HALF-YEARLY REPORT 2012 Diary

KEY FIGURES
of the UBM Group

KEY PROFIT AND LOSS FIGURES

in € million	H1/2012	2012*	H1/2011	2011	H1/2010	2010
TOTAL REVENUES OF UBM GROUP	89.2	200.4	126.1	281.9	117.3	217.0
of which: international in %	84.9	73.7	89.7	91.0	88.5	86.9
Earnings before interest and taxes (EBIT)	8.8		14.2	23.1	12.7	25.8
Earnings before taxes (EBT)	5.8		6.2	14.6	5.7	14.4
Profit after tax	4.4		2.6	8.9	3.5	9.4
INVESTMENTS	27.8	50.0	37.4	78.7	26.1	72.4

BUSINESS OVERVIEW

in € million	H1/2012	2012*	H1/2011	2011	H1/2010	2010
TOTAL REVENUES OF UBM GROUP	89.2	200.4	126.1	281.9	117.3	217.0
Central and Eastern Europe	31.9	79.4	43.6	112.9	58.9	93.3
Western Europe	43.8	68.3	69.4	142.6	44.9	95.2
Austria	13.5	52.7	13.1	26.4	13.5	28.5
HEADCOUNT (fully-consolidated companies)						
As of 30 June	442		411		384	
of which, hotel staff	219		181		171	

*) Projection

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FOREWORD
from the Managing Board



Dear shareholders,

The encouraging start to the year 2012 continued throughout the first six months. As of 30 June 2012 the UBM Group generated total revenues of € 89.2 million. This is a decline of €36.9 million in comparison to the previous year, but we still managed to maintain EBT at the same level of € 5.8 million.

The result of the past half-year is mainly attributable to the successful sale of our residential projects in Germany. In Poland we are focusing on the Poleczki Park project (phase 2) and on completing retail parks (Lublin and Gdynia). The regular sales from operating and leasing hotels round our production output off.

Activities in the second half of this year will continue to concentrate mainly on our key markets, Poland, Germany and the Czech Republic: in Poland we are engaged in the fields of residential construction, commercial properties and offices, currently focusing on completing office complexes in Warsaw and Krakow. In Germany we are not only focused on residential projects in Munich, Frankfurt, Hamburg and Berlin, but also on hotel and office projects in Munich. In Austria we are building a luxury apartment complex in Salzburg. Assuming that the overall economic conditions do not deviate significantly from the forecasts of economic analysts, we expect to generate revenues and profits in 2012 that reflect the lower economic growth across Europe.

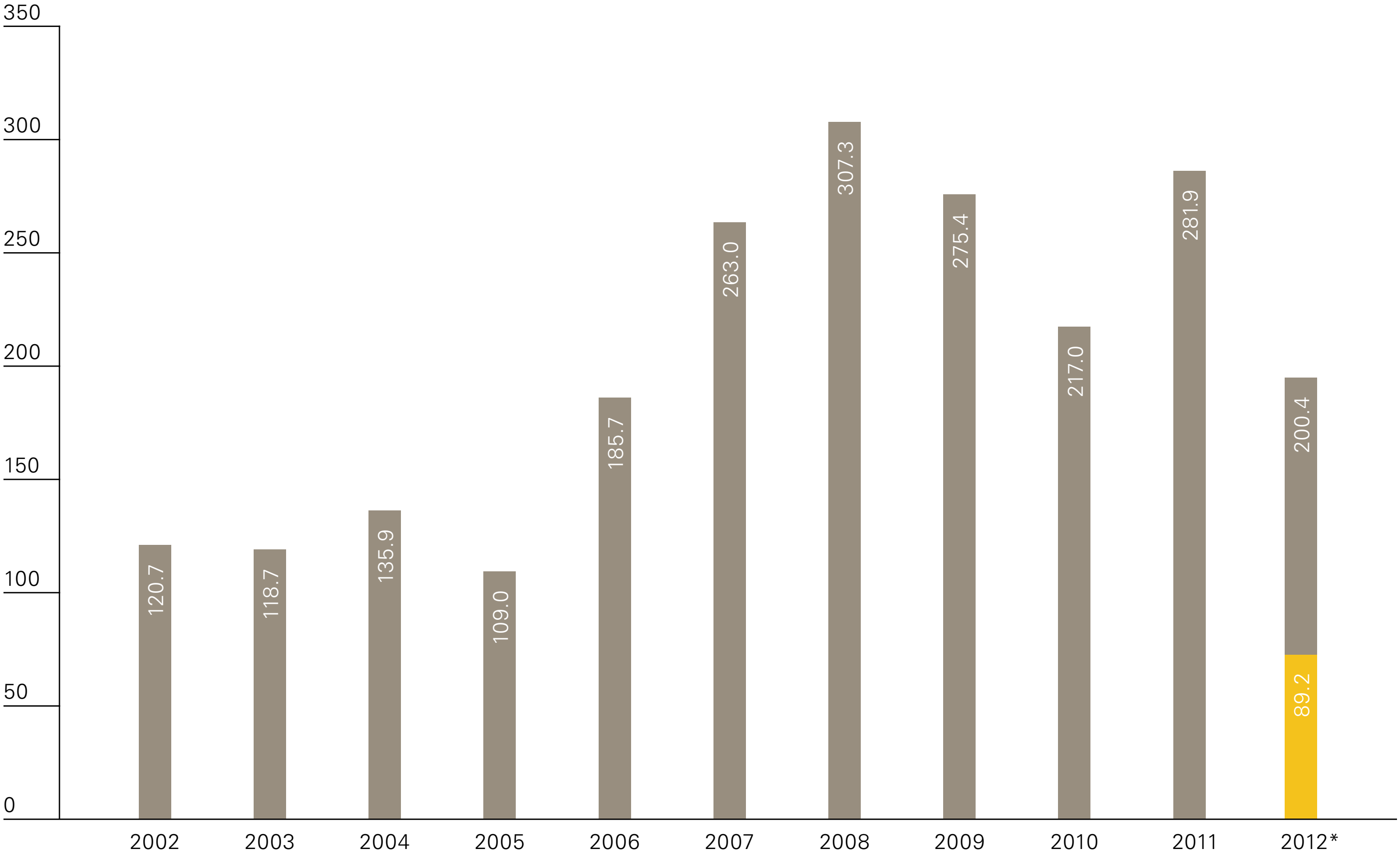
Karl Bier
(Chairman)

