

Half-year Financial Report 2024



— IMMOFINANZ —
GROUP

Growing together



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Earnings

		Q1-2 2024	Q1-2 2023	Change in %
Rental income	in MEUR	292.5	258.9	13.0
Results of asset management	in MEUR	249.8	216.8	15.2
Results of property sales	in MEUR	5.5	-53.0	n. a.
Results of property development	in MEUR	-0.3	-4.0	93.7
Results of operations	in MEUR	221.9	118.0	88.0
Revaluations	in MEUR	-81.6	-197.2	58.6
EBIT	in MEUR	139.4	-73.0	n. a.
Financial results	in MEUR	-41.7	-72.8	42.7
EBT	in MEUR	97.7	-145.8	n. a.
Net profit for the period	in MEUR	43.0	-144.5	n. a.
FFO 1 after tax ¹	in MEUR	149.9	102.2	46.6

¹ Comparative value of Q1-2 2023 adjusted based on new calculation formula. See calculations in the section "Business Development".

Assets

		30 06 2024	31 12 2023	Change in %
Balance sheet total	in MEUR	9,624.6	9,649.9	-0.3
Equity as % of the balance sheet total	in %	47.7	47.3	n. a.
Net financial liabilities	in MEUR	3,431.3	3,539.3	-3.1
Cash and cash equivalents ¹	in MEUR	767.9	697.1	10.2
Loan-to-value ratio (net) ²	in %	41.6	42.5	n. a.
Gearing	in %	76.0	78.9	n. a.
Total average interest rate including costs for derivatives	in %	3.0	2.9	n. a.
Average term of financial liabilities	in years	3.6	4.0	-10.0

¹ Including cash and cash equivalents held for sale

² Comparative value as of 31 December 2023 adjusted based on new calculation formula. See calculations in the section "Financing".

Investment property

		30 06 2024	31 12 2023	Change in %
Total number of properties		491	518	-5.2
Rentable space	in sqm	3,566,384	3,558,305	0.2
Occupancy rate	in %	92.2	92.2	n. a.
Gross return ¹	in %	7.3	7.2	n. a.
Portfolio value ¹	in MEUR	8,165.0	8,174.3	-0.1
Unencumbered total assets ²	in MEUR	2,616.2	2,609.4	0.3

¹ Based on data in the "Portfolio Report"

² Calculation formula was adjusted as of 31 March 2024. Comparative value as of 31 December 2023 adjusted based on new calculation formula.

EPRA¹

		30 06 2024	31 12 2023	Change in %
EPRA net reinstatement value	in MEUR	4,182.0	4,196.3	-0.3
EPRA net reinstatement value per share	in EUR	30.31	30.41	-0.3
EPRA net tangible assets	in MEUR	3,897.3	3,863.8	0.9
EPRA net tangible assets per share	in EUR	28.25	28.00	0.9
EPRA net disposal value	in MEUR	3,790.5	3,677.1	3.1
EPRA net disposal value per share	in EUR	27.47	26.65	3.1
EPRA vacancy rate ²	in %	8.0	7.8	n. a.
EPRA loan-to-value ratio	in %	40.2	42.8	n. a.
		Q1-2 2024	Q1-2 2023	Change in %
EPRA earnings	in MEUR	70.3	73.4	-4.2
EPRA earnings per share	in EUR	0.51	0.53	-3.9
EPRA earnings after company-specific adjustments	in MEUR	74.0	69.3	6.8
EPRA earnings per share after company-specific adjustments	in EUR	0.54	0.50	7.2
EPRA net initial yield	in %	6.9	6.4	n. a.
EPRA "topped-up" net initial yield	in %	7.1	6.6	n. a.
EPRA cost ratio including direct vacancy costs	in %	13.4	15.0	n. a.
EPRA cost ratio excluding direct vacancy costs	in %	12.3	13.3	n. a.
EPRA capital expenditure	in MEUR	499.4	235.3	> +100

¹ See calculations in the section "EPRA Financial Indicators".

² The EPRA vacancy rate (including S IMMO) is based on the ratio of the estimated market rent for the vacant space in the standing investments to the total estimated market rent for the standing investment portfolio. The comparative value as of 31 December 2023 was adjusted and is now shown including S IMMO.

Stock exchange data

		30 06 2024	31 12 2023	Change in %
Book value per share	in EUR	26.85	26.60	1.0
Share price at end of period	in EUR	25.90	21.05	23.0
Discount of share price to EPRA NTA diluted per share	in %	8.3	24.8	n. a.
Total number of shares		138,669,711	138,669,711	0.0
thereof number of treasury shares		695,585	695,585	0.0
Market capitalisation at end of period	in MEUR	3,591.5	2,919.0	23.0
		Q1-2 2024	Q1-2 2023	Change in %
Earnings per share (basic) ¹	in EUR	0.19	-0.59	n. a.
Earnings per share (diluted) ¹	in EUR	0.19	-0.59	n. a.

¹ Number of shares for the calculation for Q1-2 2024 and Q1-2 2023: 137,974,126

The plus and minus signs assigned to the changes reflect the business point of view: improvements are shown with a plus sign (+), deteriorations with a minus sign (-). Very high positive or negative per cent changes are reported as $\geq +100.0\%$ or $\leq -100.0\%$. The designation "not applicable" (n. a.) is used when there is a change in the sign (i.e. from plus to minus or from minus to plus) and for changes in percentage rates. Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates. References to persons in this financial report refer to all genders equally.

Letter from the Executive Board

Dear Shareholders,

The encouraging first quarter trend continued, and we are now pleased to report sound results for the first six months of this year. In spite of the current volatile market environment, we recorded an improvement in nearly all key indicators. Rental income reached a high level of EUR 292.5 million, and a year-on-year comparison shows a plus of 15.2% to EUR 249.8 million in the results of asset management and an even stronger increase of 88.0% to EUR 221.9 million in the results of operations. Our FFO 1 after tax improved to EUR 149.9 million. IMMOFINANZ Group generated net profit of EUR 43.0 million in the first half of 2024. This confirms our course and underscores our solid financial base: The equity ratio for IMMOFINANZ Group equalled a very robust 47.7% at the end of the first half year and net debt, based on the net loan-to-value ratio, remained unchanged at a conservative 41.6%.

The positive development of IMMOFINANZ Group is the result of outstanding operating performance combined with a value-creating portfolio strategy. This strategy relies on two key elements: further growth in selected areas and the focused reorientation of our portfolio. Our real estate portfolio included 491 properties with a combined value of EUR 8.2 billion as of 30 June 2024. Standing investments with a gross yield of 7.3% and an occupancy rate of 92.2% are responsible for EUR 7.9 billion of this total. The average unexpired lease term weighted by rental income (WAULT) equalled 3.8 years.

Growth and strategic sales

We are following a clear growth course for our retail business. Our objective is to benefit, above all, from the rising visitor frequency in retail parks and smaller shopping centers and from increasing turnover-based rents. In May 2024, we opened a new retail park under our STOP SHOP brand in the Croatian city of Vukovar. The retail space managed by IMMOFINANZ (excluding S IMMO) totalled 1.5 million square meters at the end of June.

Our plans for the office business in the first half year included the continuation of our strategic sales programme with sales totalling EUR 446.6 million by IMMOFINANZ Group. The properties sold during this period include office buildings in Austria, Croatia, Poland and Germany. Attractive office properties and retail parks in the Czech Republic were also acquired from the CPI Property Group during April. All these transactions are designed to sustainably optimise our total portfolio.

Successful on the capital market

Despite the fundamental changes in the interest landscape, the capital market is still intact. IMMOFINANZ Group had no substantial refinancing transactions scheduled in the first half year, but we remain optimistic in this regard for the medium term. We are involved in positive talks with banks and, consequently, are not concerned over refinancing problems in the future.

Plans for a squeeze-out at S IMMO

We are currently planning a squeeze-out at S IMMO AG to further optimise IMMOFINANZ Group. This move will simplify the corporate structure and create additional synergies and cost advantages to strengthen our Group's profitability. The S IMMO general meeting is expected to decide on the squeeze-out this autumn, and we expect the process will be completed by the end of 2024.

Evaluation of further integration and possible combination with CPIPG

In July 2024, we decided to launch a joint evaluation process with our majority shareholder, CPI Property Group (CPIPG), to examine possible business combination, cross-border mergers or other forms of integration or the combination of assets, functions and key corporate units. The goal of this process is to optimise the Group's capital structure and to utilise operational and cost efficiencies for the benefit of all stakeholders.

Progress in sustainability

We also made progress in the area of ESG during the first half of 2024, in particular by reducing the emissions in our portfolio. The commissioning of photovoltaic systems on the roofs of our STOP SHOP locations in Austria and Slovenia – which generate up to 3.0 gigawatt hours annually – move us one important step closer to meeting our goal of covering our entire electricity requirements from emission-free generation. At the Austrian myhive location on the Wienerberg, we started operations of an ammonia-based refrigeration plant in April which noticeably reduces energy expenses as well as maintenance and operating costs. These activities not only contribute to climate protection but also reduce costs for our tenants.

Outlook

The economy in the European Union (+1.1%) and the eurozone (+1%) developed slightly better than EU forecasts, but with considerable differences between the individual countries. Germany, for example, was faced with a slight recessionary development. The coming quarters are expected to bring continued volatility.

The downward trend in inflation has already led to a first interest rate cut, and the further adjustment of real estate yields and market values is expected in the second half year. Momentum on the real estate market was positive – but concentrated almost entirely in Western Europe – with an increase of roughly 10% in the transaction volume during the first half of this year. Experts are projecting further growth of 10% for the next six months. The demand for hotels and residential properties was strong, while retail turnover and office property transactions declined. Forecasts point to a slight increase in retail sales over the coming months due to the decline in inflation, and this should support the stable development of rents.

Our portfolio activities include a continuation of our growth course in the retail segment. Three new STOP SHOPS are scheduled to open in Croatia during the second half-year, and plans call for the opening of four new STOP SHOPS annually over the long term. At the same time, we are pursuing our strategic sales and acquisition programme to optimise the portfolio in other segments.

Signs of an easing in tensions on the capital market are now visible. The European Central Bank recently reduced the main interest rate by 25 basis points to 4.25% in reaction to the decline in inflation, and the 3-months Euribor, one of the most important reference rates in the eurozone, has been on a downward trend since April of this year. From the current point of view, the peak interest phase in the eurozone appears to have passed. This leads us to expect a reduction in money market interest rates over the next 12 months.

In accordance with the double materiality requirements defined by the new European Sustainability Reporting Standards, we are carrying out a Group-wide, standardised, revised materiality analysis this year. It will create the basis for our sustainability reporting. We are also planning to install further photovoltaic systems with a combined peak output of roughly 7 megawatts. Croatia and Serbia will represent the geographical focus of these projects.

Our outstanding team of experienced employees will continue to develop our high-quality, flexible real estate offering in the future. We would like to expressly thank them for their commitment because their expertise and dedication are the foundation of IMMOFINANZ Group's success. We would also like to thank our many investors for their long-standing confidence – which we see as clear confirmation of our work and as an incentive to also meet their high expectations for the development of our company's value in the future.

Vienna, 28 August 2024

The Executive Board



Radka Doehring



Pavel Měchura

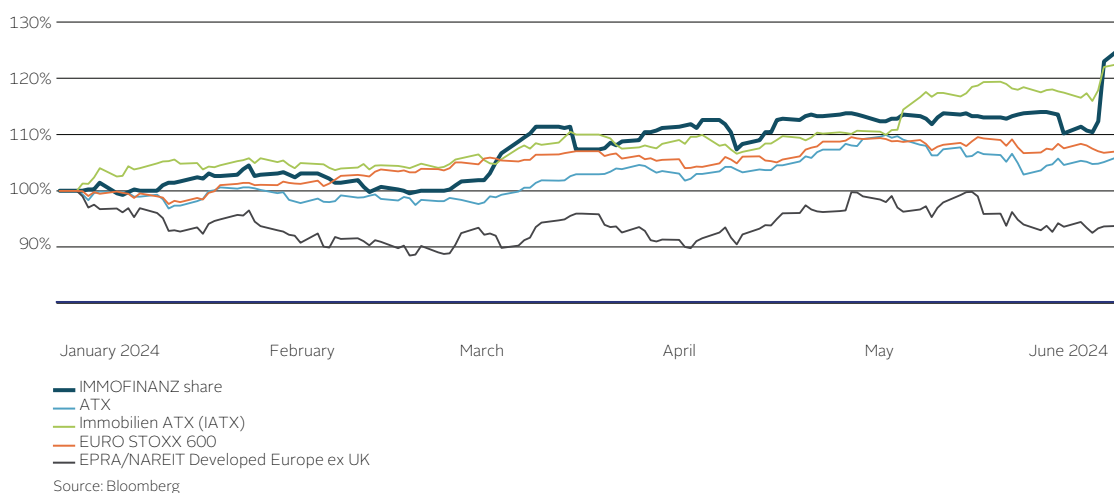
IMMOFINANZ on the capital market

Development of the IMMOFINANZ share

The IMMOFINANZ share started the 2024 financial year at EUR 21.05 and rose by 23.0% to EUR 25.90 at the end of June. The Immobilien-ATX (IATX) was also positive with a plus of 22.0%. In contrast, the ATX recorded a substantially weaker increase of roughly 5%. The EPRA/NAREIT Developed Europe branch index (ex UK) declined by nearly 6% during the reporting period. The IMMOFINANZ share reached the low for the reporting period at EUR 20.90 on 9 January 2024. As of the editorial deadline for this report (23 August 2024), the share traded at EUR 30.80 for an increase of 46.3% since the beginning of the year.

Development of the IMMOFINANZ share vs. selected indexes

Indexed as of 1 January 2024



Performance comparison

1 January to 30 June 2024

	in %
IMMOFINANZ share	23.0
ATX	5.1
Immobilien ATX	22.0
EURO STOXX 600	6.8
EPRA/NAREIT Developed Europe ex UK	-6.3

Source: Bloomberg

Key data on the share

ISIN	AT0000A21KS2
Segment	ATX, WIG
Reuters	IMFI.VI
Bloomberg	IIA:AV
Financial year	1 January to 31 December

Annual general meeting, use of profit and changes in management

The 31st annual general meeting of IMMOFINANZ AG, which involved voting on the 2023 financial year, was held on 29 May 2024 with the attendance of participants. In accordance with the agenda, it was resolved that a dividend would not be distributed and the entire balance sheet profit would be carried forward to strengthen the balance sheet.

The related documents and voting results from the annual general meeting can be found under <https://immofinanz.com/en/investor-relations/general-meeting>.

Changes on the Supervisory Board

The 31st annual general meeting brought changes on the IMMOFINANZ Supervisory Board: Shareholder representative Gayatri Narayan had resigned from the Supervisory Board as of 31 December 2023, and Vice-Chairman Martin Němeček announced his intention to resign at the end of the 31st annual general meeting. In addition, the term of office for Supervisory Board Chairwoman Miroslava Greštiaková expired.

Based on a proposal of the CPI Property Group (CPIPG) and after review and evaluation by the Supervisory Board, the re-election of Chairwoman Miroslava Greštiaková, the election of two new candidates to the Supervisory Board, and the premature extension of the Supervisory Board appointment of Martin Matula, the latter to synchronise the terms of office for the Supervisory Board members, were proposed to the annual general meeting.

The annual general meeting approved these proposals, and the Supervisory Board has included the following representatives since 29 May 2024: shareholder representatives Miroslava Greštiaková (Chairwoman), Martin Matula (Vice-Chairman), Iveta Krašovicová and Matúš Sura, as well as Philipp Amadeus Obermair and Anton Weichselbaum as employee representatives delegated by the Works Council.

