of total real estate assets. With the successful sale of the “Renaissance Tower” in Warsaw in February 2008, part of this objective has already been realized.

For the 2008 results of both CA Immo and CA Immo International, one can expect stable positive development of enterprise value.

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