Heribert Smolé

Martin Löcker

10 YEARS
of the UBM Group

Production output
10 years of the UBM Group in € million



* Projection

The decline in production output as shown on the graph was caused by stockpiling in our residential projects, which will boost production output in the coming years when this trend is reversed.

Consequently, the UBM Group achieved a total production output in 2012 of € 89.2 million. The production output target for 2012 is € 200.4 million.

Salzburg remains the focal point of our activities in Austria, where this year we will complete an exclusive residential property with 31 apartments; we have already launched a follow-on project comprising another 65 residential units.

In Western Europe we are concentrating on our home market of Germany, where we are particularly busy in the residential markets of Munich, Frankfurt and Berlin. In terms of commercial real estate we are building a hotel and also have an office building in the pipeline in Munich.

In the second half of 2012 we plan to adopt a selective diversification approach between our home markets and new markets and follow a targeted segment policy to take account of the changes on the market triggered above all by the financial positions of individual countries and banks.

EBT as of 30 June 2012 amounted to roughly € 5.8 million. Profit after tax increased by 69.2 % to € 4.4 million.

Frankfurt is the financial centre of Germany, an important place of business and a massive centre of knowledge. Not to mention the ideal place to live.

RIEDBERG PROJECT, FRANKFURT

On 21 June 2012 the topping out ceremony was held in Riedberg, Frankfurt am Main for the "Living Affairs" project.

As part of its urban development process the city of Frankfurt designated a new development zone ten years ago called "Riedberg". University institutes have been established, office buildings constructed and residential areas created in various stages over recent years.

Through a project company, Münchner Grund acquired a plot of land in the immediate vicinity of the metro (here the trains are running above ground). The project comprises 117 apartments in six buildings. Three tower blocks with 42 apartments were sold individually, followed by rented apartment buildings to Hessische Ärzteversorgung.

The entire residential complex has already been sold and the building is expected to be completed by the early summer of 2013.

FACTS AND FIGURES

- 117 apartments in 6 buildings
- Close to the metro
- Size of property: 8,641 m²
- In the immediate vicinity of a university, schools and shopping centres

We've docked on the Vltava. Around our first office building in Libeň we are developing a refined district of Prague.

DOCK 01, PRAGUE, CZECH REPUBLIC

The DOCK project is a large urban development in Liben, Prague 8, comprising office and residential buildings as well as a leisure area on a branch of the Vltava, very close to the metro station of Palmovka, various tram and bus stops as well as the bus terminal. The first construction phase – a residential complex with three buildings – has already been completed.

UBM AG managed to enter into a joint venture for part of the project with Crestyl (a renowned developer engaged primarily in residential construction) to complete the first office building DOCK 01. The office building has eight full floors and two basement floors with a total floor space of approximately 14,240 m² (10,200 m² above ground and 4,040 m² below ground). DOCK 01 has lettable space of 8,800 m² and 87 car parking spaces. The building is currently under construction and thirty percent has been pre-rented. The building is set to be completed in the summer of 2013.

We are seeking to obtain a Gold LEED certificate for the building.

FACTS AND FIGURES

- Property area: 3,387 m²
- Lettable area: 8,800 m²
- Parking spaces: 87
- Start of construction: June 2012
- Completion: Summer 2013
- Transport links: underground, tram, bus

This is our "Münchner Freiheit": inspired homes, modern workplaces and stylish holidays, right in the middle of one of Germany's finest cities.

PROJECT: ALBERT-ROSSHAUPTER-STRASSE 41, MUNICH

An "angelo" hotel has been constructed on the piece of land at Albert-Roßhaupter-Straße 41 in Munich, acquired in October 2007, which includes 207 rooms, a restaurant and conference facilities as well as an office wing along Albert-Roßhaupter-Straße and 26 apartments in the building at the rear. A basement car park with spaces for 133 vehicles was also constructed for the entire project. The whole building is made from reinforced concrete.