Shareholder structure

IMMOFINANZ shares are primarily held in fixed ownership and by private investors in Austria and institutional index investors from the USA and Europe. Shareholders with an investment of more than 4% on 30 June 2024 are listed in the following table:

	Voting rights in % (basis: share capital as of 30 06 2024)	Last reporting date
Radovan Vitek (via CPI Property Group S.A.) ¹	75.00	21 05 2024
Klaus Umek (via Klaus Umek, Petrus Advisers Investments Fund L.P.) ²	6.24	30 01 2024
SIH Partners, LLLP (via Susquehanna International Securities Limited, Susquehanna International Group Limited) ³	5.73	26 06 2024

¹ Based on a holdings notification dated 21 May 2024

² According to a notification dated 30 January 2024, Klaus Umek held attributable voting rights amounting to 6.24% (1.12% in shares and 5.12% from financial/other instruments via call options).

³ According to a notification dated 26 June 2024, SIH Partners held attributable voting rights amounting to 5.73% (2.35% in shares and 3.38% from financial/other instruments via call and put options as well as stock futures). In a notification dated 23 July, SIH Partners reduced its investment to 0.16% of the voting rights after the reporting period.

There are no other reports of shareholdings above or below the reporting thresholds.

IMMOFINANZ and S IMMO

IMMOFINANZ acquired an investment of roughly 26.5% (19,499,437 shares) in S IMMO during 2018 and increased its holding through the purchase of 17,305,012 S IMMO shares (AT0000652250) from CPIPG at the end of December 2022. This transaction gave IMMOFINANZ a majority investment of 50% plus one share in S IMMO, and the company is therefore included through full consolidation in IMMOFINANZ's consolidated financial statements.

IMMOFINANZ met a long-term, strategic goal with the acquisition of this majority investment. The consolidation of the two companies creates value, leads to a stronger market position, and supports the realisation of synergies. Additional information on the common strategic focus of the two companies can be found in IMMOFINANZ's 2023 annual report.

Preparations for a squeeze-out at S IMMO

In an ad-hoc press release on 24 May 2024, IMMOFINANZ announced the start of preparations for a squeeze-out at S IMMO in accordance with the Austrian Squeeze-out Act ("Gesellschafter-Ausschlussgesetz"). The squeeze-out is intended to result in the transfer of the S IMMO shares held by minority shareholders to IMMOFINANZ as the principal shareholder in exchange for an appropriate cash settlement.

At the beginning of the proceedings under the Squeeze-out Act and subject to further legal, tax and financial reviews, IMMOFINANZ, as the principal shareholder, will direct a request to S IMMO. The cash settlement for the purchase of S IMMO shares will be determined on the basis of an enterprise valuation. The expulsion of shareholders must then be approved by an S IMMO annual general meeting, which is expected to take place in autumn 2024.

IMMOFINANZ purchases S IMMO shares

S IMMO shares were offered to IMMOFINANZ by a shareholder after the end of the reporting period. As the purchase price reflected the share price at that time (18 July 2024: EUR 22.10), IMMOFINANZ accepted the offer and purchased a further 442,631 shares for approximately EUR 9.8 million.

Following this transaction, IMMOFINANZ currently holds 50.6%, or 37,247,080 shares, of S IMMO.

The S IMMO share

The S IMMO share started the 2024 financial year at a price of EUR 12.50 and traded at EUR 22.00 at the end of June for a year-to-date performance of 76.0%. The market capitalisation of S IMMO equalled EUR 1,619.4 million as of 30 June 2024.

Analyst recommendations

Two financial institutions publish regular evaluations on IMMOFINANZ. These evaluations are updated continuously and can be reviewed on our website under <https://immofinanz.com/en/investor-relations/shares> under "Analyses".

ESG ratings

Sustainability issues have become the focus of growing attention from investors, tenants and the general public. In order to increase transparency for our stakeholders, IMMOFINANZ again took part in several ESG ratings and rankings during the reporting period. Our activities in 2024 included, among others, an update to the Sustainalytics rating. The overall ESG risk assessment was classified as low and is reflected in a rating of 13.9 (on a scale of 0 to 100) for the 2023 financial year. This represents an improvement on the 15.6 recorded at the start of rating in 2020.

Financial calendar

28 November 2024 ¹	Announcement of results for the first three quarters of 2024
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¹ Publication after the close of trading on the Vienna Stock Exchange.

Your IR contact

We welcome your questions and will be happy to provide additional information on IMMOFINANZ and its share.

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Group Interim Management Report

General Information

IMMOFINANZ AG is the parent company of IMMOFINANZ Group. The purchase of 50% plus one share in S IMMO by IMMOFINANZ at year-end 2022 resulted in the inclusion of that company in the consolidated financial statements through full consolidation. The designation "IMMOFINANZ Group" is used for information that includes S IMMO, while information excluding S IMMO is referred to as "IMMOFINANZ".

IMMOFINANZ and S IMMO have complementary portfolios and are present in the following countries: Austria, Germany, Czech Republic, Slovakia, Hungary, Romania and Croatia. IMMOFINANZ is also active in Poland, Serbia, Slovenia and Italy. The real estate portfolios of IMMOFINANZ and S IMMO consist primarily of commercial properties in the office and retail asset classes, but S IMMO also owns hotels and residential properties.

Economic Overview and Property Markets of IMMOFINANZ Group

The EU Commission continued to exercise caution in its spring forecast for economic growth in the EU (1.0%) and in the eurozone (0.8%). Growth at the mid-year equalled 1.1% in the EU and 1.0% in the eurozone. An overview of the individual member states shows a differentiated picture: Germany was faced with slight recessionary development, while Latvia, Sweden and Hungary were confronted with real GDP declines. This was contrasted by sound growth in Ireland and Lithuania. Volatility is expected to remain high in the coming quarters. Growth will be supported by private consumption, but the demand for capital goods is still weak.

Inflation fell to 2.6% in the EU and to 2.5% in the eurozone at the end of June. Similar to economic developments, substantial differences among the countries were also visible here and range from an inflation rate of 5.4% in Belgium down to 0.5% in Finland. The global political situation is also expected to result in highly volatile inflation rates during the second half of the year. Key interest rates were initially reduced during the first half year, but the next six months are projected to bring an adjustment of real estate yields and market values to reflect the current interest environment.

The unemployment rate equalled 6.0% in the EU and 6.5% in the eurozone at the end of June and reflects the forecast by the EU Commission for the coming year. Although the economic climate is still unclear, employment has remained relatively stable in recent months. The substantial differences between the individual EU countries is also visible in this area: The highest unemployment was recorded in Spain at 11.5% and was contrasted by 2.7% in the Czech Republic. The unemployment rate in the IMMOFINANZ Group countries ranged from 2.7% in the Czech Republic to 9.4% in Serbia.

Transaction and rental markets

The volume on the European transaction market totalled EUR 86.5 billion in the first half of 2024 and was roughly 10% higher than the comparable prior year value (EUR 74 billion). This growth originated entirely in Western Europe, where the Benelux countries recorded the highest increase by far at 71%. Increases were also recorded by the markets in Germany (+15%) and the UK (+10%). The transaction markets in the CEE and SEE regions have not yet reached this recovery phase. An analysis by asset class shows surprising development, above all for hotels, during the reporting period. Transaction turnover rose by 21% in this sector, followed by residential properties with a plus of 6%. Retail and office properties represented a contrast with declines of 22% and 39%, respectively. Expert forecasts point to a further improvement of 10% in the transaction market during the second half of this year.

The prevailing economic uncertainty was also reflected in weak demand for office space during the first half of 2024. For new contracts, the quality of the property and its ESG compliance have come to play a significantly greater role. In the IMMOFINANZ Group core countries, Budapest (13.9%), Bratislava (13.3%) and Bucharest (13.2%) currently have the highest vacancy rates in the office sector. This has resulted in a situation where older, lower quality office buildings have been taken from the market, but has not led to a decline in market vacancies because of new construction. Prime rents have also increased, while average rents remain unchanged – and is an indication of the growing need for rental incentives for new lettings.

The high inflation in Europe has been responsible for a steady decline in purchasing power since 2021. However, retail turnover has proven to be very resistant in spite of rising inflation and weaker consumer confidence in the wake of the Ukraine war. Experts are projecting a slight increase in retail turnover over the coming months due to the downward trend in inflation. Rents should remain stable, with peak rents of up to EUR 17.0/sqm/month in the retail park segment.

Tourism has finally recovered from the corona pandemic. This is also reflected in the increasing interest of investors in hotels, especially at good locations. The new production of hotels in the IMMOFINANZ Group core markets is currently low, and an improvement in profitability is expected here.

Portfolio Report

IMMOFINANZ Group concentrates on its core business as a growth-oriented property owner and on the continuous optimisation of its portfolio. This corporate strategy also includes acquisitions and selected development projects, whereby the focus is on higher yield real estate.

The portfolio strategy is based on its flexible and innovative real estate offers with strong customer orientation. Active portfolio management ensures that the properties are attractive for tenants and consistent with the principle of sustainability from a social and environmental perspective. In this way, IMMOFINANZ Group will also meet the future needs of tenants and consumers in the retail business and tenants and their staffs in the office sector.

The property portfolio of IMMOFINANZ Group

IMMOFINANZ Group's property portfolio (IMMOFINANZ including S IMMO) included 491 properties* as of 30 June 2024 with a combined value* of EUR 8,165.0 million (31 December 2023: 518 properties with a carrying amount of EUR 8,174.3 million). Standing investments* represented the largest component at EUR 7,932.0 million, or 97.1% of the carrying amount, with 3.6 million sqm of rentable space which generate steady rental income. Development projects* are responsible for EUR 83.5 million, or 1.0% of the carrying amount. A carrying amount of EUR 149.5 million, or 1.8% is attributable to pipeline projects* and includes future planned development projects, undeveloped land and real estate inventories. The owner-operated S IMMO hotels (Vienna Marriott, Budapest Marriott and Novotel Bucharest City Center) with 61,075 sqm of total rentable space are not included in this portfolio report.

The application of IFRS 16 since the first quarter of 2019 has led to differences between the amounts presented in the portfolio report and on the balance sheet. Beginning with the first quarter of 2024, the property values in the portfolio report also include capitalised rights of use for building rights, analogous to the recorded property values. These right-of-use assets are, however, not included in the comparative prior year data.

The presentation in the portfolio report is based on the primary use of the properties.

* Including IMMOFINANZ Group properties that are held for sale and fall under the scope of application of IFRS 5 (30 June 2024: EUR 280.1 million). For details see section 4.6 of the supplementary information in the consolidated interim financial statements.

IMMOFINANZ Group's property portfolio by core market and classification

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR ¹	Property portfolio in MEUR	Property portfolio in %
Austria	17	228.6	0.0	9.2	237.8	2.9
Germany	5	468.7	0.0	4.5	473.2	5.8
Poland	28	955.7	0.0	0.0	955.7	11.7
Czech Republic	72	929.2	0.0	0.0	929.2	11.4
Hungary	19	223.3	0.0	2.7	226.0	2.8
Romania	29	620.8	25.4	55.1	701.3	8.6
Slovakia	35	429.8	0.0	1.3	431.1	5.3
Adriatic ²	61	572.8	41.4	31.0	645.2	7.9
S IMMO	225	3,503.1	16.7	45.6	3,565.5	43.7
IMMOFINANZ Group	491	7,932.0	83.5	149.5	8,165.0	100.0
in %		97.1	1.0	1.8	100.0	

¹ Including real estate inventories

² In declining order based on the carrying amount: Croatia, Serbia, Slovenia and Italy

IMMOFINANZ Group's property portfolio by primary use and classification

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR ¹	Property portfolio in MEUR	Property portfolio in %
Office	36	1,737.5	25.4	38.5	1,801.4	22.1
Retail	219	2,676.3	41.4	22.5	2,740.2	33.6
Others	11	15.1	0.0	42.8	57.9	0.7
S IMMO	225	3,503.1	16.7	45.6	3,565.5	43.7
IMMOFINANZ Group	491.0	7,932.0	83.5	149.5	8,165.0	100.0

¹ Including real estate inventories

Acquisitions and strategic sales by IMMOFINANZ Group

IMMOFINANZ Group continued its strategic property sales during the first half of 2024 with a volume that totalled EUR 446.6 million (including S IMMO). Sales by IMMOFINANZ include the Grand Center Zagreb office building in Croatia, an office complex in Warsaw and two office buildings in Vienna's 20th district. In addition, the Justizzentrum Wien Mitte office building in Vienna was sold to Euro Real Estate via United Benefits Holding in May. The sale price of over EUR 150 million represented the largest transaction on the Vienna office market up to that date in 2024. Other sales involved transactions by S IMMO in Austria and Germany – including a share and asset deal for a large portfolio in Germany with 18 commercial properties (for the most part, offices) and one residential property which have a combined transaction value of EUR 255.0 million and are scheduled to close in several steps up to autumn 2024 – as well as the Zagreb Tower in Croatia which is expected to close in the third quarter of 2024.

S IMMO also acquired a portfolio in the Czech Republic from the CPI Property Group at the end of April 2024. The acquisition covers four office and four commercial properties (retail parks) with roughly 136,000 sqm of total rentable space, a property value of approximately EUR 463 million, and annual rental income of approximately EUR 28.3 million.

In July 2024, after the end of the reporting period, S IMMO sold the HOTO Business Tower, its last property in Zagreb, and completed its exit from the Croatian market. In August, IMMOFINANZ sold the myhive Victoriei office development project in Bucharest to AFI Europe, a leading real estate developer in SEE and CEE. This office complex is currently not occupied in preparation for complete refurbishment. The related building permit was transferred to the buyer.

IMMOFINANZ Group's standing investments

The standing investment portfolio of IMMOFINANZ Group included 411 properties with a total carrying amount of EUR 7,932.0 million as of 30 June 2024 (31 December 2023: 432 properties with a carrying amount of EUR 7,840.2 million). Of this total, 21.9% are attributable to office properties, 33.7% to retail properties and 44.2% to S IMMO. The focal point of the standing investments by segment based on the carrying amount are the markets in Poland (EUR 955.7 million), the Czech Republic (EUR 929.2 million) and Romania (EUR 620.8 million) as well as S IMMO (EUR 3,503.1 million).

The STOP SHOP retail park in Đakovo, an IMMOFINANZ development project in Croatia which opened in November 2023, was reclassified to the standing investment portfolio in the second quarter of 2024. The rentable space in this portfolio totalled 3.6 million sqm at the end of June 2024 and had a gross return of 7.3% based on IFRS rental income. Rental incentives like standard market rent-free periods or allowances for fit-out costs are accrued on a straight-line basis over the contract term in accordance with IFRS. The occupancy rate equalled 92.2% (31 December 2023: 92.2%). The average unexpired lease term weighted by rental income (WAULT*) for IMMOFINANZ Group equalled 3,8 years.

Contract expiration profile: IMMOFINANZ standing investments (total)

Fixed-term contracts until the end of the term and open-ended contracts as of the earliest possible exit date in relation to the total rented space (in GLA space¹; excluding S IMMO):

1 year in %	2 years in %	3 years in %	4 years in %	5 years in %	> 5 years in %	> 10 years in %
11	15	16	16	16	19	7

¹ Gross lettable area: the total area available to tenants for their exclusive use; excludes common areas, e.g. traffic, parking and service areas, etc.

Solid increase of 5.1% in like-for-like rental income for IMMOFINANZ

A like-for-like analysis (i.e. acquisitions, completions and sales are deducted to facilitate comparison with earlier periods) shows a further improvement of 5.1%, or EUR 7.5 million, in IMMOFINANZ's rental income (excluding S IMMO) to EUR 154.2 million in the first half year of 2024 (Q1–2 2023: EUR 146.7 million). The driving factors were the rent indexing that resulted from the ongoing high inflation and the positive development of turnover-based rents.

A comparison of the second quarter of 2024 with the comparable prior year period shows a plus of 4.1%, or EUR 3.0 million, in like-for-like rental income to EUR 77.0 million.

IMMOFINANZ Group's sustainability certifications

The certified space of IMMOFINANZ Group totalled roughly 1,486,000 sqm at the end of June 2024 in buildings with a combined carrying amount of EUR 4.0 billion. Sustainability certificates have therefore been issued for 50.7% of the carrying amount, respectively 41.7% of the total space in the standing investment portfolio.

* Weighted Average Unexpired Lease Term: The calculation for fixed-term contracts is based on the term or – where available – the time up to the break option (special cancellation right for tenants). For open-ended contracts, the remaining term equals at least two years or a longer period if the break option is later than this two-year period.

IMMOFINANZ Group's standing investments by core market

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Austria	15	228.6	2.9	89,109	87,523
Germany	3	468.7	5.9	87,652	70,822
Poland	28	955.7	12.0	400,307	384,907
Czech Republic	72	929.2	11.7	383,404	368,671
Hungary	16	223.3	2.8	169,268	165,992
Romania	15	620.8	7.8	351,114	316,796
Slovakia	34	429.8	5.4	259,706	248,743
Adriatic ¹	43	572.8	7.2	379,738	378,174
S IMMO	185	3,503.1	44.2	1,446,086	1,264,919
IMMOFINANZ Group	411	7,932.0	100.0	3,566,384	3,286,548

Standing investments	Occupancy rate in %	Rental income Q2 2024 in MEUR	Gross return in %	Financing costs incl. derivatives in %
Austria	98.2	3.5	6.1	3.1
Germany	80.8	4.9	4.2	3.3
Poland	96.2	16.9	7.1	2.8
Czech Republic	96.2	16.2	7.0	3.7
Hungary	98.1	5.6	10.0	2.3
Romania	90.2	14.5	9.3	0.0
Slovakia	95.8	9.1	8.5	3.3
Adriatic ¹	99.6	13.5	9.4	5.4
S IMMO	87.5	60.4	6.9	2.8
IMMOFINANZ Group	92.2	144.5	7.3	3.1
Development projects and pipeline projects		0.2		0.0
Rental income from sold properties and adjustments		4.6		n. a.
Group financing IMMOFINANZ		n. a.		2.5
Group financing S IMMO		n. a.		2.6
IMMOFINANZ Group		149.4		3.0

¹ In declining order based on the carrying amount: Serbia, Croatia, Slovenia and Italy

IMMOFINANZ Group's development projects

IMMOFINANZ Group's development projects had a carrying amount of EUR 83.5 million as of 30 June 2024 (31 December 2023: EUR 138.3 million), which represents 1.0% of the total property portfolio (31 December 2023: 1.7%). This amount includes EUR 35.7 million of active development projects, all of which are attributable to IMMOFINANZ. A further EUR 47.8 million represent projects in the preparation or conception phase for which outstanding construction costs are not yet available. The expected fair value of the active projects on completion amounts to EUR 96.2 million and is attributable to the Adriatic core market. S IMMO had no development projects in progress at the end of June 2024.

IMMOFINANZ Group's development projects

Development projects	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable space in sqm	Expected fair value after completion in MEUR	Expected rental income at full occupancy in MEUR	Expected yield after completion in % ¹
Adriatic ²	7	35.7	100.0	52.8	64,742	96.2	8.1	9.1
Active projects IMMOFINANZ	7	35.7	100.0	52.8	64,742	96.2	8.1	9.1
Projects in preparation IMMOFINANZ		31.1						
Projects in preparation S IMMO		16.7						
IMMOFINANZ Group		83.5						

¹ Expected rental income after completion in relation to the current carrying amount, including outstanding construction costs

² Croatia

Current focus of development activities – Croatia

Adriatic

In Croatia, seven new STOP SHOP retail parks are under development in Dugo Selo (9,000 sqm), Ivanec (7,600 sqm), Krapina (8,100 sqm), Nova Gradiška (8,100 sqm), Sinj (7,400 sqm), Vukovar (9,000 sqm) and Virovitica (9,800 sqm). The STOP SHOP retail park in Vukovar opened in May 2024. The STOP SHOPS in Dugo Selo, Krapina and Virovitica are scheduled to open during the second half of 2024. The STOP SHOP in Đakovo (8,400 sqm) was reclassified to the standing investment portfolio in the second quarter of 2024.

IMMOFINANZ Group's pipeline projects

Pipeline projects include future planned development projects, undeveloped land and/or temporarily suspended projects. These projects had a carrying amount of EUR 149.5 million as of 30 June 2024 and represent 1.8% of the IMMOFINANZ Group's total portfolio. Of this total, EUR 103.8 million, or 2.3%, are attributable to IMMOFINANZ excluding S IMMO (31 December 2023: EUR 124.3 million and 2.6%). S IMMO is responsible for EUR 45.6 million. The focal point of the IMMOFINANZ Group's pipeline projects is Romania with a volume of EUR 55.1 million. IMMOFINANZ Group plans to further reduce the scope of its pipeline projects – especially the land reserves in Romania – through strategic sales.

Property Valuation

IMMOFINANZ Group prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and arranges for the regular valuation of its properties by independent experts. These external appraisals are carried out at least once each year as of 31 December and follow the EPRA's Best Practices Policy Recommendations for the application of the fair value method as defined in IFRS.

The valuation includes property-related factors like the occupancy rate, rental income and the remaining term of the rental contracts as well as the age and quality of the buildings. External factors like the development of the regional and general market environments, the economy and the financing climate are also included. ESG factors – for example the risks arising from climate change as well as the energy efficiency and social added value of the properties – are likewise examined and their potential effects on future valuation are reflected in the valuation. As of 30 June 2024, most of the IMMOFINANZ Group's property portfolio with a value of EUR 8.2 billion was appraised externally by independent firms (54.0%). S IMMO and its valuations represented a further 43.6%, and only 1.7% were appraised internally by IMMOFINANZ Group. A minor percentage of 0.7% represented other values as defined by IFRS 16.

Development of property valuation at IMMOFINANZ Group during the first half of 2024

Revaluation results (including property developments and property sales) recorded by IMMOFINANZ Group totalled EUR -81.6 million (Q1–2 2023: EUR -197.2 million). These results reflect the continuing volatile market environment which is influenced by increased interest rates and persistently high construction costs. The revaluation results from the investment property (properties and land reserves) amounted to EUR -82.5 million, compared with EUR -190.9 million in the first half of 2023. Write-downs to the IMMOFINANZ office properties amounted to EUR -28.6 million, or -1.6% of the carrying amount, as of 30 June 2024, with the largest individual effects resulting from office buildings in Warsaw, Bucharest and Prague. The revaluation results from the retail portfolio were positive at EUR 5.9 million, or 0.2% of the carrying amount, above all due to the acquisitions in the Czech Republic and VIVO! shopping centers in Poland. The S IMMO portfolio was responsible for -1.6% of the carrying amount.

Investment property	Carrying amount in MEUR	Valuation effects Q1–2 2024 in MEUR	Ratio of valuation to carrying amount in %
Austria	237.8	0.5	0.2
Germany	468.7	0.5	0.1
Poland	955.7	-6.5	-0.7
Czech Republic	929.2	-2.2	-0.2
Hungary	226.0	-0.3	-0.2
Romania	662.2	-22.0	-3.3
Slovakia	431.1	0.0	0.0
Adriatic ¹	603.8	1.7	0.3
IMMOFINANZ	4,514.5	-28.3	-0.6
S IMMO	3,282.0	-54.1	-1.6
IMMOFINANZ Group	7,796.5	-82.5	-1.1

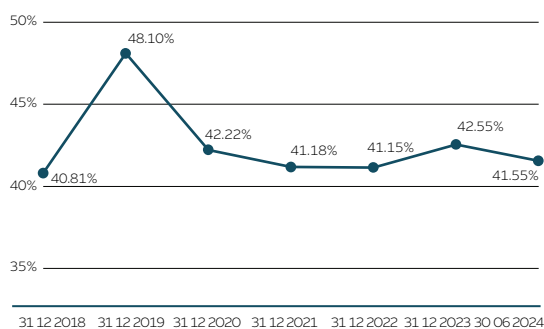
¹ Serbia, Slovenia, Italy and Croatia

Investment property	Carrying amount in MEUR	Valuation effects Q1–2 2024 in MEUR	Ratio of valuation to carrying amount in %
Office	1,763.0	-28.6	-1.6
Retail	2,698.8	5.9	0.2
Others	52.7	-5.7	-10.9
IMMOFINANZ	4,514.5	-28.3	-0.6
S IMMO	3,282.0	-54.1	-1.6
IMMOFINANZ Group	7,796.5	-82.5	-1.1

Financing

IMMOFINANZ Group had a robust balance sheet structure with an equity ratio of 47.7% as of 30 June 2024 (31 December 2023: 47.3%) and a solid net loan-to-value ratio (net LTV) of 41.6% (31 December 2023: 42.5%*). Financial liabilities totalled EUR 4.2 billion as of 30 June 2024 (31 December 2023: EUR 4.2 billion). Cash and cash equivalents amounted to EUR 767.9 million (including the cash and cash equivalents in assets held for sale). Net debt, i.e. debt after the deduction of cash and cash equivalents, declined to EUR 3.4 billion (31 December 2023: EUR 3.5 billion).

Development of net LTV for IMMOFINANZ Group



Calculation of net LTV for IMMOFINANZ Group as of 30 June 2024

Amounts in TEUR

Financial liabilities	4,208,540.3
Net financial liabilities held for sale ¹	45,807.9
- Cash and cash equivalents	766,091.4
Carrying amount of property	8,395,512.9
Net LTV in %	41.6

¹ Financial liabilities held for sale less cash and cash equivalents held for sale

Financing costs

The average total financing costs for IMMOFINANZ Group, including derivatives, equalled 2.97% per year as of 30 June 2024 (31 December 2023: 2.86% per year). The hedging quota remained high at 96.2% (31 December 2023: 95.1%).

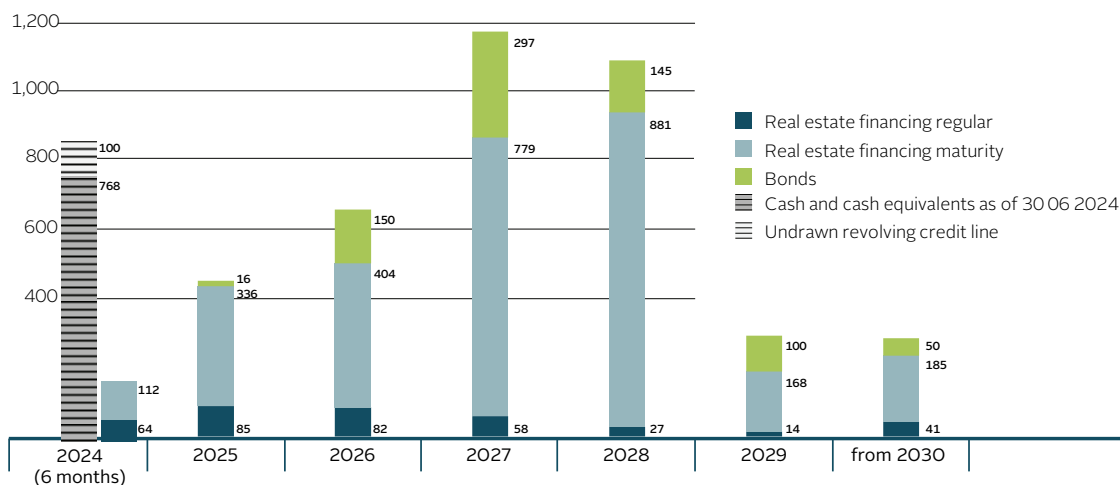
Term structure

The weighted average remaining term of the financial liabilities held by IMMOFINANZ Group equalled 3.6 years. The following graph shows the term structure by year for IMMOFINANZ Group (including S IMMO) as of 30 June 2024.

* Comparative value as of 31 December 2023 adjusted from 42.1% to 42.5% based on new calculation formula (see the table on the calculation of net LTV)

Term structure of financial liabilities for IMMOFINANZ Group

by financial year as of 30 June 2024, in MEUR



The strategy followed by IMMOFINANZ Group is designed to ensure a balanced term structure.

The unsecured, revolving corporate credit line of EUR 100.0 million concluded in March 2020 can be used at the company's discretion up to 30 June 2025. The credit line was unused as of 30 June 2024 and is therefore available in full.

Composition of financial liabilities

The financial liabilities held by IMMOFINANZ Group include amounts due to financial institutions, insurance companies and liabilities from bonds. The composition of these liabilities as of 30 June 2024 is as follows:

Weighted average interest rate of the financial liabilities	Outstanding liability in TEUR as of 30 06 2024	Total average interest rate incl. expenses for derivatives in % ¹
Corporate bond IMMOFINANZ	238,321.9	2.50
Bank and other financial liabilities ²	1,787,669.0	3.29
S IMMO	2,173,154.0	2.77
IMMOFINANZ Group	4,199,144.9	2.97

¹ Based on nominal remaining debt

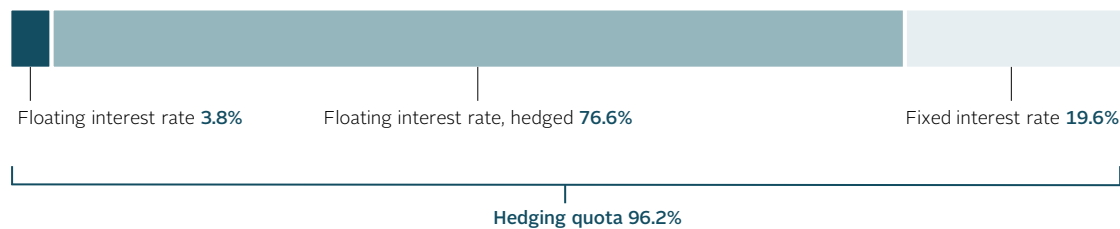
² Including IFRS 5; excluding lease liabilities (IFRS 16)

The remaining balance of the financial liabilities totalled EUR 4,199.1 million as of 30 June 2024 and consists entirely of euro financing. IMMOFINANZ Group focuses on the diversification of its financing sources and benefits from long-term business relationships with major European banks.

Derivatives

IMMOFINANZ uses derivatives as a hedge against rising interest rates. The volume of financial liabilities hedged through interest rate derivatives amounted to EUR 3,240.8 million as of 30 June 2024 (31 December 2023: EUR 3,108.3 million).

Financial liabilities – type of interest as of 30 June 2024



Bonds issued by IMMOFINANZ Group

The outstanding nominal value of the bonds issued by IMMOFINANZ Group totalled EUR 758.4 million as of 30 June 2024 (31 December 2023: EUR 858.4 million). Of this total, EUR 237.8 million (31 December 2023: EUR 237.8 million) were attributable to IMMOFINANZ at the half-year.

In connection with the issue of the corporate bond 2020–2027, IMMOFINANZ has committed to comply with the following standard financial covenants. These covenants are calculated on the basis of the consolidated IFRS financial statements.