Hotel

"angelo" is now the seventh hotel of its kind in Europe and the second in Munich. On the ground floor of this 4-star hotel you can find a lobby with a bar and reception, a restaurant with kitchen area and conference rooms. Floors 1-3 contain the bedrooms, while the penthouse floor on the very top has suites with rooftop terraces. The hotel really sets itself apart with its proximity to green spaces: guests can walk straight from the conference facilities and from the lobby bar into the adjoining garden and park.

Office buildings

The five-story office building along Albert-Roßhaupter-Straße includes two shops on the ground floor. The offices can be reached from the ground floor via lifts or stairs. The office units were constructed in accordance with the requirements of the future tenants. Offices can be leased out ranging from roughly 200 m² to around 800 m² per floor. The top storey is set back to create a spacious rooftop terrace. The position and flexibility of the hotel make it particularly attractive to the service industries.

Residential building

The apartments are sound-proofed and located in the rear building parallel to Albert-Roßhaupter-Straße. A total of 26 apartments are being built containing 2, 3 or 4 bedrooms. The apartments on the ground floor will also have their own south-facing garden. The standard floors are going to have five apartments each with south-facing balconies, while the upper floor will have three apartments with spacious rooftop terraces. The building is accessible from Albert-Roßhaupter-Straße via a passageway through the office building. All of the apartments have already been sold.

FACTS AND FIGURES

- Start of construction: July 2011
- Completion: Hotel: Jan. 2013 – Offices / Homes: Q1 2013
- Size of property: 9,566 m²
- Hotel (angelo): floor space of roughly 9,900 m² (207 rooms)
- Offices: floor space of approx. 3,000 m²
- Retail: floor space of approx. 400 m²
- Homes: floor space of roughly 2,400 m²/26 apartments
- Basement car park: area of approx. 5,100 m², 133 parking spaces


angelo
HOTEL
angelo


DOKA

BUSINESS DEVELOPMENTS, RESULTS AND POSITION OF COMPANY

ECONOMIC SITUATION

Europe

The last six months have continued to be shaped by the difficult economic climate. While the real economy was still relatively stable with investments and also private consumption, the sovereign debt crisis escalated in the USA and above all in the eurozone. Economic developments have slowed in recent weeks and the expected stability on the financial markets in the eurozone failed to materialise. Now that there appears to be no risk of Greece immediately exiting the eurozone, thanks to political decisions and agreements reached, attentions have turned to the financial predicament of Spain. In essence it seems that some countries will have to break from a business model that finances the welfare state not through productivity but through debt. Real growth in gross domestic product (GDP) for the eurozone is expected to move into negative territory with a figure of -0.3% after recording 1.5% in 2011. The corresponding forecasts for Germany are 3.0% for 2011 and 0.5% for 2012, for France 1.7% (2011) and –0.1% (2012), Italy 0.4% (2011) and –2.0% (2012) and Spain 0.7% (2011) and –1.6% (2012). Switzerland is much more stable by comparison with GDP growth of 2.1% in 2011 and a projected 1.5% for 2012. The inflation rate in the eurozone in 2011 averaged out at 2.7%, and is expected to fall to 2.4% this year. The comparable figures for Germany are 2.5% (2011) and 2.0% (2012). The highest increase in consumer prices in 2012 is predicted for Italy (2.9%), while Switzerland may well experience a fall of 0.3% after recording +0.2% in the previous year. Sovereign debt in the eurozone came in at an average of 87.7% of GDP in 2011, with a figure of 91.8% expected for 2012. Greece led the way with 165.3% in 2011, while 160.6% is estimated for 2012. The German numbers, by contrast, were 81.7% for 2011 and 81.2% for 2012. Switzerland is in a better position here too, posting figures of 41.0% in 2011 and 40.8% in 2012.

Austria

As before, economic developments in Austria turned out much better than in most countries of the eurozone. Real GDP growth for this year is expected to come in at 0.7% after 3.0% last year. The robust first quarter (+0.3% GDP growth compared to the previous period) is expected to be followed by somewhat slower quarters in 2012. Exports are being affected by the recession in the eurozone as 53% of goods exports are sent to other euro countries. This means the industrial sector cannot drive growth trends, and private consumption is once again expected to support economic development. The inflation rate totalled 3.6% in the previous year, and it is estimated there will be a sharp decline this year to 2.3%. Sovereign debt came in at 72.2% of GDP in 2011 with 74.9% expected for 2012, far below the EU average.