Financial covenant	Threshold in %	Value as of 30 06 2024 in %
Net Debt to Value Ratio ¹	Max. 60.0	42.5
Secured Net Debt to Value Ratio ¹	Max. 45.0	34.9
Interest Coverage Ratio	Min. 150.0	230.3

¹ The values are based on the latest calculation as per the bond terms on or before 30 June 2024.

Business Development

The first half of 2024 proved to be a successful operating period for IMMOFINANZ Group, above all due to favourable property acquisitions and growth in like-for-like rental income. Rental income rose by 13.0% year-on-year to EUR 292.5 million. After an adjustment for new acquisitions, completions and sales, the like-for-like rental income recorded by IMMOFINANZ (excluding S IMMO) increased by a solid 5.1% year-to-date. The development of business was supported, in particular, by the indexing of rental contracts based on the continuing high inflation and an improvement in turnover-based rents.

The results of asset management were 15.2% higher year-on-year at EUR 249.8 million, and the results of operations improved by a strong 88.0% to EUR 221.9 million. FFO 1 after tax increased by 46.6% to EUR 149.9 million (Q1–2 2023: EUR 102.2 million*).

Revaluations (including property development and property sales) totalled EUR -81.6 million, compared with EUR -197.2 million in the first half of 2023 and continue to reflect the volatile market environment. Financial results improved to EUR -41.7 million (Q1–2 2023: EUR -72.8 million), chiefly due to non-cash valuation effects from interest rate derivatives in the first half of the reporting year. IMMOFINANZ Group generated net profit of EUR 43.0 million in the first six months of 2024.

Income statement

All amounts in TEUR	Q1–2 2024	Q1–2 2023
Rental income	292,546	258,927
Results of asset management	249,806	216,819
Results from owner-operated hotels	3,429	1,461
Results of property sales	5,482	-52,994
Results of property development	-251	-3,990
Other operating income	4,594	4,502
Other operating expenses	-41,152	-47,753
Results of operations	221,908	118,045
Revaluation result from standing investments and goodwill	-82,481	-191,049
Operating profit (EBIT)	139,427	-73,004
Financial results	-41,714	-72,797
Earnings before tax (EBT)	97,713	-145,801
Net profit or loss	42,988	-144,506

IMMOFINANZ Group continued its strategic property sales (asset and share deals) during the first half of 2024 with a volume of EUR 446.6 million. These sales consisted primarily of transactions in Austria, Croatia, Poland and Germany. The results of property sales turned positive at EUR 5.5 million, compared with negative results in the previous year (Q1–2 2023: EUR -53.0 million) that were caused primarily by a non-recurring effect from the derecognition through profit or loss of historical foreign exchange effects following the deconsolidation of a subsidiary in Turkey. The results of property development improved to EUR -0.3 million (Q1–2 2023: EUR -4.0 million) and included positive valuation effects and a decline in the costs for property development.

* The comparative value for Q1–2 2023 was adjusted to reflect the new calculation formula (see the table "Funds from operations").

Results of operations

Other operating expenses declined to EUR -41.2 million (Q1–2 2023: EUR -47.8 million), whereby the previous year was negatively influenced by provisions for legal proceedings in Romania. The results of operations improved substantially by 88.0% to EUR 221.9 million (Q1–2 2023: EUR 118.0 million).

Valuation results and EBIT

Results from the valuation of standing investments and goodwill totalled EUR -82.5 million (Q1–2 2023: EUR -191.0 million). The impairment losses recorded during the reporting period represented -1.1% of the carrying amount of the investment property held by IMMOFINANZ Group at the end of June 2024. Of the total impairment losses, EUR -54.1 million (-1.6% of the carrying amount) are attributable to properties held by S IMMO and EUR -28.6 million (-1.6% of the carrying amount) to office buildings held by IMMOFINANZ. Contrasting factors included positive effects of EUR 5.9 million (0.2% of the carrying amount) in the IMMOFINANZ retail portfolio. Additional details are provided in the section "Property Valuation".

Operating profit (EBIT) improved significantly from EUR -73.0 million in the first half of 2023 to EUR 139.4 million, whereby the prior year loss is attributable to negative valuation results.

Financial results

Financing costs rose to EUR -111.5 million (Q1–2 2023: EUR -104.3 million), above all due to an increase in financing volumes. Other financial results improved to EUR 28.7 million (Q1–2 2023: EUR -18.2 million) based on the non-cash valuation of interest rate derivatives following an increase in long-term eurozone interest rates during the first half of 2024. The settlement payments from derivatives and interest income were also positive and contributed to financing income of EUR 48.4 million (Q1–2 2023: EUR 42.3 million).

Financial results totalled EUR -41.7 million, compared with EUR -72.8 million in the first half of the previous year.

Net profit

Profit before tax amounted to EUR 97.7 million (Q1–2 2023: EUR -145.8 million). Income taxes rose to EUR -54.7 million (Q1–2 2023: EUR 1.3 million) and include deferred tax expense of EUR -22.4 million. Net profit for the first six months of 2024 equalled EUR 43.0 million (Q1–2 2023: EUR -144.5 million), which represents earnings per share* of EUR 0.19 (Q1–2 2023: EUR -0.59).

Funds from operations (FFO)

All amounts in TEUR	Q1–2 2024	Q1–2 2023
Net profit or loss	42,988	-144,506
Deferred income tax	22,387	-44,160
Revaluation result from standing investments and goodwill	82,481	191,049
Revaluation of properties under construction	-340	2,367
Valuation effects from financial instruments shown in other financial results	-29,347	17,563
Results of property sales	-5,482	52,994
Depreciation of owner-operated properties shown in results from owner-operated hotels	4,606	6,496
Foreign exchange differences	8,007	-4,866
Net profit or loss from equity-accounted investments	7,049	3,342
Current income tax one-off effects due to property sales	17,589	21,965
FFO 1 after tax¹	149,938	102,244

¹ The comparative value for Q1–2 2023 was adjusted.

* Number of shares for Q1–2 2024 and Q1–2 2023: 137,974,126

Sustainable FFO 1 (after tax) for IMMOFINANZ Group rose by 46.6% to EUR 149.9 million (Q1–2 2023: EUR 102.2 million*).

The calculation method for FFO 1 was standardised within the Group and is now presented after tax. The comparative value from the previous year was adjusted accordingly.

Balance sheet

The condensed balance sheet is shown below:

All amounts in TEUR	30 06 2024	in %	31 12 2023	in %
Investment property	7,796,548		7,830,746	
Property under construction	83,510		142,960	
Owner-operated properties	230,497	87.3	229,634	87.7
Real estate inventories	4,837		4,841	
Assets held for sale ¹	286,648		258,577	
Other assets	235,785	2.4	219,207	2.3
Equity-accounted investments	26,101	0.3	33,151	0.3
Trade and other receivables	194,629	2.0	233,682	2.4
Cash and cash equivalents	766,091	8.0	697,119	7.2
Assets	9,624,646	100.0	9,649,917	100.0
Equity	4,592,047	47.7	4,563,084	47.3
Financial liabilities	4,208,540	43.7	4,283,531	44.4
Trade and other payables	262,194	2.7	289,951	3.0
Other liabilities	175,193	1.8	117,744	1.2
Deferred tax liabilities	386,672	4.0	395,607	4.1
Equity and liabilities	9,624,646	100.0	9,649,917	100.0

¹ Includes investment property as well as other assets that will be transferred to the buyer in the event of a sale.

IMMOFINANZ Group's balance sheet totalled EUR 9.6 billion as of 30 June 2024. Of this total, EUR 8.4 billion, or 87.3%, is attributable to the property portfolio. The slight decline in investment property since year-end 2023 resulted mainly from strategic sales. Financial liabilities declined as a result of the repayment of an S IMMO bond.

The owner-operated properties with a carrying amount of EUR 230.5 million (31 December 2023: EUR 229.6 million) represent hotels held by S IMMO. These hotels are owner-operated, for the most part on the basis of management contracts.

With an equity ratio of 47.7% (31 December 2023: 47.3%) and cash and cash equivalents of EUR 767.9 million (including the cash and cash equivalents in assets held for sale), IMMOFINANZ Group has a very solid balance sheet structure.

* The comparative value for Q1–2 2023 was adjusted from EUR 140.9 million to EUR 102.2 million based on the new calculation formula (see the table "Funds from operations").

EPRA Financial Indicators

IMMOFINANZ Group publishes detailed information on its EPRA financial indicators in accordance with the Best Practices Recommendations of the European Public Real Estate Association (EPRA). The definition of these indicators can be found on the EPRA homepage (www.epra.com).

EPRA net asset value for IMMOFINANZ Group

The calculation of the net asset value indicators (NAV indicators) begins with IFRS equity, which is then adjusted to provide stakeholders with the most transparent information on the market value of the real estate company's assets and liabilities under various scenarios. The EPRA's net tangible assets (NTA) is the most relevant indicator for IMMOFINANZ Group's business activities and, consequently, serves as the primary indicator for net assets.

EPRA NAV indicators for IMMOFINANZ Group

All amounts in TEUR	30 06 2024			31 12 2023		
	Net reinstatement value (NRV)	Net tangible assets (NTA)	Net disposal value (NDV)	Net reinstatement value (NRV)	Net tangible assets (NTA)	Net disposal value (NDV)
IFRS equity excluding non-controlling interests	3,704,757	3,704,757	3,704,757	3,669,797	3,669,797	3,669,797
Diluted equity excluding non-controlling interests after an adjustment for convertible bonds and the exercise of options as well as undisclosed reserves	3,704,757	3,704,757	3,704,757	3,669,797	3,669,797	3,669,797
Fair value of derivative financial instruments	-161,069	-161,069	-	-123,064	-123,064	-
Deferred taxes on derivative financial instruments	34,789	34,789	-	9,993	9,993	-
Deferred taxes on investment property	353,259	265,123	-	388,890	262,934	-
Goodwill	-18,967	-18,967	-18,967	-19,312	-19,312	-19,312
Intangible assets	-	-1,590	-	-	-1,233	-
Effect of fair value measurement of financial liabilities	-	-	135,936	-	-	35,028
Deferred taxes on the fair value measurement of financial liabilities	-	-	-31,265	-	-	-8,407
Real estate transfer tax and other purchaser's costs	269,195	74,307	0	270,036	64,643	0
EPRA NAV indicators	4,181,963	3,897,349	3,790,460	4,196,339	3,863,757	3,677,106
Number of shares excluding treasury shares	137,974,126	137,974,126	137,974,126	137,974,126	137,974,126	137,974,126
EPRA NAV indicators per share in EUR	30.31	28.25	27.47	30.41	28.00	26.65

The EPRA NTA per share improved by 0.9% to EUR 28.25 as of 30 June 2024 due to the higher equity (31 December 2023: EUR 28.00).

The IFRS book value per share rose by 1.0% to EUR 26.85 (31 December 2023: EUR 26.60).*

* Number of shares for Q1-2 2024 and Q1-2 2023: 137,974,126

EPRA earnings per share for IMMOFINANZ Group

All amounts in TEUR	Q1–2 2024	Q1–2 2023
Weighted average number of shares in 1,000	137,974	137,974
Net profit or loss from continuing operations excluding non-controlling interests	45,150	-115,197
Revaluation of investment properties, properties under construction and other effects	82,134	193,231
Results of property sales	-5,484	52,993
Goodwill impairment, negative differences and earn-out effects on purchase price adjustments	0	186
Changes in fair value of financial instruments	-27,380	18,723
Taxes in respect of EPRA adjustments	-10,434	-52,835
EPRA adjustments in respect of joint ventures and non-controlling interests	-13,726	-23,729
EPRA earnings	70,260	73,372
EPRA earnings per share in EUR	0.51	0.53
Company-specific adjustments		
Foreign exchange gains and losses	8,007	-4,865
Deferred taxes in respect of company-specific adjustments	-1,529	710
EPRA adjustments in respect of joint ventures and non-controlling interests for company-specific adjustments	-2,754	52
Company-specific adjusted EPRA earnings	73,983	69,270
EPRA earnings per share after company-specific adjustments in EUR	0.54	0.50

EPRA earnings per share amounted to EUR 0.51 in the first half of 2024 (Q1–2 2023: EUR 0.53). After company-specific adjustments, EPRA earnings per share rose by 7.2% to EUR 0.54 (Q1–2 2023: EUR 0.50). This positive development resulted, above all, from strong operating performance in the first six months of 2024.

EPRA net initial yield for IMMOFINANZ Group

All amounts in TEUR	Q1–2 2024	Q1–2 2023
Investment property	8,021,190	7,578,180
Investment property – proportional share of joint ventures		
less undeveloped land	-99,340	-127,230
less undeveloped land – proportional share of joint ventures		
Total property portfolio	7,921,850	7,450,950
Allowance for estimated purchaser's costs	176,245	165,769
Gross value of total standing investment portfolio	8,098,095	7,616,718
Annualised cash rental income	585,088	517,852
Non-recoverable property operating expenses	-24,441	-33,149
Annualised net rental income	560,647	484,703
Notional rent expiration of rent-free periods or other lease incentives	16,416	15,890
"Topped-up" net annualised rents	577,063	500,593
EPRA net initial yield in %	6.9	6.4
EPRA "topped-up" net initial yield in %	7.1	6.6

The EPRA net initial yield (NIY) increased to 6.9% and the "topped-up" NIY to 7.1%, primarily as a result of the positive development of rental income in the first half of 2024.

EPRA cost ratio for IMMOFINANZ Group

All amounts in TEUR	Q1–2 2024	Q1–2 2023
Expenses from investment property	-27,667	-28,044
Net operating costs, excluding indirect costs that are recharged through rents but not invoiced separately	-10,807	-10,035
EPRA costs (including direct vacancy costs)	-38,474	-38,079
Vacancy costs	-3,272	-4,306
EPRA costs (excluding direct vacancy costs)	-35,202	-33,773
Gross rental income including service fees and service charge cost components	292,546	258,927
Less service fees and service charge cost components of gross rental income	5,510	5,432
Gross rental income	287,036	253,495
EPRA cost ratio (including direct vacancy costs) in %	13.4	15.0
EPRA cost ratio (excluding direct vacancy costs) in %	12.3	13.3

The EPRA cost ratio, including direct vacancy costs, improved to 13.4% (Q1–2 2023: 15.0%). Excluding direct vacancy costs, the ratio declined from 13.3% in the previous year to 12.3%. This positive development resulted, above all, from an increase in rental income combined with a constant cost level.

For the calculation of the EPRA cost ratio, IMMOFINANZ Group capitalises only those expenses which will lead to a future economic benefit for the respective property. This is regularly the case for maintenance and expansion costs for real estate assets and for development costs related to property under construction. Overheads and operating costs are generally not capitalised.

EPRA capital expenditure for IMMOFINANZ Group

All amounts in TEUR	Q1–2 2024	Q1–2 2023
Acquisitions	464,563	188,565
Development projects	15,295	33,534
Investment property	19,497	13,169
thereof no incremental lettable space	19,001	11,439
thereof tenant incentives	496	1,730
EPRA capital expenditure	499,354	235,268

Joint ventures are included in capital expenditure in accordance with the EPRA requirements but are not reported because of missing values.

The EPRA capital expenditure for IMMOFINANZ Group increased significantly to EUR 499.4 million in the first half of 2024, mainly due to the acquisition of a portfolio in the Czech Republic by S IMMO.

Investments in the first half of 2024 were related chiefly to standing investments in the IMMOFINANZ Group core markets and to several STOP SHOP development projects in Croatia.

Additional details can be found in the "Portfolio Report".

EPRA loan-to-value for IMMOFINANZ Group

All amounts in TEUR	30 06 2024			31 12 2023
	IMMOFINANZ AG	S IMMO AG (50.0% + 1 share)	Total (proportionated)	Total (proportionated)
Include:				
Liabilities due to financial institutions and intragroup liabilities	1,788,797	856,638	2,645,435	2,691,723
Securities and IFRS 16 lease liabilities	56,998	0	56,998	56,240
Bonds	237,800	260,299	498,099	548,099
Other liabilities (net)	0	23,311	23,311	37,507
Exclude:				
Cash and cash equivalents	421,678	173,712	595,390	477,560
Net debt (a)	1,661,917	966,535	2,628,452	2,856,009
Include:				
Owner-operated properties	0	115,248	115,248	114,817
Investment property at fair value	4,514,517	1,677,977	6,192,494	6,224,145
Properties held for sale	13,760	133,180	146,940	213,615
Properties under construction	66,800	0	66,800	126,450
Net receivables	11,103	0	11,103	0
Financial assets	449	0	449	667
Total property value (b)	4,606,629	1,926,405	6,533,034	6,679,695
EPRA loan-to-value in % (a/b)	36.1	50.2	40.2	42.8

The loan-to-value shows the relation of debt to the fair value of the properties as a percentage. The EPRA LTV equalled 40.2% at the end of June 2024.

This EPRA LTV calculation differs from IMMOFINANZ Group's conventional net LTV calculation primarily due to the following points:

	EPRA LTV	IMMOFINANZ Group net LTV
Financial liabilities	Nominal remaining debt	Carrying amount
Current receivables/liabilities	Net amount is included as an asset or a liability	Not included
Material subsidiaries included through full consolidation (S IMMO)	Assets and liabilities are included as a percentage of total capital	Included at 100%

EPRA vacancy rate for IMMOFINANZ Group

EPRA vacancy rate by core market

Standing investments	30 06 2024				31 12 2023
	Rentable space in sqm	Market rent for vacant space/month in MEUR	Total market rent/month in MEUR	EPRA vacancy rate in %	EPRA vacancy rate in % ¹
Austria	89,109	0.0	1.1	1.6	0.9
Germany	87,652	0.4	2.1	17.9	22.4
Poland	400,307	0.2	6.1	3.9	3.6
Czech Republic	383,404	0.2	5.2	3.7	3.1
Hungary	169,268	0.0	1.6	1.8	0.6
Romania	351,114	0.5	5.1	8.9	8.2
Slovakia	259,706	0.1	2.9	5.0	5.2
Adriatic ²	379,738	0.0	3.6	0.4	0.6
S IMMO	1,446,086	2.3	19.8	11.8	11.7
IMMOFINANZ Group	3,566,384	3.8	47.5	8.0	7.8

¹ The comparative value as of 31 December 2023 was adjusted and is now presented including S IMMO.

² In declining order based on the carrying amount: Serbia, Croatia, Slovenia and Italy

EPRA vacancy rate by asset class and brand

Standing investments	30 06 2024				31 12 2023
	Rentable space in sqm	Market rent for vacant space/month in MEUR	Total market rent/month in MEUR	EPRA vacancy rate in %	EPRA vacancy rate in % ¹
Office	599,625	1.0	10.0	10.0	11.3
thereof myhive	391,209	0.5	6.5	7.7	8.7
thereof office other	208,415	0.5	3.5	14.2	15.5
Retail	1,509,434	0.5	17.6	2.7	1.5
thereof VIVO!/shopping center	359,965	0.3	6.4	4.5	2.3
thereof STOP SHOP/retail park	1,021,846	0.2	10.0	1.8	1.1
thereof retail other	127,623	0.0	1.1	0.5	0.4
Others	11,240	0.0	0.2	0.0	0.0
S IMMO	1,446,086	2.3	19.8	11.8	11.7
IMMOFINANZ Group	3,566,384	3.8	47.5	8.0	7.8

¹ The comparative value as of 31 December 2023 was adjusted and is now presented including S IMMO.

The EPRA vacancy rate for IMMOFINANZ Group equalled 8.0% as of 30 June 2024 (31 December 2023: 7.8%). In the office portfolio, the vacancy rate declined to 10.0% chiefly due to property-specific factors (increased occupancy rates in Germany). The retail portfolio had a vacancy rate of 2.7%, whereby the STOP SHOP retail parks had the lowest vacancies at 1.8% and are nearly fully rented. Additional details can be found in the "Portfolio Report".

Risk Report

As an international real estate investor, property owner and project developer, IMMOFINANZ Group is exposed to a variety of general and branch-specific risks in its business operations. An integrated risk management process provides a sound basis for the timely identification of potential risks and the assessment of the possible consequences.

Based on the hedging and management instruments currently in use, no material risks can be identified at the present time that could endanger the company's standing as a going concern. However, the overall risk situation for the first half of 2024 was classified as elevated, above all due to macroeconomic conditions and the general economic environment.

Risks in the first half of 2024

Major market and property-specific risks

Weak global growth and persistent uncertainty factors have had a considerable negative effect on economic sentiment. No signs of improvement are currently in sight, above all for export-oriented branches. This, in turn, has led to noticeable restraint regarding investments that has also extended into the real estate sector. The wait-and-see attitude of investors as regards real estate investments is clearly visible, especially in the CEE and SEE regions. The demand for new space in the office sector also remains below the long-term average. IMMOFINANZ Group is continuing its successful tenant loyalty strategy in this environment, and vacancies in the standing investment portfolio remain below the market average. In the retail sector, robust consumer demand has been responsible for a stable rental situation. The focus on retail parks and smaller shopping centers supports the stabilisation of occupancy rates regardless of retail insolvencies. The recovery in tourism after the corona pandemic has led to increased interest by investors in hotels, while low new hotel development in recent years is also contributing to an improvement in profitability in this sector.

The new regulations connected with the EU's Green Deal have had a significant influence on the real estate branch. Attention is currently directed to the EU Taxonomy Regulation and the directive for corporate sustainability reporting, but the inclusion of the real estate branch in European emission certificate trading and the directive for the energy performance of buildings are already casting their shadows. ESG-aligned buildings are presently the focal point of discussions, but the energetic requirements on buildings are increasing continuously. Significant investments in the standing investment portfolio will therefore be required in the near term. In this context, IMMOFINANZ Group is continuing the installation of photovoltaic systems in its properties. Investments in digitalisation and the refurbishment of buildings are also planned for the coming years.

Major business and other risks

The real estate branch is still suffering from the rapid rise in interest rates, but earnings are expected to improve in the foreseeable future due to the adjustment of market yields and values. IMMOFINANZ Group is less affected than other market participants by the higher interest rates because of its balanced standing investment portfolio and capital structure. The war in Ukraine has been reflected in the implementation of a strict sanction system. Against this backdrop, IMMOFINANZ Group has significantly strengthened its efforts in connection with the fight against corruption and money laundering. Process changes and new internal guidelines support the reduction of risks in this area.

IMMOFINANZ Group is also exposed to legal and tax risks as well as organisational and other risks in connection with its business activities. These risks remained generally unchanged in comparison with the 2023 financial year

Transactions with related parties and subsequent events which occurred after the end of the reporting period are discussed in section 7 and section 8 of the consolidated interim financial statements.

Vienna, 28 August 2024

The Executive Board



Radka Doehring



Pavel Měchura

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Consolidated Balance Sheet

All amounts in TEUR	Notes	30 06 2024	31 12 2023
Investment property	4.1	7,796,548	7,830,746
Property under construction	4.2	83,510	142,960
Owner-operated properties	4.3	230,497	229,634
Other tangible assets		8,965	9,990
Intangible assets		20,558	20,547
Equity-accounted investments	4.4	26,101	33,151
Trade and other receivables	4.5	24,604	30,897
Income tax receivables		5	5
Other financial assets		178,937	164,119
Deferred tax assets		7,463	6,630
Non-current assets		8,377,188	8,468,679
Trade and other receivables	4.5	170,025	202,785
Income tax receivables		15,699	17,664
Other financial assets		4,158	252
Assets held for sale	4.6	286,648	258,577
Real estate inventories		4,837	4,841
Cash and cash equivalents		766,091	697,119
Current assets		1,247,458	1,181,238
Assets		9,624,646	9,649,917
Share capital		138,670	138,670
Capital reserves		4,825,650	4,825,650
Treasury shares		-10,149	-10,149
Accumulated other equity		-135,267	-127,784
Retained earnings		-1,114,147	-1,156,590
Equity attributable to owners of IMMOFINANZ AG		3,704,757	3,669,797
Non-controlling interests		887,290	893,287
Equity	4.7	4,592,047	4,563,084
Financial liabilities	4.8	3,578,502	3,850,773
Trade and other payables	4.9	58,987	92,348
Income tax liabilities		74	77
Provisions		32,641	31,044
Deferred tax liabilities		386,672	395,607
Non-current liabilities		4,056,876	4,369,849
Financial liabilities	4.8	630,038	432,758
Trade and other payables	4.9	203,207	197,603
Income tax liabilities		72,455	49,443
Provisions		7,522	11,245
Liabilities held for sale	4.6	62,501	25,935
Current liabilities		975,723	716,984
Equity and liabilities		9,624,646	9,649,917

Consolidated Income Statement

All amounts in TEUR	Notes	Q2 2024	Q1-2 2024	Q2 2023	Q1-2 2023
Rental income	5.1	149,388	292,546	130,504	258,927
Operating costs charged to tenants		50,239	98,788	49,803	103,254
Other revenues		751	1,243	78	1,404
Revenues from asset management		200,378	392,577	180,385	363,585
Expenses from investment property	5.2	-12,751	-27,667	-13,628	-28,044
Operating expenses		-57,781	-115,104	-54,874	-118,722
Results of asset management		129,846	249,806	111,883	216,819
Income from owner-operated hotels	5.3	19,699	33,807	18,037	31,387
Expenses from owner-operated hotels	5.3	-16,667	-30,378	-15,914	-29,926
Results from owner-operated hotels	5.3	3,032	3,429	2,123	1,461
Results of property sales	5.4	5,128	5,482	-47,909	-52,994
Results of property development	5.5	224	-251	-2,631	-3,990
Other operating income	5.6	1,257	4,594	1,709	4,502
Other operating expenses	5.7	-21,835	-41,152	-29,589	-47,753
Results of operations		117,652	221,908	35,586	118,045
Revaluation results from standing investments and goodwill	5.8	-71,896	-82,481	-185,960	-191,049
Operating profit (EBIT)		45,756	139,427	-150,374	-73,004
Financing costs		-61,733	-111,525	-64,495	-104,330
Financing income		27,474	48,406	31,771	42,330
Foreign exchange differences		2,597	-8,007	844	4,866
Other financial results		11,813	28,691	6,596	-18,218
Net profit or loss from equity-accounted investments		462	721	1,000	2,555
Financial results	5.9	-19,387	-41,714	-24,284	-72,797
Earnings before tax (EBT)		26,369	97,713	-174,658	-145,801
Current income tax		-22,034	-32,338	-12,213	-42,865
Deferred income tax		-11,018	-22,387	23,925	44,160
Net profit or loss from continuing operations		-6,683	42,988	-162,946	-144,506
Net profit or loss from discontinued operations		0	0	0	0
Net profit or loss		-6,683	42,988	-162,946	-144,506
thereof attributable to owners of IMMOFINANZ AG		-9,773	45,150	-138,247	-115,197
thereof attributable to non-controlling interests		3,090	-2,162	-24,699	-29,309
Basic earnings per share in EUR		-0.16	0.19	-0.75	-0.59
Diluted earnings per share in EUR		-0.16	0.19	-0.75	-0.59

Consolidated Statement of Comprehensive Income

All amounts in TEUR	Notes	Q2 2024	Q1–2 2024	Q2 2023	Q1–2 2023
Net profit or loss		-6,683	42,988	-162,946	-144,506
Other comprehensive income (reclassifiable)					
Currency translation adjustment		-11,294	-11,567	47,943	50,105
thereof changes during the financial year		-9,404	-8,097	-593	1,569
thereof reclassification to profit or loss		-1,890	-3,470	48,536	48,536
Total other comprehensive income (reclassifiable)		-11,294	-11,567	47,943	50,105
Other comprehensive income (not reclassifiable)					
Financial instruments at fair value through other comprehensive income		-875	-880	1,349	1,366
thereof changes during the financial year		-1,098	-1,105	1,753	1,822
thereof income taxes		223	225	-404	-456
Revaluation of owner-operated properties		2,746	4,342	2,915	5,584
thereof changes during the financial year		3,242	4,996	3,471	6,632
thereof income taxes		-496	-654	-556	-1,048
Total other comprehensive income (not reclassifiable)		1,871	3,462	4,264	6,950
Total other comprehensive income after tax		-9,423	-8,105	52,207	57,055
Total comprehensive income		-16,106	34,883	-110,739	-87,451
thereof attributable to owners of IMMOFINANZ AG		-14,222	37,654	-86,481	-57,811
thereof attributable to non-controlling interests		-1,884	-2,771	-24,258	-29,640

Consolidated Cash Flow Statement

All amounts in TEUR	Notes	Q1–2 2024	Q1–2 2023
Earnings before tax (EBT)		97,713	-145,801
Revaluations of investment properties		81,598	197,194
Goodwill impairment and subsequent price adjustments		0	186
Write-downs and write-ups on receivables and other assets		878	-290
Net profit or loss from equity-accounted investments		-721	-2,739
Foreign exchange differences and fair value measurement of financial instruments		-21,340	13,992
Net interest income/expense		69,135	67,074
Results from deconsolidation		-5,637	45,845
Other non-cash income/expense/reclassifications		-35,410	3,280
Gross cash flow before tax		186,216	178,741
Income taxes paid		-5,262	-7,061
Gross cash flow after tax		180,954	171,680
Change in real estate inventories		3	0
Change in trade and other receivables		13,424	14,256
Change in trade payables and other liabilities		-46,863	-15,280
Change in provisions		38,316	9,304
Cash flow from operating activities		185,834	179,960
Acquisition of investment property and property under construction		-51,969	-45,533
Business combinations and other acquisitions, net of cash and cash equivalents		-411,979	-145,597
Consideration paid for acquisitions of entities from related parties		0	-125,714
Consideration transferred from disposal of subsidiaries, net of cash and cash equivalents		233,660	232,016
Acquisition of other non-current assets		-1,095	-2,409
Disposal of investment property and property under construction		111,945	225,321
Disposal of equity-accounted investments and cash flows from other net investment positions		0	-6,174
Dividends received from equity-accounted investments		7,770	5,897
Interest or dividends received from financial instruments		8,493	1,468
Cash flow from investing activities		-103,175	139,275
Increase in financial liabilities plus decrease in blocked cash and cash equivalents		353,755	290,133
Repayment of financial liabilities plus increase in blocked cash and cash equivalents		-294,598	-506,686
Derivatives		33,336	12,953
Interest paid		-102,567	-67,023
Distributions/Dividend		-4,649	0
Transactions with non-controlling interest owners		-746	0
Other changes on the statement of equity		-1	0
Cash flow from financing activities		-15,470	-270,623
Net foreign exchange differences		3,578	-4,135
Change in cash and cash equivalents		70,767	44,477
Cash and cash equivalents at the beginning of the period (consolidated balance sheet item)		697,119	652,750
Plus cash and cash equivalents in disposal groups		0	31,946
Cash and cash equivalents at the beginning of the period		697,119	684,696
Cash and cash equivalents at the end of the period		767,886	729,173
Less cash and cash equivalents in disposal groups	4.6	1,795	288
Cash and cash equivalents at the end of the period (consolidated balance sheet item)		766,091	728,885

Consolidated Statement of Changes in Equity

All amounts in TEUR	Notes	Share capital	Capital reserves	Treasury shares
Balance on 31 December 2023		138,670	4,825,650	-10,149
Other comprehensive income				
Net profit or loss				
Total comprehensive income				
Distributions/Dividend				
Transactions with non-controlling interest owners				
Balance on 30 June 2024		138,670	4,825,650	-10,149
Balance on 31 December 2022		138,670	4,825,650	-10,149
Other comprehensive income				
Net profit or loss				
Total comprehensive income				
Transactions with non-controlling interest owners				
Balance on 30 June 2023		138,670	4,825,650	-10,149

Accumulated other equity

	Revaluation reserve	IAS 19 reserve	Hedge accounting reserve	Revaluation reserve IAS 16	Currency translation reserve	Retained earnings	Non-controlling interests	Total equity
	-2,431	-388	0	5,932	-130,897	-1,156,590	893,287	4,563,084
	-484			2,171	-9,183		-609	-8,105
						45,150	-2,162	42,988
	-484			2,171	-9,183	45,150	-2,771	34,883
							-4,649	-4,649
	1			5	7	-2,707	1,423	-1,271
	-2,914	-388	0	8,108	-140,073	-1,114,147	887,290	4,592,047
	-2,756	-383	0	0	-183,061	-977,748	951,329	4,741,552
	657			5,584	51,145		-331	57,055
						-115,197	-29,309	-144,506
	657			5,584	51,145	-115,197	-29,640	-87,451
						811	-811	0
	-2,099	-383	0	5,584	-131,916	-1,092,134	920,878	4,654,101

Notes to the Consolidated Financial Statements

1. Basis of Preparation

The consolidated interim financial statements of IMMOFINANZ as of 30 June 2024 were prepared for the period from 1 January 2024 to 30 June 2024 (first half-year 2024) in agreement with the International Financial Reporting Standards (IFRS) applicable to interim reporting, as applied in the EU.