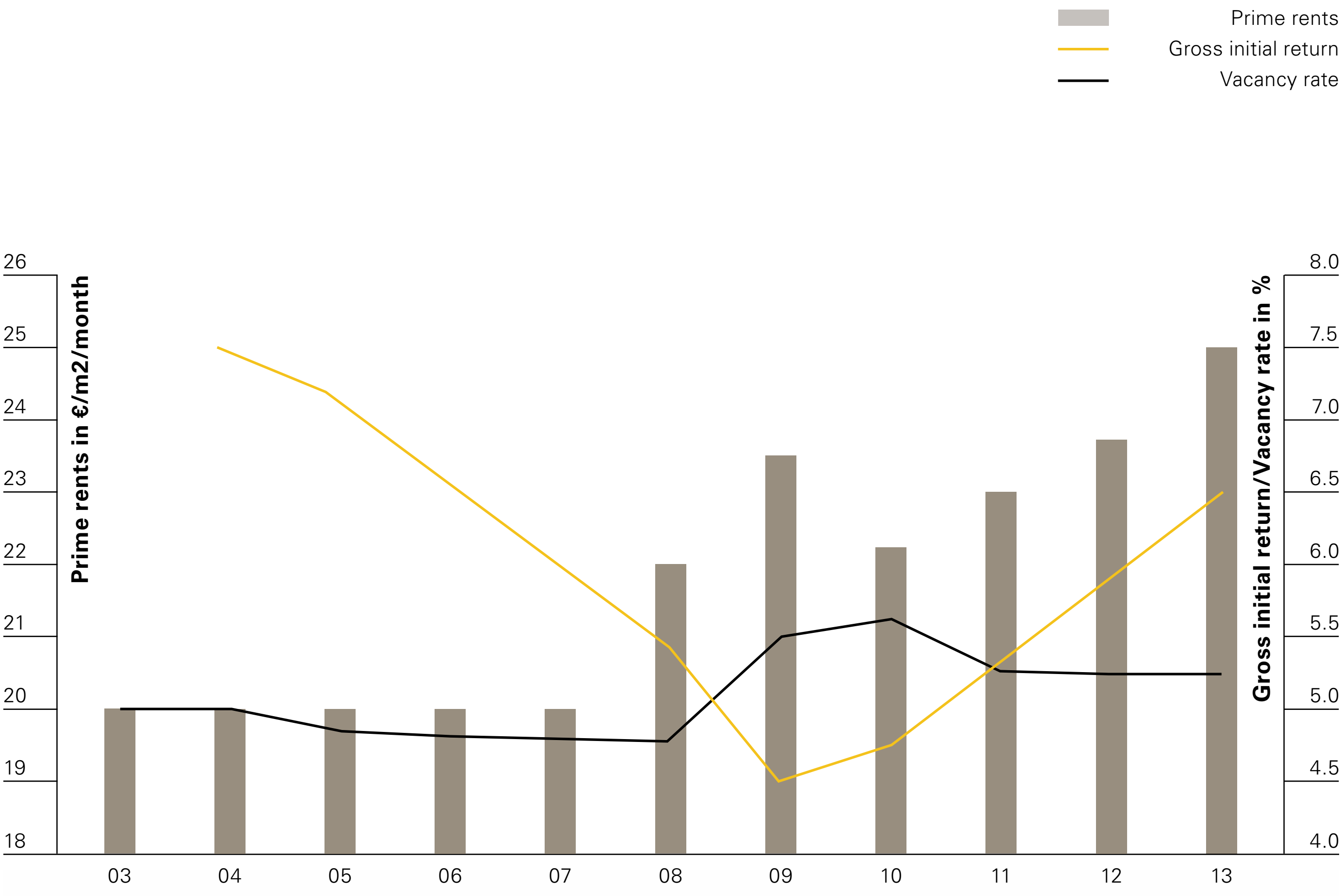
Central and Eastern Europe

The economic situation in Central and Eastern Europe (CEE) is more stable than in the eurozone with sovereign debt levels being much lower throughout. Real growth of 2.6% is forecast for CEE countries in 2012 (after 3.7% in 2011), whereby Poland, Russia, Slovakia and Ukraine are set to record above-average growth as the Balkan countries teeter on the brink of recession. The situation in Hungary is quite troublesome as the 1.7% GDP growth in the previous year is expected to be followed by a recession in 2012 of –0.5%. Consumer prices in the CEE region rose by an average of 7.4% in 2011, and a significant improvement is expected this year to 5.2%. Sovereign debt averaged 28.0% in 2011, with 29.2% predicted for 2012.

Development of real estate markets

In the first half of 2012, real estate in Austria changed hands for a total value of € 8.1 billion. In comparison to the first six months of 2011 this represents a reduction in the volume of trading by 2.4%, as shown by the latest real estate price comparison by broker network Re/Max. The fall in the number of transactions was even more pronounced (–5.0%). 43,246 real estate purchases were registered in Austria in

Prime rents – Gross initial return – Vacancy rate in Vienna 2003-2012



* Source: CBRE 07/2012

the first half of 2012, some 2,282 fewer than in the same period in the previous year. This could be attributable to the significant price hikes in both of the preceding years. In various studies, Austria is always considered to be an attractive location for real estate investments by European comparison. Germany and Switzerland are considered particularly interesting. In terms of office investments, Vienna remains the favourite. There is cautious optimism for 2012 and the prices of office and retail real estate are believed to be stable. The topic of credit-driven financing is likely to increase in significance again this year, which could limit the volume of transactions. The growing concerns about inflation are expected to result in greater investor interest towards real estate, but this will be subdued by the euro crisis.

Financing difficulties influenced the CEE region, leading to smaller project volumes for office investments and therefore lower vacancy rates. In most markets the vacancy rate still lies above 10%; Sofia and Belgrade are the front-runners in this respect with figures of 22%, while Warsaw still enjoys a low figure of 6.7%. The yields on office buildings will likely come under pressure in 2012.