The condensed scope of reporting in these consolidated interim financial statements reflects the requirements of IAS 34. Information on the application of IFRS, on the significant accounting policies and on further disclosures is provided in the consolidated financial statements of IMMOFINANZ as of 31 December 2023 and forms the basis for these consolidated interim financial statements. An exception to this application is the calculation of current taxes for the interim financial period, which was based on the Group's estimated actual average tax rate. With regard to the application of the Minimum Tax Reform Act, which has been applicable since 1 January 2024, an evaluation of the quantitative effects is currently underway. Due to the complexity of the determination and calculation method for current taxes in the interim reporting period, no provision was recognised as at 30 June 2024.

These consolidated interim financial statements of IMMOFINANZ were not subjected to a full audit or review by the auditor, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.

The consolidated interim financial statements are presented in thousand euros ("TEUR", rounded). The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

2. Scope of Consolidation

2.1 Development of the scope of consolidation

Scope of consolidation	Subsidiaries full consolidation	Joint ventures at equity	Associates at equity	Total
Balance on 31 December 2023	282	1	9	292
Companies initially included				
Other acquisitions	6	0	0	6
Companies no longer included				
Sales	-7	0	0	-7
Balance on 30 June 2024	281	1	9	291
thereof foreign companies	201	0	2	203

2.2 Sale of subsidiaries

The following table summarises the effects on the material balance sheet positions and on deconsolidation results. The sales mainly involved an office property in Vienna and one in Zagreb as well as several office properties in the S IMMO segment.

All amounts in TEUR	Q1-2 2024
Investment property (see 4.1)	190,686
Other tangible assets	262
Goodwill	345
Other financial instruments	1,629
Receivables and other assets	2,908
Investment properties held for sale (see 4.6)	152,717
Cash and cash equivalents	9,033
Financial liabilities	-157,390
Trade payables	-3,629
Other liabilities	-5,932
Provisions	-6,544
Deferred tax liabilities	-14,420
Net assets sold	169,666
Consideration received in cash and cash equivalents	172,206
Outstanding purchase price receivables	187
Less net assets sold	-169,666
Reclassification of foreign exchange differences reserve to profit or loss	1,580
Deferral of preliminary results from deconsolidation	1,329
Results from deconsolidation	5,636
Consideration received in cash and cash equivalents	172,206
Less cash and cash equivalents sold	-9,033
Net inflow of cash and cash equivalents	163,173

2.3 Acquisition of subsidiaries

The following table shows the acquired assets and assumed liabilities as well as the purchase price, which was paid in cash and cash equivalents, and the liabilities superseded in connection with the settlement of the acquisitions. The transactions involved purchases from the CPI Property Group (see section 7).

All amounts in TEUR	Q1–2 2024
Investment property	422,775
Receivables and other assets	10,386
Cash and cash equivalents	1,364
Financial liabilities	-235,740
Trade and other payables	-22,743
Net assets acquired	176,042
Purchase price paid in cash and cash equivalents	-176,042
Superseded liabilities	-235,740
Total consideration	-411,782
Less cash and cash equivalents	1,364
Net outflow of cash and cash equivalents	-410,418

3. Information on Operating Segments

Information on the reportable segments of IMMOFINANZ is presented in the following section.

All amounts in TEUR	Austria		Germany	
	Q1–2 2024	Q1–2 2023	Q1–2 2024	Q1–2 2023
Office	4,396	16,048	9,131	8,160
Retail	5,333	5,794	0	0
Other	42	24	0	0
Income from non-performance-related components of operating costs	162	330	362	331
Rental income	9,933	22,196	9,493	8,491
Operating costs charged to tenants	1,842	6,668	2,608	1,416
Other revenues	67	277	61	96
Revenues from asset management	11,842	29,141	12,162	10,003
Expenses from investment property	-966	-5,800	-1,430	-1,921
Operating expenses	-2,141	-6,675	-4,389	-2,430
Results of asset management	8,735	16,666	6,343	5,652
Results from owner-operated hotels	0	0	0	0
Results of property sales	3,423	-6,133	-6	-63
Results of property development	-131	-3,853	0	-17
Other operating income	188	168	221	979
Other operating expenses	-1,099	-999	-979	-907
Results of operations	11,116	5,849	5,579	5,644
Revaluation results from standing investments and goodwill	501	-34,645	543	-51,128
Operating profit (EBIT)	11,617	-28,796	6,122	-45,484
	30 06 2024	31 12 2023	30 06 2024	31 12 2023
Investment property	237,805	263,924	468,700	467,600
Property under construction	0	0	0	0
Goodwill	0	0	0	0
Owner-operated properties	0	0	0	0
Investment properties held for sale	0	152,717	0	0
Real estate inventories	0	0	4,485	4,485
Segment assets	237,805	416,641	473,185	472,085
	Q1–2 2024	Q1–2 2023	Q1–2 2024	Q1–2 2023
Segment investments	1,096	16,779	363	4,187

All amounts in TEUR	Poland		Czech Republic	
	Q1–2 2024	Q1–2 2023	Q1–2 2024	Q1–2 2023
Office	19,867	18,944	7,071	7,381
Retail	14,292	13,105	24,427	14,569
Other	0	0	0	0
Income from non-performance-related components of operating costs	2,155	1,878	0	164
Rental income	36,314	33,927	31,498	22,114
Operating costs charged to tenants	15,624	14,306	1,399	5,076
Other revenues	470	492	67	24
Revenues from asset management	52,408	48,725	32,964	27,214
Expenses from investment property	-4,586	-3,760	-1,339	-1,382
Operating expenses	-17,433	-16,235	-2,023	-5,030
Results of asset management	30,389	28,730	29,602	20,802
Results from owner-operated hotels	0	0	0	0
Results of property sales	-574	-33	-6	-13
Results of property development	874	-274	-24	-37
Other operating income	250	100	516	183
Other operating expenses	-1,727	-1,204	-1,154	-1,174
Results of operations	29,212	27,319	28,934	19,761
Revaluation results from standing investments and goodwill	-6,575	-21,843	-2,208	2,414
Operating profit (EBIT)	22,637	5,476	26,726	22,175
	30 06 2024	31 12 2023	30 06 2024	31 12 2023
Investment property	955,700	962,035	929,200	933,600
Property under construction	0	33,350	0	0
Goodwill	32	32	2,921	2,921
Owner-operated properties	0	0	0	0
Investment properties held for sale	0	0	0	0
Real estate inventories	0	0	0	0
Segment assets	955,732	995,417	932,121	936,521
	Q1–2 2024	Q1–2 2023	Q1–2 2024	Q1–2 2023
Segment investments	1,720	1,475	3,649	227,527

All amounts in TEUR	Slovakia		Hungary	
	Q1–2 2024	Q1–2 2023	Q1–2 2024	Q1–2 2023
Office	2,212	2,211	76	-10
Retail	15,406	15,278	10,563	9,902
Other	0	0	0	0
Income from non-performance-related components of operating costs	208	360	388	370
Rental income	17,826	17,849	11,027	10,262
Operating costs charged to tenants	6,669	9,046	5,426	6,482
Other revenues	80	74	39	27
Revenues from asset management	24,575	26,969	16,492	16,771
Expenses from investment property	-1,303	-2,929	-704	-1,079
Operating expenses	-6,133	-7,943	-5,333	-6,349
Results of asset management	17,139	16,097	10,455	9,343
Results from owner-operated hotels	0	0	0	0
Results of property sales	-329	-20	-71	-206
Results of property development	-10	-14	-5	-1
Other operating income	151	126	2	935
Other operating expenses	-993	-460	-500	-247
Results of operations	15,958	15,729	9,881	9,824
Revaluation results from standing investments and goodwill	-23	405	-345	-761
Operating profit (EBIT)	15,935	16,134	9,536	9,063
	30 06 2024	31 12 2023	30 06 2024	31 12 2023
Investment property	431,100	429,414	226,032	227,536
Property under construction	0	0	0	0
Goodwill	89	89	202	202
Owner-operated properties	0	0	0	0
Investment properties held for sale	0	0	0	0
Real estate inventories	0	0	0	0
Segment assets	431,189	429,503	226,234	227,738
	Q1–2 2024	Q1–2 2023	Q1–2 2024	Q1–2 2023
Segment investments	4,133	5,049	130	423

All amounts in TEUR	Romania		Adriatic	
	Q1-2 2024	Q1-2 2023	Q1-2 2024	Q1-2 2023
Office	9,221	8,736	375	1,133
Retail	16,725	15,627	26,460	21,870
Other	765	120	0	0
Income from non-performance-related components of operating costs	1,926	1,690	308	310
Rental income	28,637	26,173	27,143	23,313
Operating costs charged to tenants	16,035	17,340	7,002	6,730
Other revenues	7	243	452	173
Revenues from asset management	44,679	43,756	34,597	30,216
Expenses from investment property	-3,870	-3,324	-2,578	-1,966
Operating expenses	-17,599	-19,678	-7,117	-6,887
Results of asset management	23,210	20,754	24,902	21,363
Results from owner-operated hotels	0	0	0	0
Results of property sales	1,925	-624	1,121	-44
Results of property development	-658	1,596	-297	-1,391
Other operating income	394	459	41	6
Other operating expenses	-3,980	-11,103	-1,358	-1,708
Results of operations	20,891	11,082	24,409	18,226
Revaluation results from standing investments and goodwill	-21,954	-10,232	1,678	-1,599
Operating profit (EBIT)	-1,063	850	26,087	16,627
	30 06 2024	31 12 2023	30 06 2024	31 12 2023
Investment property	662,180	649,186	603,800	619,520
Property under construction	25,400	65,070	41,400	28,030
Goodwill	12,887	12,887	654	999
Owner-operated properties	0	0	0	0
Investment properties held for sale	13,760	18,640	0	0
Real estate inventories	0	0	0	0
Segment assets	714,227	745,783	645,854	648,549
	Q1-2 2024	Q1-2 2023	Q1-2 2024	Q1-2 2023
Segment investments	1,068	4,270	25,158	58,400

All amounts in TEUR	S IMMO		Other Countries	
	Q1-2 2024	Q1-2 2023	Q1-2 2024	Q1-2 2023
Office	66,934	56,521	0	0
Retail	37,842	19,111	0	0
Other	11,433	15,023	0	0
Income from non-performance-related components of operating costs	4,466	3,947	0	0
Rental income	120,675	94,602	0	0
Operating costs charged to tenants	42,184	36,189	0	1
Other revenues	0	0	0	-2
Revenues from asset management	162,859	130,791	0	-1
Expenses from investment property	-10,888	-5,884	0	1
Operating expenses	-52,937	-47,495	0	0
Results of asset management	99,034	77,412	0	0
Results from owner-operated hotels	3,429	1,461	0	0
Results of property sales	0	68	0	-45,520
Results of property development	0	0	0	1
Other operating income	2,789	882	0	44
Other operating expenses	-17,960	-18,888	0	-71
Results of operations	87,292	60,935	0	-45,546
Revaluation results from standing investments and goodwill	-54,101	-81,203	0	7,543
Operating profit (EBIT)	33,191	-20,268	0	-38,003
	30 06 2024	31 12 2023	30 06 2024	31 12 2023
Investment property	3,282,032	3,277,932	0	0
Property under construction	16,710	16,510	0	0
Goodwill	2,183	2,183	0	0
Owner-operated properties	230,497	229,634	0	0
Investment properties held for sale	266,360	84,515	0	0
Real estate inventories	352	356	0	0
Segment assets	3,798,134	3,611,130	0	0
	Q1-2 2024	Q1-2 2023	Q1-2 2024	Q1-2 2023
Segment investments	442,257	624,212	0	0

All amounts in TEUR	Total reportable segments		Reconciliation to consolidated financial statements		IMMOFINANZ Group	
	Q1-2 2024	Q1-2 2023	Q1-2 2024	Q1-2 2023	Q1-2 2024	Q1-2 2023
Office	119,283	119,124	0	0	119,283	119,124
Retail	151,048	115,256	0	0	151,048	115,256
Other	12,240	15,167	0	0	12,240	15,167
Income from non-performance-related components of operating costs	9,975	9,380	0	0	9,975	9,380
Rental income	292,546	258,927	0	0	292,546	258,927
Operating costs charged to tenants	98,788	103,254	0	0	98,788	103,254
Other revenues	1,243	1,404	0	0	1,243	1,404
Revenues from asset management	392,577	363,585	0	0	392,577	363,585
Expenses from investment property	-27,667	-28,044	0	0	-27,667	-28,044
Operating expenses	-115,104	-118,722	0	0	-115,104	-118,722
Results of asset management	249,806	216,819	0	0	249,806	216,819
Results from owner-operated hotels	3,429	1,461	0	0	3,429	1,461
Results of property sales	5,482	-52,588	0	-406	5,482	-52,994
Results of property development	-251	-3,990	0	0	-251	-3,990
Other operating income	4,552	3,882	42	620	4,594	4,502
Other operating expenses	-29,750	-36,761	-11,402	-10,992	-41,152	-47,753
Results of operations	233,268	128,823	-11,360	-10,778	221,908	118,045
Revaluation results from standing investments and goodwill	-82,481	-191,049	0	0	-82,481	-191,049
Operating profit (EBIT)	150,787	-62,226	-11,360	-10,778	139,427	-73,004
	30 06 2024	31 12 2023	30 06 2024	31 12 2023	30 06 2024	31 12 2023
Investment property	7,796,548	7,830,746	0	0	7,796,548	7,830,746
Property under construction	83,510	142,960	0	0	83,510	142,960
Goodwill	18,967	19,312	0	0	18,968	19,312
Owner-operated properties	230,497	229,634	0	0	230,497	229,634
Investment properties held for sale	280,120	255,872	0	0	280,120	255,872
Real estate inventories	4,837	4,841	0	0	4,837	4,841
Segment assets	8,414,479	8,483,365	0	0	8,414,480	8,483,365
	Q1-2 2024	Q1-2 2023	Q1-2 2024	Q1-2 2023	Q1-2 2024	Q1-2 2023
Segment investments	479,573	942,321	0	0	479,573	942,321

4. Notes to the Consolidated Balance Sheet

4.1 Investment property

The development of the investment properties during the first half of 2024 is as follows:

All amounts in TEUR	Q1–2 2024
Beginning balance	7,830,746
Disposals following the sale of subsidiaries	-190,686
Change in scope of consolidation	428,374
Currency translation adjustments	-6,490
Additions	35,672
Disposals	-33,228
Revaluation	-82,473
Reclassifications	38,421
Reclassification to assets held for sale	-223,788
Ending balance	7,796,548

The disposals following the sale of subsidiaries were related chiefly to commercial properties in Germany and to an office property in Zagreb. The change in the scope of consolidation resulted from the acquisition by S IMMO of a portfolio of office and commercial properties in the Czech Republic from the CPI Property Group. The additions were related chiefly to investments in portfolio properties in the Czech Republic, Hungary, Romania, Slovakia and Serbia. Investment property disposals were related, above all, to the sale of two office buildings in Vienna. The negative revaluation results were mainly attributable to office properties in Romania, the Czech Republic, Poland and the S IMMO segment as well as property in the Other Asset class in Romania. In contrast, positive revaluation results were recorded for retail properties in Croatia, the Czech Republic and Slovakia.