The supply of office space on the Viennese market came to roughly 10.5 million m^2 at the end of the first six months of 2012, slightly more than in the same period in 2011. The volume of rented office space dropped by 3.4% relative to the previous year to 145,000 m^2. The vacancy rate settled at 6.0% after the first six months of the year, and is expected to rise slightly to 6.7% by the end of the year. Prime rents amounted to approximately 24.50 EUR/m^2/month, an increase of 4% compared to the same period in the previous year (23.50 EUR/m^2/month). Rents in good and average office locations are largely stable. The volume of investment in the first six months of 2012 came in at around € 550 million, considerably below the figure of the same period in the previous year of € 670 million. Prime rents at the end of the first six months totalled 5.2%, unchanged since the start of the year. This means that the much hoped-for upswing on the Vienna office market has yet to materialise due to the European currency and debt crisis.

Sources: Thomson Reuters, Raiffeisen Research, Consensus Economics, Ernst & Young Real Estate, CBRE, EHL

BUSINESS DEVELOPMENTS

Sales trends (by line of business)

As of 30 June 2012 the production output of the UBM Group totalled € 89.2 million (previous year: € 126.1 million) which is down by € 36.9 million on the comparable figure from the previous year. This development is due to contracting production output in the "Central, Eastern and Western Europe" segments, while the development of the "Austria" segment was relatively stable.

The fall of € 11.7 million in the "Central and Eastern Europe" segment to € 31.0 million is primarily due to a real estate sale in the Czech Republic in the previous year, while a variety of projects were completed in Poland. The Czech Republic generated sales revenue in the first half of the year amounting to € 3.0 million. Russia recorded an increase in production output of € 3.2 million following the complete upgrade and the opening of the Crown Plaza Hotel, and the first office building in the "Airport Center St. Petersburg" project.

The lion's share of sales revenue was generated by Poland, totalling € 25.6 million, which is down on the previous year (€ 31.9 million). Major contributing factors in Poland include the completion of the retail parks in Lublin and Gdynia as well as the continuation of the Poleczki Business Park project (phase 2). Romania too made a steady contribution via revenues from the "Chitila logistics park" project.

Production output also fell in the Western Europe segment (2012: € 43.8 million; 2011: € 69.4 million). Sales in Germany resulted in a production output of € 32.8 million, driven mainly by home sales. France primarily generates revenues from hotel businesses, and here operations were steady, raising € 6.3 million, the same as the previous year. In the Netherlands we achieved a production output from hotel operations of € 3.7 million.
The "Austria" segment recorded a steady performance of € 13.5 million (previous year: € 13.1 million), which chiefly contains management services and revenue from renting.

KEY FINANCIAL INDICATORS

Results and earnings

The sales revenue of the fully consolidated companies reported in the consolidated income statement as of 30 June 2012 totalled € 56.5 million, which is € 6.1 million more than the corresponding figure in the previous year. The figure that is most relevant for UBM because it is more meaningful in terms of operations is annual construction output, which totalled € 89.2 million in comparison to the previous year, down by € 36.9 million.

Other operating income totalled € 6.1 million, most of which is derived from price gains. Material expenses and the cost of services used increased in proportion to the higher sales revenue to € 35.5 million, up by € 6.0 million.

As of 30 June 2012, personnel expenses totalled € –9.5 million.

The profit from associated companies totalled € 0.1 million in the first six months of 2012.

Income from other financial investments and current financial assets totalled € 6.6 million. Financing expenses amounted to € –9.7 million, which resulted in a roughly € 0.3 million drop in earnings before tax compared to the previous year.

Profit after tax came to € 4.4 million following the reduction in the tax charge, thereby improving by 69.2% on the previous year and resulting in a rise in the earnings per share to € 0.69.

Assets and financial position

Total assets of the UBM Group increased over the first six months of 2012 compared to 31 December 2011 by approximately 2.2% to € 606.1 million.

On the asset side of the statement of financial position there were significant changes in property, plant and equipment, financial real estate and inventories.
Property, plant and equipment increased to € 47.0 million. The rise in financial real estate by € 8.5 million to € 258.0 million is primarily attributable to investments in Polish retail parks and office projects in Germany. Inventories grew to € 119.9 million on account of investments in Polish, German and Austrian residential construction projects.

On the equity and liabilities side of the statement of financial position, the largest change is under "bonds" caused by the repayment of a bond classified under current liabilities. The rise in current financial liabilities should also be emphasised. This position increased thanks to investments in residential construction projects as well as in financial real estate, bringing current financial liabilities to € 70.8 million as of 30 June 2012.

Equity capital barely changed as of 30 June 2012 following a dividend payment of € 3.3 million for 2011, and totals € 145.3 million.

A capital adjustment of company funds pushed share capital up to € 18.0 million, with a corresponding drop in "Other reserves". Furthermore, a 2:1 share split was carried out which means the company now trades on the Vienna Stock Exchange with 6 million shares.

EVENTS AFTER 30 JUNE 2012

There were no significant events after the reporting date.