The reclassifications are based primarily on the transfer of an office property in Romania and a retail property in Croatia from property under construction to investment property. The reclassifications to assets held for sale consisted primarily of office, residential and retail properties in Germany, an office building in Zagreb which is part of the S IMMO portfolio, and land in Romania.

Investment property includes IFRS 16 rights of use totalling EUR 55.5 million (31 December 2023: EUR 55.3 million).

4.2 Property under construction

The development of property under construction is shown in the following table:

All amounts in TEUR	Q1–2 2024
Beginning balance	142,960
Additions	15,527
Disposals	-19
Revaluation	340
Reclassifications	-42,195
Reclassification to assets held for sale	-33,103
Ending balance	83,510

The additions were related primarily to investments in STOP SHOP locations in Croatia. Reclassifications chiefly involved the transfer of property under construction to investment property. The reclassification to assets held for sale is based on the sale of one of three buildings under construction from a portfolio in Warsaw.

Property under construction did not include any IFRS 16 rights of use as of 30 June 2024 or 30 June 2023.

4.3 Owner-operated properties

Owner-operated properties represent hotels owned by the S IMMO Group. These hotels are operated by the owner, generally in the form of management contracts, which means the occupancy risk lies with IMMOFINANZ Group. These types of hotels are not covered by the scope of application of IAS 40 but are accounted for as property, plant and equipment in accordance with IAS 16. Leases as defined in IFRS 16 also cover buildings used by the owner. The resulting rights of use are reported under "owner-operated properties" and totalled EUR 1.1 million as of 30 June 2024 (31 December 2023: EUR 1.1 million). These rights of use are amortised on a straight-line basis over the term of the lease.

4.4 Equity-accounted investments

The development of the equity-accounted investments is shown in the following table:

All amounts in TEUR	Q1-2 2024
Beginning balance	33,151
Current net profit or loss from equity-accounted investments	721
Dividends	-7,770
Ending balance	26,101

4.5 Trade and other receivables

All amounts in TEUR	30 06 2024	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years	31 12 2023
Rents receivable	59,170	59,170	0	0	58,966
Miscellaneous	19,741	19,741	0	0	21,926
Total trade accounts receivable	78,911	78,911	0	0	80,892
Restricted funds	35,605	17,381	15,215	3,009	39,289
Financing	3,740	8	0	3,732	3,932
Property management	10,927	10,841	86	0	12,353
Outstanding purchase price receivables - sale of properties	1,300	1,300	0	0	12,100
Outstanding purchase price receivables - sale of shares in other companies	10,816	10,816	0	0	18,361
Miscellaneous	42,212	39,650	2,510	52	52,943
Total other financial receivables	104,600	79,996	17,811	6,793	138,978
Tax authorities	11,118	11,118	0	0	13,812
Total other non-financial receivables	11,118	11,118	0	0	13,812
Total	194,629	170,025	17,811	6,793	233,682

4.6 Assets and liabilities held for sale

Of the assets and liabilities classified as held for sale as of 31 December 2023, one office property in Vienna and land in Bucharest as well as commercial and residential properties held by S IMMO were sold during the first half of the reporting year. These properties represented a total value of EUR 187.1 million. Management stands by its intention to sell the assets and liabilities classified as held for sale as of 31 December 2023 and to complete the sales not realised as of 30 June 2024. Properties in Germany and an office building in Zagreb belonging to the S IMMO portfolio were transferred to this category during the reporting period. The portfolio comprising three buildings under construction in Warsaw (see section 4.2) as well as properties in Germany and land in Romania (see section 4.1) were reclassified to assets held for sale during the current financial year and sold by 30 June 2024.

The following table provides summarised information on the assets and liabilities classified as held for sale as of 30 June 2024:

All amounts in TEUR	Carrying amount as of 30 06 2024	Carrying amount as of 31 12 2023
Investment property	280,120	255,872
Other tangible assets	39	2,705
Intangible assets	2	0
Trade and other receivables	1,204	0
Other financial assets	3,488	0
Cash and cash equivalents	1,795	0
Assets held for sale	286,648	258,577
Financial liabilities	47,603	14,786
Trade and other payables	1,831	856
Deferred tax liabilities	13,067	10,293
Liabilities held for sale	62,501	25,935

The investment property classified as held for sale does not include any IFRS 16 rights of use.

4.7 Equity

IMMOFINANZ held 695,585 treasury shares as of 30 June 2024 (31 December 2023: 695,585 treasury shares).

Convertible bond and conditional capital

The annual general meeting on 3 May 2023 authorised the Executive Board, with the consent of the Supervisory Board, pursuant to § 174 (2) of the Austrian Stock Corporation Act to issue convertible bonds up to a total nominal value of EUR 618,092,498.00 which are connected with exchange and/or subscription rights for up to 69,334,855 bearer shares of the company with a proportional share of EUR 69,334,855.00 in share capital. These convertible bonds may be issued in multiple tranches and within a period of five years. Moreover, the Executive Board was authorised to determine all other conditions as well as the issue and exchange procedures for the convertible bonds. The convertible bonds can be issued in exchange for cash or contributions in kind. The subscription rights of shareholders are excluded. Share capital was conditionally increased by up to EUR 69,334,855.00 through the issue of up to 69,334,855 new bearer shares in accordance with § 159 (2) no. 1 of the Austrian Stock Corporation Act. The purpose of this conditional capital increase is the issue of shares to the holders of the convertible bonds which were issued in accordance with a resolution of the annual general meeting on 3 May 2023. This authorisation for the issue of convertible bonds has not been used to date and is therefore available in full.

Authorisations of the annual general meeting to purchase and sell treasury shares

In the 31st ordinary shareholders' meeting of IMMOFINANZ AG held on 29 May 2024 the following resolutions have been passed:

The authorisation of the Executive Board granted in the 30th ordinary shareholders' meeting on 3 May 2023 to purchase treasury shares to the extent not utilised shall be withdrawn and the Executive Board shall be authorised in accordance with section 65 para 1 no 8 as well as para 1a and para 1b Austrian Stock Corporation Act for a period of 30 months from the date of the adopted resolution, with the consent of the Supervisory Board, to repurchase treasury shares in the Company for a total of up to 10 per cent of the share capital of the Company, also under repeated use of the 10 per cent threshold, both over the stock exchange or public offer as well as by other means, also with the exclusion of the shareholders' right to sell their shares, that may accompany such an acquisition. The authorisation may be exercised in full or in part or in multiple partial amounts by the Company, companies affiliated with it (section 189a no 8 Austrian Commercial Code) or by third parties for their account, and in pursuit of one or more purposes. The repeated use of the authorisation is permissible. The authorisation shall be exercised by the Executive Board in such a way that the portion of the share capital associated with the shares acquired by the Company on the basis of this authorisation or otherwise may not exceed 10% of the share capital at any time. The equivalent price per share must not fall below the level of EUR 1.00. The highest equivalent price per share paid in the buy-back shall not be more than 15 per cent above the average of the volume weighted daily closing price of the previous ten trading days of the shares on the Vienna Stock Exchange prior to the agreement of the respective acquisition. In the case of a public offer, the cut-off date for the end of the calculation period shall be the day on which the intention to make a public offer is announced (section 5 para 2 and 3 of the Austrian Takeover Act). If treasury shares are sold and repurchased by the Company in the course of financing transactions (e.g. repo transactions or swap transactions) or in transactions involving securities lending or loans, the sales price shall be the highest equivalent price for the buy-back in addition to appropriate interest.

The authorisation of the Executive Board granted in the 30th ordinary shareholders' meeting on 3 May 2023 to sell treasury shares shall be withdrawn in the unused amount and the Executive Board shall be authorised in accordance with section 65 para 1b Austrian Stock Corporation Act for a period of 5 years from the date of the adopted resolution, subject to the approval of the Supervisory Board, to sell and use treasury shares in another way than over the stock exchange or through a public offering, and also to hereby exclude the proportional purchase right of shareholders (exclusion of subscription right). The authorisation may be exercised once or on several occasions, in full or in part or in multiple partial amounts and in pursuit of one or more purposes by the company, companies affiliated with it (section 189a no 8 Austrian Commercial Code) or by third parties for their account.

The authorisation of the Executive Board granted in the 30th ordinary shareholders' meeting on 3 May 2023 to redeem treasury shares to the extent not utilised shall be withdrawn and the Executive Board shall be authorised without further involvement of the shareholders' meeting, with the consent of the Supervisory Board, to redeem treasury shares. The Supervisory Board shall be authorised to resolve upon amendments of the Articles of Association resulting from the redemption of treasury shares.

Authorised capital

The annual general meeting on 3 May 2023 authorised the Executive Board, with the consent of the Supervisory Board, pursuant to § 169 of the Austrian Stock Corporation Act to increase the company's share capital by up to EUR 69,334,855.00 through the issue of up to 69,334,855 new shares in exchange for cash or contributions in kind. The authorisation is valid up to 21 July 2028. The Executive Board is also authorised, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders in full or in part. The shares issued based on this authorisation in exchange for cash contributions and under the exclusion of shareholders' subscription rights may not exceed EUR 13,866,971.00, which represents roughly 10% of the company's share capital at the time the resolution was passed by the annual general meeting. This authorisation to increase share capital has not been used to date and is therefore available in full.

Squeeze-out at S IMMO AG by IMMOFINANZ AG

IMMOFINANZ AG received the approval of its Supervisory Board on 24 May 2024 to begin preparation for a squeeze-out at S IMMO in accordance with the Austrian Squeeze-out Act ("Gesellschafter-Ausschlussgesetz"). The squeeze-out is intended to result in the transfer of the S IMMO shares (AT0000652250) held by minority

shareholders to IMMOFINANZ as the principal shareholder in exchange for an appropriate cash settlement. IMMOFINANZ holds approximately 88.37% of the share capital of S IMMO (92.54% including the treasury shares held by S IMMO) together with its parent company, CPI Property Group S.A. (CPIPG), and is therefore considered a principal shareholder under the Austrian Squeeze-out Act. The squeeze-out currently involves 5,246,664 S IMMO shares which represent roughly 7.13% of share capital. These are the shares not directly held by IMMOFINANZ or CPIPG or by S IMMO as treasury shares. At the beginning of the squeeze-out proceedings, IMMOFINANZ, as the principal shareholder, will direct a request to S IMMO. The cash settlement for the purchase of S IMMO shares will be determined on the basis of an enterprise valuation. The expulsion of shareholders must then be approved by an S IMMO annual general meeting, which is expected to take place in autumn 2024.

4.8 Financial liabilities

The following table shows the composition and remaining terms of the financial liabilities as of 30 June 2024:

All amounts in TEUR	30 06 2024	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years	31 12 2023
Amounts due to financial institutions	3,275,166	536,459	2,508,835	229,872	3,296,541
thereof secured by collateral	3,275,166	536,459	2,508,835	229,872	3,296,354
thereof not secured by collateral	0	0	0	0	187
Liabilities arising from the issue of bonds	727,155	19,494	579,251	128,410	820,539
Other financial liabilities	206,219	74,085	87,014	45,120	166,451
Total	4,208,540	630,038	3,175,100	403,402	4,283,531

The liabilities from the issue of bonds represent fixed-interest, unsecured, non-subordinated bonds. They include one bond issued by IMMOFINANZ AG with an outstanding nominal value of EUR 237.8 million (31 December 2023: EUR 237.8 million) as well as eight bonds issued by S IMMO AG with a total outstanding nominal value of EUR 520.6 million (31 December 2023: nine bonds, nominal value EUR 620.6 million).

The other financial liabilities include a liability of EUR 78.2 million (31 December 2023: EUR 29.4 million) to the CPI Property Group as well as EUR 71.0 million (31 December 2023: EUR 75.2 million) due to insurance companies and EUR 57.0 million (31 December 2023: EUR 61.9 million) of lease liabilities.

4.9 Trade payables and other liabilities

All amounts in TEUR	30 06 2024	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years	31 12 2023
Trade payables	66,650	65,770	869	11	93,122
Derivative financial instruments (liabilities)	6,326	0	6,102	224	25,600
Property management	5,483	5,483	0	0	4,133
Deposits and guarantees received	59,517	14,388	41,245	3,884	53,950
Prepayments received on property sales	5,002	5,002	0	0	739
Construction and refurbishment	123	52	71	0	340
Outstanding purchase prices (share deals)	1,102	1,102	0	0	16,876
Outstanding purchase prices (acquisition of properties)	149	21	128	0	149
Miscellaneous	47,144	42,656	2,792	1,696	36,280
Total other financial liabilities	124,846	68,704	50,338	5,804	138,067
Tax authorities	27,273	27,273	0	0	11,423
Rental and lease prepayments received	40,862	38,897	627	1,338	42,738
Other contractual liabilities	2,563	2,563	0	0	4,601
Total other non-financial liabilities	70,698	68,733	627	1,338	58,762
Total	262,194	203,207	51,834	7,153	289,951

5. Notes to the Consolidated Income Statement

5.1 Rental income

All amounts in TEUR	Q1–2 2024	Q1–2 2023
Office	119,283	119,124
Retail	151,048	115,256
Other	12,240	15,167
thereof hotel	4,590	2,688
thereof residential	6,843	12,335
thereof other	807	144
Income from non-performance-related components of operating costs	9,975	9,380
Total	292,546	258,927

The year-on-year increase in rental income resulted, above all, from the acquisition of retail properties.

5.2 Expenses from investment property

All amounts in TEUR	Q1–2 2024	Q1–2 2023
Commission expenses	-850	-1,243
Maintenance	-8,737	-8,923
Operating costs charged to building owners	-7,595	-10,260
Property marketing	-1,293	-1,139
Personnel expenses from asset management	-4,165	-980
Other expenses from asset management	-2,672	-2,522
Fit-out costs	-164	-743
Write-off of receivables from asset management	-1,299	-893
Other expenses	-892	-1,341
Total	-27,667	-28,044

5.3 Results of owner-operated hotel properties

The following table shows the results from the owner-operated hotel properties in the first half of 2024:

All amounts in TEUR	Q1–2 2024	Q1–2 2023
Income from owner-operated hotels	33,807	31,387
Expenses from owner-operated hotels	-25,772	-23,430
Depreciation and impairment on owner-operated hotels	-4,606	-6,496
Total	3,429	1,461

5.4 Result of property sales

All amounts in TEUR	Q1-2 2024	Q1-2 2023
Office	62,020	112,634
Retail	0	5,680
Other	41,168	110,220
Proceeds from property sales	103,188	228,534
Less carrying amount of sold properties	-103,188	-228,534
Net gain/loss from property sales	0	0
Gains/losses from deconsolidation	5,636	-45,845
Sales commissions	-21	-254
Personnel expenses from property sales	-326	-322
Legal, auditing and consulting fees from property sales	-568	-402
VAT adjustments from the sale of properties	-1,624	-660
Other expenses	1,819	-1,548
Expenses from property sales	-720	-3,186
Revaluation results from properties sold and held for sale	566	-3,963
Total	5,482	-52,994

Property sales in the first half of 2024 primarily involved office properties in Germany which were sold by the S IMMO Group as well as two office properties in Vienna, one of three properties under construction from a portfolio in Warsaw, and two land sites in Romania. Information on deconsolidation results is provided in section 2.2.

5.5 Results of property development

All amounts in TEUR	Q1-2 2024	Q1-2 2023
Cost of real estate inventories sold	0	-2
Expenses from property development	-591	-1,621
Revaluation results from properties under construction	340	-2,367
Total	-251	-3,990

5.6 Other operating income

Other operating income comprises the following items:

All amounts in TEUR	Q1-2 2024	Q1-2 2023
Expenses charged on	587	171
Insurance compensation	1,750	46
Income from derecognised liabilities	449	1,154
Reimbursement for penalties	0	222
Miscellaneous	1,808	2,909
Total	4,594	4,502

5.7 Other operating expenses

Other operating expenses include the following items:

All amounts in TEUR	Q1–2 2024	Q1–2 2023
Administrative expenses	-5,850	-3,645
Legal, auditing and consulting fees	-6,620	-4,789
Penalties	-100	-18
Taxes and levies	-1,466	-2,499
Advertising	-1,039	-1,354
EDP and communications	-1,791	-2,006
Expert opinions	-330	-341
Personnel expenses	-14,353	-17,306
Other write-downs	-2,333	-2,026
Miscellaneous	-7,270	-13,769
Total	-41,152	-47,753

The line item “miscellaneous” in 2023 includes the adjustment of a provision based on a court decision, which is related to restitution proceedings for land on which a shopping center was built by a Romanian subsidiary. The court decision is not yet final.

5.8 Revaluation results from investment property and goodwill

The results from the revaluation of investment properties and goodwill as of 30 June 2024 consist almost solely of effects from property valuation.

The following table shows the revaluation gains (write-ups) and losses (write-downs) on investment property:

All amounts in TEUR	Q1–2 2024			Q1–2 2023		
	Revaluation gains	Revaluation losses	Total	Revaluation gains	Revaluation losses	Total
Investment property	208,177	-290,650	-82,473	32,962	-223,826	-190,864
Property under construction	1,168	-828	340	2,059	-4,426	-2,367
Properties sold and held for sale	1,347	-781	566	230	-4,193	-3,963
Total	210,693	-292,260	-81,567	35,251	-232,445	-197,194

5.9 Financial results

All amounts in TEUR	Q1–2 2024	Q1–2 2023
For financial liabilities AC	-109,463	-84,749
For derivative financial instruments	-2,062	-19,581
Total financing costs	-111,525	-104,330
For financial receivables AC	8,392	1,147
For derivative financial instruments	40,014	41,183
Total financing income	48,406	42,330
Foreign exchange differences	-8,007	4,866
Profit or loss on other financial instruments and proceeds on the disposal of financial instruments	-1,966	-1,160
Valuation of financial instruments at fair value through profit or loss	29,347	-17,563
Distributions	1,318	535
Valuation adjustments and impairment of receivables	-8	0
Negative interest on cash and cash equivalents	0	-30
Other financial results	28,691	-18,218
Net profit or loss from equity-accounted investments	721	2,555
Total	-41,714	-72,797

AC: Financial Assets/Liabilities Measured at Amortised Cost

The results from the measurement of financial instruments at fair value primarily include the valuation of derivative financial instruments (interest rate swaps).

Information on the net profit or loss from equity-accounted investments is provided in section 4.4.

6. Additional Disclosures on Financial Instruments

6.1 Classes and categories of financial instruments

The following table shows the carrying amount and fair value of each class of financial assets and financial liabilities defined by the company and reconciles these amounts to the appropriate balance sheet line items.

All amounts in TEUR	Carrying amount of financial assets	Carrying amount of non-financial assets	Total carrying amount	Total carrying amount	Total fair value	Total fair value
	30 06 2024	30 06 2024	30 06 2024	31 12 2023	30 06 2024	31 12 2023
Trade accounts receivable	78,911	0	78,911	80,892	78,911	80,892
Financing receivables	3,740	0	3,740	3,932	3,740	3,932
Loans and other receivables	100,860	11,118	111,978	148,858	111,978	148,858
Trade and other receivables	183,511	11,118	194,629	233,682	194,629	233,682
Derivatives	167,396	0	167,396	147,585	167,396	147,585
Miscellaneous other financial instruments	15,698	0	15,698	16,785	15,698	16,785
Other financial assets	183,094	0	183,094	164,370	183,094	164,370
Cash and cash equivalents	766,091	0	766,091	697,119	766,091	697,119
Total assets	1,132,696	11,118	1,143,814	1,095,171	1,143,814	1,095,171

All amounts in TEUR	Carrying amount of financial liabilities	Carrying amount of non-financial liabilities	Total carrying amount	Total carrying amount	Total fair value	Total fair value
	30 06 2024	30 06 2024	30 06 2024	31 12 2023	30 06 2024	31 12 2023
Bonds	727,155	0	727,155	820,539	689,623	734,422
Amounts due to financial institutions	3,275,166	0	3,275,166	3,296,541	3,175,128	3,263,676
Other financial liabilities	206,219	0	206,219	166,451	207,853	164,288
Financial liabilities	4,208,540	0	4,208,540	4,283,531	4,072,605	4,162,386
Trade payables	66,650	0	66,650	93,122	66,650	93,122
Derivatives	6,326	0	6,326	25,600	6,326	25,600
Miscellaneous other liabilities	118,520	70,698	189,218	171,229	189,218	171,229
Trade and other payables	191,496	70,698	262,194	289,951	262,194	289,951
Total equity and liabilities	4,400,036	70,698	4,470,734	4,573,482	4,334,799	4,452,337

6.2 Hierarchy of financial instruments carried at fair value

The following section includes an analysis of the financial instruments carried at fair value. A three-level classification was developed for this analysis in accordance with the measurement hierarchy defined in IFRS 13:

- Level 1: quoted prices for identical assets or liabilities on an active market (without any adjustments)
- Level 2: inputs that can be derived directly (e.g. as prices) or indirectly (e.g. based on prices) for the individual assets or liabilities and cannot be classified under Level 1
- Level 3: inputs for assets or liabilities that are not based on observable market data

All amounts in TEUR	Level 1	Level 2	Level 3	30 06 2024	
				Total	
Financial assets at fair value through other comprehensive income					
Miscellaneous other financial instruments	-	-	7,562	7,562	
Financial assets at fair value through profit or loss					
Derivatives	-	-	167,396	167,396	
Miscellaneous other financial instruments	8,133	-	3	8,136	
Financial liabilities at fair value through profit or loss					
Derivatives	-	-	6,326	6,326	
					31 12 2023
All amounts in TEUR	Level 1	Level 2	Level 3	Total	
Financial assets at fair value through other comprehensive income					
Miscellaneous other financial instruments	-	-	8,650	8,650	
Financial assets at fair value through profit or loss					
Derivatives	-	-	147,585	147,585	
Miscellaneous other financial instruments	8,043	-	92	8,135	
Financial liabilities at fair value through profit or loss					
Derivatives	-	-	25,600	25,600	

The following table reconciles the beginning and ending balances of the financial instruments classified under Level 3:

All amounts in TEUR	Derivatives		Miscellaneous other financial instruments		Total	
	Q1–2 2024	2023	Q1–2 2024	2023	Q1–2 2024	2023
Beginning balance	121,985	235,983	8,742	7,717	130,727	243,700
Recognised in the consolidated income statement	29,078	-119,244	-90	-162	28,988	-119,406
Recognised in other comprehensive income	0	0	-1,105	1,187	-1,105	1,187
Additions	9,349	34,066	0	0	9,349	34,066
Disposals	658	-28,820	18	0	676	-28,820
Ending balance	161,070	121,985	7,565	8,742	168,635	130,727

Of the EUR 29.0 million results recognised to the income statement and reported in the above table, the entire amount is attributable to financial instruments that were held as of 30 June 2024. The respective amounts are included under other financial results.

The valuation procedures and valuation-relevant input factors used to determine the fair value of financial instruments are as follows:

Level	Financial instruments	Valuation method	Major observable input factors	Major non-observable input factors
3	Derivatives (interest rate swaps)	Net present value methods	Interest rate curves observable on the market, probability of default, loss given default, exposure at default	Credit margin: 1.50% to 2.50%

IMMOFINANZ calculates the fair value of derivatives by discounting the future cash flows based on a net present value method. The interest rates used to discount the future cash flows are based on an interest curve that is observable on the market. The following three parameters are required to calculate the credit value adjustment (CVA) and the debt value adjustment (DVA): the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD). The probability of default is derived from the credit default swap (CDS) spreads of the respective counterparty. Derivatives with a positive fair value represent receivables for IMMOFINANZ; in these cases, a CVA calculation is used to calculate the amount of the receivable. One parameter for this calculation is the probability of default for the counterparties. IMMOFINANZ concludes contracts with over ten financial institutions, and observable CDS spreads are available on the market for many of them. In exceptional cases, average branch benchmarks are used as a substitute for unavailable spreads. These benchmarks represent Level 1 and 2 input factors on the fair value measurement hierarchy. Derivatives with a negative fair value represent liabilities for IMMOFINANZ; in these cases, a DVA calculation is used to calculate the amount of the liability and IMMOFINANZ's own probability of default must be determined. IMMOFINANZ generally concludes derivatives at the level of the property company that manages a particular property. Neither observable market CDS spreads, nor benchmarks are available for these property companies. Credit margins are therefore used to estimate CDS spreads which, in turn, form the basis for deriving the probability of default. The credit margin for IMMOFINANZ is determined in a two-step procedure. The first step involves the calculation of an average margin based on signed credit agreements and term sheets, whereby the time horizon for the applied margins equals twelve months. The second step involves obtaining indicative credit margin offers from banks and averaging these values with the margins from the credit agreements and term sheets. These offers are grouped by country and asset class. The individual property companies that have concluded financial instruments are assigned to a group based on country and asset class. The plausibility of the calculated credit margins is also verified by comparison with external market reports. This procedure results in market-conform credit margins that can be used as estimates for valuing the company's own credit risk. These input factors represent Level 3 on the IFRS 13 measurement hierarchy. The loss given default (LGD) is the relative value that would be lost on default. IMMOFINANZ uses an ordinary market default rate to calculate the CVA and DVA. The exposure at default represents the expected amount of the asset or liability at the time of default. The calculation of the exposure at the time of default is based on a Monte Carlo simulation.

For net present value methods, an increase in the discount rate, exit yield or counterparty CDS values leads to a reduction in fair value. In contrast, fair value is increased by a reduction in these input factors.

The valuation of default risk includes assumptions for the probability of default, loss rate and the outstanding amount at the time of expected default. An increase in the probability of default and the loss rate will reduce the fair value of a derivative with a positive outstanding amount (receivable) and reduce the liability for a derivative with a negative outstanding amount (liability). A decrease in the probability of default and the loss rate leads to the opposite effect.

7. Transactions with Related Parties

All amounts in TEUR	30 06 2024	31 12 2023
Relations with CPI Property Group		
Receivables	3,967	12,481
Liabilities	84,652	39,364
All amounts in TEUR		
	Q1-2 2024	Q1-2 2023
Relations with CPI Property Group		
Other income	429	1,763
Other expenses	-14,864	-15,379
Interest income	0	20
Interest expense	-1,355	-9,194

In the second quarter of 2024, S IMMO acquired a portfolio of eight properties in the Czech Republic from Czech Property Investments, a.s., a subsidiary of CPI Property Group S.A., through shares deal. The purchase prices (excluding ancillary costs) totalled EUR 176.0 million and consisted entirely of cash and cash equivalents. Loans of EUR 235.7 million included in the non-current liabilities held by the acquired companies were repaid in connection with the settlement of the acquisitions. The transactions also included the transfer of interest rate derivatives, which were recognised on the acquisition date at a positive value of EUR 8.3 million. The purchase costs for the acquired property assets were reduced accordingly.

Business transactions with equity-accounted investments led to the following amounts in the consolidated interim financial statements of IMMOFINANZ for the first half of 2024:

All amounts in TEUR	Q1-2 2024	Q1-2 2023
Relations with associated companies		
Other income	1	238
Other expenses	-78	-1,405

There were no reportable transactions between IMMOFINANZ and related persons in the first half of 2024.

8. Subsequent Events

S IMMO successfully closed the sale of the HOTO Business Tower in Zagreb on 12 July 2024. The office building has roughly 15,500 sqm of rentable space.

On 23 July 2024, the corporate bodies of IMMOFINANZ authorised the conclusion of a framework agreement with IMMOFINANZ's majority shareholder, CPI Property Group S.A., which holds roughly 75% of IMMOFINANZ (104,004,581 shares), to start an evaluation process for the examination of possible company fusions, cross-border mergers or other forms of integration or the combination of assets, functions and key corporate units. The goal is to optimise the capital structure of the group and to utilise operational and cost efficiencies for the benefit of all shareholders.

The myhive Victoriei office development project in the historical old city of Bucharest was sold for roughly EUR 27 million on 20 August 2024. The sale to AFI Europe exceeded the current carrying amount of the property. This office complex is the highest building in the center of Bucharest and has roughly 31,000 sqm of usable space.

S IMMO shares were offered to IMMOFINANZ by a shareholder after the end of the reporting period. As the purchase price reflected the share price at that time (18 July 2024: EUR 22.10), IMMOFINANZ accepted the offer and purchased a further 442,631 shares for approximately EUR 9.8 million. Following this transaction, IMMOFINANZ currently holds 50.6%, or 37,247,080 shares, of S IMMO.

Statement by the Executive Board

We confirm to the best of our knowledge that these consolidated interim financial statements of IMMOFINANZ as of 30 June 2024, which were prepared in accordance with the rules for interim financial reporting defined by the International Financial Reporting Standards (IFRS), give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by Austrian stock market regulations. We also confirm to the best of our knowledge that the interim Group management report gives a true and fair view of important events that occurred during the first six months of the financial year and their impact on these consolidated interim financial statements as well as the principal risks and uncertainties for the remaining six months of the financial year and reportable transactions with related parties.

Vienna, 28 August 2024

The Executive Board



Radka Doehring



Pavel Měchura

Financial calendar 2024

28 November 2024¹

Announcement of results for the first three quarters of 2024

¹ Publication after the close of trading on the Vienna Stock Exchange

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Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

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