OUTLOOK FOR 2012 H2

The UBM Group has responded to the volatile economic climate in its strategy for 2012, and in this context is supported by its geographic and sectoral diversification. Salzburg remains the focal point of our activities in Austria, where this year we will complete an exclusive residential property with 31 apartments; we have already launched a follow-on project comprising roughly another 70 residential units. In Western Europe we are concentrating on our home market of Germany, where we are particularly busy in the residential markets of Munich, Frankfurt and Berlin. In terms of commercial real estate we are building a hotel in Munich and also have an office building in the pipeline in the city. In our new Western European markets (the Netherlands and France) we are planning several hotel projects. Poland will remain the focus of our activities in Central and Eastern Europe in 2012. We are still working on the Poleczki Business Park, and we have begun building an office property in Krakow. In the Czech Republic we want to erect an office building in Prague, and construction on a residential project began in July. All other countries in Eastern Europe are under observation.

Assuming that the overall economic conditions do not deviate significantly from the forecasts of economic analysts, we expect to generate revenues and profits in 2012 that reflect the lower economic growth across Europe.

KEY RISKS AND FACTORS OF UNCERTAINTY

More detailed information on existing risks and uncertainties can be found in the 2011 Annual Report (pps. 64-66).

DECLARATION OF THE MANAGING BOARD

We hereby declare to the best of our knowledge that these condensed interim consolidated financial statements compiled in accordance with applicable accounting standards provide a true and fair view of the financial and earnings position of the Group, as well the results of its operations. The half-yearly report of the Group presents a true and fair view of the Group's financial and earnings position and the results of operations during the first six months of the fiscal year, and their impacts on the condensed interim consolidated financial statements, whilst also outlining the significant risks and uncertainties in the remaining six months of the fiscal year.

Vienna, 28 August 2012
The Managing Board

Karl Bier
(Chairman)

Heribert Smolé

Martin Löcker

CONDENSED INTERIM CONSOLIDATED

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD 1 JANUARY 2012 TO 30 JUNE 2012

in T€	1-6/2012	1-6/2011
Sales revenues	56,543.4	50,449.1
Other operating income	6,132.5	10,644.2
Cost of materials and other services	–35,539.7	–29,516.5
Personnel expenses	–9,455.0	–8,914.7
Amortisation and depreciation on intangible assets and property, plant, equipment	–982.9	–565.6
Other operating expenses	–7,874.6	–7,854.0
EARNINGS BEFORE INTEREST AND TAXES (EBIT)	**8,823.7**	**14,242.5**
Profit/loss from associated companies	99.9	–5,039.3
Financial income	6,623.8	4,723.4
Financial expenditure	–9,713.8	–7,757.0
EARNINGS BEFORE TAX (EBT)	**5,833.6**	**6,169.6**
Taxes on income	–1,408.4	–3,609.9
PROFIT AFTER TAX	**4,425.2**	**2,559.7**
OF WHICH INTERESTS OF PARENT COMPANY SHAREHOLDERS	**4,165.6**	**2,584.7**
of which non-controlling interests	259.6	–25.0
EARNINGS PER SHARE (IN €)	**0.69**	**0.43** *

* for 6 million shares

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY 2012 TO 30 JUNE 2012

in T€	1-6/2012	1-6/2011
PROFIT AFTER TAX	**4,425.2**	**2,559.7**
Realised profit from hedging transactions	182.2	200.1
Income tax expense (receipts)	–17.5	0.0
Difference from currency translations	–253.9	129.1
OTHER COMPREHENSIVE INCOME	**–89.2**	**329.2**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**4,336.0**	**2,888.9**
of which interests of parent company shareholders	4,045.6	2,915.3
of which non-controlling interests	290.4	–26.4

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 JUNE 2012

ASSETS

in T€	30.06.2012	30.12.2011
NON-CURRENT ASSETS		
Intangible assets	2,693.2	2,697.4
Property, plant and equipment	47,043.3	36,924.7
Financial real estate	257,979.0	249,501.6
Shares in associated companies	20,134.7	20,052.9
Project financing	65,048.5	58,946.1
Other financial assets	17,273.4	17,290.9
Deferred tax assets	1,958.2	3,762.3
	412,130.3	**389,175.9**
CURRENT ASSETS		
Inventories	119,869.1	101,838.6
Trade receivables	16,531.3	22,483.8
Other receivables and assets	13,634.9	12,056.8
Liquid assets	43,953.4	67,033.6
	193,988.7	**203,412.8**
	606,119.0	**592,588.7**

EQUITY AND LIABILITIES

in T€	30.06.2012	30.12.2011
SHAREHOLDERS' EQUITY		
Share capital	18,000.0	5,450.5
Capital reserves	44,641.6	45,185.8
Foreign currency translation reserve	2,136.5	2,438.7
Other reserves	75,903.8	88,058.4
Profit after tax	4,165.6	3,312.0
INTERESTS OF PARENT COMPANY SHAREHOLDERS	**144,847.5**	**144,445.4**
Non-controlling interests	409.7	339.4
	145,257.2	**144,784.8**
LONG-TERM LIABILITIES		
Provisions	8,726.3	8,669.2
Bonds	174,559.2	163,445.1
Financial liabilities	124,634.7	121,544.7
Other financial commitments	13,246.1	13,385.2
Deferred tax liabilities	8,910.0	8,974.1
	330,076.3	**316,018.3**
CURRENT LIABILITIES		
Provisions	36.0	836.9
Bonds	–	28,294.2
Financial liabilities	70,810.5	41,841.5
Trade payables	34,512.4	37,788.1
Other financial commitments	18,160.6	13,457.8
Other liabilities	3,499.6	4,770.6
Tax liabilities	3,766.4	4,796.5
	130,785.5	**131,785.6**
	606,119.0	**592,588.7**

CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 1 JANUARY 2012 TO 30 JUNE 2012

in T€	1-6/2012	1-6/2011
CASH FLOW FROM OPERATING ACTIVITIES	**–9,086.4**	**–9,481.1**
CASH FLOW FROM INVESTMENT ACTIVITIES	**–25,163.3**	**–36,005.3**
CASH FLOW FROM FINANCING ACTIVITIES	**10,268.4**	**44,601.1**
CHANGE IN LIQUID ASSETS	**–23,981.3**	**–885.3**
Liquid assets as of 01.01.	67,033.6	46,711.1
Currency differences	291.7	–14.4
Change in liquid assets due to altered scope of consolidation	609.4	158.7
LIQUID ASSETS AS OF 30.06.	**43,953.4**	**45,970.1**

SEGMENT REPORTING

	Austria		Western Europe	
in T€	1-6/2012	1-6/2011	1-6/2012	1-6/2011
TOTAL OUTPUT				
- Project sales, development and construction	7,057.7	402.3	23,908.8	54,220.0
- Hotel operation	1,079.7	1,329.5	17,590.8	12,504.4
- Leasing and administration of real estate	5,336.8	5,325.9	2,344.1	2,422.3
- Facility management	0.0	6,001.6	0.0	0.0
- Land under development	0.0	0.0	0.0	269.7
TOTAL OUTPUT	**13,474.2**	**13,059.3**	**43,843.7**	**69,416.4**
EBT				
- Project sales, development and construction	797.4	9.7	511.6	7,620.2
- Hotel operation	–178.6	–176.9	–1,935.5	–1,052.1
- Leasing and administration of real estate	1,804.7	1,261.2	–277.1	306.8
- Facility management	0.0	113.8	0.0	0.0
- Land under development	0.0	0.0	–5.6	–11.6
- Administration	–2,193.8	–1,982.0	0.0	0.0
TOTAL EBT	**229.7**	**–774.2**	**–1,706.6**	**6,863.3**

CHANGES IN CONSOLIDATED EQUITY

in T€	Share capital	Capital reserve	Foreign currency translation reserve	Other reserves	Parent company sharehol-ders	Non-controlling interests	Total
AS OF 1.1.2011	**5,450.5**	**45,185.8**	**3,533.3**	**84,369.3**	**138,538.9**	**988.7**	**139,527.6**
Total comprehensive income for the period	–	–	130.5	2,784.8	2,915.3	–26.4	2,888.9
Dividend payments	–	–	–	–3,000.0	–3,000.0	–54.0	–3,054.0
AS OF 30.6.2011	**5,450.5**	**45,185.8**	**3,663.8**	**84,154.1**	**138,454.2**	**908.3**	**139,362.5**
AS OF 1.1.2012	**5,450.5**	**45,185.8**	**2,438.7**	**91,370.4**	**144,445.4**	**339.4**	**144,784.8**
Total comprehensive income for the period	–	–	–302.2	4,347.8	4,045.6	290.4	4,336.0
Dividend payments	–	–	–	–3,300.0	–3,300.0	–23.7	–3,323.7
Capital increase	12,549.5	–544.2	–	–12,005.3	–	–	–
Change in minority interests	–			–343.5	–343.5	–196.4	–539.9
AS OF 30.6.2012	**18,000.0**	**44,641.6**	**2,136.5**	**80,069.4**	**144,847.5**	**409.7**	**145,257.2**

Central and Eastern Europe		Reconciliation		Group	
1-6/2012	1-6/2011	1-6/2012	1-6/2011	1-6/2012	1-6/2011
12,289.0	27,476.3			43,255.5	82,098.6
12,903.0	10,639.3			31,573.5	24,473.2
4,683.8	3,525.7			12,364.7	11,273.9
2,040.5	1,921.2			2,040.5	7,922.8
1.5	76.1			1.5	345.8
31,917.8	**43,638.6**			**89,235.7**	**126,114.3**
8,152.6	2,607.9			9,461.6	10,237.8
–76.5	–1,523.6			–2,190.6	–2,752.6
–329.4	–233.2			1,198.2	1,334.8
329.2	177.4			329.2	291.2
–765.4	–947.8			–771.0	–959.4
0.0	0.0	0.0	0.0	–2,193.8	–1,982.0
7,310.5	**80.7**	**0.0**	**0.0**	**5,833.6**	**6,169.8**

UBM REALITÄTENENTWICKLUNG AG
NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
as of 30 June 2012

1. General information

The UBM Group is composed of UBM Realitätenentwicklung Aktiengesellschaft (UBM AG) and its subsidiaries. UBM AG is a public company pursuant to Austrian law and is headquartered at Floridsdorfer Hauptstrasse 1, 1210 Vienna. The company is registered at the Vienna Commercial Court under registration No. FN 100059 x. The core activities of the Group are the development, appraisal and administration of real estate. The reporting currency is the euro, which is also the functional currency for UBM AG and for the majority of subsidiaries included in the consolidated financial statements. The consolidated financial statements were not audited or subject to any review by an auditor.

2. Scope of consolidation

In addition to UBM AG, the consolidated financial statements include 8 domestic subsidiaries (as of 31 December 2011: 8) and 54 foreign subsidiaries (as of 31 December 2011: 52). Furthermore, 6 domestic (as of 31 December 2011: 6) and 26 foreign (as of 31 December 2012: 23) associates were valued using the equity method. The change in the scope of consolidated companies is attributable to the establishment of a project company in Krakow as well as the acquisition of a project company in the Czech Republic.

3. Accounting policies

The same accounting policies and methods applied in the consolidated financial statements as of 31 December 2011, as presented in the notes to the consolidated financial statements, were applied for the interim consolidated financial statements, with the exception of the following standards and interpretations applied for the first time:
Transfer of financial assets: Amendments to IFRS 7 – Financial Instruments: Disclosures:
Additional disclosures were prescribed for transferred financial assets that are still recognised on the balance sheet. This amendment must first be applied for annual periods beginning on or after 1 July 2011. This is not expected to have any significant impact on the consolidated financial statements.

The following standards and interpretations published by the time the interim consolidated financial statements were prepared were not yet mandatory or not yet adopted by EU law:

	Entry into force based on IASB
Amendment to IAS 1 Presentation of other comprehensive income:	1 July 2012
Amendment to IAS 12 Income Taxes – Recovery of underlying assets	1 January 2012
Amendment to IAS 19 Employee Benefits:	1 January 2013
Amendment to IAS 27 Separate Financial Statements:	1 January 2013
Amendment to IAS 28 – Investments in Associates and Joint Ventures:	1 January 2013
Amendment to IFRS 1 – First-time adoption of IFRS – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters:	1 July 2011
Amendment to IFRS 1 – First-time adoption of International Financial Reporting Standards – Government Loans:	1 January 2013
Amendment to IAS 32 Financial Instruments: Presentation and IFRS 7 Financial Instruments: Disclosures on Offsetting:	1 January 2014
Amendment to IFRS 7 Financial Instruments: Disclosures on Offsetting:	1 January 2013
IFRS 9 – Financial Instruments and Amendments to IFRS 9 and IFRS 7, Mandatory Effective Date and Transition Disclosures	1 January 2015
IFRS 10 – Consolidated Financial Statements:	1 January 2013
IFRS 11 – Joint Arrangements:	1 January 2013
IFRS 12 – Disclosure of interests in other entities:	1 January 2013
Amendment of transitional provisions contained in IFRS 10, 11 and 12:	1 January 2013
IFRS 13 – Fair value measurement:	1 January 2013
IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine:	1 January 2013
Improvements to IFRS (2009-2011):	1 January 2013

For the interim consolidated financial statements as of 30 June 2012 the same consolidation methods and currency translation principles were applied as for the consolidated financial statements for the year ended 31 December 2011.

4. Dividends

At the General Meeting of Shareholders held on 4 May 2012 it was decided to pay a dividend of € 1.10 per share, which with 3,000,000 shares totals € 3,300,000.00; the remainder of the profits totalling € 12,030.38 is to be carried forward. The dividend was paid on 9 May 2012.

5. Earnings per share

in T€	1-6/2012	1-6/2011
Share of parent company shareholders in profit after tax	4,165,572.40	2,584,731.67
Weighted average number of shares issued	6,000,000.00	6,000,000.00 *
BASIC EARNINGS PER SHARE = DILUTED EARNINGS PER SHARE IN €	**0.69**	**0.43**

6. Share capital

Share capital	No. in 2012	€ 2012	No. in 2011	€ 2011
Ordinary bearer shares	6,000,000.00	18,000,000.00	3,000,000.00	5,450,462.56

As of the registration in the Company Register on 31 May 2012 the Managing Board, in agreement with the Supervisory Board, raised share capital from shareholder funds by € 12,549,537.44, from € 5,450,462.56 to € 18,000,000.00, by reclassifying the given portion of the unallocated capital reserve recognised in the annual report for the year ended 31 December 2011 amounting to € 544,201.68 and the profit reserve of € 12,005,335.76, without issuing new shares.

* Following the capital increase the share capital is divided into 6,000,000 ordinary shares, whereby the amount of share capital attributed to any single bearer share is approximately € 3.00.

7. Bonds

The remaining repayment of an issued bond totalling T€ 28,400 was made with a value date of 11 June 2012.

8. Business connections with related companies and individuals

Transactions between companies in the Group and its associates principally comprise the extension of loans for the acquisition of financial real estate as well as related interest settlements.

Services to/from related companies or individuals

In addition to the associates, UBM AG also has related companies and individuals as per IAS 24 in the form of Allgemeine Baugesellschaft – A. Porr AG, its subsidiaries, and CA Immo International Beteiligungsverwaltungs GmbH, since they have significant holdings in UBM AG. The transactions in the fiscal year between companies of the UBM Group included in the consolidated financial statements and companies of the Porr Group are largely connected to construction services.

9. Contingent liabilities

Most contingent liabilities are related to credit guarantees and the undertaking of guarantees for associates. In 2012 H1 there were no major changes in comparison to the reporting date of 31 December 2011.

Vienna, 28 August 2012
The Managing Board

Karl Bier
(Chairman)

Heribert Smolé

Martin Löcker

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